



Ministry of Finance

# 6th Instalment of Rs.6,000 crore released to the States as back to back loan to meet the GST compensation shortfall

A total amount of Rs.36,000 crore released so far

This is in addition to additional borrowing permission of Rs.1,06,830 crore granted to the States

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The Ministry of Finance has released the weekly instalment of Rs. 6,000 crore to the States to meet the GST compensation shortfall. Out of this, an amount of Rs. 5,516.60 crore has been released to 23 States and an amount of Rs.483.40 crore has been released to the 3 Union Territories (UT) with Legislative Assembly (Delhi, Jammu & Kashmir & Puducherry) who are members of the GST Council. The remaining 5 States, Arunachal Pradesh, Manipur, Mizoram, Nagaland and Sikkim do not have a gap in revenue on account of GST implementation.

The Government of India is borrowing this amount on behalf of the States and UTs through a special borrowing window to meet the estimated shortfall of Rs.1.10 lakh crore in revenue arising on account of GST implementation.

The amount released this week was the 6<sup>th</sup> instalment of such funds provided to the States. **The amount has been borrowed this week at an interest rate of 4.2089 %. So far, an amount of Rs. 36,000 crore has been borrowed by the Central Government through the special borrowing window at an average interest rate of 4.7106%.**

In addition to providing funds through the special borrowing window to meet the shortfall in revenue on account of GST implementation, the Government of India has also granted additional borrowing permission equivalent to 0.5% of States' GSDP to the states choosing option-I to meet GST compensation shortfall to help them in mobilising additional financial resources. So far, permission for borrowing an additional amount of Rs. 1,06,830 crore has been granted to 28 States under this provision.

The amount of additional borrowing permission granted to 28 States and the amount of funds raised through special window and released to the States and Union Territories so far is [annexed](#).

**State wise additional borrowing of 0.50 percent of GSDP allowed and amount of funds raised through special window passed on to the States/UTs till 09.12.2020**

(Rs. in Crore)

<b>S. No.</b>	<b>Name of State / UT</b>	<b>Additional borrowing of 0.50 percent allowed to States</b>	<b>Amount of fund raised through special window passed on to the States/ UTs</b>
1	Andhra Pradesh	5051	929.97
2	Arunachal Pradesh*	143	0.00
3	Assam	1869	400.24
4	Bihar	3231	1571.14
5	Chhattisgarh	1792	169.26
6	Goa	446	337.93
7	Gujarat	8704	3710.87
8	Haryana	4293	1751.33
9	Himachal Pradesh	877	690.95
10	Jharkhand	1765	91.95
11	Karnataka	9018	4992.85
12	Kerala	4,522	642.12
13	Madhya Pradesh	4746	1827.79
14	Maharashtra	15394	4820.05
15	Manipur*	151	0.00
16	Meghalaya	194	44.99
17	Mizoram*	132	0.00
18	Nagaland*	157	0.00

19	Odisha	2858	1538.05
20	Punjab	3033	930.88
21	Rajasthan	5462	1157.77
22	Sikkim*	156	0.00
23	Tamil Nadu	9627	2511.68
24	Telangana	5017	429.45
25	Tripura	297	91.20
26	Uttar Pradesh	9703	2417.25
27	Uttarakhand	1405	932.19
28	West Bengal	6787	493.45
<b>Total (A):</b>		<b>106830</b>	<b>32483.36</b>
1	Delhi	Not applicable	2360.08
2	Jammu & Kashmir	Not applicable	914.22
3	Puducherry	Not applicable	242.34
<b>Total (B):</b>		<b>Not applicable</b>	<b>3516.64</b>
<b>Grand Total (A+B)</b>		<b>106830</b>	<b>36000.00</b>

\* These States have 'NIL' GST compensation gap

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RM/KMN

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