



Press Release

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Historic Reforms in GST: Relief for Consumers, Empowerment for Small Traders, and Acceleration for India's Economy – CAIT

The Confederation of All India Traders (CAIT) has termed the recent GST reforms and restructuring of tax rates as historic and revolutionary. According to CAIT, these reforms will not only benefit small traders, consumers, and India's economy, but will also simplify the tax structure and significantly boost consumption, thereby giving new momentum to economic activities and trade.

CAIT Secretary General and Member of Parliament from Chandni Chowk, Shri Praveen Khandelwal, expressed gratitude to Prime Minister Shri Narendra Modi on behalf of traders across the country. He said that the reforms reducing taxes on more than 400 items will bring major relief to common citizens in their daily expenses while also strengthening the efficiency of the tax system. Its indeed a big Diwali gift from PM Modi to the nation

Shri Khandelwal stated that, according to a recent report by the State Bank of India (SBI), these GST reforms will lead to a remarkable rise in domestic consumption. The report estimates that consumption may increase by 7–8% during the upcoming festive season. This increase in consumer spending will directly benefit retail trade and small shopkeepers.

He further said that by exempting insurance services from GST, the government has provided great relief to the middle class and senior citizens. This will make health and life insurance premiums more affordable. In the aftermath of the pandemic and amid rising healthcare costs, this step will prove extremely important for common families and will encourage wider insurance coverage.

Shri Khandelwal highlighted that these reforms will bring multidimensional benefits to the country. Lower GST rates will encourage consumers to spend more, increasing market demand, which in turn will directly benefit small shopkeepers, retailers, and wholesalers. With rising consumption, industries will need to increase production, leading to more jobs and enhanced industrial activity. Simplification of tax rates will make GST compliance easier and less expensive. Having two primary tax slabs will improve revenue collection and bring greater stability to the business environment.

He added that experts believe these reforms will have a direct impact on India's GDP. With the expected surge in consumption and industrial output, GDP growth in the upcoming financial year could increase by an additional 0.5% to 0.7%. This will also boost government revenues and further strengthen India's position in the global economy.

Shri Khandelwal said that these reforms are not just changes in taxation, but a golden chapter in the history of Indian trade and a significant step toward building an Atmanirbhar Bharat (self-reliant India). In the coming times, their impact will be clearly visible not only on small traders but also on the nation's overall economic progress.

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