

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE**

LOK SABHA

STARRED QUESTION NO. *159

TO BE ANSWERED ON FRIDAY, THE 25th NOVEMBER, 2016

4 Agrahayana, 1938 (SAKA)

CST Compensation

***159:SHRIMATI PRATYUSHA RAJESHWARI SINGH:
:SHRI DEVAJIBHAI G. FATEPARA:**

Will the Minister of **FINANCE** be pleased to state:

- (a) whether the Central Sales Tax (CST) is likely to be phased out in States/UTs prior to the implementation of Goods and Services Tax (GST), if so, the details thereof and the reason therefor; if so, the details thereof; and
- (b) the CST compensation paid/pending during the last three years and the current year, State/UT-wise including Odisha;
- (c) whether there is any mismatch between assessment and actual accrual of CST compensation and if so, the details thereof; and
- (d) the time by which the pending dues are likely to be paid to the States/UTs?

ANSWER

FINANCE MINISTER

(SHRI ARUN JAITLEY)

(a): Central Sales Tax levied on all goods, except for alcoholic liquor for human consumption, petroleum crude, high speed diesel, aviation turbine fuel, motor spirit (commonly known as petrol), and natural gas, would be subsumed in Goods and Service Tax (GST) on the rollout of GST in the Country.

(b) to (d): A statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO. 159
FOR ANSWER ON 25TH NOVEMBER, 2016**

(b) to (d): The Empowered Committee of the State Finance Ministers had recommended that States be paid 100% CST compensation for year 2010-11, 75% CST compensation for 2011-12 and 50% CST compensation for 2012-13 to the States/ UTs to be worked out as per CST compensation guidelines dated 22.08.2008. Union Cabinet in its meeting held on 17.03.2015 had approved the payment of CST compensation as per above recommendation of EC. Accordingly, Central Government (Department of Revenue) has made the following release to the States/UTs in the last three years:

CST compensation due for the FY	To be released or released in the year:	Admissible Amount (in Rs. Crores)	Amount Released (in Rs. Crores)	Balance Amount to be released as on November, 2016
2010-11	2010-11 & 2011-12	17,118.02	6,934	NIL
2010-11 (Balance)	2014-15		10,724.08	
2011-12	2015-16	16,315.25	16315.25	NIL
2012-13	2016-17	11,709.4	5854.73	5454.69
			(1 st instalment released in July 2016)	(2 nd instalment to be released in March 2017)

The proposals for compensation received from States are calculated in light of Guidelines dated 22.08.2008 and compensation released accordingly. There is no mismatch between compensation calculated as per 22.08.2008 guidelines and compensation released to States. State wise details of balance/ released CST compensation for year 2010-11, 2011-12 and 2012-13 to the States/ UTs is as per Annexure-I, Annexure-II, Annexure-III.

ANNEXURE I

DETAILS OF CST COMPENSATION TO THE STATES FOR THE YEAR 2010-11 (Rs. In crore)

S.no.	Name of State	CST compensation on Claimed	Admissible CST compensation as per guideline dated 22.08.08	CST compensation released in FY 2010-11	CST compensation amount paid as per Cabinet approval dated 17.03.15 in FY 2014-15	Total CST compensation paid for 2010- 11
(1)	(2)	(3)	(4)	(5)	(6)	(7) = (5) + (6)
1	Andhra Pradesh	2981.45	2756.69	1667.09	635.45	2302.54
2	Telangana				454.15	454.15
2	Assam	270.35	210.51	34.99	175.51	210.51
3	Chhatisgarh	933.45	848.86	634.02	214.84	848.86
4	Daman & Diu	73	0	0	0	0
5	Delhi	2069.07	1882.83	1075.85	806.98	1882.83
6	Goa	52.87	61.59	0	61.59	61.59
7	Gujarat	1428.25	1154.95	0	1154.95	1154.95
8	Haryana	2249.63	2355.01	1136.16	1218.85	2355.01
9	Jharkhand	492.99	478.93	335.88	143.05	478.93
10	Karnataka	1575.16	1575.16	609.36	965.8	1575.16
11	Madhya Pradesh	189.52	113.59	0	113.59	113.59
12	Maharashtra	319.61	0	0	0	0
13	Nagaland	3.99	1.61	0	1.61	1.61
14	Odisha	664.39	579.67	256.17	323.5	579.67
15	Punjab	281.96	259.51	0	259.52	259.51
16	Pudducherry	161.99	168.57	146.19	22.38	168.57
17	Rajasthan	664.87	626.68	82.47	544.21	626.68
18	Tamilnadu	2309.24	2059.32	58.92	2000.4	2059.32
19	Uttarakhand	296.30	278.22	135.40	142.82	278.22
20	Uttar Pradesh	1801.64	847.76	0	847.76	847.76
21	West Bengal	860.36	858.56	221.44	637.12	858.56
TOTAL		19680.09	17118.02	6393.94	10724.08	17118.02

Note: No CST compensation is pending for the year 2010-11

ANNEXURE II

DETAILS OF CST COMPENSATION TO THE STATES FOR THE YEAR 2011-12 (Rs. In crore)

S.no.	Name of State	CST compensation Claimed	Admissible CST compensation as per guideline dated 22.08.08	Admissible CST compensation amount restricted to 75% of guideline dated 22.08.2008(as per Cabinet approval dated 17.03.15)	Total CST compensation paid for 2015-16
(1)	(2)	(3)	(4)	(5)	(6)
1	Andhra Pradesh	3212.55	1713.96	1285.47	1285.47
2	Telangana		1224.93	918.70	918.70
2	Assam	379.46	306.60	229.95	229.95
3	Chhatisgarh	915.04	812.05	609.04	609.04
4	Daman & Diu	0	0	0	0
5	Delhi	2492.92	2354.65	1765.99	1765.99
6	Goa	101.54	91.13	68.35	68.35
7	Gujarat	1565.86	1232.79	924.59	924.59
8	Haryana	3009.52	3191.55	2393.66	2393.66
9	Jharkhand	683.77	679.68	509.76	509.76
10	Karnataka	2106.57	2105.69	1579.27	1579.27
11	Madhya Pradesh	131.32	38.86	29.14	29.14
12	Maharashtra	0	0	0	0
13	Nagaland	2.09	0	0	0
14	Odisha	869.58	766.43	574.82	574.82
15	Punjab	381.91	344.06	258.04	258.04
16	Puducherry	228.31	238.22	178.66	178.66
17	Rajasthan	845.60	762.17	571.63	571.63
18	Tamilnadu	3288.98	2984.47	2238.35	2238.35
19	Uttarakhand	668.86	642.14	481.60	481.60
20	Uttar Pradesh	1392.09	1229.59	922.20	922.20
21	West Bengal	786.68	1034.71	776.03	776.03
TOTAL		23062.65	21753.68	16315.25	16315.25

Note: No CST compensation is pending for the year 2011-12

State-wise CST compensation for 2012-13

Sl.N.	States	Admissible CST compensation claim as per guidelines (50% of the admissible amount) (Rs. Crores)	Amount released in the first installment (50% of the amt payable) (Rs. Crores)	Amount to be released in the Second installment (50% of the amt payable) (Rs. Crores)
(1)	(2)	(4)	(4)	(5)
1	A.P. (New)	935.86	467.93	467.93
2	Assam	132.3	66.15	66.15
3	Chhattisgarh	408.65	204.33	204.32
4	Delhi	1381.06	690.53	690.53
5	Gujarat	296.06	148.03	148.03
6	Goa	47.4	23.7	23.7
7	Haryana	1688.1	844.05	844.05
8	Jharkhand	438.92	219.46	219.46
9	Karnataka	1237.49	618.75	618.74
10	M.P.	17.39	8.7	8.7
11	Orissa	481.05	240.53	240.52
12	Pudducherry	155.95	77.98	77.97
13	Punjab	273.24	136.62	136.62
14	Rajasthan	436.5	218.25	218.25
15	T.N.	1560.67	780.34	780.34
16	Telangana	668.84	334.42	334.42
17	W.B.	630.44	315.22	315.22
18	U.P.	560.84	280.42	280.42
19	Uttarakhand	358.64	179.32	179.32
	TOTAL (Rs. Crores)	11709.4	5854.73	5854.69