

Study of Significant Growth in GST in Madhya Pradesh

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Abstract: *This paper states about the growth of GST in Madhya Pradesh. After the enactment of GST in the field of Indirect Tax the collection of indirect tax became easier from the previous years. Goal of “One nation-one Tax-One market” has been received successfully. Madhya Pradesh collection of GSTS is the highest in the country with the 30 percent Growth in GST collection in April the current fiscal year 2024.*

Keywords: GST, CGST, SGST, IGST, Ministry of Finance, CVD, SAD

I. INTRODUCTION

The introduction of GST is considered as a path-breaking and innovative step and measure to achieve the nation’s long-cherished goal of (slogan) ‘One Nation – One Tax – One Market’ (seamless and unfettered flow of goods and services without any tax hindrance, as considered earlier) besides improving ease of doing business. Before implementation of GST, the various earlier indirect taxes levied by the Central Government and State Governments (i.e., 17 kinds of indirect taxes imposed, such as: entry taxes, CVD, SAD Customs, AED, Luxury tax, Entertainment tax, taxes on lottery, betting and gambling; 23 kinds of 23 cesses imposed, such as: cess on tea and coffee, rubber, etc.). GST, finally legislated into effect on 01 July 2017 and replaced various above mentioned indirect taxes.

Madhya Pradesh has witnessed a surge in GST registrations, with over 2.8 lakh businesses now registered under the GST regime? This remarkable growth reflects the state's increasing entrepreneurial spirit and its commitment to fostering a vibrant business ecosystem. GST registration is not just a compliance measure; it's a strategic step towards simplifying taxation, boosting economic activity, and propelling Madhya Pradesh towards becoming a commercial hub. Growth in GST in MP

Madhya Pradesh collection of GSTS is the highest in the country with the 30 percent Growth in GST collection in April the current fiscal year 2024 as compared to the same previous year report of SGST department released. That report clearly shows the significant growth of GST as a major source of Revenue. The average growth rate in GST collection in the country stood at 11%. The SGST commissioner mentioned that he had taken major steps to levy collection of GSTS from traders the total number of registered GST payers in the state has increased to more than 5 lakh traders.

Objective: -

- To get the present state of GST Collection in MP
- To bring and realising the revenues in a fair, equitable and efficient manner
- To bring forth the success of GST in MP
- To get information about administering the Government's economic, tariff and trade policies with a practical and pragmatic approach
- To get information about challenges in executing GST combating revenue evasion, commercial frauds and social menace in an effective manner

II. REVIEW LITERATURE

- 1. CGST, Central Excise & Customs Bhopal Zone department:** - The relevant website of The Chief Commissioner's Office of Customs, GST & Central Excise, (earlier Customs, Central Excise & Service Tax) Bhopal came into existence w.e.f. 06.02.2002. The Chief Commissioner's Office (CCO) is subordinate office to the CBIC (Central Board of Indirect Taxes and Customs), Ministry of Finance, Department of Revenue, New Delhi (website: cbec.gov.in). It gives the detail information about GST rates, collection and frauds.
- 2. Department of Public relation, MP online report:** - The published report on GST has given the present state of GST in Madhya Pradesh that clearly described about the significant growth of GST in Madhya Pradesh. The publication revealed the highest collection of GSTS received in a single month after implementation of GST in July 2017. Similarly, till the month of December, 2023, a total revenue of Rs 23471 crore has been received from GST, which is 21 percent more than the previous year.
- 3. Ministry of Finance:** - The report of Ministry of Finance enlightens the growth in the collection of GSTS in Madhya Pradesh. The report reveals the state wise data collection of GSTS till 2024 in which Madhya Pradesh got 11% growth in GSTS collection.
- 4. <https://vakilsearch.com>:** - This online platform provides all the required information about registration process of GST in Madhya Pradesh. It clearly mentions the audit process of GST collection, Goods and Services included or excluded in GST.
- 5. Department of Commercial tax:** - The report of Department of commercial tax states about the consecutive growth of GSTS collection. It also mentions the current amendment of GST that facilitates the GST Registration process. Hence, more registrations have been recorded in during year 2025

III. METHODOLOGY

The entire publication is based on Secondary data. This work corresponds to an extensive review of the literature published of the recent advances in GST collection in Madhya Pradesh. These help in making data base in various field of GST reports, article and scholars. It also assists the Researcher analyzing data. On the basis of review Literature, the study of Study of Significant growth in GST in Madhya Pradesh is analysed under as follows: -

Analysis

The Gross Goods and Services Tax (GST) collections hit a record high in April 2024 at ₹2.10 lakh crore. This represents a significant 12.4% year-on-year growth, driven by a strong increase in domestic transactions (up 13.4%) and imports (up 8.3%). After accounting for refunds, the net GST revenue for April 2024 stands at ₹1.92 lakh crore, reflecting an impressive 15.5% growth compared to the same period last year.

Significant increase in GST revenue in Madhya Pradesh 11% increase in December compared to last financial year Over 5 lakh registered traders Deputy CM Shri Jagdish Dewra thanks, appreciated taxpayers and greets departmental staff. The GST revenue in the month of December of the current financial year has increased by 11 percent as compared to December month of the last financial year. This is a remarkable achievement. Deputy Chief Minister Shri Jagdish Dewra expressed his gratitude to the taxpayers and congratulated the departmental staff. Revenue of Rs 2976 crore was collected in the month of December in the last financial year 2022-23. In comparison, GST collection in the month of December in the current financial year was Rs. 3304 crores, which is 11 percent more than the previous year. This is the highest collection of GSTS received in a single month after implementation of GST in July 2017. Similarly, till the month of December, 2023, a total revenue of Rs 23471 crore has been received from GST, which is 21 percent more than the previous year.

Table-1: SGST & SGT portion of IGST settled to States/UTs April 2024 (Rs. in crore)

Table-1 shows the state-wise figures of GST collected in each State during the month of April, 2024 as compared to April, 2023. It shows the state-wise figures of post settlement GST revenue of each State for the month of April, 2024.

State/UT	Pre-Settlement SGST			Post-Settlement SGST		
	Apr-23	Apr-24	Growth	Apr-23	Apr-24	Growth
Jammu and Kashmir	394	362	-8%	918	953	4%
Himachal Pradesh	301	303	1%	622	666	7%
Punjab	860	999	16%	2,090	2,216	6%
Chandigarh	63	75	20%	214	227	6%
Uttarakhand	554	636	15%	856	917	7%
Haryana	1,871	2,172	16%	3,442	3,865	12%
Delhi	1,638	2,027	24%	3,313	4,093	24%
Rajasthan	1,741	1,889	9%	3,896	3,967	2%
Uttar Pradesh	3,476	4,121	19%	7,616	8,494	12%
Bihar	796	951	19%	2,345	2,688	15%
Sikkim	110	69	-37%	170	149	-12%
Arunachal Pradesh	122	101	-17%	252	234	-7%
Nagaland	36	41	14%	107	111	4%
Manipur	50	53	6%	164	133	-19%
Mizoram	41	59	46%	108	132	22%
Tripura	70	80	14%	164	198	21%
Meghalaya	69	76	9%	162	190	17%
Assam	608	735	21%	1,421	1,570	10%
West Bengal	2,416	2,640	9%	3,987	4,434	11%
Jharkhand	952	934	-2%	1,202	1,386	15%
Odisha	1,660	2,082	25%	2,359	2,996	27%
Chhattisgarh	880	929	6%	1,372	1,491	9%
Madhya Pradesh	1,287	1,520	18%	2,865	3,713	30%
Gujarat	4,065	4,538	12%	6,499	7,077	9%
Dadra and Nagar Haveli and Daman and Diu	62	75	22%	122	102	-16%
Maharashtra	10,392	11,729	13%	15,298	16,959	11%
Karnataka	4,298	4,715	10%	7,391	8,077	9%
Goa	237	283	19%	401	445	11%
Lakshadweep	1	0	-79%	18	5	-73%
Kerala	1,366	1,456	7%	2,986	3,050	2%
Tamil Nadu	3,682	4,066	10%	5,878	6,660	13%
Puducherry	42	54	28%	108	129	19%
Andaman and Nicobar Islands	46	32	-32%	78	88	13%
Telangana	1,823	2,063	13%	3,714	4,036	9%
Andhra Pradesh	1,348	1,621	20%	3,093	3,552	15%
Ladakh	34	36	7%	55	61	12%
Other Territory	22	16	-26%	86	77	-10%
Grand Total	47,412	53,538	13%	85,371	95,138	11%

Source: - Ministry of Finance

Table-2 Shows the state wise growth during February 2025 Madhya Pradesh GST Revenues increase 15% which is more than many other states.

State Wise growth of GST Revenues during February 2025*			
State/UT	Feb-24	Feb-25	Growth (%)
Jammu and Kashmir	532	523	-2%
Himachal Pradesh	746	869	16%
Punjab	1955	2125	9%
Chandigarh	211	236	12%
Uttarakhand	1525	1656	9%
Haryana	8269	9925	20%
Delhi	5544	6074	10%
Rajasthan	4211	4787	14%
Uttar Pradesh	8054	9155	14%
Bihar	1491	1644	10%
Sikkim	299	332	11%
Arunachal Pradesh	101	102	1%
Nagaland	51	56	9%
Manipur	56	50	-9%
Mizoram	49	42	-16%
Tripura	85	103	21%
Meghalaya	193	214	11%
Assam	1390	1451	4%
West Bengal	5357	5797	8%
Jharkhand	2933	3319	13%
Odisha	5136	5344	4%
Chhattisgarh	3124	3351	7%
Madhya Pradesh	3572	4090	15%
Gujarat	11029	11402	3%
Dadra and Nagar Haveli and Daman & Diu	355	386	8%
Maharashtra	27065	30637	13%
Karnataka	12815	14117	10%
Goa	581	601	3%

Lakshadweep	2	1	-55%
Kerala	2688	2894	8%
Tamil Nadu	9713	10694	10%
Puducherry	231	251	9%
Andaman and Nicobar Islands	39	52	32%
Telangana	5211	5280	1%
Andhra Pradesh	3678	3817	4%
Ladakh	35	19	-46%
Other Territory	201	214	5%
Center Jurisdiction	232	336	45%

Source: - Ministry of Finance

Table-3 Monthly Comparison of state-wise SGST Settled, Before and After the Settlement:-The following is the state-wise overview of the pre-settlement and post-settlement SGST figures for 2024-25 year till date:

Monthly Comparison of state-wise SGST Settled, Before and After the Settlement						
The following is the state-wise overview of the pre settlement and post-settlement SGST figures for 2024-25 year till date:						
State/UT	2023-24	2024-25	Growth	2023-24	2024-25 *	Growth*
Jammu and Kashmir	2680	2735	2%	7415	7980	8%
Himachal Pradesh	2371	2484	5%	5138	5682	11%
Punjab	7689	8440	10%	20240	22721	12%
Chandigarh	626	710	13%	2117	2176	3%
Uttarakhand	4934	5321	8%	7708	8588	11%
Haryana	18568	21274	15%	31975	36542	14%
Delhi	14235	16247	14%	29187	33063	13%
Rajasthan	15762	16688	6%	35505	39971	13%
Uttar Pradesh	29560	31638	7%	69782	77295	11%
Bihar	7478	8350	12%	24231	26043	7%
Sikkim	387	366	-6%	877	887	1%
Arunachal Pradesh	548	484	-12%	1721	1634	-5%
Nagaland	270	260	-4%	955	976	2%
Manipur	310	320	3%	1011	1040	3%
Mizoram	245	241	-2%	879	855	-3%
Tripura	455	494	9%	1435	1567	9%
Meghalaya	550	561	2%	1557	1639	5%
Assam	5413	5839	8%	13347	14122	6%
West Bengal	21407	21938	2%	38335	42821	12%
Jharkhand	7967	8021	1%	11220	12868	15%
Odisha	14796	16069	9%	22636	23590	4%
Chhattisgarh	7417	8040	8%	12450	14329	15%
Madhya Pradesh	11865	12614	6%	30386	33120	9%

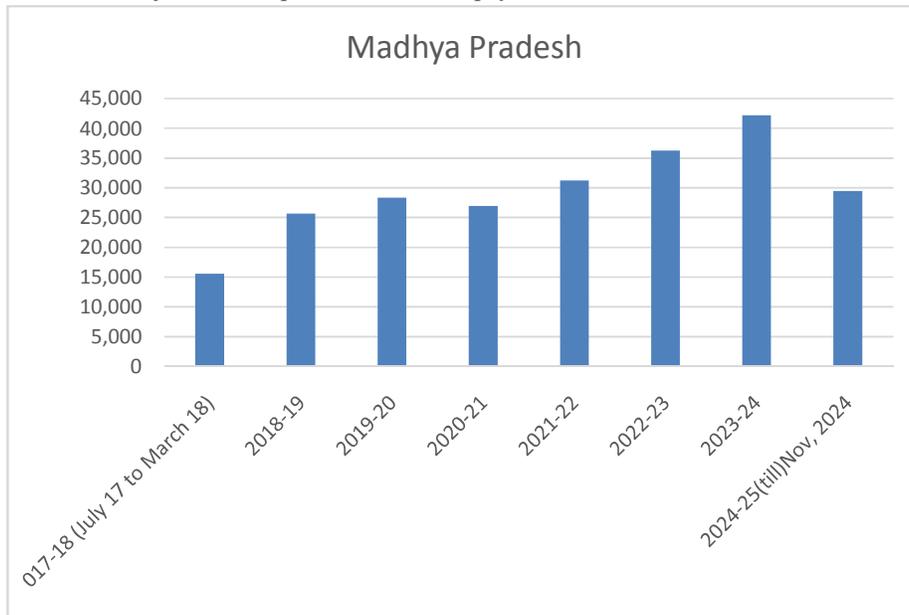
Gujarat	38465	41294	7%	58317	67007	15%
Dadra and Nagar Haveli and Daman & Diu	599	677	13%	1006	1161	15%
Maharashtra	91584	102844	12%	134593	156612	16%
Karnataka	37305	41136	10%	68428	75391	10%
Goa	2137	2381	11%	3752	4136	10%
Lakshadweep	18	8	-57%	79	105	32%
Kerala	12809	13620	6%	28358	30041	6%
Tamil Nadu	37024	41753	13%	58904	69093	17%
Puducherry	467	505	8%	1255	1392	11%
Andaman and Nicobar Islands	191	208	9%	487	544	12%
Telangana	18175	19470	7%	36949	40340	9%
Andhra Pradesh	12695	13088	3%	28873	30286	5%
Ladakh	230	254	11%	620	700	13%
Other Territory	218	187	-14%	1043	829	-21%

Source: - Ministry of Finance

Table: -Gross GST Collection from FY 2017-18 (July 17 to March 18) to FY 2024-25 (till November, 2024) (in Rs. Crores)

State	017-18 (July 17 to March 18)	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024- 25(till)Nov, 2024
Madhya Pradesh	15,544	25,683	28,354	27,005	31,255	36,232	42,174	29,438

To conclude, there has been a good momentum seen in the monthly GST collections of Madhya Pradesh as per details in the report. We expect the March 2025 collections to close at a higher range being financial year end closure with annual reconciliations and adjustments expected from the taxpayers.



IV. CONCLUSION

Among other efforts to increase revenue, special campaigns of scrutiny, audit and enforcement are being run. The information related to the Income Tax Act is being matched with the GST returns by the analytics team at the Data, Command and Control Centre located at the headquarters. Information is also being obtained from other government departments like treasury and accounts, mining, transport etc. and matching them with the GST returns. On the basis of information received from other departments, action is also being taken to register unregistered taxpayers. On the basis of data analytics, cases are identified by the headquarters in Indore for various actions and are regularly sent to the field officers. At the headquarters level, 4848 scrutiny cases related to sectors like construction, mining, building material, government supplies etc. were allotted. After scrutiny of these cases, Rs 442 crore. An amount of Rs. 691 crore was deposited. An additional demand of Rs.

On the basis of data analytics, 1205 audit cases were identified and allocated for audit. An amount of Rs 80 crore has been collected so far from the audit proceedings. Enforcement action was taken against taxpayers in the tax evasion sector based on data analysis. In this financial year, the department took action in 1106 cases involved in tax evasion and recovered Rs 438 crore. Have been deposited.

In the field of ITC reversal also, the department identified taxpayers on the basis of data analysis and reversal of ineligible and unreceived ITC was done as per rules. Due to this action of ITC reversal, the department has earned Rs 2642 crore till the month of December in this financial year. The amount has been received as IGST settlement.

V. SUGGESTION

As per analysis of above-mentioned data and statistics It has been observed that the GST Revenues of Madhya Pradesh increased significantly. The post settlement of GST in July 2024 has been 30%, 2024-25 GST Revenues received 33120 crore Rs and growth in GST received 9% which shows the significant growth. However, if the process of GST collection and formal procedure become easier, then the supplier of goods and services registration will be increased and GST revenues collection will also be increased.

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