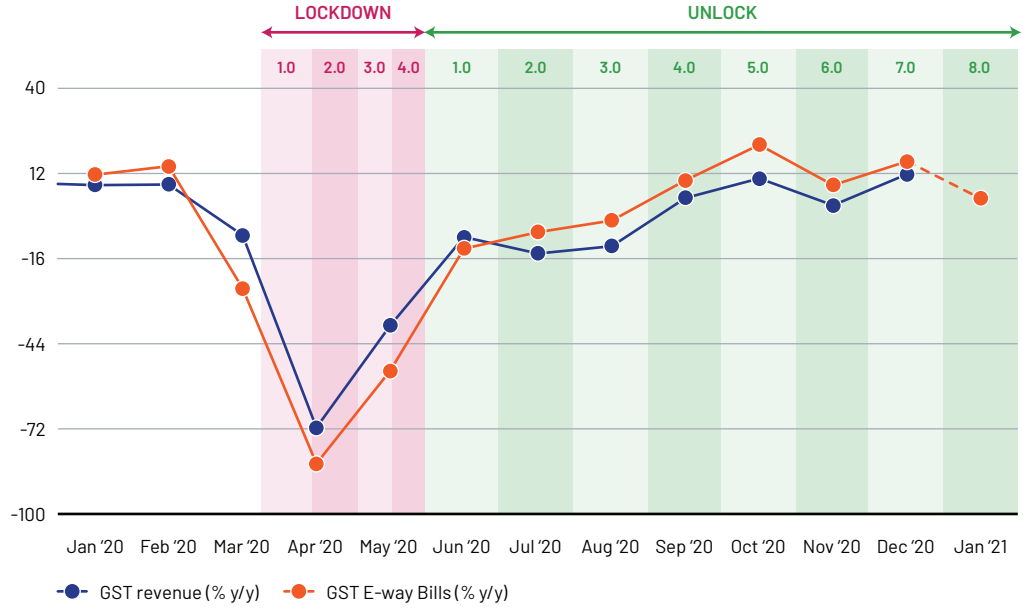


Chart 10: GST ends 2020 on a record high

Source: GSTN, Acuity Knowledge Partners

Note: Data for January is MTD



- » After falling for six consecutive months (led by lockdown-related restrictions limiting business activity), GST revenue growth turned around in September and has remained positive since then (even though growth is uneven)
- » GST closed 2020 on a high note, registering a solid 11.6% y/y growth (INR115bn) in December, boosted by festive sales and higher imports (Dec: 7.6% y/y)
- » E-way bills (required to transport goods worth >INR50k) also hit a record high. of 64.2mn in December, while the estimate for January looks strong at 59mn
- » Overall, improving GST suggests that economic recovery is gaining momentum