

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
RAJYA SABHA
STARRED QUESTION NO *178
ANSWERED ON – 19.12.2023

REDUCTION OF GST ON KENDU LEAVES

***178 Dr. SASMIT PATRA:**

Will the Minister of Finance be pleased to state:

- (a) the stand of the Union Government on the reduction of GST on Kendu leaves, notwithstanding the stand of the States in the GST Council;
- (b) the reasons for the same; and
- (c) the demands, if any, by States in the GST Council to reduce the GST on Kendu leaves?

ANSWER

MINISTER OF FINANCE
SHRIMATI NIRMALA SITHARAMAN

(a) to (c): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO THE RAJYA SABHA STARRED QUESTION NO. 178 RAISED BY DR. SASMIT PATRA FOR 19TH DECEMBER, 2023, ON REDUCTION OF GST ON KENDU LEAVES:

(a) and (b): GST rates/exemptions are prescribed on the recommendation of the GST Council, which is a constitutional body comprising of representatives from States/UTs and Centre. The issue of GST rate reduction on tendu/kendu leaves was discussed in the 14th meeting of the Council held on 18.05.2017-19.05.2017, 15th meeting held on 03.06.2017, 37th meeting held on 20.09.2019, and in the 49th Meeting of the GST Council held on 18.02.2023 and the GST Council, after detailed discussions, recommended to maintain the rate at 18%.

(c): In the recent past, the issue of withdrawal/ reduction of GST rate on kendu leaves was discussed in the 49th Meeting of the GST Council held on 18.02.2023. In the said meeting, the states of Telangana and Odisha supported the reduction/withdrawal of GST rate on Kendu leaves. However, the Council, after detailed deliberations, recommended not to change the GST rate on Tendu leaves.
