

Oct GST mop-up 2nd highest ever

Collection rises 16.6% to ₹1.52 trillion on festival boost

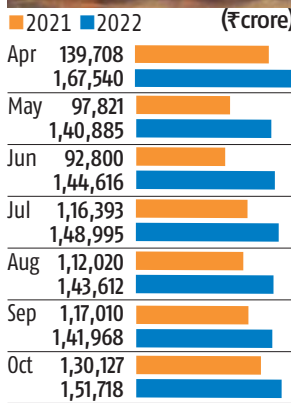
SHRIMI CHOUDHARY

New Delhi, 1 November

The government collected ₹1.52 trillion as goods and services tax (GST) in October, a 16.6 per cent rise year-on-year, driven by festival-related spending, higher tax rates, and better compliance. This was the second-highest monthly collection since the implementation of the indirect tax regime in July 2017. GST collection touched a record high of ₹1.67 trillion in April.

Of the total gross GST mop-up in October, central GST (CGST) was ₹26,039 crore, state GST (SGST) ₹33,396 crore, integrated GST (IGST) ₹81,778 crore (including ₹37,297 crore collected on import of goods), and cess was ₹10,505 crore (including ₹825 crore collected on import of goods), according to the provisional data released by the finance ministry on Tuesday.

"This is the ninth month — and the eighth month in a row — that monthly GST revenue has been more than ₹1.4 tril-



Source: Ministry of Finance

lion," the ministry said.

In September 2022, as many as 83 million e-way bills were generated compared to 77 mil-

lion in the previous month.

Economists expect CGST collection to exceed the FY23 Budget Estimates by ₹1.3-1.4 trillion.

"The sharp sequential pick-up in the headline GST collection in October reflects a combination of quarter-end flows relating to the transactions in the previous month, as well as the surge in GST e-way bills ahead of a robust festival season. With the festival season in October, the generation of GST e-way bills is expected to have remained high, which should bolster the collection in November," said Aditi Nayar, chief economist, ICRA.

Nayar said the dip in the YoY growth in GST collection in October was expected given the normalising base, and may continue for the next few months. "We continue to expect CGST collection to exceed the FY2023 BE by ₹1.3-1.4 trillion," she said.

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PVs get a festive high in Oct: Sales see sharp rise



Domestic passenger vehicle sales saw sharp growth in October due to increased availability

of semiconductor chips and rising consumer confidence. Sales in the first post-Covid festival season saw a 30.7 jump.

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At 12.6%, credit to industry grows fastest in 8 years



Credit to industry grew at the fastest pace in eight years in September 2022, aided primarily by

a pick-up in working capital loans from corporates. It was up 12.6 per cent year-on-year to ₹32.4 trillion.

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Manufacturing PMI recovers amid easing pressures



The purchasing managers' index for manufacturing recovered to 55.3 in October from 55.1 in

September as price pressures were contained. The survey reflected an improvement in employment and purchases by factories.

GST...

The Budget 2022 set the CGST target of ₹6.6 trillion, excluding compensation cess. Further, the total revenue of the Centre and the states, after regular as well as ad hoc settlements, in October was ₹74,665 crore for CGST and ₹77,279 crore for SGST. Major states reported a rise in collections, indicating that it is a broad-based phe-

nomenon across the country. State-wise collection rose 18 per cent compared to the year-ago period.

CBDC...

“IDFC First Bank executed the first secondary market transaction in G-secs using CBDC settlement on Tuesday,” IDFC First said in a statement.