

**GOVERNMENT OF INDIA  
MINISTRY OF HOME AFFAIRS**

**RAJYA SABHA  
UNSTARRED QUESTION NO. 391**

**TO BE ANSWERED ON THE 3<sup>RD</sup> DECEMBER, 2025/ AGRAHAYANA 12, 1947  
(SAKA)**

**OCTROI ENTRY TAX COMPENSATION TO PUDUCHERRY**

**391 SHRI S. SELVAGANABATHY:**

**Will the Minister of Home Affairs be pleased to state:**

**(a) whether Government is aware that the octroi entry tax collected by Puducherry was withdrawn by the Central Government during the year 1990;**

**(b) whether Government is aware that the Central Government had given assurance that from 1992 to 2016, compensation will be paid to Puducherry Government;**

**(c) if so, how much was paid as compensation, so far; and**

**(d) whether Government will release the balance compensation amount of ₹ 8.72 crores for the period between 1996-97 to 2016-17?**

**ANSWER**

**MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS  
(SHRI NITYANAND RAI)**

**(a) to (d): As a policy decision, the Government of India in year 1992 had abolished octroi in the Union Territory of Puducherry. Currently, octroi is subsumed in the Goods and Services Tax (GST). The Union Territory of Puducherry has its own Legislative Assembly and prepares its own annual budget. The Central Government however, provides 'Central Assistance' from its budget every year to the Union Territory to supplement their resources.**