

GST mop-up ₹1.74 trn, growth slows to 7.7%

Growth less than 12.4% recorded in April and 10% in May

SHRIMI CHOUDHARY

New Delhi, 1 July

The gross goods and services tax (GST) collection for June 2024 stood at ₹1.74 trillion, marking 7.7 per cent year-on-year (Y-o-Y) growth, an official source disclosed to *BusinessStandard*.

This Y-o-Y growth is notably less than the 12.4 per cent and 10 per cent increases recorded in April and May, respectively. Month-on-month figures, too, were flat.

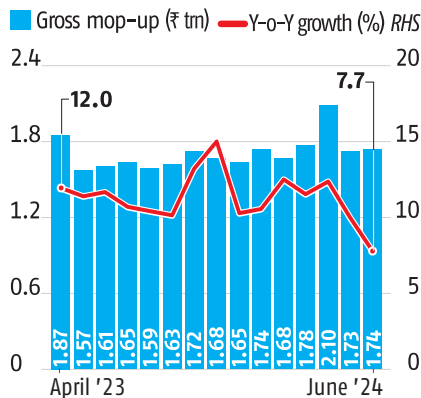
In May this year, the gross GST collection amounted to ₹1.73 trillion, while April witnessed a record-high GST collection of ₹2.1 trillion. The June revenue brought the financial year-to-date total to ₹5.57 trillion, said the source.

“Growth is not as robust as in past months, with various underlying factors contributing to this. Nevertheless, the upward trend is expected to con-

GST COLLECTIONS



Note: Figures are rounded off
Source: Finance ministry



continue in the upcoming months, with gross collections likely to remain above the ₹1.6 trillion mark,” the official said.

While detailed data for Central and State GST collections was unavailable, it was learnt that approximately ₹39,600 crore went into the central GST account from the Integrated GST (IGST) collection, and states got ₹33,548 crore from the IGST collec-

tion. This latest data coincides with the seventh anniversary of GST rollout in India. The finance ministry, it is learnt, has now decided to discontinue the publication of detailed tax collection numbers.

“The GST regime has largely stabilised, which could explain the decision to withhold detailed figures,” said the official cited above.

GST mop-up ₹1.74 trn, growth slows to 7.7%

Pratik Jain, partner at PwC India, stated: “While growth in June’s collection seems lower compared to the previous month, the overall GST collection has shown an encouraging trend over the past few months.” He further said that industry hopes this trend will prompt the GST Council to reinstate the rate rationalisation exercise, as indicated in the latest Council meeting. Another expert noted that the figures continue to reflect a buoyant economy, with businesses demonstrating commendable self-compliance. “Timely audits, scrutiny measures, and effective enforcement by the department have all contributed to this success,” commented Saurabh Agarwal, tax partner, EY. On the seventh anniversary of the GST regime, which subsumed 17 local taxes, the finance ministry issued several statements applauding the regime through social media posts on Monday.

The theme of the 7th GST Day was Sashakt Vyapar Samagra Vikas (empowered trade, overall growth). “With reduced tax rates on household goods after GST implementation, #7yearsofGST has brought relief to every home through lower GST on household appliances and mobile phones,” the ministry said on X.