

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF REVENUE

**LOK SABHA UNSTARRED QUESTION NO. 314**  
TO BE ANSWERED ON MONDAY, FEBRUARY 05, 2024 / MAGHA 16, 1945 (Saka)

**Dissonance in Consumption Growth**

314. SHRI V.K. SREEKANDAN:  
SHRI MANNE SRINIVAS REDDY:

Will the Minister of FINANCE be pleased to state:

(a) whether the Goods and Services Tax (GST) revenues for the first nine months of 2023-24 revealed a dissonance in consumption growth across a dozen-odd States with Andhra Pradesh, Gujarat and West Bengal that are seeing weaker growth, if so, the details thereof and the reasons therefor;

(b) whether it is also true that the private final consumption expenditure would grow just 4.4% this year which would be the slowest since 2002-03, barring the pandemic-affected year of 2020-21, if so, the details thereof and the reasons therefor;

(c) whether the PFCE growth had slipped in various quarters and if so, the comparative detail thereof since inception of GST, State-wise along with the reasons therefor;

(d) whether the private final consumption expenditure growth had slipped to 3.1% in the July September quarter of 2023-24 and if so, the reasons therefor; and

(e) whether the GST is a consumption based tax that can broadly signal the consumption trends in economy and if so, the details thereof?

**ANSWER**

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

(a): The details of State GST revenue for the period of nine months of FY 2023-24 are given as per Annexure 1. Growth in GST revenue is broad based with overall national average being 12%. Consumption growth, state wise, is not compiled and hence it is not possible to comment if there is any dissonance in growth in consumption vis-à-vis GST revenue.

(b): As per first advance estimate of MoSPI, PFCE in FY 2023-24 is estimated to be Rs.97,74,122 crore, which is a growth of 4.4% over previous year. This is only first advance estimate. Moreover, this growth needs to be seen in the light of higher consumption growth rates in the earlier 2 years of 11.2% for FY 2021-22 and 7.5% for FY 2022-23.

(c): Quarterly PFCE is not compiled for states. However, quarter wise PFCE Levels and Growth rates since inception of GST are as per Annexure 2.

(d): Yes, PFCE growth had been estimated to 3.1% in July-September Quarter of FY 2023-24 at constant prices. Significant growth or contraction in components of PFCE having reasonable shares, particularly Food articles, has resulted in overall growth of 3.1% in PFCE. Subdued growth in Agriculture and Allied sector as well as moderate growth in services sector have lowered the overall PFCE growth rate. In addition, it is relevant to state that in Q2 of earlier two financial years, consumption growth rates were higher and therefore there is a base effect as well.

(e): The Goods and Services Tax (GST) is a consumption tax that consolidates various indirect taxes into a single tax structure, streamlining the taxation process. Being an indirect tax, GST is collected from suppliers of goods and services at every stage of value addition and not from the ultimate consumers of goods and services. While GST data may broadly reflect consumption trends, it may not provide total picture of consumption as there are a large number of goods and services which are either GST exempt or are outside GST. Moreover, direct imports by consumers are also not reflected in GST.

## Annexure 1

S. No.	State/UT	Post Settlement SGST		
		April-December (Rs. In Crores)		
		2022-23	2023-24	Growth
1	Lakshadweep	22	72	222%
2	Odisha	14,046	18,093	29%
3	Ladakh	420	523	25%
4	Arunachal Pradesh	1,176	1,418	21%
5	Chhattisgarh	8,370	9,937	19%
6	Sikkim	623	738	18%
7	Puducherry	876	1,037	18%
8	Assam	9,280	10,727	16%
9	Madhya Pradesh	20,834	24,026	15%
10	Meghalaya	1,087	1,244	14%
11	Punjab	14,371	16,382	14%
12	Mizoram	623	707	14%
13	Maharashtra	95,981	1,08,887	13%
14	Goa	2,606	2,951	13%
15	Karnataka	48,642	54,881	13%
16	Uttar Pradesh	49,384	55,656	13%
17	Haryana	23,134	25,733	11%
19	Rajasthan	25,903	28,794	11%
20	<b>Andhra Pradesh</b>	<b>21,137</b>	<b>23,481</b>	<b>11%</b>
21	Jharkhand	8,237	9,148	11%
22	Tamil Nadu	43,332	47,960	11%
23	Jammu and Kashmir	5,442	6,021	11%
24	Bihar	17,360	19,157	10%
25	Delhi	21,426	23,611	10%
26	<b>Gujarat</b>	<b>42,354</b>	<b>46,624</b>	<b>10%</b>
27	Uttarakhand	5,758	6,288	9%
28	Nagaland	716	781	9%
29	Tripura	1,074	1,166	9%
30	Chandigarh	1,582	1,708	8%
31	<b>West Bengal</b>	<b>29,170</b>	<b>31,300</b>	<b>7%</b>
32	Telangana	27,964	29,889	7%
33	Andaman and Nicobar Islands	365	388	7%
34	Kerala	21,953	23,045	5%
35	Himachal Pradesh	4,205	4,160	-1%
36	DN&DD	889	804	-10%
37	Manipur	1,046	813	-22%
38	Center Jurisdiction	0	0	
<b>Total</b>		<b>5,71,807</b>	<b>6,39,052</b>	<b>12%</b>

**Annexure 2**

PFCE Levels in Rs. Crore (at Constant Prices)					PFCE Q-o-Q Growth rate (at Constant Prices)				
	Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4
<b>2015-16</b>	15,17,933	15,13,130	16,33,448	17,16,907	<b>2015-16</b>				
<b>2016-17</b>	16,23,633	16,58,457	18,16,561	18,01,585	<b>2016-17</b>	7.0	9.6	11.2	4.9
<b>2017-18</b>	17,63,225	17,38,953	18,92,042	19,36,508	<b>2017-18</b>	8.6	4.9	4.2	7.5
<b>2018-19</b>	18,74,398	18,88,258	20,33,403	20,54,385	<b>2018-19</b>	6.3	8.6	7.5	6.1
<b>2019-20</b>	20,08,913	20,04,358	21,55,033	20,87,914	<b>2019-20</b>	7.2	6.1	6.0	1.6
<b>2020-21</b>	15,48,901	18,57,460	21,88,868	22,29,267	<b>2020-21</b>	-22.9	-7.3	1.6	6.8
<b>2021-22</b>	18,22,102	21,21,839	24,26,098	23,33,501	<b>2021-22</b>	17.6	14.2	10.8	4.7
<b>2022-23</b>	21,82,357	22,98,123	24,78,700	23,99,515	<b>2022-23</b>	19.8	8.3	2.2	2.8
<b>2023-24</b>	23,12,601	23,70,094			<b>2023-24</b>	6.0	3.1		

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