

Net GST revenue collection up 7.9% at ₹1.61 trn in Feb

This marks the highest growth rate in six months

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The net goods and services tax (GST) revenue in February rose 7.9 per cent year-on-year to ₹1.61 trillion, excluding GST compensation cess receipts, marking the highest growth rate in the past six months, according to government data released on Sunday.

In absolute terms, the net GST revenue for February is the third highest in the last six months, after January at ₹1.7 trillion and October at ₹1.69 trillion. On a sequential basis, February's collection declined by nearly 5.7 per cent, the data showed.

The Centre discontinued the compensation cess from February 1. The compensation cess of ₹5,063 crore reported in February relates to transactions carried out in January. Total GST refunds rose 10.2 per cent, with domestic refunds declining 5.3 per cent and import-related refunds rising 26.5 per cent. Meanwhile, gross GST revenue increased 8.1 per cent to ₹1.83 trillion, though sequentially it fell 5.05 per cent from January, when overall revenue stood at ₹1.93 trillion. Gross revenues from imports grew 17.2 per cent to ₹47,000 crore, while revenues from domestic transactions increased 5.3 per cent to ₹1.35 trillion.

According to Saurabh Agarwal, partner at EY, India's continued rise in GST collections, despite persistent global uncertainties, underscores the economy's inherent resilience and growing formalisation.

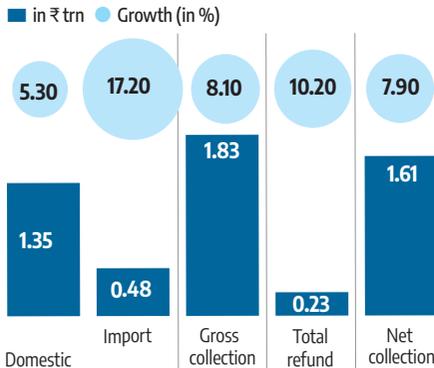
"The strong uptick in regions such as the Union Territory of Jammu & Kashmir, Bihar, Sikkim, Nagaland, Manipur, Meghalaya, Odisha, and Ladakh reflects the deepening of economic activity across the country, signalling that growth is becoming more broad-based than ever," Agarwal said.

In September, the GST Council undertook a major exercise in rate rationalisation to boost consumption and improve ease of doing business. "Domestic GST revenues continue to show resilience, while higher import-led integrated GST collections point to sustained trade activity. This follows the reduced rates after GST 2.0, reflecting strong and sustained growth in domestic consumption," said Mahesh Jaising, partner and indirect tax leader, Deloitte India.

According to Abhishek Jain, partner at KPMG, the data indicates steady economic momentum and improved compliance. He said the growth reflects a combination of resilient consumption supported by GST rate rationalisation, formalisation of businesses, and enhanced enforcement through technology-driven monitoring.



Tax matters



GST collection data for February 2026
Note : From November last year, the Finance Ministry separated GST compensation cess from the revenue figures.