

Kumbh Mela effect? At ₹10,000 cr, UP's March GST mop-up hits 11-month high

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Helped by the massive congregation of devotees for the Mahakumbh in Prayagraaj, Uttar Pradesh's GST collections rose to a 11-month high of around ₹10,000 crore in March, government data showed on Tuesday.

Collections in March boosted the average mop up in the January-March quarter. Though the record collection in April pushed the average monthly collection to over ₹10,300 crore in the April-June quarter of FY25, it dipped to around ₹8,400 crore and ₹9,000 crore in the July-September quarter (Q2) and October-December quarter (Q3). However, in the last quarter (Q4), it topped ₹9,500 crore.

According to Vivek Jalan, Partner at Tax Connect Advisory Services LLP, the UP economy was slumping, with single digit growth from July to December 2025 in five out of six months.

SOLID COLLECTION

"The Mahakumbh helped the State post double-digit growth of around 12.5 per cent on average in the January-March period," he said, adding, "It remains to be seen whether UP can sustain the growth momentum after the Kumbh." Terming the ₹9,956-crore collection with



Uttar Pradesh GST collection



Source: GST portal

around 10 per cent growth as "solid", Sivakumar Ramjee, Executive Director, Indirect Tax, Nangia Andersen LLP, felt it was more in line with general GST collection trends than any astronomical rise due to the holy event. He did not see the GST windfall as dramatic.

"A large chunk of Kumbh-related spending happened in sectors that don't exactly 'click' with the taxman. Think small street vendors, food stalls and religious offerings — none of which pay GST. Even the high demand for fuel and alcohol didn't help much, as those are taxed

at the State level, not under GST," he said. "Sure, tourism and hospitality saw a boost, but they didn't quite manage to fill the tax coffers to overflowing. In the grand scheme, the Kumbh's impact on infrastructure and tourism growth might outshine the immediate tax gains," he added.

Overall, FY25 ended with GST collections rising to ₹1.96 lakh crore in March. This is the second-highest collection till date, reflecting showing a growth of around 10 per cent as compared to March of FY24.

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