

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE**

LOK SABHA

UNSTARRED QUESTION NO. 1322

Monday, December 8, 2025/Agrahayana 17, 1947 (Saka)

GST Compensation dues to Andhra Pradesh

1322. Dr. D. Purandeswari:

Will the Minister of FINANCE

be pleased to state:

- (a) the current status of implementation of the 15th Finance Commission's recommendations, particularly regarding grants to States;
- (b) the total amount of 'revenue deficit grants' and 'Special Assistance for Capital Investment' released to Andhra Pradesh in the current financial year;
- (c) the details of funds released for the 'Polavaram' national project, which is vital for the Rajahmundry region; and
- (d) the steps taken by the Government to expedite the release of all pending central funds and GST compensation dues to Andhra Pradesh?

ANSWER

**MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)**

Part (a) and (b): Union Government vide Explanatory Memorandum as to the Action Taken on the Recommendations made by the Fifteenth Finance Commission (15th FC) in its Report for the award period 2021-22 to 2025-26 has inter-alia accepted the recommendations for States' Share in Central Taxes (tax devolution) and grants-in aid viz post devolution revenue deficit grant, Local bodies grants and Disaster management grants. The details of funds released to the Andhra Pradesh based on 15th FC recommendations are as under:

(Rs in crore)

Component	2021-22	2022-23	2023-24	2024-25	2025-26 (till 02.12.2025)
Share in Central Taxes	35,386	38,177	45,711	52,080	37,903
FC grants*	21,342	13,174	9,641	4,796	2,434
Total	56,728	51,351	55,352	56,876	40,337

*Includes post-devolution revenue deficit grants (PDRDG). 15th FC did not recommend PDRDG to Andhra Pradesh for the F.Y 2025-26 (current year) and 2024-25.

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(2)

Besides this, funds released to Andhra Pradesh as 'Special Assistance to States for Capital Investment' during current financial year 2025-26 is Rs 3,492 crore.

Part (c): An amount of Rs 20,659 crore has been released so far for the 'Polavaram' national project from Government of India to Government of Andhra Pradesh.

Part (d): Ministry of Finance releases grants-in-aid recommended by 15th Finance Commission to States on the recommendations of the Nodal Ministries concerned, subject to fulfillment of stipulated conditions associated with each component of the recommended grants-in-aid. There is no grant pending for release with this Ministry as on date regarding release of the 15th Finance Commission recommended grants-in-aid. In addition, Government of India has already released the entire amount of provisionally admissible GST compensation to the State of Andhra Pradesh 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 has also been released to State of Andhra Pradesh for FY 2017-18 to FY 2022-23. Hence, no GST Compensation Grant is pending to be released to the State of Andhra Pradesh.
