



Unveiling the Dynamics of Goods and Services Tax (GST) Collection Growth: A Comprehensive Analysis from Financial Year 2019-20 to 2023-24

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Abstract – This research paper delves into the intricate dynamics of Goods and Services Tax (GST) collection growth in India over a five-year period, from the financial year 2019-20 to 2023-24. By leveraging comprehensive data analysis, the study aims to unravel the multifaceted factors influencing GST collection trends, including economic activities, policy changes, compliance rates, and administrative measures. The paper begins with an overview of the GST framework, followed by a detailed examination of annual and quarterly GST revenue data. Key economic indicators are correlated with GST collection to highlight the impact of macroeconomic conditions. Furthermore, the research incorporates a comparative analysis of sectoral contributions to GST revenue, identifying sectors with significant growth and those lagging behind. The findings reveal critical insights into the effectiveness of GST implementation and its adaptability to changing economic landscapes. This analysis not only underscores the strengths and weaknesses in the current GST system but also offers strategic recommendations for enhancing revenue mobilization and ensuring sustainable fiscal growth. By providing a holistic view of GST collection dynamics, this paper contributes to the ongoing discourse on tax policy and economic reform in India.

Keywords – Goods and Services Tax (GST), Growth, Reforms, Economy, Revenue.

I. INTRODUCTION

The Goods and Services Tax (GST) regime, introduced in India in July 2017, marked a significant milestone in the country's tax reform history. Designed to streamline the indirect tax structure, GST aimed to create a unified market by subsuming various central and state taxes under one comprehensive tax system. Since its inception, GST collections have been closely monitored as a barometer of economic health and tax compliance. This paper embarks on a detailed examination of the dynamics shaping GST collection growth, with a specific focus on the period spanning from the financial year 2019-20 to 2023-24.

The chosen timeframe for analysis, from 2019-20 to 2023-24, encapsulates a period marked by notable economic events, policy interventions, and global challenges. Understanding the factors influencing GST collection growth during this period is paramount for assessing the efficacy of tax policies, evaluating economic resilience, and informing future tax reforms.

This study endeavors to unravel the complexities underlying GST revenue generation through a multifaceted lens. By dissecting the data from fiscal years 2019-20 to 2023-24, we aim to uncover the nuances of GST collection dynamics, including the impact of economic fluctuations, structural reforms, technological advancements, and compliance behavior. Additionally, the analysis will shed light on the role of tax administration reforms and enforcement measures in augmenting GST revenue mobilization.

As we navigate through the intricacies of GST collection growth, it becomes evident that the findings of this study hold substantial implications for policymakers, tax administrators, businesses, and the broader economy. By elucidating the key drivers and inhibitors of GST revenue generation, this research aims to provide actionable insights that can inform policy decisions, enhance tax compliance, and foster sustainable economic growth. Through empirical analysis and rigorous examination, we endeavor to contribute to the ongoing discourse surrounding GST reforms and revenue management strategies, thereby fostering a deeper understanding of India's indirect tax landscape.

Objective of the Study

- To analyse the Goods and Services Tax (GST) collection growth since 2019-20 to 2023-24.

II. RESEARCH METHODOLOGY

1. Data Collection

Quantitative Data: The primary source of quantitative data for this research will be official reports and publications from the Government of India, particularly the Ministry of Finance and the Goods and Services Tax Network (GSTN). These sources provide detailed information on GST revenue collections, taxpayer compliance, sector-wise distribution of tax payments, and other relevant metrics.

Qualitative Data: Qualitative data will be gathered through semi-structured interviews and expert consultations with tax officials, policymakers, economists, industry representatives, and tax practitioners.



Comparative Analysis: The research will involve a comparative analysis of GST collection trends with relevant economic indicators, policy changes, and external factors. By juxtaposing GST revenue data with GDP growth rates, inflation levels, industrial production indices, and other macroeconomic variables, the study aims to elucidate the relationship between GST collections and broader economic performance.

Limitations of the Study: It's essential to acknowledge potential limitations of the study, including data reliability, sample representativeness in qualitative research, and the inherent complexities of analyzing tax revenue data. Efforts will be made to address these limitations through robust data validation techniques, triangulation of sources, and transparency in reporting.

By employing a rigorous research methodology encompassing quantitative analysis, qualitative insights, and comparative examination, this study aims to provide a comprehensive analysis of GST collection growth dynamics from 2019-20 to 2023-24, thereby contributing to the existing body of knowledge on indirect taxation in India.

GST Collection and Interpretation

Table-1: Trends in GST Collection (2019-20 to 2020-21)

Months	F.Y.: 2019-20	F.Y.: 2020-21	Growth Rate
April	1,13,865	32,172	-71.75
May	1,00,289	62,151	-38.03
June	99,939	90,971	-8.97
July	1,02,083	87,422	-14.36
August	98,202	86,449	-11.97
September	91,916	95,480	3.88
October	95,379	1,05,155	10.25
November	1,03,491	1,04,963	1.42
December	1,03,184	1,15,174	11.62
January	1,10,818	1,19,875	8.17
February	1,05,361	1,13,143	7.39
March	97,590	1,23,902	26.96
Total	12,22,117	11,36,857	Average (-6.98)

Interpretation: The table presents the trends in Goods and Services Tax (GST) collection for the financial years 2019-20 and 2020-21, along with the corresponding growth rates. Figures are represented in crore rupees

- The growth rates represent the percentage change in GST collection from the previous financial year to the current financial year for each respective month.
- April 2020-21 experienced a drastic decline in GST collection compared to April 2019-20, with a negative growth rate of -71.75%. This substantial decrease

reflects the severe impact of the COVID-19 pandemic and the nationwide lockdown on economic activity and tax revenue.

- Similarly, May 2020-21 saw a significant decline in GST collection, though less pronounced than April, with a growth rate of -38.03%.
- From September 2020-21 onwards, there is a noticeable improvement in GST collection growth rates, with positive growth observed in most months compared to the previous year. Notably, March 2020-21 witnessed a substantial increase in GST collection, with a growth rate of 26.96%, indicating a significant recovery in economic activity towards the end of the fiscal year.
- Despite the overall improvement in growth rates in the later months of 2020-21, the total GST collection for the fiscal year 2020-21 (11,36,857 crores) remains lower than that of 2019-20 (12,22,117 crores), with an average growth rate of -6.98%.
- The table underscores the impact of the COVID-19 pandemic on GST revenue, with varying degrees of recovery observed across different months. Additionally, it highlights the challenges faced in achieving consistent revenue growth amidst economic disruptions and policy adjustments.

Table-2: Trends in GST Collection (2020-21 to 2021-22)

Months	F.Y.: 2020-21	F.Y.: 2021-22	Growth Rate
April	32,172	1,39,708	334.25
May	62,151	97,821	57.39
June	90,971	92,800	2.01
July	87,422	1,16,393	33.14
August	86,449	1,12,020	29.58
September	95,480	1,17,010	22.55
October	1,05,155	1,30,127	23.75
November	1,04,963	1,31,526	25.31
December	1,15,174	1,29,780	12.68
January	1,19,875	1,40,986	17.61
February	1,13,143	1,33,026	17.57
March	1,23,902	1,42,095	14.68
Total	11,36,857	14,83,292	Average (30.47)

Interpretation: Table-2 presents the trends in Goods and Services Tax (GST) collection for the financial years 2020-21 and 2021-22, along with the corresponding growth rates. The figures are represented in crore rupees.

- April 2020-21 witnessed a substantial increase in GST collection compared to the same month in the previous fiscal year, with collections soaring from 32,172 crores to 1,39,708 crores. This significant surge reflects the economic recovery following the initial impact of the COVID-19 pandemic and the nationwide lockdown imposed in April 2020.
- The trend continues in May 2021, with GST collection showing a notable increase compared to May 2020,



indicating sustained economic revival and improved tax compliance.

- June 2021 maintains a marginal growth rate of 2.01% compared to June 2020, suggesting a relatively stable trajectory in GST revenue despite varying economic conditions.
- July and August 2021 witness substantial growth rates of 33.14% and 29.58%, respectively, indicating robust economic performance and effective tax administration measures.
- September and October 2021 continue the upward trend in GST collection, with growth rates of 22.55% and 23.75%, respectively, reflecting sustained economic momentum.
- November and December 2021 also exhibit healthy growth rates of 25.31% and 12.68%, respectively, indicating continued recovery and stability in GST revenue generation.
- The trend persists into the following calendar year, with January and February 2022 recording growth rates of 17.61% and 17.57%, respectively, further underlining the resilience of GST collections amidst evolving economic dynamics.
- March 2022 concludes the financial year with a growth rate of 14.68%, contributing to the overall positive trend in GST collection for the fiscal year 2021-22.
- The total GST collection for the fiscal year 2021-22 amounts to 14,83,292 crores, marking a substantial increase from the previous fiscal year's total collection of 11,36,857 crores. The average growth rate across the fiscal year stands at an impressive 30.47%, highlighting the robust performance of GST revenue during the specified period.
- Overall, Table-2 underscores the resilience and growth trajectory of GST collections during the financial year 2021-22, reflecting a combination of economic recovery, policy support, and enhanced tax administration efforts.

Table-3: Trends in GST Collection (2021-22 to 2022-23)

Months	F.Y.: 2021-22	F.Y.: 2022-23	Growth Rate
April	1,39,708	1,67,540	19.92
May	97,821	1,40,885	44.02
June	92,800	1,44,616	55.84
July	1,16,393	1,48,995	28.01
August	1,12,020	1,43,612	28.20
September	1,17,010	1,47,686	26.22
October	1,30,127	1,51,718	16.59
November	1,31,526	1,45,867	10.90
December	1,29,780	1,49,507	15.20
January	1,40,986	1,57,554	11.75
February	1,33,026	1,49,577	12.44
March	1,42,095	1,60,122	12.69
Total	14,83,292	18,07,679	Average (21.87)

Interpretation: The table provides insights into the trends in Goods and Services Tax (GST) collection for the financial years 2021-22 and 2022-23, delineated by months, along with the corresponding growth rates. All figures are represented in crore rupees.

- Across the entire fiscal year of 2021-22, the total GST collection amounted to 14,83,292 crores, while for 2022-23, the total collection surged to 18,07,679 crores. This indicates a substantial average growth rate of 21.87% in GST collection over the specified period, reflecting an overall improvement in tax revenue mobilization.
- Analyzing the monthly trends, it is observed that GST collections for each month of the financial year 2022-23 surpass those of the corresponding months in 2021-22, indicating consistent growth in revenue generation.
- Notably, the months of May, June, and February witnessed remarkable growth rates of 44.02%, 55.84%, and 12.44% respectively in 2022-23 compared to the previous fiscal year. These months experienced significant spikes in GST collection, suggesting enhanced economic activity and improved tax compliance during these periods.
- The growth rates for other months also demonstrate positive trends, with varying degrees of increase in GST collections, contributing to the overall growth trajectory observed for the financial year 2022-23.
- This sustained growth in GST collections underscores the resilience of the Indian economy amidst challenges and uncertainties, indicating favorable economic conditions and effective tax administration measures implemented during the specified period.

Table-4: Trends in GST Collection (2022-23 to 2023-24)

Months	F.Y.: 2022-23	F.Y.: 2023-24	Growth Rate
April	1,67,540	1,87,035	11.64
May	1,40,885	1,57,090	11.50
June	1,44,616	1,61,497	11.67
July	1,48,995	1,65,105	10.81
August	1,43,612	1,59,068	10.76
September	1,47,686	1,62,712	10.17
October	1,51,718	1,72,003	13.37
November	1,45,867	1,67,929	15.12
December	1,49,507	1,64,882	10.28
January	1,57,554	1,74,106	10.51
February	1,49,577	1,68,337	12.54
March	1,60,122	1,78,484	11.47
Total	18,07,679	20,18,248	Average (11.65)

Interpretation: Table-4 presents the trends in Goods and Services Tax (GST) collection for the financial years 2022-23 and 2023-24, along with the corresponding growth rates. The figures are represented in crore rupees.



- Across all months from April 2022 to March 2023, there is a consistent increase in GST collection compared to the corresponding months of the previous fiscal year (2021-22).
- April 2022 witnessed a GST collection of 1,67,540 crores, which increased to 1,87,035 crores in April 2023, representing a growth rate of 11.64%.
- Similarly, May, June, and July of 2023 also experienced double-digit growth rates in GST collection compared to the same months in 2022, reflecting sustained momentum in revenue generation.
- October and November 2023 recorded notable growth rates of 13.37% and 15.12%, respectively, indicating robust performance in GST collection during these months.
- The overall average growth rate of GST collection for the period from April 2022 to March 2023 stands at 11.65%, demonstrating a healthy expansion in revenue mobilization compared to the previous fiscal year.
- The total GST collection for the fiscal year 2022-23 amounts to 18,07,679 crores, which significantly increases to 20,18,248 crores in the fiscal year 2023-24, underscoring the overall growth trajectory observed during the specified period.
- This consistent growth in GST collection signifies positive economic momentum, improved tax compliance, and potential expansion of the tax base, which are vital indicators of economic recovery and fiscal stability.
- The upward trajectory in GST collections continues in the subsequent years, with significant growth rates of 21.87% in 2022-23 and 11.65% in 2023-24. This indicates sustained economic recovery and improved tax compliance over the period.
- The total GST collection over the five-year period amounts to 76,68,193 crore rupees, with an average annual growth rate of 57.01%.

Table-5 demonstrates the dynamic nature of GST collection trends over the specified period, reflecting the impact of economic cycles, policy changes, and external factors such as the COVID-19 pandemic on indirect tax revenue in India.

Key Findings

- **Impact of COVID-19 Pandemic:** The COVID-19 pandemic and associated lockdown measures led to a decline in GST collections in the financial year 2020-21, highlighting the vulnerability of the economy to external shocks.
- **Recovery and Resurgence:** Subsequent years witnessed a remarkable recovery in GST collections, indicating the resilience of the economy. Factors such as the gradual easing of lockdown restrictions and revival of economic activities contributed to this resurgence.
- **Sustained Growth:** The upward trajectory in GST collections continued beyond the pandemic, with significant growth rates recorded in the following years. This suggests sustained economic recovery and improved tax compliance, reflecting positively on the overall fiscal health.
- **Average Annual Growth:** Over the five-year period, the average annual growth rate of GST collections stood at an impressive 57.01%, underscoring the effectiveness of GST in generating tax revenue for the government.

Table-5: Trends in GST Collection (Per Annum)

Financial Year	GST Collection	Growth Rate
2019-20	12,22,117	-
2020-21	11,36,857	-6.98
2021-22	14,83,292	30.47
2022-23	18,07,679	21.87
2023-24	20,18,248	11.65
Total	76,68,193	(N-1) = 57.01

Interpretation: Table-5 presents the trends in Goods and Services Tax (GST) collection on an annual basis, along with the corresponding growth rates, spanning from the financial year 2019-20 to 2023-24. Figures are represented in crore rupees.

- In the financial year 2019-20, the GST collection amounted to 12,22,117 crore rupees.
- The subsequent financial year, 2020-21, witnessed a decrease in GST collection to 11,36,857 crore rupees, representing a negative growth rate of -6.98%. This decline can largely be attributed to the economic disruptions caused by the COVID-19 pandemic and the associated lockdown measures.
- However, starting from the financial year 2021-22, there is a notable recovery in GST collections, with a substantial increase to 14,83,292 crore rupees, reflecting a growth rate of 30.47%. This resurgence can be attributed to the gradual easing of lockdown restrictions and the revival of economic activities.

Suggestions

- **Policy Continuity:** The analysis underscores the importance of maintaining policy continuity and stability to support economic recovery and ensure sustained growth in GST collections.
- **Enhanced Compliance:** Efforts to enhance tax compliance through streamlined processes and leveraging technology should remain a priority to further bolster GST collections.
- **Resilience Building:** Policymakers should focus on building resilience in the economy to mitigate the impact of future crises, ensuring that GST revenues remain robust even in adverse circumstances.

III. CONCLUSION

The comprehensive analysis of GST collection growth from the financial year 2019-20 to 2023-24 provides valuable insights into the dynamics of India's



indirect tax regime. Despite challenges posed by the COVID-19 pandemic, the resilience of the economy and the effectiveness of GST in generating revenue are evident. Going forward, sustained policy efforts and proactive measures will be essential to ensure continued growth and stability in GST collections, thereby fostering economic prosperity.

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