

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

RAJYA SABHA
UNSTARRED QUESTION NO. 3611
ANSWERED ON 24/03/2026

Growth in GST collections

3611 Shri Sanjay Seth:

Will the Minister of FINANCE be pleased to state:

- (a) the details of the robust, sustained growth in gross Goods and Services Tax (GST) collections over the last four months;
- (b) whether the deployment of advanced data analytics and AI has successfully identified and curbed input tax credit evasion;
- (c) the impact of recent rationalizations by the GST Council on easing compliance for the MSME sector;
- (d) the progress made in automating the scrutiny of returns to ensure minimal human interface and absolute transparency; and
- (e) the steps taken to launch nationwide awareness campaigns highlighting the benefits of timely GST compliance?

ANSWER

THE MINISTER OF STATE IN MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) The details of growth in gross GST collections during the last four months is given below:-

Month	FY 2025-26 (Rs. Crores)	FY 2024-25 (Rs. Crores)	Growth (%)
November	170,276	169,016	1%
December	174,550	164,556	6%
January	193,345	182,094	6%
February	183,580	169,778	8%

(b) Yes. On the basis of Data Analytics, various instances of Input tax credit evasion have been identified.

(c) The recent GST rate rationalisation exercise has reduced the GST rate from 12% with input tax credit (ITC) to 5% with ITC on specified job work services, including those relating to pharmaceuticals, leather and bricks. Concurrently, residual job work services not specifically covered have been revised to 18% with ITC to align them with the GST rate on corresponding goods. Similarly, GST has been reduced from 12% to 5% with ITC on the services of common effluent treatment plants and biomedical waste treatment facilities. These plants/treatment facilities are mainly catering to MSME units.

In addition, GST on hotel accommodation up to Rs. 7,500 has been reduced from 12% with ITC to 5% without ITC, and beauty and physical well-being services are also now taxable at 5% without ITC from the existing rate of 18% with ITC. Similarly, GST on cinema tickets valued at Rs. 100 or less has been reduced from 12% to 5%. In transport and logistics services, including passenger transport, goods transport, renting of goods carriage with operator and multimodal transport, an option has been provided to the MSMEs to pay GST either at a concessional rate of 5% (with restricted or no ITC, as applicable) or at the standard rate of 18% with ITC, thereby providing greater flexibility.

These measures are aimed at reducing business costs and easing working capital requirements for MSMEs. Simplification of the tax structures, aligning the rate on services with that on corresponding goods helps mitigate inverted duty structure and reduce classification-related disputes. These changes are also expected to lower input and service costs, provide price relief to consumer-facing sectors, and improve ease of doing business.

(d) Functionality for generating a list of cases/ GSTINs for initiating scrutiny of returns is available which is based on preset scrutiny parameters and threshold for scrutiny is decided by the respective tax administration. Thereafter this list is made available to the tax officers for initiating scrutiny of returns.

(e) Awareness campaigns conducted for the taxpayers include –

- i. Updated 'User Manuals' are made available in 'Help Section' in the GST portal. Frequently Asked Questions are updated at periodic intervals for the taxpayer's access to the functionalities.
- ii. A help desk is periodically organised at IITF since 2017 to clarify the doubts of taxpayers and create awareness on the new functionalities.
- iii. Short and Long Videos about various functionalities are made available in official GSTN YouTube channel.
- iv. Updates are shared through Twitter at regular intervals.
- v. Training material specially designed for small taxpayers in form of videos is available on YouTube.
