

## **Sixteenth Lok Sabha**

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Title: Need to rectify the methodology for imposition of GST on various products -laid.

SHRI JAYADEV GALLA (GUNTUR): The Government is requested to look into and rectify the methodology of imposition of GST on various products. GST is imposed on products which are naturally processed, such as there is no GST on Chillies, but there is GST on dried Chillies.

GST is collected through CGST, IGST and SGST. But, revenue collected through IGST is deposited under collective or common fund and distributed to States at the rate of 42% as per the recommendations made by the 14th Finance Commission. But, as per procedure and rule, only 50% of IGST revenue should be deposited under collective or common fund and the remaining half should be distributed to States. Due to this, the States are losing their genuine share of revenue and Andhra Pradesh is no exception. Due to above methodology, Andhra Pradesh lost Rs. 1,000 crores of its rightful share. Hence, I request the Ministry of Finance to rectify this methodology and pay Andhra Pradesh Rs. 1,000 crores which it lost.