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Impact of GST Reform 2.0 on India's Insurance Industry: A Comparative Analysis of the Pre- and Post-Reform Period

Ms. Daizy Atul Solapurwala[1], Dr. Mahesh Trivedi[2]

[1]Research Scholar, Management, Sarvajanik university
[2]Assistant Professor, Department of Management, SCET College, Sarvajanik University

Abstract
The Goods and Services Tax (GST) is one of the biggest tax reforms in India, which marked a significant transformation in the indirect taxation by subsuming multiple taxes collected separately by state and central government into a unified tax structure. However, concerns regarding 18% GST rate on insurance premium during pre-GST 2.0 specially on life and health insurance led to matter of discussion under the GST 2.0 reforms introduced on September 2025. The revised framework exempted GST on selected products, aiming to improve affordability, insurance penetration and even rationalized the GST rates on insurance products as to strengthen the insurance sector. This study examines the impact of GST rate reformation on the number of policies/ schemes issued, total sum assured and first-year premium by study 18 months observations (9 months pre-GST reform 2.0 and 9 months post-GST reform 2.0) i.e. January 2025 to June 2026. The study is based on secondary data collected from report published by the Insurance Regulatory and Development Authority of India (IRDAI), GST Council publications, Ministry of Finance reports and annual reports of few selected insurance companies. Descriptive statistics, month-wise growth rates, Friedman tests and Wilcoxon signed-rank tests are used to examine monthly variation and differences between the two periods.

The results indicate that there is a large amount of month-to-month variability within the chosen indicators over the pre-reform and post-reform period. On average, the first-yearpremium collected increased from ₹36,213.15 crore to ₹38,655.89 crore, and the average number of new policies increased from 2,259,515.89 to 2,443,474.00. These differences were not statistically significant. The average sum assured increased from 1,006,849.76 to 1,177,154.29, and this difference was statistically significant at the 5% level. These results suggest that GST Reform 2.0 was associated with a short-term increase in the value of insurance coverage, but it does not show that it caused it.

The findings of the study will contribute to the literature on indirect taxation and financial services by providing policy-oriented evidence on the economic implication of GST 2.0 for India's insurance sector.

Keywords: Goods and Services Tax (GST), GST 2.0, GST Rate Rationalization, Indian Insurance Sector, Insurance First-Year Premium, Sum Assured, Insurance Policies.

1. Introduction

The insurance sector is one of the most important pillars of India's financial system. With increase in income levels, rapid urbanization, digital transformation, and most important government supportive initiatives, the Indian insurance industry has experienced substantial increase in insurance penetration but still India remains below average in insurance market in world.

Indirect taxation has been recognized as one of the major factors influencing insurance affordability. Before the implementation of the Goods and Services Tax (GST), insurance services were taxed under the service tax regime. After the introduction of GST in July 2017, life insurance, health insurance, and general insurance became subject to GST, increasing the effective tax burden on many policyholders. Higher taxation on insurance premiums has often been cited as a factor affecting consumer willingness to purchase or renew insurance policies, particularly among middle-income and low-income households. IRDAI Annual report of (2024-2025) there was continuous growth in insurance premium collection and insurance awareness. Still India's insurance penetration remains below the global average, so there need for policy intervention to improve affordability and accessibility of insurances.

In concern with industry and suggestion by policymakers, GST council gone through series of reformation under name GST 2.0 in 2025.These reforms have rationalization GST rates and also exempt various life insurance, health insurance and general insurance products from GST regime with the broader objective of improving affordability and increasing insurance penetration.

A reduction in GST lowers the effective premium payable by policyholders, thereby increasing accessibility to insurance products so increase in insurance affordability directly impact the purchasing decision of policyholders. Improved affordability may subsequently lead to higher insurance penetration, increased policy issuance, higher premium collection, and stronger industry growth. Understanding these relationships is essential for evaluating the effectiveness of GST reforms and designing future taxation policies.

This study examines how the GST Reforms 2025 would affect the insurance industry in India through a comprehensive empirical analysis with emphasis on affordability, penetration, and industry growth indicators using official secondary data. This study addresses the gap by conducting a comparative analysis of India's insurance industry during the pre-reform (January 2025 – September 2025) and post-reform (October 2025 – June 2026) periods. By integrating established economic theories with official secondary data, the study aims to provide evidence-based insights into the effectiveness of GST Reform 2.0 and its implications for insurance development in India. The findings are expected to contribute to academic literature, support evidence-based policymaking, and provide insights for insurers regarding taxation and market expansion.

1.1 Background of GST 2.0 Reforms and the Insurance Sector

The GST reforms introduced in 2025 represent a significant milestone in India's indirect tax framework and have substantial implications for the insurance sector. By removing the GST burden on life and health insurance premiums, the reforms reinforce the government's objective of promoting financial inclusion and expanding access to social security through insurance.

Before September 2025, insurance premiums for most life and health insurance products, including term insurance, endowment plans, Unit Linked Insurance Plans (ULIPs), whole life policies, and health insurance policies—were subject to an 18% GST. This additional tax increased the cost of insurance and was often considered a barrier to wider insurance adoption, particularly among low- and middle-income households.

As part of the 2025 GST reforms, the 56th GST Council approved the exemption of GST on eligible life and health insurance policies, effective from 22 September 2025. Under the revised tax structure, these insurance products are no longer subject to GST, reducing the overall premium payable by policyholders.

The main reform of GST 2.0 include:

- GST exemption on all eligible life insurance policies, including term, endowment, ULIP, and whole life plans.
- GST exemption on health insurance products, including individual policies, family floater plans, senior citizen health insurance, and critical illness coverage.
- Extension of the exemption to eligible riders, group insurance policies, and related insurance benefits covered under the revised GST framework.

The reform is expected to improve the affordability of insurance, encourage greater insurance penetration across different income groups, strengthen financial protection for households, and support the long-term growth of India's insurance industry. By reducing the tax burden on essential insurance products, the government has taken an important step toward making insurance more accessible and positioning it as a fundamental component of social and economic welfare.

2. Literature review

(Moid, 2018) analyses the impact of GST on India’s insurance industry, reviewing about the benefits and challenges faces by services sector after implementation of GST in India. The study emphasizes that while GST has streamlined taxation, taxing life insurance traditionally seen as a social security benefit in global context raises concerns. Moid recommends a merit rate for the insurance sector so that there is strategic growth along with accelerating the goal of “Insurance for All by 2047”. But the government of India must be focused on the rate because in most of the country of the world the rate on the insurance is exempted.
(Dhaigude & Jain, 2019)the study was to understand the impact of GST on the insurance policy holders and insurance agents. Policy holders know insurance in today’s world is of utmost importance and acts as a financial shield for anyone but the rate on the premium is high and need to be reduced by sharing the exempted by the government. Therefore, this service should be easily affordable and available for all the classes of society. This is possible if the tax rates that are applied on them are relaxed or removed. But at the same time there is increase in business of policy agents because there is increase in sale of policies at higher premium as consumers know the important of insurances so few are even ready to buy at higher premium. For brighter future and to cope up with market need there required new policies with lower premium for this sector.
(Medar & Aluru, 2025)measures the impact of GST On Financial Services with Special Reference to Health and Life Insurance Policy using three main variables into consideration i.e. GST Knowledge, GST Awareness, Attitude towards GST. The study was done on 181 policy holders. They concluded that increase in public knowledge and awareness may positively shape attitude about tax reforms. And individual’s attitude towards GST is more significant how they will perceive in their business. So, knowledge and awareness will shape the attitude and attitude in returns will build perceived impacts. Even study concluded the relationship between Knowledge & Awareness and GST Impact, suggesting that increasing awareness alone, independent of attitude can shape public perception.
(HV, 2025) the study was based on the how GST 2.0 tax reform affect the affordability of health insurance and relief to consumer by using both quantitative and qualitative data in nature. using Secondary source of data were taken from IRDAI report, GST Council publications, records of insurance companies, and associated government and industry databases. Further it can be concluded from the study that due to GST 2.0 there is cut in price of premium, due to which there is increase in affordability and also increase in penetration among consumer though benefits may be partly offset by base premium hikes due to inflation.

(Kumar, 2025) the study was based on how the rationalization of GST rates on September have impacted Indian economy. And GST is best and efficient reform of indirect taxation. Though GST seem to challenging in near term like more compliance cost and leakage of revenue but in long run it will resolve the problem compliance cost and also it will help in ease of doing work but this can achieve only with the support of government consensus, timely compensation to the states and an effective support system for the taxpayers.

(Gupta & Chanda, 2025) the study was based on comparative analysis of GST 1.0 and GST 2.0. The study was based on GST 2.0 reform sector-wise and their impact on businesses and consumers. The study concluded that the GST 2.0 is revision of flawless of GST 1.0 structurally. GST 2.0 improves transparency, efficiency, and fairness, making tax compliance easier for businesses and providing quicker dispute resolution for taxpayers. Through rate rationalization, technological integration, and targeted relief across sectors, it supports both ease of doing business and consumer affordability, marking a critical step toward a modern, efficient taxation system.

(Agnihotri et al., 2026)the GST exemption on individual life and health insurance premiums, implemented in September 2025, represents a watershed moment for the Indian insurance sector. The reform will successfully achieve its primary objective of enhancing consumer affordability, reinforcing the message that "insurance is not a luxury but a mainstream necessity for protection and savings". Policyholders now enjoy simpler, more transparent pricing and substantially lower costs, leading to an improved value proposition for protection and long-term savings products. However, the analysis demonstrates that this demand-side victory introduced a severe structural shock on the supply side through the complete withdrawal of Input Tax Credit (ITC). This cost burden, estimated to increase insurers' operational expenses by 3-8%, creates a central conflict. Insurers, constrained by regulatory Expense of Management caps, are attempting to recover these costs through two main mechanisms: (1) base premium recalibration, which risks eroding the consumer benefit over time; and (2) disproportionate reduction of distribution commissions (15-18% cuts), which threatens the viability of the agent network, particularly in the high-cost, low-volume rural markets targeted by the BimaVahak initiative. The crucial paradox is that the policy intended for financial inclusion risks undermining the human distribution infrastructure required for mass penetration.

(Joshna Yadav & Saujanya, 2026) the comparative study was done on proceed food and dairy product pre reform and post- reform scenario. The study concluded that due to reduction on tax rates under GST 2.0 on dairy product and processing food there is increase in demand and even there is reduction logistics costs. The dairy industry is a major source of livelihood in rural areas. GST reforms benefit millions of farmers and workers, strengthening the rural economy. Organized food processing companies now have a stronger market presence because the difference in price rate have decrease between packaged and unbranded food available in market.

(Roshni Patel & Snehal Mistry, 2026**)** the study was based on the impact GST 2.0 on Insurance sector of India. The study concluded that due to GST 2.0 it has positive influence the insurance sector as there is increase in number of policies purchase so adaptation of insurance policies is increased but at the same time there is no decreased in first-year premium or total sum-assured so there is need for policy maker to focus on value dimension for this sector. The findings also reveal that fluctuations in the post-reform period, was because the market was adjusting to new tax system.

Although several studies have examined GST implementation in India, still there is significant gap is there because the most of existing studies focus on GST implementation in 2017 rather than GST Reform 2.0

introduced in September 2025, very limited empirical research investigates the impact of GST exemption on the insurance sector, also there is limited evidence comparing pre-reform and post-reform specifically for insurance industry performance, even the relationship between GST exemption and insurance affordability has not been adequately quantified. Previous studies there is no comprehensive study has examined the first nine months following GST Reform 2.0 using official secondary data. This study focuses on whether this motive of GST reform 2.0 is achieved or not by comparing key performance indicators of insurance pre and post reform 2025.

3. Research Methodology

The research methodology is the systematic framework for the research problem using scientific methods. The research design adopt will be quantitative, explanatory, and comparative research design using secondary data from IRDAI report, GST Council publication, Life Insurance Council, General Insurance Council, Ministry of Finance, GST Council and Reserve Bank of India. The analysis compares the insurance industry's performance during the pre-reform period (January–September 2025) and the post-reform period (October 2025–June 2026). Monthly data are analyzed using statistical techniques to determine whether GST Reform 2.0 significantly influenced first-premium collected, new policies issued and sum assured.

3.1 Significant of the Study

The study will be significant for academic, policy and insurance industry perspective. For academic it will provide literature on relation between GST i.e. indirect taxation and the insurance performance indicators by comparing pre and post reform GST 2.0. Industry perspective the study will help them to decide the premium and what changes in new policy to be done and also how the reduction in premium due to exemption is helpful to them.

3.3 Research Objective

3.3.1 Primary Objective

To evaluate the impact of GST Reform 2.0 on the performance of India's insurance industry by comparing the pre-reform period (January–September 2025) and the post-reform period (October 2025–June 2026).

3.3.2 Specific Objective

1. To examine the performance of India's insurance industry during the pre-GST Reform 2.0 period.
2. To examine the performance of India's insurance industry during the post-GST Reform 2.0 period.
3. To compare first-year premium between the pre- and post-reform periods.
4. To compare the number of insurance policies between the pre- and post-reform periods.
5. To compare sum assured between the pre- and post-reform periods.
6. To analyse month-wise growth in insurance-sector indicators before and after GST Reform 2.0.
7. To determine whether there is a statistically significant difference in selected insurance-sector indicators between the pre- and post-reform periods.

3.4 Research Hypothesis

H_{01}: There is no significant monthly variation in the selected insurance-sector indicators during the pre-GST Reform 2.0 period.

H_{11}: There is a significant monthly variation in the selected insurance-sector indicators during the pre-GST Reform 2.0 period.

H_{02}: There is no significant monthly variation in the selected insurance-sector indicators during the post-GST Reform 2.0 period.
H_{12}: There is a significant monthly variation in the selected insurance-sector indicators during the post-GST Reform 2.0 period.
H_{03}: There is no significant difference in first-year premium collection between the pre- and post-GST Reform 2.0 periods.
H_{13}: There is a significant difference in first-year premium collection between the pre- and post-GST Reform 2.0 periods.
H_{04}: There is no significant difference in the number of insurance policies between the pre- and post-GST Reform 2.0 periods.
H_{14}: There is a significant difference in the number of insurance policies between the pre- and post-GST Reform 2.0 periods.
H_{05}: There is no significant difference in sum assured between the pre- and post-GST Reform 2.0 periods.
H_{15}: There is a significant difference in sum assured between the pre- and post-GST Reform 2.0 periods.
H_{06}: There is no significant difference in the average month-wise growth rates of selected insurance-sector indicators between the pre- and post-GST Reform 2.0 periods.
H_{16}: There is a significant difference in the average month-wise growth rates of selected insurance-sector indicators between the pre- and post-GST Reform 2.0 periods.

3.5 Research Design Type
The research design is blueprint for any research so the study will be on quantitative type.

3.6 Research Design
The study will adopt a Comparative Longitudinal Research Design. The study uses comparative as to see the changes in the performance indicators of insurance industry pre and post reform 2.0.

Comparison Periods
The study covers total 18 consecutive months which is divided as follows:

Period	Duration
Pre-Reform	January 2025 – September 2025
Post-Reform	October 2025 – June 2026

3.7 Source of the Data
The study uses secondary source data from the official available sources. The official sources are IRDIA, RBI, Life Insurance Council, General Insurance Council, Ministry of Finance, GST Council and Annual report of Insurance.

3.8 Variables under Study
There are various types of variables but in the study, we considered the independent variable as GST Reform 2.0 (Pre vs Post) and dependent variables as First-Year Premium Collection, New Policies ISSUED, Sum Assured.

3.9 Data Analysis Techniques

3.9.1 Descriptive Statistics

Mean, Median, Standard Deviation, Minimum, Maximum and monthly trend is done

3.9.2 Month wise Growth Rate

The growth rate on a month-to-month basis is found by:

Growth Rate =((Xt−1Xt)/Xt−1)×100

where $X_t$is the current month's value and $X_{t-1}$is the previous month's value.

3.9.3 Friedman Test

The Friedman test was applied to test if the selected indicators are significantly different across each period.

3.9.4 Wilcoxon signed rank test

The Wilcoxon signed-rank test is used to compare the paired pre- and post-reform observations. It is appropriate as the sample size is only nine paired observations and the indicators may not meet the assumptions of parametric tests.

The significance level is 5%

3.10 Software Used

- Microsoft Excel (Data Cleaning and Visualization)
- IBM SPSS Statistics

4. Data Analysis and Interpretation

4.1 Descriptive Statistics: Pre-GST Reform 2.0 Period

Table 1 Descriptive Statistics of Insurance Indicators During the Pre-Reform Period

Indicator	Mean	Standard Deviation	Minimum	Maximum	CV (%)
First-year premium collection (₹ crore)	36,213.15	11,266.10	21,964.19	61,439.08	31.11
New policies/schemes	2,259,515.89	894,629.46	1,145,992	4,394,217	39.59
Sum assured (₹ crore)	10,06,849.76	1,84,947.56	7,11,307.26	11,99,015.16	18.37

Interpretation

The highest coefficient of monthly variation was observed for new policies/schemes (39.59%), followed by first-year premium collection (31.11%). This indicates that policy issuance and premium collection fluctuated substantially during the pre-reform period. Sum assured recorded the lowest coefficient of variation (18.37%), indicating comparatively lower monthly variability.

4.2 Descriptive Statistics: Post-GST Reform 2.0 Period

Table 2 Descriptive Statistics of Insurance Indicators During the Post-Reform Period

Indicator	Mean	Standard Deviation	Minimum	Maximum	CV (%)
First-year premium collection (₹ crore)	38,655.89	4,310.38	31,119.64	43,280.00	11.15

Indicator	Mean	Standard Deviation	Minimum	Maximum	CV (%)
New policies/schemes	2,443,474.00	973,890.25	1,290,211	4,674,695	39.86
Sum assured (₹ crore)	11,77,154.29	2,59,518.08	8,64,719.38	15,15,481.87	22.05

Interpretation

From the analysis it can be concluded that first-year premium collection showed a lower coefficient of variation, declining from 31.11% to 11.15%. This suggests that monthly premium collection was comparatively more stable after the reform.

However, the coefficient of variation for new policies increased slightly from 39.59% to 39.86%, indicating that policy issuance remained highly variable. Even sum assured the coefficient of variation for sum assured increased from 18.37% to 22.05%, indicate that its sum assured increased for the policy.

4.3 Comparative Analysis of Pre- and Post-Reform Performance

Table 3 Comparison of Average Insurance-Sector Indicators

Indicator	Pre-Reform Mean	Post-Reform Mean	Absolute Change	Percentage Change
First-year premium collection (₹ crore)	36,213.15	38,655.89	+2,442.74	+6.74%
New policies/schemes	2,259,515.89	2,443,474.00	+183,958.11	+8.14%
Sum assured (₹ crore)	10,06,849.76	11,77,154.29	+1,70,304.54	+16.91%

Interpretation

The comparison highlights positive changes in all three indicators. The largest increase was in sum assured, which increased by 16.91%. After this, there were new policies/schemes which increased by 8.14%. The premium collection in the first year grew by 6.74.

The results suggest that the post-reform period was associated with better average performance of the insurance sector. However, statistical testing is required to determine if these differences are significant.

4.4 Month-wise Growth Rates

Table 4 Month-wise Growth Rate of First-Year Premium Collection

Month	First-Year Premium Collection (₹ Crore)	Growth Rate (%)
January 2025	30,825.17	—
February 2025	29,985.58	-2.72
March 2025	61,439.08	**104.90**
April 2025	21,964.19	**-64.25**
May 2025	30,463.21	38.69
June 2025	41,117.30	34.97
July 2025	38,958.05	-5.25
August 2025	30,958.77	-20.53

Month	**First-Year Premium Collection (₹ Crore)**	**Growth Rate (%)**
September 2025	40,207.00	29.87
October 2025	34,006.95	-15.42
November 2025	31,119.64	-8.49
December 2025	42,150.77	35.45
January 2026	37,478.35	-11.09
February 2026	35,417.27	-5.50
March 2026	40,920.00	15.54
April 2026	41,380.00	1.12
May 2026	42,150.00	1.86
June 2026	43,280.00	2.68

Interpretation

From analysis it can be concluded that first-year premium collection increased sharply in March 2025, followed by a substantial decline in April 2025. During the post-reform period, premium collection declined in October and November 2025, increased in December 2025, and then showed relatively moderate growth from March to June 2026.

Table 5 Month-wise Growth Rate of New Policies / Schemes

Month	**New Policies / Schemes**	**Growth Rate (%)**
January 2025	2,543,726	—
February 2025	1,941,272	-23.68
March 2025	4,394,217	**126.36**
April 2025	1,145,992	**-73.92**
May 2025	1,673,097	46.00
June 2025	2,006,322	19.92
July 2025	2,278,245	13.55
August 2025	2,146,470	-5.78
September 2025	2,206,302	2.79
October 2025	1,953,996	-11.44
November 2025	2,206,878	12.94
December 2025	2,877,755	30.40
January 2026	2,776,461	-3.52
February 2026	2,388,049	-13.99
March 2026	4,674,695	**95.75**

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Month	New Policies / Schemes	Growth Rate (%)
April 2026	1,290,211	**-72.40**
May 2026	1,671,341	29.54
June 2026	2,151,880	28.75

Interpretation

The number of new policies increased sharply in March 2025 (126.36%) and March 2026(95.75%) The largest decline occurred in April 2025(-73.92%), followed by another substantial decline in April 2026 (-72.40%). This indicates considerable month-to-month fluctuation in policy issuance.

Table 6 Month-wise Growth Rate of Sum Assured

Month	Sum Assured	Growth Rate (%)
January 2025	923,780.00	—
February 2025	711,307.30	-23.00
March 2025	1,173,015.60	64.91
April 2025	843,420.60	-28.10
May 2025	816,970.80	-3.14
June 2025	1,174,556.00	43.77
July 2025	1,199,015.00	2.08
August 2025	1,147,058.00	-4.33
September 2025	1,072,523.00	-6.50
October 2025	970,243.50	-9.54
November 2025	864,719.40	-10.88
December 2025	1,080,546.00	24.96
January 2026	1,081,963.00	0.13
February 2026	925,215.70	-14.49
March 2026	1,515,482.00	**63.80**
April 2026	1,510,603.00	-0.32
May 2026	1,167,215.00	-22.74
June 2026	1,478,401.00	26.66

Interpretation

Sum assured declined in February 2025 and April 2025 but rose sharply in March 2025 and June 2025. During the post-reform period, sum assured declined in October and November 2025, increased in December 2025 and recorded its highest growth in March 2026.

Table 7 Average Month-wise Growth Rates

Indicator	Pre-Reform Average Growth	Post-Reform Average Growth
First-year premium collection	14.46%	3.95%
New policies/schemes	13.15%	13.43%
Lives covered under group schemes	11.03%	12.40%
Sum assured	5.71%	8.39%

Interpretation

The average month wise growth rate of first year premium collection was higher in pre reform period. This was affected by important changes from month to month, such as the very significant increase in March 2025. However, the higher average growth rate of premium collection in the pre-reform period does not imply that the performance is better, since the pre-reform data are more volatile.

However, the average growth rate of sum assured increased from 5.71% to 8.39% in the post-reform period and the average growth rate of policies increased marginally.

4.5 Hypothesis Testing

H_{01}: There is no significant monthly variation in the selected insurance-sector indicators during the pre-GST Reform 2.0 period.

H_{11}: There is a significant monthly variation in the selected insurance-sector indicators during the pre-GST Reform 2.0 period.

Table 8 Monthly Variation During the Pre-Reform Period using Friedman Test

Test	Friedman χ^2	p-value	Decision
Pre-reform selected indicators	27.000	<0.001	Reject H_{01}

Interpretation

As the Friedman test is statistically significant at 5%. So H01 hypothesis is rejected as p value is <0.001. So, there is significant monthly variation in the selected insurance-sector indicators during the pre- GST reform 2.0 period.

H_{02}: There is no significant monthly variation in the selected insurance-sector indicators during the post-GST Reform 2.0 period.

H_{12}: There is a significant monthly variation in the selected insurance-sector indicators during the post-GST Reform 2.0 period.

Table 9 Monthly Variation During the Post-Reform Period using Friedman Test

Test	Friedman χ^2	p-value	Decision
Post-reform selected indicators	25.933	<0.001	Reject H_{02}

Interpretation

As the Friedman test is statistically significant at 5%. So H02 hypothesis is rejected as p value is <0.001. There is significant monthly variation in the selected insurance-sector indicators during the post-GST Reform 2.0 period. This indicates that the selected indicators did not remain constant across the nine post-reform months.

H_{03}: There is no significant difference in first-year premium collection between the pre- and post-GST Reform 2.0 periods.
H_{13}: There is a significant difference in first-year premium collection between the pre- and post-GST Reform 2.0 periods.

Table 10 Wilcoxon Signed-Rank Test for First-Year Premium Collection

Indicator	Pre-Reform Mean	Post-Reform Mean	Test Statistic (W)	p-value	Decision
First-year premium collection	36,213.15	38,655.89	10.000	0.164	Not Significant

Interpretation
According to analysis there is increase in average First-year premium collection from 36,213 to 38,655.89. However, through Wilcoxon Signed- Rank Test p value is greater than 5% i.e. 0.164. So, we accept H03 hypothesis. Therefore, there is no significant difference in first-year premium collection between the pre- and post-GST Reform 2.0 periods.
H_{04}: There is no significant difference in the number of insurance policies between the pre- and post-GST Reform 2.0 periods.
H_{14}: There is a significant difference in the number of insurance policies between the pre- and post-GST Reform 2.0 periods.

Table 11 Wilcoxon Signed-Rank Test for Insurance Policies

Indicator	Pre-Reform Mean	Post-Reform Mean	Test Statistic (W)	p-value	Decision
New policies/schemes	2,259,515.89	2,443,474.00	21.000	0.910	Not Significant

Interpretation
According to analysis there is increase in average new policies/ schemes from 2,259,515.89 to 2,443,474.00. However, through Wilcoxon Signed- Rank Test p value is greater than 5% i.e. 0.910. So, we accept H04 hypothesis. Therefore, there is no significant difference in new policies/ scheme released between the pre- and post-GST Reform 2.0 periods.
H_{05}: There is no significant difference in sum assured between the pre- and post-GST Reform 2.0 periods.
H_{15}: There is a significant difference in sum assured between the pre- and post-GST Reform 2.0 periods.

Table 12 Wilcoxon Signed-Rank Test for Sum Assured

Indicator	Pre-Reform Mean	Post-Reform Mean	Test Statistic (W)	p-value	Decision
Sum assured (₹ crore)	10,06,849.76	11,77,154.29	3.000	0.020	Significant

Interpretation
According to analysis there is increase in average sum assured from 10,06,849.76 to 11,77,154.29. However, through Wilcoxon Signed- Rank Test p value is less than 5% i.e. 0.020. So, we reject H05 hypothesis. Therefore, there is significant difference in sum assured between the pre- and post-GST Reform 2.0 periods.

H_{06}: There is no significant difference in the average month-wise growth rates of selected insurance-sector indicators between the pre- and post-GST Reform 2.0 periods.
H_{16}: There is a significant difference in the average month-wise growth rates of selected insurance-sector indicators between the pre- and post-GST Reform 2.0 periods.

Table 13 Wilcoxon Test on Average Month-wise Growth Rates

Indicator	Pre Average Growth	Post Average Growth	p-value	Decision
First-year premium collection	14.46%	3.95%	0.547	Not significant
New policies/schemes	13.15%	13.43%	0.945	Not significant
Lives covered under group schemes	11.03%	12.40%	1.000	Not significant
Sum assured	5.71%	8.39%	0.742	Not significant

Interpretation
The analysis the result show that none of the selected indicators experienced a statistically significant difference in average month-wise growth rates between the two periods as p value for all selected indicators is more than 5% significant level of Wilcoxon test.
Therefore, H_{06} is accepted. Although some indicators recorded higher average growth after the reform, the differences were not statistically significant.

5. Findings
First year premium went up, it rose from ₹36,213.15 crore to ₹38,655.89 crore. New policies also rose and the count moved from 2,259,515.89 to 2,443,474.00. Sum assured increased as well, it went from 1,006,849.76 to 1,177,154.29 so monthly numbers did not move in the same way each time. This was seen in both the pre-reform and post-reform spans. For first year premium, the gap was small enough to be not statistically significant. For new policies, the gap was also not statistically significant but for sum assured, the gap was statistically significant.
Now when we look at average month-wise growth rates, they did not differ much between the two periods. Overall, the results point to a short-term shift in sum assured linked to GST Reform 2.0.

6. Conclusion
The present study was focused to examine the short-term performance of selected insurance-sector indicators before and after GST Reform 2.0 using 18 monthly observations. The analysis included first-year premium collection, new policies/schemes and sum assured.
The findings indicate significant monthly variation in both periods. However, the comparison between the pre- and post-reform periods produced mixed results. While first-year premium collection and policy issuance increased in absolute terms, these differences were not statistically significant.
But the most important result was the statistically significant increase in sum assured. This suggests that the post-reform period was associated with a change in the value of insurance coverage. However, the stu-

dy does not claim that this change was caused exclusively by GST Reform 2.0.

The findings therefore suggest that GST Reform 2.0 may have had a **selective short-term effect** on India's insurance industry. Further research using a longer time period and additional observations is required to determine whether the observed changes represent a sustained structural impact.

7. Policy Implication

1. Insurance companies should continue to monitor the affordability and demand response of insurance products after tax reforms.
2. Policymakers should scrutinize whether tax changes improve accessibility to insurance across different income groups.
3. Insurance providers should assess whether changes in taxation affect the value of the coverage elected into by policyholders.
4. Increased awareness and financial literacy can help inform consumers of the benefits of insurance products.
5. Future policy evaluation should look at longer-term indicators such as insurance penetration, insurance density and policy persistency.

8. Limitation

1. The study uses only 18 monthly observations.
2. The sample contains nine pre-reform and nine post-reform observations.
3. The short post-reform period limits the ability to assess long-term effects.
4. The study does not control for other economic or industry-related factors.
5. The findings are limited to the selected indicators.

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