

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

LOK SABHA
UN-STARRED QUESTION NO-2785
ANSWERED ON-21/03/2022

PAYMENT OF GST COMPENSATION

2785. SHRI PRADYUT BORDOLOI:
SHRI KESINENI SRINIVAS:
SHRI RAM MOHAN NAIDU KINJARAPU:

Will the Minister of FINANCE be pleased to state:

- (a) the monthly details of the inflation adjusted growth of the Goods and Services Tax (GTS) collections;
- (b) the details of GST compensation given to the States since the start of GST regime in 2017, State-wise and year-wise;
- (c) the details of all instances when the compensation paid to the States was not according to the provision of 14 per cent annual growth rate over the base year (FY 16) revenues of States;
- (d) whether the interest-free loans issued by the Government in lieu of GST compensation will bind the borrowing of States under Article 293(4) of the constitution or there is any exemption from that provision and if so, the details thereof; and
- (e) whether the Government is considering any proposals to rationalise the tax slabs under GST tax regime and if so, the details thereof?

ANSWER

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

(a): The details of gross GST collection during the FY 2021-22 is as follows: -

(in Rs. Crore)

Month	Amount
April-21	1,39,708
May-21	97,821
June-21	92,800
July-21	1,16,393
August-21	1,12,020
September-21	1,17,010
October-21	1,30,127
November-21	1,31,526
December-21	1,29,780
January-22	1,40,986
February-22	1,33,026

Entities pay GST on the basis of output tax and input tax credit on the value of supply of goods or services and applicable tax rate. Inflation adjusted figures of tax collection is not maintained.

(b) & (c): As per Section 7 of the GST (Compensation to States) Act, 2017, the States are required to be compensated for loss of revenue due to implementation of GST (w.e.f. 01.07.2017) for 5 years' period. During transition period, the States' revenues are protected at 14% growth rate per annum over the base year revenue (2015-16). Accordingly, the States are being compensated for any shortfall against their protected revenue. The year-wise details of GST compensation released to States/ UTs is as per Annexure.

(d): No Sir, The back to back loan of Rs. 1.10 lakh crore & Rs. 1.59 Lakh crore released to States/ UTs in lieu of GST compensation respectively in year 2020-21 and 2021-22 is over and above the Net Borrowing Ceiling of the States fixed for the purpose of Article 293 of Constitution of India.

(e): GST rates are notified based on the recommendations of the GST Council. The Council has set up a Group of Ministers to recommend measures for GST rate rationalization with an objective to simplify the rate structure, to reduce classification related disputes and enhance GST revenue. The recommendation of the Group of Ministers, as and when received, shall be considered by the Council for making recommendations as it considers appropriate.

Details of GST Compensation released to States/ UTs during the year

(Rs. in crore)

S.No	Name of State/UT	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Andhra Pradesh	382	0	1841	3527	3117	8868
2	Arunachal Pradesh	15	0	0	6	0	21
3	Assam	886	466	879	1370	1014	4615
4	Bihar	3041	2571	3525	4359	1945	15441
5	Chhattisgarh	1483	2261	3081	3212	1217	11254
6	Delhi	157	4182	7436	5522	6446	23743
7	Goa	252	476	819	813	911	3271
8	Gujarat	3687	6149	10647	11335	8207	40024
9	Haryana	1199	2820	5453	5066	2909	17447
10	Himachal Pradesh	539	2037	1877	1764	1168	7385
11	J & K	1137	1462	2279	2171	893	7942
12	Jharkhand	1265	1029	1532	1958	1526	7310
13	Karnataka	6246	10754	14497	13789	8976	54263
14	Kerala	1772	2884	5575	6721	3856	20808
15	Madhya Pradesh	2511	2866	4531	5293	3095	18296
16	Maharashtra	1488	8330	15018	17423	17834	60094
17	Manipur	24	0	0	22	0	46
18	Meghalaya	124	73	101	172	163	633
19	Mizoram	0	0	0	11	0	11
20	Nagaland	0	0	0	14	0	14
21	Odisha	2019	3390	3929	4362	1663	15362
22	Puducherry	333	592	862	607	329	2723
23	Punjab	4037	7129	8805	9694	4442	34107
24	Rajasthan	2598	2176	4440	5633	3746	18593
25	Sikkim	6	0	0	26	9	42
26	Tamil Nadu	632	3151	8922	11142	6697	30544
27	Telangana	169	0	2263	3103	2006	7541
28	Tripura	129	155	171	277	101	833
29	Uttar Pradesh	2124	308	5180	9324	8299	25235
30	Uttarakhand	1283	2037	2477	2496	1475	9768
31	West Bengal	1608	1977	4359	5776	4531	18251
	Total	41146	69275	120498	136988	96576	464484