

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA
UNSTARRED QUESTION NO. 4008**

**TO BE ANSWERED ON MONDAY, AUGUST 18, 2025/ SRAVANA 27,
1947(SAKA)**

TAXATION OF SUGARY DRINKS, ALCOHOL AND TOBACCO

**4008. COM. SELVARAJ V:
SHRI SUBBARAYAN K:**

Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that the World Health Organisation (WHO) has demanded the countries to raise the prices of sugary drinks, alcohol and tobacco by 50 percent over the next ten years through taxation to tackle chronic public health problems; and**
- (b) if so, the details thereof and the Government's reaction thereto?**

**ANSWER
MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)**

(a) & (b) As per '3 by 35 Initiative' launched by World Health Organization (WHO) in July 2025, countries have been urged to increase taxes on sugary drinks, alcohol, and tobacco by 50 % over the next 10 years to reduce consumption and to prevent related non-communicable diseases. GST rates are prescribed on the basis of the recommendations of GST Council which comprises of members from Union Government and state/UT governments. Alcohol for human consumption is under the purview of State governments.

Currently, aerated drinks containing added sugar attract the highest rate of 28% along-with Compensation Cess of 12%. Tobacco products attract 28% GST along-with varying Compensation Cess rates ranging upto 290%. In addition, tobacco products also attract central duty over and above GST and Compensation Cess.
