

**GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF REVENUE  
LOK SABHA  
UNSTARRED QUESTION NO. 2327**

**TO BE ANSWERED ON MONDAY, DECEMBER 15, 2025/AGRAHAYANA  
24, 1947 (SAKA)**

**GST 2.0 STRUCTURE AND ECONOMIC IMPACT**

**2327. SMT. MAHIMA KUMARI MEWAR:**

**SHRI PRAVEEN PATEL:**

**SMT. VIJAYLAKSHMI DEVI:**

**SHRI DULU MAHATO:**

**SHRI VISHWESHWAR HEGDE KAGERI:**

**SMT. HIMADRI SINGH:**

**SHRI BIDYUT BARAN MAHATO:**

**DR. BHOLA SINGH:**

**SMT. KAMLESH JANGDE:**

**SHRI VIJAY BAGHEL:**

**SHRI P P CHAUDHARY:**

**DR. HEMANG JOSHI:**

**SHRI PRADEEP KUMAR SINGH:**

**SHRI DAMODAR AGRAWAL:**

**SHRI DILIP SAIKIA:**

**SHRI MUKESHKUMAR CHANDRAKAANT DALAL:**

**DR. HEMANT VISHNU SAVARA:**

**SHRI P C MOHAN:**

**SHRI S VENKATESAN:**

**SHRI RAMESH AWASTHI:**

**SHRI YOGENDER CHANDOLIA:**

**SHRI VISHNU DAYAL RAM:**

**SHRI VIJAY KUMAR DUBEY:**

**SHRI DINESHBHAI MAKWANA:**

**SHRI LUMBARAM CHOUDHARY:**

**SHRI ANUP SANJAY DHOTRE:**

**SHRI ANIL FIROJIYA:**

**SMT. ANITA NAGARSINGH CHOUHAN:**

**SHRI ANURAG SINGH THAKUR:**  
**SMT. SHOBHANABEN MAHENDRASINH BARAIYA:**  
**SHRI SHANKAR LALWANI:**  
**SHRI DHARAMBIR SINGH:**  
**SHRI KRISHNA PRASAD TENNETI:**  
**SHRI MANOJ TIWARI:**  
**SHRI SATISH KUMAR GAUTAM:**  
**SHRI KHAGEN MURMU:**  
**SHRI MAHESH KASHYAP:**

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Government has undertaken an official assessment of the manner in which GST 2.0 proposes to support India's economic growth;**
- (b) the details of the expected contribution to Gross Domestic Product (GDP) growth and formalisation from simplified tax structure and increased tax compliance;**
- (c) the details of the projected improvements in household consumption and trade competitiveness across the sectors particularly e-commerce, essential health services and basic economy due to reduction in tax burden;**
- (d) the details of the measures taken to strengthen country's position as global manufacturing and investment destination under the enhanced ease of doing business through GST 2.0 under Viksit Bharat 2047 vision;**
- (e) whether the Government maintains the record of GST collection across the country during the last five years particularly in Pali Parliamentary Constituency, district/month-wise, if so, the details thereof;**
- (f) whether there has been an increase in GST Collection since the GST 2.0 reforms, if so, the details thereof, particularly in Pali Parliamentary Constituency;**
- (g) whether business-related data, taxpayer onboarding and MSME compliance trends for Bhiwani and Mahendragarh districts will be separately tracked and supported under GST 2.0, considering the constituency's growing industrial clusters and logistics connectivity needs;**
- (h) whether GST 2.0 is expected to ease ITC flow for small business, exporters; and**
- (i) whether the Government has undertaken consultation with States, industry bodies and economists to ensure smooth transition of GST 2.0?**

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

**(a), (b) and (c) GST 2.0 has simplified and rationalised the rate structure. The reduction in tax burden on essential goods, services and emerging sectors is expected to lower the cost of living, improve affordability, and stimulate household consumption demand. Lowering of GST rates on basic consumer items and certain specified services is expected to enhance trade competitiveness and support domestic industry. At the same time, a simplified two-rate structure is expected to reduce transaction costs, ease compliance burden, and encourage small businesses to enter the formal sector, thereby supporting greater formalisation, and widening the tax base. These measures collectively are likely to boost GDP growth by stimulating consumption, encouraging investment, and promoting job creation.**

**Recent trends in high-frequency indicators such as higher e-way bill generation, improved Purchasing Managers' Index (PMI) readings for manufacturing and services, record festive-season automobile sales, robust UPI transactions, and increased tractor sales, indicate strengthening economic momentum in September-October 2025 following the GST reforms.**

**(d) Aligned with the Viksit Bharat 2047 vision, GST 2.0 also strengthens India's position as a global manufacturing and investment destination. Through rate reductions across key sectors, the GST 2.0 reform is expected to provide a strong stimulus to domestic industry and investment. Lower GST on cement and construction materials is expected to reduce project costs and accelerate the construction of real estate and infrastructure. The GST reduction from 28% to 18% on small cars, two-wheelers and auto-parts is expected to boost demand and strengthen India's automotive manufacturing base. The GST exemption on specified life-saving drugs, individual health insurance, individual life insurance, including reinsurance and concessional 5% rate on medical devices is likely to improve healthcare access. Similarly, reduction of GST on manmade fibres and yarns, carpets, intermediate leather products etc is expected to support labour-intensive MSMEs and expand export potential, thereby collectively reinforcing India's growth and investment momentum under the reformed GST regime.**

**(e) The Government does not maintain record of GST Collection constituency wise or district/month wise.**

**The details of gross GST collection during the last five years in the country is as given below:**

<b>Year</b>	<b>Gross Revenue (in Rs. Cr.)</b>
<b>2020-21</b>	<b>11,36,805</b>
<b>2021-22</b>	<b>14,83,291</b>
<b>2022-23</b>	<b>18,07,680</b>
<b>2023-24</b>	<b>20,18,249</b>
<b>2024-25</b>	<b>22,08,859</b>
<b>2025-26 (Till Nov. 2025)</b>	<b>14,75,488</b>

**(f) Gross Goods and Services Tax (GST) revenue collected for November 2025 was ₹1,70,276 crores, registering a 0.7% increase compared to ₹1,69,016 crores for the same month last year. GST revenue collection data is not maintained constituency wise.**

**(g) GST 2.0 envisages strengthening digital compliance, expanding the taxpayer base, and improving ease of onboarding. District wise data is not maintained.**

**(h) As per present provisions of the GST Act, there is no provision for grant of provisional refund in case of refund claims arising out of inverted duty structure. In order to provide relief to such taxpayers, the GST Council, in its 56th meeting, recommended amending the provisions of Central and State GST Acts to provide for provisional refund of 90% of the claimed amount in case of refunds arising out of inverted duty structure, on similar lines as is provided for zero rated supply refund claims.**

**Further, pending requisite amendments in Central and State GST Acts, instructions have been issued by the Central Board of Indirect Taxes and Customs (CBIC) to its field formations w.e.f. 1st October 2025, for grant of provisional refund equivalent to 90% of amount claimed as refund arising out of Inverted Duty Structure on the basis of identification and evaluation of risk by the system. This step will ensure that the working capital of businesses involved in supply of goods having inversion in rate of inputs vis-à-vis output supplies, is not blocked.**

**(i) Yes, the Government has held meetings with industry bodies following the 56<sup>th</sup> GST Council meeting.**

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