

# October e-way bill generation surges to all-time high

Festival-driven consumption drives numbers to ₹10.3 cr

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E-way bills, or electronic permits, generated by businesses for transporting goods within and across states shot up to an all-time high of ₹10.3 crore in October, breaking the previous record of ₹9.34 crore reported in August. This is mainly on account of festive-driven consumption and improved compliance practices, which are expected to further boost the collection of goods and services tax (GST) in November.

E-way bills are mandatory for the movement of consignments worth more than ₹50,000, and are, therefore, an early indicator of demand and supply trends in the economy. This reflects in macroeconomic indicators with a lag.

The sustained momentum in e-way bill generation in October is expected to show up in the GST collection numbers for October, which will be reflected in the November data.

The uptick in collections would provide the required cushioning to the Centre's receipts to maintain the fiscal deficit target.

E-way bill generation had slowed a bit to ₹9.2 crore in September. Despite this, GST collection had surged to ₹1.72 trillion in October — the highest monthly mop-up since the ₹1.87 trillion reported in April.

ILLUSTRATION: BINAY SINHA



## POSITIVE INDICATORS

■ In October, e-way bills worth **₹6.29 crore** were generated for goods shipped within states and **₹3.73 crore** for inter-state shipments

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■ It is an early indicator of demand and supply trends in the economy

■ The sustained momentum in e-way bill generation is expected to show up in GST collection numbers for October

■ The uptick in collections would provide the required cushioning to the Centre's receipts to maintain the fiscal deficit target

According to the GST Network, which is GST's IT backbone, e-way bills worth ₹6.29 crore were generated in October for goods shipped within states and ₹3.73 crore for inter-state shipments.

Gunjan Prabhakaran, partner & leader, Indirect Tax, BDO India, said purchases made by

the people and the replenishment of stocks by brands in the supply chain to meet the anticipated Diwali demand was a reason for the increase in e-way bill generation. She also listed increased scrutiny by revenue authorities and better compliance by taxpayers among the reasons.