

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF REVENUE  
**RAJYA SABHA**  
**UN-STARRED QUESTION NO-2308**  
ANSWERED ON- 16/03/2021

**TIMELY GST PAYMENT TO STATES**

2308. SHRI SANJAY RAUT:

Will the Minister of FINANCE be pleased to state:-

- (a) the details of GST compensation dues pending for release to States since the last six months, State-wise;
- (b) the reasons for the delay in releasing compensation dues;
- (c) the details of GST collections during the last six months, month-wise; and
- (d) the details of steps taken or proposed to be taken by Government for the timely GST payment to the States?

**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 required to be paid bi-monthly compensation for revenue loss on account of implementation of GST w.e.f. 01.07.2017. 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. However, part GST Compensation dues for the bi-monthly period April-May,2020 and full GST Compensation for the bi-monthly period from June20'-January'21 is pending to all States/UTs due to inadequate amount in GST Compensation Fund during current Financial Year. This has happened mainly due to the economic impact of the pandemic that has led to higher compensation requirement due to lower GST collection and at the same time lower collection of GST Compensation Cess. Details of provisional GST compensation dues for bi-monthly period of last six months (August, 2020 to January, 2021 is as per **Annexure-I**.

(c):- Details of GST Collections during the last six months

Month	GST Collection (in Rs. Crore)
September, 2020	95,480
October, 2020	1,05,155
November, 2020	1,04,963
December, 2020	1,15,174
January, 2021	1,19,847
February, 2021	1,13,143

(d):- 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 ₹ 1,06,104 crores to the States till 08.03.2021 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. The states will be paid full GST Compensation as per GST (Compensation to States) Act, 2017 for the transition period by extending the levy of Compensation cess beyond 5 years to meet the GST revenue shortfall as well as servicing the loan borrowed through special window scheme.

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Details of GST compensation pending to States/UTs for bi-monthly period of last six months (August, 2020 to January, 2021)		
(Amount ₹ in Crore)		
S. No.	Name of State/UT	Provisional GST Compensation due for (August'20 - Jan'21)
(1)	(2)	(3)
1	Andhra Pradesh	2958
2	Arunachal Pradesh	0
3	Assam	1032
4	Bihar	3511
5	Chhattisgarh	2928
6	Delhi	8333
7	Goa	1165
8	Gujarat	11650
9	Haryana	4007
10	Himachal Pradesh	1459
11	J & K	1745
12	Jharkhand	1898
13	Karnataka	13529
14	Kerala	5769
15	Madhya Pradesh	4689
16	Maharashtra	19576
17	Manipur	0
18	Meghalaya	154
19	Mizoram	0
20	Nagaland	0
21	Odisha	3728
22	Puducherry	649
23	Punjab	8019
24	Rajasthan	5005
25	Sikkim	0
26	Tamil Nadu	9241
27	Telangana	2680
28	Tripura	204
29	Uttar Pradesh	8747
30	Uttarakhand	2344
31	West Bengal	5071
	<b>Total</b>	<b>130091</b>

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

(Amount ₹ in Crore)

<b>Name of State/UT</b>	<b>Amount released under Special borrowing scheme (as on 08.03.2021)</b>
Andhra Pradesh	2307
Arunachal Pradesh	0
Assam	992
Bihar	3898
Chhattisgarh	2655
Goa	838
Gujarat	9204
Haryana	4344
Himachal Pradesh	1714
Jharkhand	1442
Karnataka	12383
Kerala	4923
Madhya Pradesh	4533
Maharashtra	11954
Manipur	0
Meghalaya	112
Mizoram	0
Nagaland	0
Odisha	3815
Punjab	7138
Rajasthan	4249
Sikkim	0
Tamil Nadu	6229
Telangana	2197
Tripura	226
Uttar Pradesh	5995
Uttarakhand	2312
West Bengal	3784
UT of Delhi	5854
UT of J&K	2268
UT of Puducherry	741
<b>Total</b>	<b>106104</b>