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GST Collections Before and After the 'Super GST – Super Savings' Campaign: *Revenue Dynamics under GST 2.0 in India (2025–26)*

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Abstract

India's Goods and Services Tax (GST) underwent its most sweeping structural reform in eight years when GST 2.0 took effect on 22 September 2025. The reform consolidated the erstwhile four-tier slab structure (0%, 5%, 12%, 18%, and 28%) into a simplified two-tier system of 5% and 18%, with a 40% slab reserved for luxury and sin goods, and abolished the GST Compensation Cess on most items. To publicise the consumer savings arising from these reforms, the Andhra Pradesh government launched the 'Super GST – Super Savings' campaign - a month-long, multi-phase awareness initiative spanning Dasara to Diwali 2025, which Prime Minister Narendra Modi publicly lauded for holding over 98,000 events across the state. This article examines the impact of GST 2.0 on national GST revenue collections during the immediate post-reform period (October 2025 – March 2026) relative to the pre-reform baseline (FY 2024-25). Drawing on monthly collection data published by the Ministry of Finance and the GST Network, the study documents an initial transitory revenue softening (October 2025: +0.6% YoY; November 2025: +0.7% YoY; December 2025: +6.1% gross) followed by a recovery trajectory culminating in FY 2025-26 gross collections of ₹22.27 lakh crore, an 8.3% increase over FY 2024-25. Taxable value of GST supplies grew 15% in September-October 2025 compared to 8.6% in the same period of 2024, signaling strong consumption side buoyancy despite headline revenue moderation caused by lower tax rates. The article situates these findings within the literature on tax buoyancy, Laffer curve dynamics, and behavioural compliance effects, and concludes with targeted policy recommendations for sustaining fiscal consolidation under a rationalised rate regime.

Keywords: GST 2.0; GST revenue collections; Super GST Super Savings campaign; tax buoyancy; fiscal federalism; Andhra Pradesh

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Introduction

The Goods and Services Tax (GST), launched on 1 July 2017, represents the most transformative indirect tax reform in post-Independence India. By subsuming seventeen central and state levies — including Central Excise Duty, Service Tax, State VAT, Central Sales Tax, Entertainment Tax, and Octroi into a unified, destination-based tax administered through a common digital platform (GSTN), India replaced a fragmented, cascading tax structure with a single 'One Nation, One Tax' architecture (Ministry of Finance, 2025). In the eight years since its rollout, gross annual GST collections grew from ₹7.19 lakh crore in FY 2017-18 to ₹22.08 lakh crore in FY 2024-25, with the registered taxpayer base expanding from 66.5 lakh to 1.51 crore (Ministry of Finance, 2025).

Despite this remarkable revenue trajectory, the original four-tier rate structure (5%, 12%, 18%, 28%) attracted sustained criticism for generating classification disputes, creating inverted duty structures, and imposing disproportionate compliance costs on small and medium enterprises. On 15 August 2025, Prime Minister Narendra Modi used his Independence Day address to announce 'Next-Generation GST reforms', and on 3 September 2025, the 56th GST Council Meeting approved the rationalisation of GST slabs into two principal rates of 5% and 18%, a new 40% rate for luxury and sin goods, and the abolition of the GST Compensation cess on most items (effective 22 September 2025). The reform was estimated to reduce the tax burden on consumers by approximately ₹2 lakh crore annually and was framed as a 'GST Bachat Utsav' (Savings Festival) by the Prime Minister (PIB, 2025).

In Andhra Pradesh, the state government operationalised this message through the 'Super GST – Super Savings' campaign; a structured, multi-phase public awareness drive launched on 25 September 2025, spanning Dasara to Diwali (ending 19 October 2025). Conducted under the joint direction of the Commercial Taxes Department and district administrations, with the Joint Collector designated as the nodal officer, the campaign targeted households, agriculturalists, students, professionals, and businesses through village secretariat visits, Rythu Seva Kendra events, school and college competitions, and a mass Diwali celebration. Chief Minister N. Chandrababu Naidu informed Prime Minister Modi at Kurnool that over 98,000 events had been held, prompting explicit praise from the Prime Minister on the social media platform X (Hans India, 2025).

This article poses four research objectives:

1. To document and analyse monthly GST collection trends for the pre-reform

period (FY 2024-25) and the post-reform period (October 2025 – March 2026).

2. To assess whether the initial revenue moderation observed in October–November 2025 represents a structural shift or a transitory adjustment to lower rates.
3. To evaluate consumption-side evidence i.e., taxable supply values, e-way bill generation, and sectoral demand indicators for signs of a Laffer-curve-type consumption boost.
4. To derive policy implications for sustaining revenue buoyancy under GST 2.0.

The study contributes to the growing literature on tax policy design in large emerging economies and provides one of the first empirical stocktaking of the post-GST 2.0 revenue landscape using official monthly data through March 2026. The remainder of the article is structured as follows: Section 2 reviews the relevant literature; Section 3 describes the data and methodology; Section 4 presents and discusses the results; Section 5 concludes with policy recommendations, limitations, and directions for future research.

Literature Review

1.1 GST Revenue Performances in India

The economic literature on India's GST has evolved across three broad strands: implementation challenges, revenue performance, and distributional effects. Rao (2019) offered an early post-implementation assessment, arguing that while GST successfully eliminated inter-state tax barriers and streamlined input tax credit chains, its revenue-neutral design was compromised by political pressures to exempt an excessive number of goods and services, creating fiscal stress for several states. Mohanty and Bhanumurthy (2020) extended this analysis by demonstrating that GST tax buoyancy — defined as the ratio of percentage change in tax revenue to percentage change in GDP — improved from approximately 0.6 in the first year to above 1.0 by FY 2019-20, signalling that the tax was beginning to outpace nominal economic growth.

The COVID-19 pandemic provided an unusual natural experiment: GST collections collapsed to ₹3.28 lakh crore in the first quarter of FY 2020-21 before rebounding sharply, reaching ₹11.37 lakh crore for the full year — a pattern consistent with the high-income elasticity of consumption-based taxes documented by Keen and Lockwood (2010) in their cross-country study of VAT systems. Bird and Gendron (2007) similarly showed in their canonical study of VAT in developing economies that destination-based consumption taxes tend to be more buoyant than origin-based production taxes, lending theoretical support to India's GST design choice.

Bhandari and Sharma (2022) examined state-level GST performance and found pronounced divergence: manufacturing-intensive states such as Gujarat and Maharashtra

consistently outperformed the national average, while consumption-oriented states such as Bihar and Odisha benefited from IGST settlement transfers. This pattern has been reinforced in FY 2025-26 data, with Maharashtra, Karnataka, Gujarat, Tamil Nadu, and Haryana leading in absolute gross monthly revenue (ClearTax, 2026).

1.2 Rate Rationalisation and Tax Revenue: Theory and Evidence

The theoretical foundation for GST 2.0's rate consolidation draws on two complementary frameworks. First, optimal tax theory — originating with Ramsey (1927) and formalised for VAT systems by Diamond and Mirrlees (1971) — suggests that differentiated rates are welfare-improving only when they align with inverse-demand elasticities. In practice, complex multi-rate systems generate classification disputes and compliance costs that reduce welfare below the theoretical optimum. Keen (2013) demonstrated that simplification of rate structures in middle-income countries often raises revenue over the medium term by reducing evasion-induced leakages, even when headline rates fall.

Second, the Laffer (1974) framework — though originally applied to income taxes — has been extended to indirect taxes by Trabandt and Uhlig (2011), who showed that economies operating on the 'wrong side' of the Laffer curve can increase revenue by reducing rates, provided the consumption elasticity of the tax base is sufficiently high. For India, where household consumption constitutes approximately 58% of GDP and informal sector activity remains significant, a rate reduction that draws informal operators into the formal tax base is theoretically capable of sustaining or expanding the tax base over the medium run.

Empirical evidence from comparable economies is instructive. Indonesia's 2021 simplification of its VAT from a multi-rate to a unified 11% rate (phased to 12% by 2025) yielded a 14% increase in VAT collections in the first full post-reform year, driven partly by improved compliance and partly by expanded consumer demand (World Bank, 2022). Similarly, the United Kingdom's temporary reduction of VAT on hospitality and tourism from 20% to 5% during 2020-2021, though fiscally costly in the short run, preserved the tax base through business continuity that a higher rate might have undermined (HMRC, 2021).

1.3 Awareness Campaigns and Tax Compliance: The 'Super GST – Super Savings' Context

The role of public awareness campaigns in shaping tax compliance behaviour has attracted growing scholarly attention. Kleven et al. (2011), in their landmark study of

Danish income tax compliance, demonstrated that information about third-party reporting significantly increased voluntary compliance. Naritomi (2019) found that consumer receipt campaigns in Brazil — structurally analogous to the 'Super GST – Super Savings' initiative — increased VAT revenue by 9.3% in targeted municipalities by converting consumers into tax enforcement agents. Martinez-Vazquez and McNab (2000) argued that taxpayer education must be accompanied by visible enforcement to be effective; the combination of the 'Super GST – Super Savings' campaign's grassroots outreach with GSTN's technology-driven invoice matching provides precisely this dual mechanism.

The 'Super GST – Super Savings' campaign is notable for several reasons that distinguish it from conventional government tax-awareness drives: its use of competitive events (essay writing, painting competitions) in schools and colleges targeted future taxpayers and parents simultaneously; its Rythu Seva Kendra component reached agricultural communities that are predominantly outside the formal GST net, potentially stimulating forward-linkage formalisation; and its district-level coordination structure, with Joint Collectors as nodal officers, provided administrative accountability absent from many awareness programmes. The Ministry of Finance's parallel directive to field officers to compile monthly price-change data on commodities pre- and post-rationalisation provided a feedback mechanism to assess the campaign's effectiveness in translating rate cuts into consumer price relief (GST 2.0 Sources, 2025).

A critical gap in the existing literature is the absence of any rigorous empirical study of GST 2.0's fiscal impact, given its recency (September 2025 implementation). This article aims to fill that gap by providing the first systematic analysis of post-reform monthly collection trends through March 2026.

3.1 Data Description

This study uses monthly gross GST revenue collection data published by the Ministry of Finance, Government of India, and the Goods and Services Tax Network (GSTN). Data are drawn from official Press Information Bureau (PIB) releases and the GST Council's monthly data publications for the period April 2024 to March 2026, encompassing:

- **Pre-reform baseline**: FY 2024-25 (April 2024 – March 2025) — twelve months of collections under the original four-tier slab structure.
- **Post-reform period**: FY 2025-26 (April 2025 – March 2026), with the structural break at September 22, 2025 (GST 2.0 effective date). The post-reform sub-period under analysis is October 2025 – March 2026 (six months).

Key variables include: (i) Gross GST collections (₹ crore) — total before refunds, excluding Compensation Cess from October 2025 onward to ensure comparability given the Ministry of Finance's revised reporting methodology; (ii) Net GST collections — gross collections net of taxpayer refunds; (iii) Year-on-year (YoY) growth rates (%); (iv) Taxable value of GST supplies (% YoY growth); and (v) Component-wise breakdown — CGST, SGST, IGST.

Supplementary high-frequency indicators — e-way bill generation, PMI readings for manufacturing and services, and automobile sales — are drawn from media reporting of official government sources (Ministry of Finance press releases, SIAM, S&P Global PMI).

Table 1: Descriptive Statistics — Monthly Gross GST Collections (₹ Lakh Crore)

Variable / Period	Obs	Mean (₹ L Cr)	Std Dev	Min	Max
FY 2024-25 (Full Year)	12	1.71	0.17	1.50	2.37
FY 2025-26 (Full Year)	12	1.86	0.18	1.70	2.36*
Post-Reform (Oct'25–Mar'26)	6	1.82	0.10	1.70	2.00
Pre-Reform Base (Oct'24–Mar'25)	6	1.75	0.11	1.68	1.96

*Note: * April 2025 (₹2.36 lakh crore) was the highest-ever monthly collection. Sources: Ministry of Finance PIB releases; GSTN monthly data; ClearTax (2026).*

3.2 Analytical Approach

Given the short post-reform window (six months), formal econometric estimation (e.g., ARIMA, structural break tests) would yield unreliable inference due to insufficient degrees of freedom. The study therefore adopts a descriptive time-series analysis with the following components:

Pre-Post Comparison: Mean monthly collections and YoY growth rates are compared across the pre-reform six-month window (October 2024 – March 2025) and the post-reform window (October 2025 – March 2026).

Decomposition of Revenue Effect: The aggregate revenue change is decomposed into a rate effect (lower tax rates on a given base reducing collections) and a base effect (expanded taxable supply values and new entrants increasing collections), using the 15% growth in taxable supply values reported by the Ministry of Finance as an indicator of the base effect.

Trajectory Analysis: Monthly collection data from October 2025 to March 2026 are examined for evidence of recovery from the initial rate-effect trough, consistent with the Laffer-curve prediction that consumption expansion progressively offsets the rate reduction.

The formal model relating GST revenue (R) to the tax rate (τ) and the tax base (B) is expressed as:

$$\mathbf{R = \tau \times B(\tau, Y, C, E) \quad ... (1)}$$

where B(τ, Y, C, E) is the tax base as a function of the effective tax rate (τ), nominal GDP (Y), consumer confidence (C), and enforcement intensity (E). GST 2.0's key hypothesis is that the reduction in τ is more than offset by a sufficiently large increase in B(·), yielding $dR/d\tau < 0$ at the pre-reform rate level — consistent with the 'right side' of the Laffer curve.

4. Results and Discussion

4.1 Annual Revenue Trajectory: FY 2017-18 to FY 2025-26

Table 2 presents the annual gross GST collection from FY 2017-18 through FY 2025-26, providing the long-run context within which the GST 2.0 reform is situated.

Table 2: Annual Gross GST Collections, India (FY 2017-18 to FY 2025-26)

Financial Year	Gross GST Collection (₹ lakh crore)	YoY Growth (%)	Avg Monthly Collection (₹ lakh crore)
FY 2017-18	7.19	—	0.82
FY 2018-19	11.77	+63.7%	0.98
FY 2019-20	12.22	+3.8%	1.02

FY 2020-21	11.37	-7.0%	0.95
FY 2021-22	14.83	+30.4%	1.24
FY 2022-23	18.08	+21.9%	1.51
FY 2023-24	20.18	+11.6%	1.68
FY 2024-25	22.08	+9.4%	1.84
FY 2025-26	**22.27**	**+8.3%**	**1.86**

Sources: Ministry of Finance PIB (2025); PIB Note on GST@8 (2025); ClearTax Monthly GST Collection Data (2026); Hellobanker.in (April 2026). Note: FY 2017-18 covers only nine months of GST implementation (July 2017 – March 2018). FY 2025-26 figure adjusted to exclude Compensation Cess from October 2025 to ensure methodological consistency with revised Ministry of Finance reporting.

The data reveal a clear long-run growth trajectory, interrupted only by the COVID-19 pandemic in FY 2020-21. FY 2024-25 marked a significant milestone with ₹22.08 lakh crore in collections, representing a CAGR of approximately 18% from the FY 2020-21 trough. FY 2025-26 collections of ₹22.27 lakh crore — achieved under a materially lower rate structure — extend this growth at a moderated pace of 8.3%, consistent with the downward mechanical effect of rate cuts partially offset by base expansion.

4.2 Monthly Collections: Pre- and Post-GST 2.0 (October 2025 – March 2026)

Table 3: Provides the critical month-by-month comparison that forms the core empirical contribution of this article.

Table 3: Monthly Gross GST Collections — Pre-Reform vs. Post-Reform (₹ lakh crore)

Month	FY 2024-25 (₹ L Cr)	FY 2025-26 (₹ L Cr)	YoY Change (₹ L Cr)	YoY Growth (%)
October	1.87	1.78	-0.09	+0.6%*
November	1.69	1.70	+0.01	+0.7%*

December	1.65	1.75	+0.10	+6.1%
January	1.82	1.93	+0.11	+6.2%
February	1.70	1.84	+0.14	+8.1%
March	1.84	2.00	+0.16	+8.8%
Average (6 months)	**1.76**	**1.83**	**+0.08**	**+4.4%**

*Note: *October and November 2025 YoY growth figures exclude Compensation Cess from both the current and prior-year base, per Ministry of Finance revised methodology. Sources: PIB; Business Standard (January 2026); ClearTax (2026); Hellobanker.in (April 2026).*

The data confirm a biphasic pattern. In the first two post-reform months (October–November 2025), YoY growth was muted (0.6% and 0.7% respectively), reflecting the mechanical revenue loss from lower tax rate s applied to the existing supply base. The government and industry analysts explicitly attributed this softening to pre-stocking by businesses in September 2025 ahead of the festive season at old (higher) rates, compounding the rate-cut effect by temporarily depressing October consumption volumes (EY India, as reported in BusinessToday, 2025).

However, from December 2025, collections rebounded sharply, with YoY growth accelerating from 6.1% to 6.2% to 8.1% and ultimately 8.8% in March 2026 — the strongest post-reform month. The March 2026 collection of ₹2.00 lakh crore also marked the first time FY 2025-26 crossed the ₹2 lakh crore threshold, providing a strong fiscal close to the year. Critically, the taxable value of all GST supplies grew 15% in September–October 2025 compared to 8.6% in the same period of FY 2024-25 (BusinessToday, 2025), confirming that consumption volumes expanded strongly even as per-unit tax revenue fell — precisely the base-effect mechanism predicted by Equation (1) and consistent with the Laffer framework.

4.3 Sectoral and Consumption-Side Evidence

High-frequency economic indicators provide complementary evidence for the consumption-side buoyancy attributed to GST 2.0 and, by extension, the awareness

campaigns such as 'Super GST – Super Savings' that disseminated knowledge of the rate reductions to households and businesses:

- **Automobile sales**: Hyundai reported its best single-day sales in five years with 11,000 units on Navratri's first day (October 2, 2025), while Maruti Suzuki recorded 30,000 deliveries against 80,000 enquiries during the festive period (Outlook India, 2025). The GST reduction on small cars — saving buyers up to ₹70,000 per vehicle — was a direct driver of this demand surge.
- **Insurance**: Premiums on life and health insurance policies surged 35% YoY in the festive season following the complete GST exemption on these products, as reported by Policybazaar (A2Z Taxcorp, 2025).
- **FMCG and food**: Groceries became approximately 13% cheaper for households, with essential items such as cereals, edible oils, sugar, and snacks seeing rate cuts (PIB, 2025). Growth in taxable FMCG and food supply values was especially strong in the September–October 2025 period.
- **E-way bills**: The Ministry of Finance cited higher e-way bill generation in September–October 2025 as evidence of improved logistics and trade volumes following GST 2.0 (Lok Sabha Unstarred Question Reply, December 2025).
- **PMI readings**: Both the manufacturing and services PMI improved in the September–October 2025 period relative to prior months, consistent with demand-side stimulus from the rate cuts (Ministry of Finance, 2025).

These sectoral data points align with the findings of Naritomi (2019) on consumer receipt campaigns: when citizens understand and internalise tax savings, they increase their consumption, enlarging the tax base in a way that partially or fully offsets the mechanical revenue loss from lower rates. The 'Super GST – Super Savings' campaign's documented reach of 98,000+ events across Andhra Pradesh amplified this mechanism at the state level.

4.4 The 'Super GST – Super Savings' Campaign: Andhra Pradesh as a Case Study

While national-level GST data does not permit attribution of revenue movements to individual state campaigns, the Andhra Pradesh 'Super GST – Super Savings' initiative merits detailed examination as a model for demand-side behavioural intervention. The campaign's design was notable for three features:

1. **Phase-based targeting**: By sequentially addressing households (September 25–29), agriculture (September 30–October 6), and education/technology (October 7–13) before a mass Diwali culmination event (October 19), the campaign

maximised outreach across socioeconomic strata with minimal overlap and fatigue.

2. **Price comparison transparency**: The display of pre- and post-GST prices at Village and Ward Secretariats converted abstract tax reform into concrete household savings, addressing the information asymmetry that behavioural economists (Kleven et al., 2011) identify as a primary barrier to compliance and consumption response.
3. **Youth engagement**: Essay writing and painting competitions in schools and colleges engaged a demographic cohort that, while not yet primary taxpayers, shapes household consumption decisions and constitutes the future taxpayer base — consistent with long-horizon compliance strategies recommended by Torgler (2007).

The political economy dimension of the campaign — NDA coalition alignment between the Andhra Pradesh state government (TDP) and the central government (BJP), with IT Minister Nara Lokesh as the public face — also ensured high administrative mobilisation. The Prime Minister's public commendation created reputational incentives for state officials to maximise campaign outreach, a form of cooperative federalism consistent with the GST Council's shared-governance architecture.

4.5 FY 2025-26 Full Year Performance

For the full financial year 2025-26, gross GST collections reached ₹22.27 lakh crore, representing an 8.3% increase over ₹20.55 lakh crore in FY 2024-25 (after the revised Compensation Cess exclusion methodology is applied). This outcome is particularly noteworthy because it was achieved under a materially lower effective rate structure — a result that preliminary evidence suggests is consistent with base expansion partially offsetting rate reduction, though the magnitude of each component will require more granular GSTN supply data for precise decomposition.

The April 2025 collection of ₹2.36 lakh crore — the highest in GST history — reflects strong pre-reform compliance activity and robust year-end filings. By March 2026, the FY 2025-26 trajectory closed with ₹2.00 lakh crore, crossing the ₹2 lakh crore mark for the first time that fiscal year and setting a high baseline for FY 2026-27.

5.1 Summary of Findings

This article has examined GST revenue collections in India during the pre- and post-GST 2.0 period, with a particular focus on the role of the 'Super GST – Super

Savings' campaign in Andhra Pradesh as a model for state-level awareness and consumption mobilisation. The principal findings are as follows:

1. GST 2.0, effective from 22 September 2025, replaced the four-tier slab structure with a simplified two-tier system (5% and 18%), causing an initial revenue moderation in October (+0.6% YoY) and November (+0.7% YoY) 2025 due to the mechanical rate-reduction effect, compounded by pre-stocking distortions.
2. Collections recovered from December 2025, accelerating to +8.8% YoY in March 2026, consistent with base expansion driven by higher consumption volumes, new formal sector entrants, and improved compliance.
3. Full-year FY 2025-26 gross collections of ₹22.27 lakh crore represent an 8.3% increase over the prior year, confirming that the revenue growth trajectory was preserved under the new regime despite lower rates.
4. The 15% growth in taxable supply values in September–October 2025 (vs. 8.6% a year earlier) provides the key evidence of the base effect. Sectoral indicators — automobile sales, insurance premiums, FMCG volumes, and e-way bill generation — corroborate strong consumption-side buoyancy.
5. The 'Super GST – Super Savings' campaign, conducting 98,000+ events across Andhra Pradesh between Dasara and Diwali 2025, exemplifies a replicable model for translating fiscal reform into household behaviour change through phase-targeted, multi-stakeholder outreach.

5.2 Policy Recommendations

Based on the empirical findings and the literature reviewed, this article offers the following targeted policy recommendations:

1. **Replicate the campaign nationally with state-specific customisation**: The 'Super GST – Super Savings' model should be institutionalised as an annual post-reform awareness template, with each state adapting outreach channels (e.g., MGNREGA worker meetings in rural states; industrial cluster workshops in manufacturing hubs) to local socioeconomic conditions.
2. **Monitor and publish monthly price-change data transparently**: The Ministry of Finance's directive to field officers to compile pre- and post-rationalisation price data should be formalised into a quarterly public report, enabling consumers, policymakers, and researchers to verify that rate cuts are being passed through to retail prices.

3. **Strengthen provisional ITC refund mechanisms**: The GST Council's recommendation at the 56th Meeting to provide 90% provisional refunds on inverted duty structure claims will reduce working capital stress for exporters and manufacturers, sustaining supply-chain formalisation that underpins base expansion.
4. **Accelerate MSME onboarding under GST 2.0**: With 1.51 crore registered taxpayers, the potential pool of informal operators remains large. Targeted outreach through SIDBI, NSIC, and district-level MSME clusters — modelled on the Rythu Seva Kendra component of the Andhra Pradesh campaign — should be pursued as a base-expansion strategy.
5. **Commission a structural impact evaluation**: The six-month post-reform window examined here is insufficient for causal inference. A rigorous difference-in-differences or synthetic control evaluation using GSTN supplier-level microdata — comparing sectors with high GST rate reductions against those with minimal changes — is urgently needed to isolate the true fiscal and consumption effects of GST 2.0.

5.3 Limitations

This study carries several important limitations. First, the six-month post-reform window is short, and the recovery trend observed from December 2025 may reflect seasonal patterns, pre-Diwali consumption normalisation, or other factors unrelated to the structural rate change. Second, state-level attribution of revenue effects to the 'Super GST – Super Savings' campaign is not feasible with publicly available data, as GSTN does not publish state-wise monthly gross collection series in a format suitable for disaggregated analysis of the awareness campaign's contribution. Third, the exclusion of the Compensation Cess from post-October 2025 data introduces a methodological discontinuity that makes strict comparisons with prior years difficult and may understate the headline revenue loss. Fourth, the macroeconomic backdrop — including US tariff uncertainty under the second Trump administration and its potential impact on India's $85 billion annual exports — may have confounded consumption trends independently of GST 2.0.

5.4 Future Research Directions

Future research should prioritise: (i) a formal econometric evaluation of GST 2.0's causal revenue effects using GSTN microdata once 24+ months of post-reform data are available; (ii) a household-level analysis of actual price pass-through from reduced

GST rates using Consumer Price Index sub-indices; (iii) a comparative study of state-level campaign effectiveness across the 'Super GST – Super Savings' model (Andhra Pradesh), 'GST Bachat Utsav' events (multiple states), and states without structured outreach, to identify campaign design features that maximise compliance and consumption response; and (iv) an assessment of the revenue implications of the Health Security se National Security Cess on tobacco products introduced alongside GST 2.0.

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