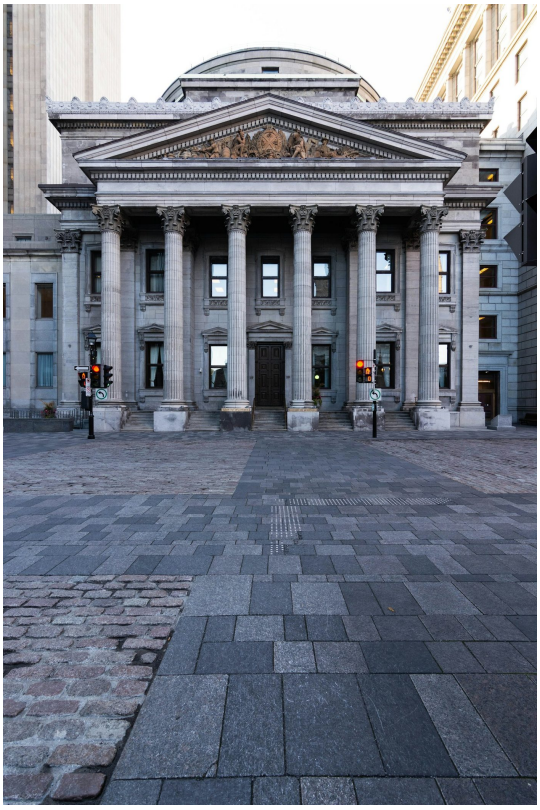
ECONOMY

GST collections rise 4.6% to ₹1.96 lakh crore in October despite rate cuts

Festive demand helped offset the first full month of lower GST rates, though growth was the slowest of the year so far.

By Economic.Express Desk · 1 November 2025 · 2 min read



GST collections rise 9% to ₹1.96 lakh crore in October

In 60 seconds

1. Gross GST collections rose 4.6% to ₹1,95,936 crore in October 2025.
2. Domestic collections grew 2%, while import-related GST rose 12.9%.
3. Refunds jumped 39.6% to ₹26,934 crore, leaving net collections at about ₹1.69 lakh crore.
4. April-October collections are up 9% at about ₹13.89 lakh crore.

India's gross goods and services tax collections rose 4.6% from a year earlier to ₹1,95,936 crore in October 2025, official data showed on Saturday, compared with ₹1,87,346 crore in October 2024.

The first test of lower rates

October was the first full month after the government's reduction in GST rates on a wide range of everyday goods took effect on 22 September. Lower rates mean less tax per item, so economists had expected slower growth. Strong festive season buying helped make up much of the difference.

The 4.6% rise was the slowest growth of the financial year so far.

The details

GST collected on domestic transactions rose 2%, while tax on imports grew 12.9%. Refunds rose sharply, by 39.6% to ₹26,934 crore, so net collections after refunds came to about ₹1.69 lakh crore.

> *Festive buying cushioned the impact of lower GST rates in their first full month.*

The bigger picture

For the first seven months of the financial year, April to October, gross GST collections rose 9% to about ₹13.89 lakh crore. That steady growth gives the government some comfort as it absorbs the cost of lower tax rates, which are meant to boost spending by making goods cheaper.

Economists will watch the coming months to see whether higher consumption from lower prices eventually lifts overall collections.