

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
RAJYA SABHA
UN-STARRED QUESTION NO-1676
ANSWERED ON- 09/03/2021

GST compensation to States

1676. Shri Manas Ranjan Bhunia:

Will the Minister of FINANCE be pleased to state:-

- (a) whether it is a fact that the various State Governments are yet to receive a huge amount as GST compensation from the Union Government;
- (b) if so, the details thereof, State-wise including pending dues of West Bengal; and
- (c) Government's proposition to compensate the earning loss amid pandemic in States for the financial year 2020-21?

ANSWER

THE MINISTER OF STATE IN MINISTRY OF FINANCE

(SHRI ANURAG SINGH THAKUR)

(a) & (b):- As per provisions in Goods and Service Tax (Compensation) Act, 2017 states are assured of their revenue at 14% compounded growth rate over the base year revenue 2015-16 for loss of revenue arising on account of GST implementation for a period of five years. Accordingly, GST compensation has already been released to the States for the FY 2017-18, 2018-19 and 2019-20 for loss of revenue due to implementation of GST (w.e.f. 01.07.2017). Further, GST compensation of ₹ 40,000 crore has been released to all States/ UTs to meet partly the bi-monthly compensation for period April-May, 2020 as GST Compensation Fund was not adequate to meet the full compensation for period April-May,2020. The balance GST Compensation for the period April-May,2020 and GST Compensation for the full period June-January'21 is pending to all States/UTs due to inadequate amount in GST Compensation Fund during current Financial Year. Details of provisional GST compensation due for Financial Year 2020-21 (April-January) is as per **Annexure-I**.

(c):- In order to meet the shortfall in GST compensation to be paid to States, under the special window, ₹ 1.1 lakh crore will be borrowed by Government of India in appropriate tranches. The amount so borrowed will be passed on to the States as loan on back-to-back basis to help the States to meet the resource gap due to non-release of compensation due to inadequate balance in the Compensation Fund. As per this decision, Central Government has released ₹ 104000 crores to the States till 01.03.2021 as per **Annexure-II**. All States have decided to take benefit of this assistance to tide over the temporary resource gap. In addition, depending on the amount available in the Compensation Fund, Centre has also been releasing the regular GST compensation to States to make up for GST revenue shortfall.

Details of GST compensation pending to be released to States/UTs (Amount ₹ in Crore)		
S. No.	Name of State/UT	Provisional GST Compensation due for FY 2020-21 (April'20 - Jan'21)
(1)	(2)	(3)
1	Andhra Pradesh	5393
2	Arunachal Pradesh	0
3	Assam	2237
4	Bihar	5945
5	Chhattisgarh	4614
6	Delhi	12641
7	Goa	1784
8	Gujarat	18697
9	Haryana	7412
10	Himachal Pradesh	2458
11	J & K	3041
12	Jharkhand	3351
13	Karnataka	21573
14	Kerala	10010
15	Madhya Pradesh	8047
16	Maharashtra	32295
17	Manipur	0
18	Meghalaya	305
19	Mizoram	0
20	Nagaland	0
21	Odisha	5708
22	Puducherry	1017
23	Punjab	12402
24	Rajasthan	8542
25	Sikkim	27
26	Tamil Nadu	15928
27	Telangana	5597
28	Tripura	343
29	Uttar Pradesh	15213
30	Uttarakhand	3755
31	West Bengal	9509
	Total	217844

Details of payment of back to back loan in lieu of GST Compensation Shortfall

(Amount ₹ in Crore)

Name of State/UT	Amount released under Special borrowing scheme (as on 01.03.2021)
Andhra Pradesh	2307
Arunachal Pradesh	0
Assam	992
Bihar	3898
Chhattisgarh	2257
Goa	838
Gujarat	9204
Haryana	4344
Himachal Pradesh	1714
Jharkhand	1226
Karnataka	12383
Kerala	4513
Madhya Pradesh	4533
Maharashtra	11954
Manipur	0
Meghalaya	112
Mizoram	0
Nagaland	0
Odisha	3815
Punjab	6543
Rajasthan	4249
Sikkim	0
Tamil Nadu	6229
Telangana	2027
Tripura	226
Uttar Pradesh	5995
Uttarakhand	2312
West Bengal	3468
UT of Delhi	5854
UT of J&K	2268
UT of Puducherry	741
Total	104000