

GST mop-up in May rises 12% y-o-y on robust demand

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Strong demand in the economy and better compliance helped collection from Goods & Services Tax (GST) reach ₹1.57-lakh crore in May. Though 12 per cent higher than last May, sequentially the mop-up was down 16 per cent over April. Experts expect the collection to rise in the coming months.

In a statement, the Finance Ministry said the monthly GST revenue stands at over ₹1.4-lakh crore for the 14th consecutive month. Revenue from import of goods was 12 per cent higher than in May 2022, and that from domestic transactions (including import of services) was up 11 per cent.

GOOD COMPLIANCE

Commenting on the number, MS Mani, Partner with Deloitte India, said while the collection in absolute terms is lower than in April — which had an embedded year-end impact — it reflects a continuation of the good economic performance across States witnessed since last year.

Now, all eyes are on the impact of the special drive against fake assesseees. Vivek Jalan, Partner with Tax Connect Advisory, expects that with the clean-up drive kick-

State-wise collection

(in ₹ crore)

	May 2023	May 2022	Change (%)
Maharashtra	23,536	20,313	16
Karnataka	10,317	9,232	12
Gujarat	9,800	9,321	5
Tamil Nadu	8,953	7,910	13
Uttar Pradesh	7,468	6,670	12
Haryana	7,250	6,663	9
West Bengal	5,162	4,896	5
Delhi	5,147	4,113	25
Telangana	4,507	3,982	13
Andhra Pradesh	3,373	3,047	11

Source: Finance Ministry

starting on May 16 and continuing up to July 15, “the impact will be seen in the coming months and may boost collections as the GST Department goes all-out to plug evasions,” he said.

May Mfg PMI at 31-month high

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A surge in demand, at home and abroad, saw the manufacturing sector put up a strong performance in May. The Purchasing Managers' Index (PMI) for the month surged to a 31-month high of 58.7 from 57.2 in April.