Ref. No.: Plexh/Cir/473 04.09.2025

To,
All Members of Plexconcil/
COA

Dear Sir / Madam,

## Ref.: 56th Meeting of the GST Council 3rd September, 2025: PRESS RELEASE

We wish to inform you about the GST Council meeting held on 3rd September, 2025 at New Delhi under the Chairpersonship of the Union Finance & Corporate Affairs Minister Smt. Nirmala Sitharaman. The GST Council *inter-alia* made the recommendations relating to changes in GST tax rates, provide relief to individuals, common man, aspirational middle class and measures for facilitation of trade in GST.

These changes aim to simplify the GST structure and support economic growth by reducing tax rates on essential items while rationalizing rates on luxury and sin goods.

## **Key Highlights of the New GST Rates**

<b>GST Rate Slab</b>	Description	Examples
0% (Exempt)	Essential and life-saving items	Milk (UHT), Paneer, Indian breads, life-saving medicines, health & life insurance policies
5%	Daily use and mass consumption	Toothpaste, shampoo, soaps, packaged foods, bicycles, agriculture equipment, hotel rooms below ₹7,500 per night
18%	Standard rate for general goods	Electronics (TVs >32"), air conditioners, small cars, motorcycles ≤350cc, cement
40%	Ultra-luxury and sin goods	Tobacco products, sugary carbonated drinks, luxury vehicles, yachts, helicopters

## **Effective Date:**

These revised GST rates will come into effect from September 22, 2025.

## **Impact on Trade:**

- Significant tax relief on essential daily-use products and life-saving medicines.
- Simplification of tax rates on general consumer goods.
- Higher tax rates on luxury and sin goods.

We advise all members to review the attached **GST Updates** and **FAQs** for detailed information on the revised rates, to ensure a smooth transition and full compliance by the effective date.

Thank you for your attention.

**Team Plexconcil**