



## A STUDY OF TRENDS OF E-WAY BILLS IN PUNJAB

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### Abstract

Goods and Services Tax is one of the biggest reforms in the taxation system and structure of India since Independence. It has subsumed numerous taxes levied at different levels of business transactions. It covers almost all the sectors and sections of Indian domestic and International trade. Inter, as well as Intra-State movements of goods and services, are covered by GST. In the case of the movement of goods, tax compliance is the biggest matter of concern which needs to be focused on for better implementation of GST. As tax avoidance is an age-old practice which hampers the spirit of a successful Tax mechanism, for this reason, checks on transactions are needed by the tax authorities. With this objective, the Goods and Services Tax Council introduced the E-Way Bill system on the 1<sup>st</sup> of April 2018. It was made mandatory for consignments transported through motorized conveyance from one place to another, and exceeding an amount of Rs. 50,000.

**Keywords:** GSTR-1, GSTR -3, Tax Evasion, Tax Avoidance, GSTN and GSTIN.

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### INTRODUCTION:

Goods and Services Tax was introduced to bring simplification, transparency, minimize paperwork, remove the multiplicity of taxes, lesser complications and check on factors leading to inflation. Moreover, it has been also expected that the GST would bring ease at all levels of interactions between tax persons with the tax authorities. It was introduced with the expectation of minimizing tax evasion and bringing transparency to the tax mechanism. For this purpose, compliance with GST guidelines requires top priority. GST compliance can be achieved through three pillars of compliance i.e., Registration, Tax invoice and Return filing. In the case of invoices, the E-Way Bill was introduced to check on the movement of goods within the state as well as to other states in the country.

The Indian Government on 23<sup>rd</sup> January 2018 issued a notification wide number 09/2018 for furnishing e-way bills on the centralized portal [www.ewaybillgst.gov.in](http://www.ewaybillgst.gov.in) from where details can be furnished for obtaining E-Way Bill. From 1<sup>st</sup> April 2018, it was made compulsory for all movements of goods and services exceeding the value of Rs. 50,000. The present paper is an attempt to have a comparative study of trends of change in the number of suppliers and E-Way Bills issued from July 2018 to May 2022 in the state of Punjab.

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### REVIEW OF LITERATURE

**Mathur U. (2023)** discussed the conceptual framework of the E-Way Bill mechanism, a procedure to generate Bills for the movements of goods and services under GST. It was concluded that avoiding non-compliance with e-way bills will lead to penalties by GST authorities. So it was suggested to taxpayers to maintain proper records, generate timely e-way bills, and hand them over to transporters along with delivery challans to ensure ease in the movement of goods and services.

**Govindarajan M (2022)** elaborated on many examples and the court rulings that were related to tax authorities receiving E-Way Bills from suppliers, that had minor mistakes because of clerical errors. When problems were investigated, it was discovered that errors in the names of suppliers and recipients, minor mistakes in the distance between points of origin and destinations, the absence of intra-state E-Way bills when goods are moving between states, and delays in supplies due to various factors were not intentional tax evasions that could be overlooked by tax authorities.

**Hundekar et al., (2018)** critically evaluated E-Way Bill, because it has added to the workload of traders. The scholars focused on the pros and cons of E-Way Bills which comprised various

streamlining step-by-step procedures for curbing tax evasion tactics developed by traders through the E-Way Bill system.

**Jha (2017)** elaborated on the effect of Goods and Services Tax on the logistics and transportation sectors in India. It was observed that these sectors are affecting the value chain mechanism of goods and services. It was concluded that the comprehensive and consolidated tax system would instil a dramatic positive change in India's inefficient logistics sector.

**Singhal (2017)** conducted a study of the sector-wise impact of GST in India. It was found that GST had a positive impact on education, healthcare, construction and the automobile sector. Further, it was found that the Hotel sector and Branded products are observing hikes in the prices of their respective goods and services.

**Venkatesh et al., (2016)** revealed from the study of the Impact of GST on supply chain strategy and its effect on warehousing and transportation that GST has a significantly positive impact on the supply chain strategies, warehousing and transportation industries. Moreover, it was concluded that the implementation delays of GST resulted in opportunity loss for various stakeholders.

**Shaik et al., (2016)** conducted a study on the impact of GST on Indian economic development. The scholars focused their study on the impact of GST on the Indian economy and found that both positive and negative impacts had been associated with the implications of GST. It was concluded that the impact of GST will be on national as well as international business transactions.

## RESEARCH METHODOLOGY

This study is focused on understanding the concept of the E-Way Bill, and trends analysis since the introduction of this mechanism in the state of Punjab. The secondary data is collected from records available on the GST portal covering the period of July 2018 to May 2022.

Type of research – primary/secondary -method of data collection-sampling- analysis

## OBJECTIVES

Objective 1: To understand the concept of the E-way bill.

Objective 2: To study the functioning of the E-Way bill mechanism

Objective 3: To understand the implications of the E-way bill in the economy of Punjab.

**Objective 1: To understand the concept of the E-way bill.**

**E-Way Bill:** As per Section 68 of the GST Act, in case of any movement of goods exceeding the limit of value Rs. 50,000 there is a compulsion to generate an E-Way Bill. Rule 138 further makes it mandatory to carry E-Way Bill 01 while moving goods from one place to another. In the 22nd GST Council Meeting held on October 6, 2017, the E-Way bill was initiated in the GST mechanism which was made mandatory in the year 2018 onwards.

## Significance of E-Way Bill

1. Tax compliance is ensured by the Tax Authorities as it enables them to track the movement of goods.
2. Helps the tax authorities to calculate the correct value of goods in transit for tax purposes.
3. Helps in the collection of the right tax from the right person at the right time.
4. Helps in the reduction of paperwork and streamlining the process of documentation.
5. Facilitate faster movement of goods to be transported.

## Features of E-Way Bill

**1. Valid Period:** E-Way Bill is valid for one day for every 100 kilometres distance to be covered. The maximum period of an E-Way Bill is 15 days.

**2. Part A** of the E-Way Bill comprises a detailed **description of the goods to be transported**. While **Part B** of the E-Way Bill contains details of **the transporter and mode of conveyance**.

**3. Consolidated E-Way Bill:** If various consignments are in movement with a single mode of transportation then Consolidated E-Way Bill can be generated.

**4. Alteration of E-Way Bill:** If the vehicle is being changed then in Part B of the Bill updation is required. In case of the consignment is cancelled then cancellation of the E-Way Bill is initiated.

## Role of E-Way Bill in Tax Compliance Leading to Growth of Economy

Various Acts and Regulations are framed to make the legal framework for the proper functioning of any system in the jurisdiction of any Government. Tax laws are framed to create such an atmosphere, which facilitates Tax collection and Tax mechanisms adequately. Over time, various drawbacks surfaced in any legal framework or mechanism. For this reason, amendments are required to improve that system. The Indirect Taxation mechanism in India had observed lot many limitations which were creating problems for those for whom it was meant. One amongst

them dealt with the movement of goods and services where a lot of goods and services are verified under the scanner of the GST mechanism. So these must be covered under rules and regulations, failing which, strict actions are imposed to avoid tax evasion and ensure tax compliance. Thus the E-Way Bill has a facilitating role in revenue collection.

### Objective 2: To study the functioning of the E-Way bill mechanism.

Compliance mechanism in GST has been boosted with E-Way Bills where digitalization has provided proper checks on the movement of goods with the help of the GST Portal.

### The format of the E-Way Bill

The E-Way Bill is a form which consists of two parts. Part A of this Form is usually filled by registered persons, but can also be applied by courier agents, e-commerce operators and transporters. Part B is filled by suppliers or transporters. Without filling out Part B, the Form is not considered valid, if the distance of transportation exceeds 50 Km. For unregistered transporters, a fifteen-digit **TRANSIN** is generated by GST Portal similar to GSTIN.

### Consequences of Non-compliance to E-Way Bill Rules

The penalty of Rs. 10,000 /- or tax evaded whichever is greater will be imposed on the person who is eligible to generate an E-Way Bill. As per Section 129 of the CGST Act, 2017, all such goods, conveyance carrying those goods and documents are liable to be detained and seized.

### Different methods available to generate E-Way Bill 01:

Generation of the E-Way Bill is done electronically in Form GST EWB 01 on the GST portal. Other modes are Android Apps, SMS, API, and Bulk generation through JSON or Service Tax suvidha provider.

The process of generating an E-Way Bill through Portal is as follows:

1. Pre-conditions to generate E-Way Bill: Applicant may be Supplier, Recipient or Transporter.
2. Documents required in the generation of E-Way Bill: GSTIN Number, Mobile Number.

**Exemptions from generating E-way Bill** are available for domestic consumable LPG gas, kerosene oil supplied in the PDS system, semi-precious/precious metals, currency, household used assets, goods transported through non-motorized conveyance and railways, exempted goods and if the value of goods doesn't exceed Rs. 50,000.

**Documents to be carried by Transporter** while carrying goods in transit:

1. Invoice cum Bill of Supply
2. Delivery Challan
3. Bill of Entry
4. Copy of E-Way Bill

### Objective 3: To understand the implications of the E-way bill in the Economy of Punjab.

The state of Punjab, which once ranked at the top of per capita income among the Indian states in 1981, has declined to sixteenth position in 2023. Now as per the GDP growth rate, Punjab has the second slowest growth rate. The life expectancy rank has fallen from the top to the sixth position. Punjab is mainly an agrarian economy where the Green Revolution was initiated and from which it spread to the whole of India. But with this rapid growth over time, the cost of HYV seeds, and increased demand for irrigation facilities and pesticides have led many farmers to borrow finances. Over-borrowing trapped them in the vicious cycle of indebtedness leading to suicides and also ruining the agro-based businesses. Agriculture, along with many other industries like Textile, Sugar, Dairy and Cycle exists in Punjab. Tax collection and compliance are associated with the growth of the state's economy. The following analysis is based on the data related to Supplies and Tax Compliance data from the GST reports issued by the Central Board of Indirect Taxes and Customs.

## Analysis of Supplies in Intra and Inter-State Trade in the State of Punjab

YEAR	MONTH	INTRA STATE SUPPLIES			Inter-State Outward Supplies			Inter-State Inward Supplies		
		No. of Suppliers	No. of Eway Bills	Asset Value (Rs. In Cr.)	No. of Suppliers	No. of Eway Bills	Asset Value (Rs. In Cr.)	No. of Suppliers	No. of Eway Bills	Asset Value (Rs. In Cr.)
2018	7	48967	1327692	26608	40582	658742	19846	53191	599862	21230
2018	8	52065	1510828	31806	45166	868921	24070	59184	766185	25672
2018	9	48931	1257940	29472	44721	897349	23596	58855	748180	24162
2018	10	48570	1247306	31322	47791	1041415	25533	63673	836223	25885
2018	11	49831	1145572	27893	46216	895271	22135	59024	680762	22926
2018	12	51278	1183608	29299	46461	802121	22144	61918	740399	24546

2019	1	50691	1174531	30039	43879	717660	21561	61472	750761	23882
2019	2	50677	1117374	28920	41828	685671	20730	60915	736047	22531
2019	3	53987	1268864	32964	43803	774018	23745	62805	788984	24904
2019	4	49582	1196147	27612	43655	764073	21816	62774	764969	23499
2019	5	48451	1200305	28445	43283	763866	22025	62100	735600	23876
2019	6	46793	1140396	25768	41792	699306	20259	60040	681187	22494
2019	7	47646	1190592	26434	42864	741975	20892	58900	705330	22698
2019	8	47904	1153924	25497	43150	773560	20606	59185	723804	22543
2019	9	53120	1318286	27812	46160	904146	22127	62485	790358	23590
2019	10	56596	1446370	29465	47334	977679	22795	63677	835529	23413
2019	11	57771	1406179	29028	47804	951549	22287	62490	761231	23092
2019	12	58386	1416637	30011	46440	819687	21774	62077	761293	24573
2020	1	58563	1397984	31004	44375	747372	21495	61995	770837	24068
2020	2	60043	1440937	31090	44270	776852	22167	63972	823934	23197
2020	3	55010	1021129	22606	39245	547052	16294	55363	564166	16674
2020	4	11,638	210,607	4,370	6,152	97,022	6,518	13,338	88,442	5,898
2020	5	42,302	811,521	16,306	28,962	385,302	14,007	42,314	353,754	14,572
2020	6	52,130	1,285,595	25,534	39,423	655,363	19,666	56,091	648,671	20,177
2020	7	54,860	1,457,292	29,142	42,502	746,980	20,997	59,441	764,392	22,892
2020	8	54,659	1,423,851	30,280	42,785	750,729	21,242	59,222	746,221	22,854
2020	9	58,910	1,611,595	34,167	47,215	952,470	24,521	63,416	818,531	25,236
2020	10	63,089	1,775,796	37,160	50,576	1,147,070	26,650	69,619	1,011,365	27,496
2020	11	62,030	1,561,482	33,790	48,830	1,039,072	23796	64,482	859,118	24,091
2020	12	63,323	1,640,332	38,332	49,011	990,017	26,338	65,315	859,229	28,316
2021	01	62,491	1,572,315	37,512	45,920	835,778	24,902	64,673	834,162	26,656
2021	02	63,995	1,630,953	38,060	46,616	872,185	25,201	66,694	894,973	27,326
2021	03	68,241	1,798,071	43,956	48,638	961,181	29,241	69,773	982,474	30,943
2021	4	61,961	1,594,888	37,844	45,104	826,358	26,062	65,432	838,816	27,891
2021	5	55,508		31,569	34,986	520,950	21,145	53,199	616,083	23,614
2021	6	59,816	1,586,484	37,477	44,098	752,354	25,295	65,314	799,448	27,840
2021	7	61,402	1,648,754	38,200	47,191	880,455	27,674	66,822	875,302	29,520
2021	8	62,671	1,730,862	42,100	48,415	975,666	29,465	66,822	901,092	30,317
2021	9	64,323	1,757,060	42,600	50,693	1,106,372	31,533	68,955	967,816	31,236
2021	10	67,839	1,895,588	47,739	53,016	1,238,940	33,538	63,914	727,859	25,272
2021	11	67,839	1,895,588	47,739	53,016	1,238,940	33,538	63,914	727,859	25,273
2021	12	68,448	1,771,325	45,285	52,214	965,368	31,032	71,187	934,041	33,382
2022	1	65,309	1,572,705	42,137	47,277	805,379	28,939	67,219	847,604	31,548
2022	2	67,174	1,633,489	44,093	47,796	859,056	29,837	69,576	908,887	31,633
2022	3	72,713	1,889,175	53,920	50,998	999,380	35,526	74,332	1,040,801	38,155
2022	4	66,623	1,797,788	48,479	49,077	964,284	33,128	71,745	983,183	34,892
2022	5	65,841	1,779,499	46,705	48,638	919,344	32,551	70,616	932,301	34,468

Source: www.gst.gov.in

### Analysis of trends related to the number of suppliers in Punjab engaged in different goods in transit

#### 1. Suppliers engaged in Intra State Supplies

The analysis of Table 1.1, the number of suppliers from July 2018 to May 2022, shows progressive growth from Rs. 48,967 to Rs. 65,841. It has been observed that fluctuations of increase and decrease in the number of suppliers are common features of intra-state suppliers. The probable reason for these changes could be changes in demand for goods and services vary with numerous factors viz. secular, seasonal, cyclic and certain irregular variances occurring in business cycles. If these are favourable for a particular business, it leads to the progress of the business or vice versa. During COVID-19 there was a drastic decline in the number of business suppliers where only 11,678 suppliers were left to continue their business. The number of suppliers in the State of Punjab that are involved in intra-state supplies is shown by the dark colour line in Figure 1.1 below, which is situated between the dim and dotted lines. Every year number of suppliers have seen upward trends due to an increase in business in Punjab mostly in the months of March and December, but due to the pandemic period decline was observed in the

months of March and April 2020. As far as upward trends are concerned, August and December of 2018, March of 2019; July, October and December months of 2020; March and December of 2021; and March 2022 have marked as higher trends with regards to the number of suppliers in Intra- State transactions in Punjab.

#### 2. Suppliers engaged in Inter State outward supplies

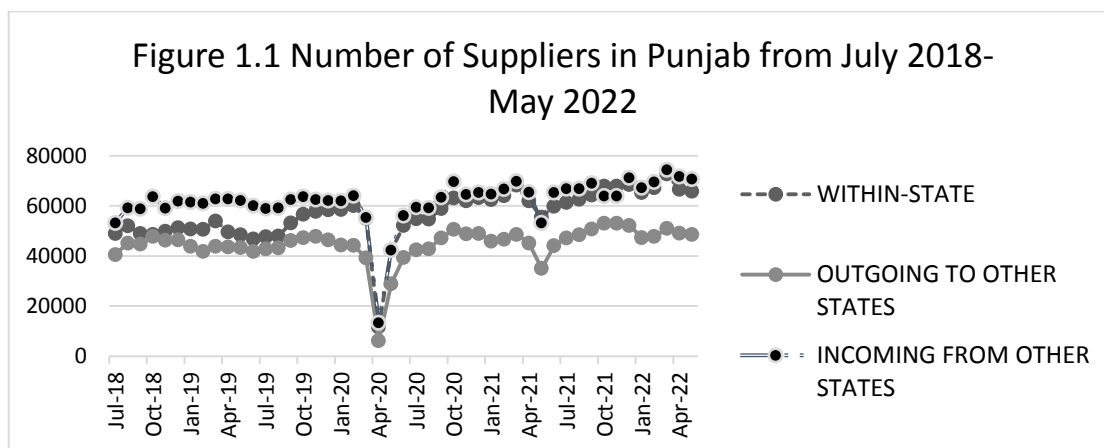
In the case of Interstate outward supplies, lesser than intra-state supplies but almost the same trends of upward and downward have been observed. Again March month, as well as December, shows having maximum business in Punjab. Therefore, relative to its intrastate commerce, Punjab's revenue generation from other states has decreased, as seen by the red line in Figure 1.1 below, which represents interstate outward supply from Punjab to other states. The four-fifths of intra-state trade requires to be addressed cautiously if more progress in Punjab is required. Upward trends have been observed in the months of August and December of 2018; March of 2019; February of 2020, October and December of 2020; March and October of 2021; and then March 2022. During the pandemic in the month of April 2020, supplies were reduced to

just 14 percent of what it was in the month of February 2020.

**3. Suppliers in Inter State inward supplies**

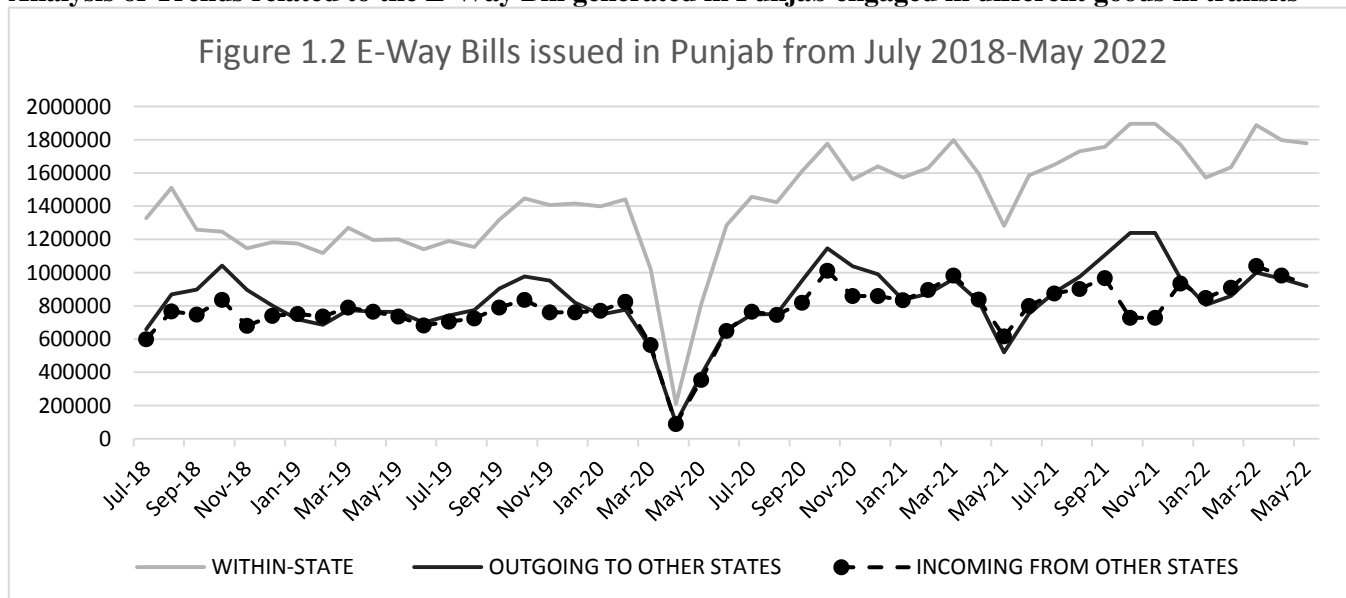
The trend analysis of Table 1.1 shown above, reveals that Punjab has more inflow than that outflow which shows that Punjab has reduced its status from a producer state to a consumer state. Figure 1.1 given below, Green Line depicts the highest number of suppliers in the case of Inter-state inward suppliers. Various ups and downward trends have been observed in the case of inward

supplies from other states to Punjab. Upward trends in number of suppliers to send their goods to Punjab have been observed in the months of August, October and December of 2018; March and October of 2019; February and October of 2020; March, September and December of 2021; and March of 2022. The analysis shows that as compared to Intra-State suppliers and Inter-state outward suppliers, inward suppliers have shown more upward trends and are more in numbers than both suppliers.



Source: www.gst.gov.in

**Analysis of Trends related to the E-Way Bill generated in Punjab engaged in different goods in transits**



Source: www.gst.gov.in

**1. Trends of E-way Bills issued in Intra-State supplies**

The analysis of Figure 1.2 and Table 1.1, reveals that the number of E-Way Bills issued in intra-state supplies is more as compared to Inter-state supplies. The probable reason for this trend is more retail trade in the case of intra-state supplies as compared to wholesale or bulk quantum

supplies in inter-state transactions. Trends in generating E-Way bills have shown almost the same trend we have observed in the case of the number of suppliers. The month of March and December are

peak months when the business in Punjab have observed corresponding highest trading. The rise in E-Way Bill generation has been observed from

15 lakhs in August 2018 to approximately 19 lakhs in October 2021. If supplies are made within a state as opposed to outside, there may be greater tax compliance, which would be an additional explanation for this tendency.

## **2. Trends of E-Way Bills Issued in Inter-State Outward Supplies**

As per Table 1.1 and Figure 1.2 analysis, it has been observed that outward supplies-related E-way bills are generated more than inward supplies E-way bills. Orange line elaborate mostly having a higher

number than inward supplies in Interstate supplies. Upward trends have been observed during October 2018; March and October 2019; February and October 2020; and March and October 2021. During the Pandemic period decline in the E-Way bill observed at just 16 percent of what it was just one month before.

## **3. Trends of E-Way Bills Issued in Inter-State Inward Supplies**

After the observation of Table 1.1 and Figure 1.2, it can be mentioned that contrary to more number of suppliers E-Way bill generation in inward supplies in inter-state trade is in trend. As compared to other supplies more fluctuations are observed in the case of inward supplies E-Way bills generations. The dotted line in Figure 1.2 shows that E-Way bills have observed upward trends in August and October 2018; January, March and October 2019; February and October 2020; March, September and December 2021; and March 2022.

## **Percentage changes in trends of Suppliers and Number of E-Way Bills in Punjab**

The analysis of percentage changes observed in the number of suppliers and the number of E-Way bills generated as compared to their respective previous years is elaborated in Table 1.2 given below.

**Table 1.2: Percentage Change in the number of suppliers and number of E-Way Bills generated in Punjab**

Year	WITHIN-STATE				OUTGOING TO OTHER STATES				INCOMING FROM OTHER STATES			
	NO.OF SUPPLIERS	Index	NO.OF EWB	Index	NO.OF SUPPLIERS	Index	NO.OF EWB	Index	NO.OF SUPPLIERS	Index	NO.OF EWB	Index
Jul-18	48967		1327692		40582		658742		53191		599862	
Aug-18	52065	1.06	1510828	1.14	45166	1.11	868921	1.32	59184	1.11	766185	1.28
Sep-18	48931	0.94	1257940	0.83	44721	0.99	897349	1.03	58855	0.99	748180	0.98
Oct-18	48570	0.99	1247306	0.99	47791	1.07	1041415	1.16	63673	1.08	836223	1.12
Nov-18	49831	1.03	1145572	0.92	46216	0.97	895271	0.86	59024	0.93	680762	0.81
Dec-18	51278	1.03	1183608	1.03	46461	1.01	802121	0.90	61918	1.05	740399	1.09
Jan-19	50691	0.99	1174531	0.99	43879	0.94	717660	0.89	61472	0.99	750761	1.01
Feb-19	50677	1.00	1117374	0.95	41828	0.95	685671	0.96	60915	0.99	736047	0.98
Mar-19	53987	1.07	1268864	1.14	43803	1.05	774018	1.13	62805	1.03	788984	1.07
Apr-19	49582	0.92	1196147	0.94	43655	1.00	764073	0.99	62774	1.00	764969	0.97
May-19	48451	0.98	1200305	1.00	43283	0.99	763866	1.00	62100	0.99	735600	0.96
Jun-19	46793	0.97	1140396	0.95	41792	0.97	699306	0.92	60040	0.97	681187	0.93
Jul-19	47646	1.02	1190592	1.04	42864	1.03	741975	1.06	58900	0.98	705330	1.04
Aug-19	47904	1.01	1153924	0.97	43150	1.01	773560	1.04	59185	1.00	723804	1.03
Sep-19	53120	1.11	1318286	1.14	46160	1.07	904146	1.17	62485	1.06	790358	1.09
Oct-19	56596	1.07	1446370	1.10	47334	1.03	977679	1.08	63677	1.02	835529	1.06
Nov-19	57771	1.02	1406179	0.97	47804	1.01	951549	0.97	62490	0.98	761231	0.91
Dec-19	58386	1.01	1416637	1.01	46440	0.97	819687	0.86	62077	0.99	761293	1.00
Jan-20	58563	1.00	1397984	0.99	44375	0.96	747372	0.91	61995	1.00	770837	1.01
Feb-20	60043	1.03	1440937	1.03	44270	1.00	776852	1.04	63972	1.03	823934	1.07
Mar-20	55010	0.92	1021129	0.71	39245	0.89	547052	0.70	55363	0.87	564166	0.68
Apr-20	11,638	0.21	210,607	0.21	6,152	0.16	97,022	0.18	13,338	0.24	88,442	0.16
May-20	42,302	3.63	811,521	3.85	28,962	4.71	385,302	3.97	42,314	3.17	353,754	4.00
Jun-20	52,130	1.23	1,285,595	1.58	39,423	1.36	655,363	1.70	56,091	1.33	648,671	1.83
Jul-20	54,860	1.05	1,457,292	1.13	42,502	1.08	746,980	1.14	59,441	1.06	764,392	1.18
Aug-20	54,659	1.00	1,423,851	0.98	42,785	1.01	750,729	1.01	59,222	1.00	746,221	0.98
Sep-20	58,910	1.08	1,611,595	1.13	47,215	1.10	952,470	1.27	63,416	1.07	818,531	1.10
Oct-20	63,089	1.07	1,775,796	1.10	50,576	1.07	1,147,070	1.20	69,619	1.10	1,011,365	1.24
Nov-20	62,030	0.98	1,561,482	0.88	48,830	0.97	1,039,072	0.91	64,482	0.93	859,118	0.85
Dec-20	63,323	1.02	1,640,332	1.05	49,011	1.00	990,017	0.95	65,315	1.01	859,229	1.00
Jan-21	62,491	0.99	1,572,315	0.96	45,920	0.94	835,778	0.84	64,673	0.99	834,162	0.97
Feb-21	63,995	1.02	1,630,953	1.04	46,616	1.02	872,185	1.04	66,694	1.03	894,973	1.07
Mar-21	68,241	1.07	1,798,071	1.10	48,638	1.04	961,181	1.10	69,773	1.05	982,474	1.10
Apr-21	61,961	0.91	1,594,888	0.89	45,104	0.93	826,358	0.86	65,432	0.94	838,816	0.85
May-21	55,508	0.90	1,281,716	0.80	34,986	0.78	520,950	0.63	53,199	0.81	616,083	0.73
Jun-21	59,816	1.08	1,586,484	1.24	44,098	1.26	752,354	1.44	65,314	1.23	799,448	1.30
Jul-21	61,402	1.03	1,648,754	1.04	47,191	1.07	880,455	1.17	66,822	1.02	875,302	1.09
Aug-21	62,671	1.02	1,730,862	1.05	48,415	1.03	975,666	1.11	66,822	1.00	901,092	1.03
Sep-21	64,323	1.03	1,757,060	1.02	50,693	1.05	1,106,372	1.13	68,955	1.03	967,816	1.07
Oct-21	67,839	1.05	1,895,588	1.08	53,016	1.05	1,238,940	1.12	63,914	0.93	727,859	0.75
Nov-21	67,839	1.00	1,895,588	1.00	53,016	1.00	1,238,940	1.00	63,914	1.00	727,859	1.00
Dec-21	68,448	1.01	1,771,325	0.93	52,214	0.98	965,368	0.78	71,187	1.11	934,041	1.28
Jan-22	65,309	0.95	1,572,705	0.89	47,277	0.91	805,379	0.83	67,219	0.94	847,604	0.91
Feb-22	67,174	1.03	1,633,489	1.04	47,796	1.01	859,056	1.07	69,576	1.04	908,887	1.07
Mar-22	72,713	1.08	1,889,175	1.16	50,998	1.07	999,380	1.16	74,332	1.07	1,040,801	1.15
Apr-22	66,623	0.92	1,797,788	0.95	49,077	0.96	964,284	0.96	71,745	0.97	983,183	0.94
May-22	65,841	0.99	1,779,499	0.99	48,638	0.99	919,344	0.95	70,616	0.98	932,301	0.95

Source: www.gst.gov.in

**Percentage changes within State Suppliers in Punjab** have observed that initially 6 percent increase and the decrease was observed in the case of the number of suppliers which was limited to a 3 percent fluctuation in the next months of the year 2018. During the pandemic period the number of suppliers reduced to 21 percent of that the number in the previous month and again regained their numbers with thrice acceleration to maintain normalcy in the number of suppliers. Fluctuations in the number of suppliers vary with months with an average rate of 3-6 percentage. The maximum decrease in the number of suppliers was observed in April 2020 with a 79 percent fall in the number of suppliers. After that during reviving in May 2020, the number of suppliers increased by 2.63 times and a 23 percent rise in June 2020. Next year when again the second wave of Corona took place, a decline of 9 and 10 percent was observed during April and May 2021

respectively. During March 2022, an increase of 8 percent was followed by an 8 percent decline in the next month i.e., in April 2022.

**Percentage changes in inter-state suppliers of Punjab** have observed different trends in inward and outward supplies discussed as following

**a) Percentage change in inter-state outward suppliers in Punjab:** As compared to within-state supplies, the percentage change in outward supplies has observed more fluctuations. Downward trends were observed during March and April 2020, with an 11 and 84 percent decline respectively in the number of suppliers. Next year 22 percent decline was observed in the month of May 2021 due to the pandemic second wave. The number of suppliers providing E-way bills increased by 11% and 7% in August and October of 2018, respectively, indicating upward tendencies. Revival from Corona during May and

June 2020, had shown 3.7 times and 36 percent growth in suppliers. Other upward trends were during September and October 2020 with 10 to 7 percent growth respectively. After the second wave, a revival in the month of June 2021, a 26 percent increase was observed. Then 9 percent decline in January 2022 was followed by a 7 percent growth in March 2022 in the number of suppliers in Punjab.

**b) Percentage change in inter-state inward suppliers in Punjab:** During 2018, the increase in the percentage of the number of suppliers during August and October was 11 and 8 percent respectively. Following a seven percent fall in November 2018, there were both positive and negative trends ranging from three to six percent in various months of 2019. In 2020, the number of suppliers decreased by 13 and 76% in the months of March and April, respectively. It was revived in the following months from April 2020 with around two times a hike and a 33 percent increase in June 2020. In the following months of April and May 2021, the second wave time decreased by 6 and 19 percent, respectively. In June 2021, it returned with a 23 percent boost. In October 2021 decline of 7 percent followed by an 11 percent upward trend in December 2021. A seven percent increase in March 2022 followed a six percent fall in the first month of 2022.

### Percentage Change in the Number of E-way Bills

#### 1. Intra-state E-Way bills generation in Punjab:

During the four years following the implementation of E-way bills, there has been a greater degree of variability in within-state deliveries, especially in Punjab. The upward trend of a 14 percent increase during August 2018 was followed by a decline of 17 percent in the month of September 2018. From March to October 2019 upward trends with 10 to 14 percent increase in the generation of E-way bills. During the pandemic period of March and April 2020, a decline of 29 percent and 79 percent was observed in the generation of these bills respectively. The revival was witnessed in the month of May 2022 when the number rose to three times from the previous month. There was an increase of 60 percent in June 2020 followed by a 10 to 13 percent increase in the next three months and further followed by a 12 decline in November 2020. During the second wave of COVID, a decline of 20 percent in May 2021 was witnessed but it showed improvement in the next month June i.e. 2021. The decline in January 2022 of 11

percent was followed by a 16 percent upward trend in March 2022.

#### 2. Inter-State E-Way Bills Generation in Punjab

##### a) Inter-State (Outward supplies) E-Way bills generation in Punjab

Since the beginning of the E-way bills, there has been a discernible increase of 32% in August 2018, a further increase of 16% in the next two months, and a decrease of roughly 10% to 14% in the following three months. An increase of 13 percent was observed in March 2019 and then in September 2019 with 17 percent but later in December 2019, a 14 percent decline was noticed. COVID led to a record decline in E-Way bill generation of 30 and 82 percent in the months of March and April 2020 respectively. The recovery was witnessed only in the month of May 2020, and the months of June and July noticed an increase of 70 percent and 14 percent respectively. This trend continued in the months of September and October 2020, which witnessed an increase in generating bills of 27 and 20 percent respectively. In the second wave of Corona, again there was a decrease in the generation of the bills by 37 percent in May 2021 but revived in June and July with 44 and 17 percentage respectively. In December 2021 and January 2022, there was a decline of 20 percent followed by a 16 hike in March 2022.

##### b) Inter-State (Inward supplies) E-Way bills generation for Punjab:

For E-way bill generation, the year 2018, accelerated in the months of August, October and December with 28 percent, 12 percent and 9 percent respectively. Contrary to it in November 2018 decline of 19 percent was seen in the generation of the E-way Bill. In the year 2019, March and September had upward trends and June and November observed declining trends with 7 to 9 percent volatility. The pandemic period 32 to 84 percent reduction and then a revival with 300 percent and 83 percent in the next two months of June and July was noticed. A 15–27% drop was seen in the succeeding year of COVID-19, followed by a 30% rebound in June 2021. The month of October 2021 faced a 25 percent decline in the generation of E-way bills, which was recovered with a 28 percent hike in December 2021. In the year 2022 again in the month of March 15 percent more bills were generated.



### Comparative Study between Punjab and Maharashtra States with Regards to E-Way Bills

Maharashtra is leading the board of all parameters of the developed economic state. It is scoring the highest position in industrial output, service

sector, FDI investment, startups and mass media. It contributes the highest proportion of Tax payments in India. Thus comparison with Punjab is necessary to understand the trends of a number of suppliers and E-way Bills generated in these two states.

**Table 1.2:** Comparative E-Way Bills and Suppliers Analysis of Punjab and Maharashtra

		INTRA STATE SUPPLIES		INTERSTATE OUTWARD SUPPLIES		INTER-STATE INWARD SUPPLIES	
		No. of suppliers	No. of e-way bills	No. of suppliers	No. Of e-way bills	No. of suppliers	No. of e-way bills
July, 2018	Punjab	48,967	1327692	40582	658742	53191	599862
	Maharashtra	104046	4293720	88145	2537744	152058	1872151
July, 2019	Punjab	47646	1190592	42864	741975	58900	705330
	Maharashtra	113147	4525277	98450	2988957	173973	2216193
July, 2020	Punjab	54,860	1,457,292	42,502	746,980	59,441	764,392
	Maharashtra	96,408	3,664,582	85,352	2,619,281	146,026	1,679,134
July, 2021	Punjab	61,402	1,648,754	47,191	880,455	66,822	875,302
	Maharashtra	125,142	5,723,161	103,861	3,604,279	186,615	2,604,255
May, 2022	Punjab	65,841	1,779,499	48,638	919,344	70,616	932,301
	Maharashtra	142,320	7,420,054	113,872	3,999,804	201,907	2,924,374

Source: [www.gst.gov.in](http://www.gst.gov.in)

To understand the impact of the E-Way Bills on the economy of Punjab, it was felt prudent to compare its data with the state of Maharashtra, as it was found that the latter has been leading the nation in case of industrial, financial and service sectors. It has the largest number of taxpayers as compared to any other state of the country. Comparison with Maharashtra state as a benchmark will make things more clear, in understanding the present status of Punjab from all three aspects of E-way Bill compliance in case of intra and inter-trade supplies with inflows and outflows.

Analysis of the number of suppliers in both states Punjab and Maharashtra has shown growth within these four years of cycle. The major role of Inter-State inward supplies has been observed.

#### The ratio between the number of Suppliers in Punjab and Maharashtra

In the case of Punjab, the ratio between the number of suppliers in intra-state, inter-state outward and inter-state inward suppliers was 12:10:13 in July 2018. At the same time in Maharashtra, the ratio between these suppliers was 12:10:18. But in the year May 2022, this ratio was 14:10:15 in Punjab and 13:10:18 in Maharashtra respectively.

#### Percentage of Suppliers in Punjab as compared to Maharashtra

In the case of the number of suppliers, it has been found that Punjab has only 40 percent of intra-state and inter-state outward suppliers as

compared to Maharashtra. But in the case of inward suppliers Punjab has only 33 percent of suppliers as comprised by Maharashtra in July 2018.

#### Percentage increase in the number of suppliers in Punjab and Maharashtra

From July 2018 to May 2022 the number of suppliers in Punjab increased by 35 percent in Intra state supplies, 20 percent in outward supplies to other states and 32 percent in case of inward suppliers whereas in case Maharashtra the growth was 36 percent, 28 percent and 32 percent growth of respectively.

In the case of the number of E-way Bills also, Punjab had generated only 30 percent of the E-Way Bills of Maharashtra.

#### 1. Comparative Study of Intra state Suppliers and E-way Bill Generation Trends in Punjab and Maharashtra:

Analysis of five years revealed that the number of suppliers in Punjab was almost half of the number of suppliers in Maharashtra. From the year 2018 to 2022, Punjab observed an increase in the number of suppliers by 34 percent whereas in Maharashtra with 36 percent. During the years 2018 and 2019, the number of suppliers in Punjab was 47 and 42 percent respectively as compared to suppliers in Maharashtra. During the pandemic period, suppliers of Punjab were 57 percent of the latter. Then in 2021 and 2022, the percentage of suppliers from Punjab to Maharashtra declined to 49 and 46 percent respectively.

In the case of E-way bill generation, Punjab had a 34 percent hike in five years and Maharashtra had a 72 percent hike in the case of intra-state supplies. During 2018 and 2019 Punjab generated almost 31 and 26 percent E-way bills as compared to Maharashtra. Pandemic period E-way bill generation was 40 percent as generated the latter. This percentage of E-way bill generation in Punjab compared to Maharashtra again declined to 29 percent and 24 percent in the next years 2021 and 2022 respectively.

## 2. Inter-state supplies

### (a) Inter-state outward suppliers : (Suppliers/E-way bills)

During five years 19 percent hike in Punjab and a 28 percent hike in Maharashtra, was observed in the case of a number of suppliers for outward supplies. In the years 2018, 2019, 2020, 2021 and 2022 number of suppliers in Punjab as compared to Maharashtra was 47 percent, 44 percent, 51 percent, 46 percent and 44 percent respectively.

In the case of E-Way bills generation, Punjab observed a 39 percent hike as compared to a 57 percent hike in Maharashtra. In these years E-way Bills generated in Punjab compared to Maharashtra were 26 percent, 25 percent, 29 percent, 24 percent and 23 percent of bills generated by suppliers in Maharashtra for outward supplies to other states.

### (b) Inter-state inward supplies : (Suppliers/E-way bills)

Since five years the number of suppliers increased by 34 percent and in Maharashtra by 33 percent whereas the generation of E-way bills in Punjab has increased by 55 percent and by 56 percent in Maharashtra.

The number of suppliers in Punjab was 35 percent in 2018, 34 percent in 2019, 41 percent in 2020, 36 percent in 2020, and 35 percent in 2022 in comparison to suppliers of Maharashtra.

As per comparison of the number of E-way bills generation Punjab had 32 percent generation as compared to Maharashtra in the years 2018 and 2019. In 2020 the percentage was 45 percent to Maharashtra. Which was reduced to 34 percent in 2021 and then again to 32 percent in 2022 in comparison to Maharashtra.

## Conclusion

From the above analysis as per trends of the Number of Suppliers and E-Way Bills generated in all three segments of Inter-state suppliers are more than intra-state Suppliers. But while examining the Number of E-Way bills, it has been

observed that more E-Way bills are generated in intra-state supplies in the state of Punjab. The trend shows that in the case of inter-state trade tax compliance is less than that of intra-state trade transactions. So more emphasis is required to control interstate trade to ensure proper compliance with E-Way bills so that Government revenue generation is maintained properly. While comparing the economy of Punjab with Maharashtra almost the same trends were observed. Industrial base and development projects are lacking in the case of Punjab to ensure the growth of the economy and enhance tax generation from the state like Punjab which is having slow growth as compared to other states of the country.

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