

March GST collections hit ₹1.78L cr, 2nd-highest ever

The average monthly collection in FY24 was ₹1.68 L cr, against ₹1.5 L cr a year ago

Rajeev Jayaswal

rajeev.jayaswal@htlive.com

NEW DELHI: Collection of goods and services tax in the year ended March 31 surpassed ₹20 lakh crore, with revenues in the last month of 2023-24 crossing ₹1.78 lakh crore, the second highest collection ever, on heightened economic activity and ease of compliance driven by technology.

“FY 2023-24 marks a milestone with a total gross GST collection of ₹20.18 lakh crore, exceeding ₹20 lakh crore, a 11.7% increase compared to the previous year,” the finance ministry said in a statement on Monday.

With ₹1,78,484 crore gross collection in March, which reflected business transactions of February, the average monthly collection in the just-concluded financial year was ₹1.68 lakh crore, breaching the preceding financial year’s aver-



The gross collection in March saw 11.5% year-on-year growth. MINT

age of ₹1.5 lakh crore, official data showed.

The gross collection in March saw 11.5% year-on-year growth. GST revenue net of refunds for March was ₹1.65 lakh crore, posting 18.4% jump. “GST revenue net of refunds as of March 2024 for the current fiscal year is ₹18.01 lakh crore which is a growth of 13.4% over same period last year,” the ministry’s statement said.

The robust collection in indirect taxes demonstrates India’s economic resurgence across sectors, said MS Mani, partner at Deloitte India, a consultancy.

“It was possible due to the various measures taken by the GST authorities to improve compliance and stamp out evasion,” Mani said.

“The big focus on comparison of taxpayer behaviour across tax and corporate databases has also made business convinced on the need to be compliant not only on their activities, but also keep track of their vendors’ tax behaviour.”

Since GST is a transaction-based tax, it is also a weather-vane of the country’s economic health. “A 17.6% growth in collection in March from domestic

transactions indicates strong domestic economic growth,” said Abhishek Jain, indirect tax head and partner at KPMG, another consultancy.

The Indian economy is expected to expand in excess of 8% in 2023-24, finance minister Nirmala Sitharaman said on Saturday at the Mint India Investment Summit in Mumbai. *Mint* is published by HT Media Ltd, which also publishes *HT*.

The economy grew by 8.4% in the December quarter, driven by investment, increased manufacturing and services activities according to data released by the National Statistical Office on February 29. The economy is projected to expand by 7.6% in 2023-24, faster than the 7.3% forecast on January 5.

GST compensation cess in March was ₹12,259 crore. The cess for the entirety of 2023-24 was ₹1,44,554 crore, which included the levy on imported goods. *HT* on March 29 reported about a robust collection of GST cess in 2023-24 at around ₹1.45 lakh crore, which would increase the probability that it could be rolled back sooner than the March 31, 2026, deadline set initially.