

Macro Insights

01 June 2022

GST revenue collected ₹1, 40,885 in May'22 around 16% lower from April'22.

The gross GST revenue collected is ₹1,40,885 crore in May'22 i.e. around 16% lower than GST revenues from the last month and 44% higher than the GST revenues in May 2021. This is the seventh time the monthly GST collection crossed ₹1.30 lakh crore mark since inception of GST and fifth month since January 2022.



GST collected 16% lower than GST revenues from the last month

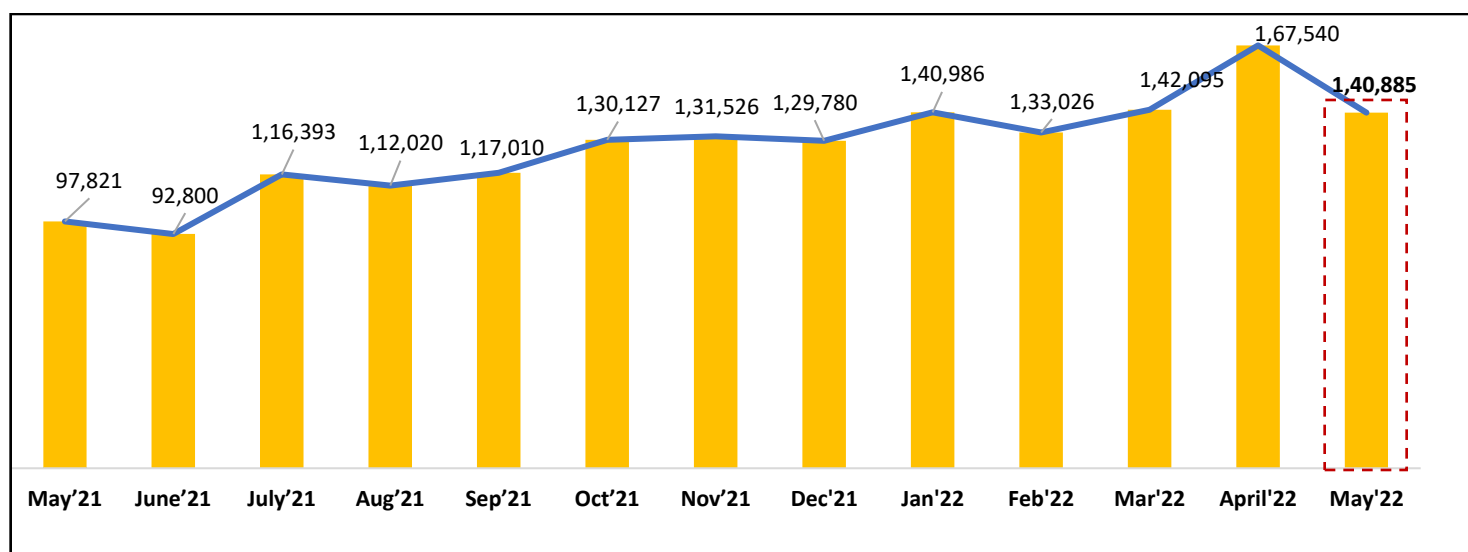


44% higher than the GST revenues in May 2021



There are temporary disruptions in the economy due to geopolitical crisis, and higher inflation, However, Indian economy is better placed and quite optimistic on investment demand.

Chart: Monthwise GST Collection (Rs Crore)



Highlights:

- The total number of e-way bills generated in the month of April 2022 was 7.4 crore, which is 4% lesser than 7.7 crore e-way bills generated in the month of March 2022.
- The Collection in the month of May'22 which pertains to the returns for April'22 and the first month of the financial year has always been lesser than April, which pertains to the returns for March, the closing of the financial year.

Views:

There are temporary disruptions in the economy due to geopolitical crisis and higher inflation. However, Indian economy is better placed than other countries including the developed world as it is more resilient, steady streak of GST Collections in excess of Rs 1.4 Lakh Crore over the past 3 months is reflective of both economic growth and strict action taken against errant taxpayers based on analytics.

Period	GST Collection Amt. (In Rs. Crs)	Growth (%)
May'21	97,821	 44.02% (YoY)
May'22	1,40,885	
Dec'21 to Feb'22	4,03,792	 11.57% (Combine last 3 Months)
Mar'22 to May'22	4,50,520	
Apr'22	1,67,540	 -15.91% (Month-on-Month)
May'22	1,40,885	

Way Forward

- ✓ The robust goods and services tax collections indicate that the economic momentum of the country is intact.
- ✓ The real GDP numbers for FY22 were in line with earlier estimates which shows healthy pace of economic activity despite the higher inflation.
- ✓ India is better off than several developed countries and quite optimistic on investment demand. It is expected that the positive trend in the revenues will continue in the current month. We expect GST collection to be in the range of ₹ 1.4 to ₹ 1.5 Lakh Crore for the next 6-7 Months.

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