

**ALL INDIA ORGANISATION IN SERVICE OF SMALL SCALE INDUSTRIES****PRESS RELEASE****A LANDMARK MOVE TOWARDS ATMANIRBHAR BHARAT**

Laghu Udyog Bharati Welcomes the GST 2.0 Reforms.

Laghu Udyog Bharati (LUB) wholeheartedly welcomes the historic GST 2.0 reforms announced by Hon'ble Prime Minister Shri Narendra Modi during his address from the Red Fort on 15th August 2025, followed by the GST Council's approval of a simplified two-tier GST rate structure on September 3, 2025. The rationalized rate slabs of 5% and 18%, effective from 22nd September 2025, mark a transformative shift in India's indirect taxation system.

We commend the visionary leadership of Hon'ble Prime Minister Shri Narendra Modi and the prudent guidance of Finance Minister Smt. Nirmala Sitharaman in ushering in this long-awaited reform. The decision to streamline tax rates, while ensuring that the Ministry of Finance absorbs the short-term revenue loss, demonstrates a strong commitment to economic growth, consumer welfare, and nation interest.

This reform is truly path breaking. It goes beyond mere rate rationalization and signals a major stride towards ease of doing business, particularly for Micro and Small Enterprises (MSEs) Lower working capital requirements, more affordable raw materials, and access to a wider market will provide a significant boost to small industries.

We particularly welcome the focus on smoother registration, faster refund processing, and reduced compliance burden, which will collectively uplift India's industrial base and create a more conducive environment for entrepreneurship and innovation.

These GST 2.0 reforms will not only benefit industries but also ensure that the ultimate consumers enjoy the positive impact through lower prices and improved access to goods and services. We believe this rate structure, combined with the stability and clarity it offers, will significantly reduce litigation, enhance compliance, and stimulate consumption, setting the stage for robust, inclusive economic growth.

Laghu Udyog Bharati pledges its full support to the Government of India in ensuring the smooth and timely implementation of this reform. Our member units are committed to passing on the benefits of this rationalization to the end consumers, thereby aligning with the Hon'ble Prime Minister's vision of "Atmanirbhar Bharat" and "Make in India Movement".

We see these reforms as a critical pillar in nation-building and a bold step toward creating a vibrant, self-reliant Viksit Bharat.

Ghan Shyam Ojha
All India President

Om Prakash Gupta
All India General Secretary

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