

GST collection zooms past ₹2L-crore barrier

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NEW DELHI: India's monthly Goods and Services Tax (GST) collections soared past the ₹2 lakh crore mark for the first time, reflecting a buoyant economy and better compliance, though the number was also boosted by the end of the financial year.

GST revenues exceeded ₹2.10 lakh crore in April, reflecting actual business transactions made in March. The financial year ended on March 31.

In a social media post, Union finance minister Nirmala Sitharaman said that the ₹2,10,267 crore GST collection for April 2024 was the "highest ever" since the new tax regime was launched by the Modi government in July 2017.

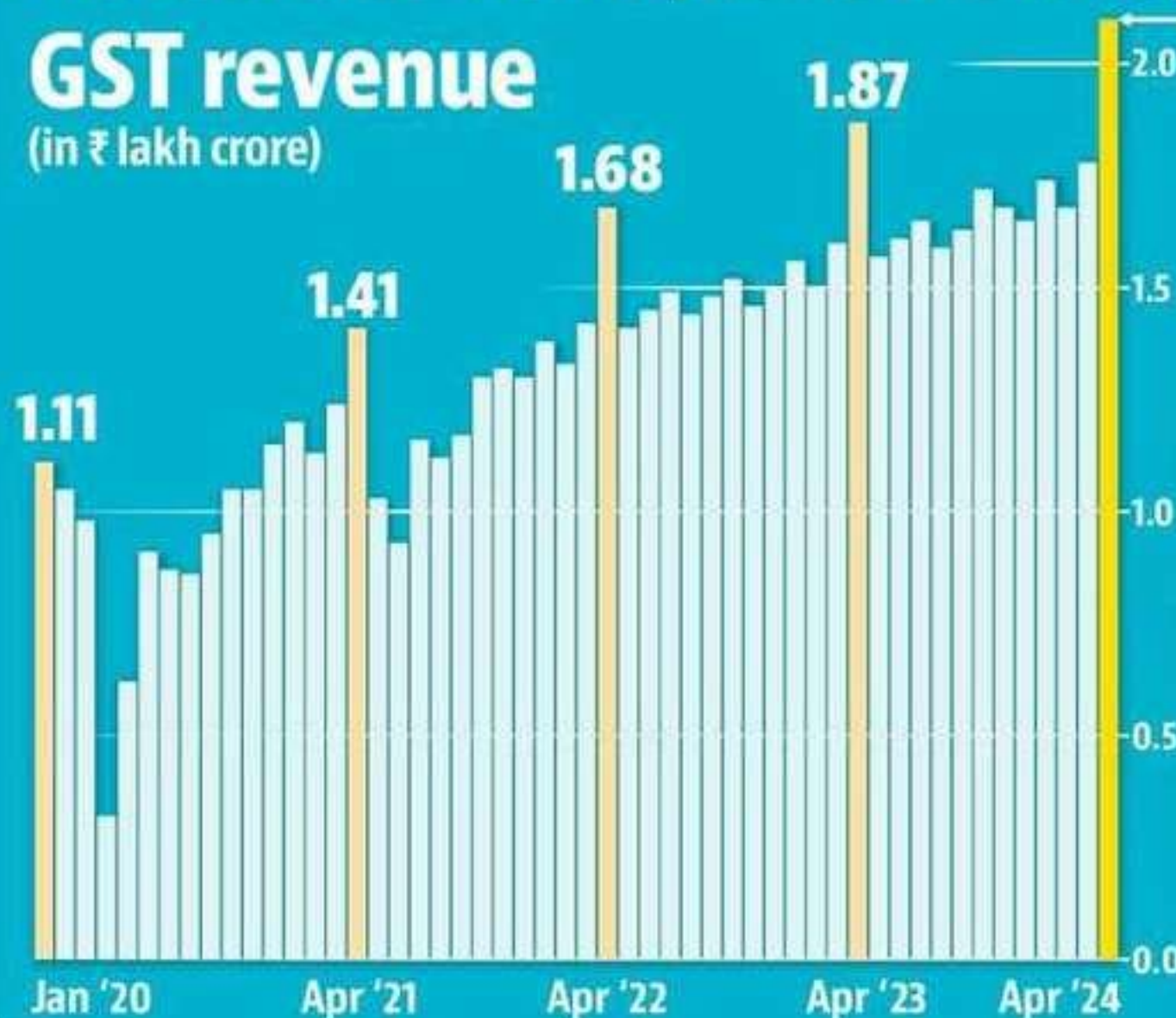
Experts said buoyant indirect and direct tax revenues are reflections of government's economic management and tax reforms.

GST collections in 2023-24 surpassed the ₹20 lakh crore mark with revenues in the last month of FY24 (March) crossing ₹1.78 lakh crore, which was then the second-highest collection ever on heightened economic activity. The Reserve Bank of India (RBI) on April 5 projected India's real gross domestic product (GDP) growth in FY25 at 7%. On April 11, the Asian Development Bank (ADB) predicted

Soaring to an all-time high

India's GST collections surpassed the ₹2 lakh crore figure for the first time since the inception of the tax regime in July 2017

GST revenue (in ₹ lakh crore)



₹2,10,267cr

↑12.4% Year-on-year growth in collections

The previous record figure was set in April 2023, when collections were ₹1.87 lakh crore

Collection figures have now nearly doubled what they were in the pre-pandemic times, data shows



India's GDP growth at 7% in 2024-25. And on April 16, the International Monetary Fund (IMF) raised the country's growth forecast for the fiscal year to 6.8% from 6.5%.

The robustness of the economy is also reflected in direct tax collections (GST is an indirect tax). Direct tax data released on April 21 showed a 18.48% annualised increase in gross revenues to ₹23.37 lakh crore in 2023-24

with a 17.7% jump in net collections to ₹19.58 lakh crore.

Deloitte India partner MS Mani said the trend of robust tax revenue reflects India's economic prowess.

Commenting on the April GST revenue, he added: "These collections which relate to transactions in goods and services during the month of March 24 could be the tipping point in the GST collection trajectory. While

some part of the increased collection is attributable to the financial year's end, it is also reflective of the significant improvements in GST compliance by businesses."

The robust GST collections in April were driven by a "strong" increase in domestic transactions, the finance ministry said in a statement. After accounting for refunds, the net GST revenue

continued on → 7