

GST mop-up above ₹1.4 trn for 12th straight month

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The collection of goods and services tax (GST) slipped below the ₹1.5-trillion mark in February, a month after touching the second-highest figure.

The mop up of ₹1.49 trillion in February is 5.1 per cent lower than the figure achieved in the previous month. In January, the GST mop up stood at ₹1.57 trillion, the second highest after ₹1.68 trillion in April of the current fiscal year. However, the latest figure is 12 per cent higher than ₹1.33 trillion a year ago.

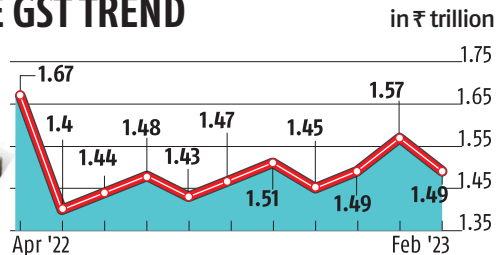
Also, the monthly GST revenues remained over ₹1.4 trillion for 12 straight months, the finance ministry said on Wednesday while releasing the provisional data. The ministry attributed the sequential dip in collection to February being a 28-day month.

It emphasised that this month reported the highest cess collection of ₹11,931 crore since implementation of the GST regime. Economists expect central GST (CGST) collection to meet the FY23 Budget Estimates.

“The sequential dip in GST collections in February 2023 is partly on account of the boost to the January figure from the quarter-ending inflows (for



THE GST TREND



Source: Ministry of Finance

December, which were remitted in the following month),” said Aditi Nayar, chief economist, ICRA.

Of the total revenue collected, CGST was ₹27,662 crore, states GST was ₹34,915 crore and Integrated GST was ₹75,069 crore (including ₹35,689 crore collected on import of goods). And, cess was ₹11,931 crore (including ₹792 crore collected on import of goods).

During the month, revenue from import of goods was six per cent higher and that from domestic transactions (including import of services) was 15 per cent higher year-on-year (YoY).

“This month witnessed the highest cess collection of ₹11,931 crore since implementation of GST,” the ministry said. According to Nayar, there is a large

divergence in the growth of revenues from import of goods and that from domestic transactions during the month. GST revenues from import of goods are likely to have been dampened by the sequential and YoY contractions in merchandise imports in January, Nayar added.

Abhishek Jain, partner, Indirect Tax at KPMG in India, said “The growth in domestic and import transactions are quite interesting. It indicates a growing self reliance within the domestic market and is a positive sign for the Indian economy,” he said. On state-wise collection, Deloitte India partner M S Mani said all the large states have reported significant increases ranging from 10 per cent to 24 per cent compared to the same month last year.