

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF REVENUE  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO- 1343**  
ANSWERED ON-01/08/2023

**GST COMPENSATION DUES TO PUNJAB**

1343. SHRI RAGHAV CHADHA:

Will the Minister of FINANCE be pleased to state:

- (a) whether Government can provide the details on the current status of GST compensation dues owed to the State of Punjab;
- (b) whether Government can specify the reasons behind the delay in disbursing the GST compensation dues to the State of Punjab;
- (c) whether Government could clarify the discrepancy between the Center and the State of Punjab for claim of GST compensation dues of ₹5,000 crore, while the Central Government claims of owning only ₹3,000 crore; and
- (d) whether Government has identified any systemic issues or delays in the GST compensation mechanism that have led to accumulation of dues?

**ANSWER**

MINISTER OF STATE IN MINISTRY OF FINANCE  
(SHRI PANKAJ CHAUDHARY)

(a) to (d):- Section 7(2) of Goods and Services Tax (Compensation to States) Act, 2017 provides that the compensation payable to a State shall be provisionally calculated and released at the end of every two months period, and shall be finally calculated for every financial year after the receipt of final revenue figures, as audited by the Comptroller and Auditor General of India. Accordingly, Government of India has already released the entire amount of provisionally admissible GST compensation to all States/UTs including Punjab for loss of revenue arising on account of implementation of Goods and Services Tax for five years i.e., from 1st July,2017 to 30th June, 2022. Final Compensation arising out of reconciliation of provisional figures with audited figures is released immediately on receipt of AG's certificate. However, due to non-receipt of final revenue figures, as audited by the Comptroller and Auditor-General of India, final compensation could not be calculated and released for the FY 2017-18 to FY 2022-23 (upto June, 22) to the State of Punjab. The details of provisional GST compensation released to State of Punjab for the FY 2017-18 to FY 2022-23 are as under:-

(Rs. In crore)

Particulars	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Amount released from Compensation fund	5109	8985	12187	7826	3481	4388
Amount released as back to back loan in lieu of GST compensation				8359	12132	

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