

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE

RAJYA SABHA
UNSTARRED QUESTION NO. 855
TO BE ANSWERED ON TUESDAY, 09th FEBRUARY, 2021
20 Magha, 1942 (SAKA)

Financial aid to States to meet the GST compensation

855. # MS. SAROJ PANDEY:

Will the Minister of FINANCE be pleased to state:

the details of financial aid given to States by the Union Government to meet the demand of Goods and Services Tax (GST) compensation, State-wise?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ANURAG SINGH THAKUR)

In order to meet the shortfall in Goods and Services Tax (GST) compensation to be paid to States, the Government of India had set up a special borrowing window in October, 2020 to raise the estimated shortfall of Rs. 1.1 lakh crore. An amount of Rs. 84,000 crore has been borrowed through this window by the Government of India upto 03.02.2021 on behalf of the States and Union Territories (UTs) with legislative assembly and has been passed on to the States/UTs as loan on back to back basis to help the States/UTs to meet the resource gap due to non-release of compensation due to inadequate balance in GST compensation fund.

In addition to providing funds through the special borrowing window to meet the shortfall in revenue on account of GST implementation, the Government of India has also granted additional borrowing permission equivalent to 0.50 % of Gross States Domestic Product (GSDP) to the States choosing Option-I to meet GST compensation shortfall to help them in mobilising additional financial resources. All the States have given their preference for Option-I. Permission for borrowing an amount of Rs. 1,06,830 crore (0.50 % of GSDP) has been granted to 28 States under this provision.

State-wise details of back to back loan released to State Governments during the year 2020-21 to meet GST compensation shortfall and the amount of additional borrowing permission granted to States till 03.02.2021 is at Annexure.

Annexure to reply to Rajya Sabha Unstarred question no. 855 for 09.02.2021

State-wise details of back to back loan released to State Governments during the year 2020-21 to meet GST compensation shortfall and additional borrowing permission granted to States till 03.02.2021

(Rs. In crore)

S. No.	Name of State	Amount of fund raised special passed on to the States	Additional borrowing of 0.50 percent allowed to States
1	Andhra Pradesh	1936.53	5051
2	Arunachal Pradesh*	0	143
3	Assam	833.2	1869
4	Bihar	3271.94	3231
5	Chhattisgarh	1523.34	1792
6	Goa	703.77	446
7	Gujarat	7727.43	8704
8	Haryana	3646.77	4293
9	Himachal Pradesh	1438.79	877
10	Jharkhand	827.55	1765
11	Karnataka	10396.53	9018
12	Kerala	3153.48	4,522
13	Madhya Pradesh	3806.03	4746
14	Maharashtra	10036.53	15394
15	Manipur*	0	151
16	Meghalaya	93.79	194
17	Mizoram*	0	132
18	Nagaland*	0	157
19	Odisha	3202.69	2858
20	Punjab	4571.52	3033
21	Rajasthan	3162.97	5462
22	Sikkim*	0	156
23	Tamil Nadu	5229.92	9627
24	Telangana	1466.01	5017
25	Tripura	189.6	297
26	Uttar Pradesh	5033.57	9703
27	Uttarakhand	1940.91	1405
28	West Bengal	2423.29	6787
	Total	76,616.16	106,830

* These States have 'NIL' GST compensation gap