

**CHIEF MINISTER'S OFFICE
GOVERNMENT OF TELANGANA**

PRESS RELEASE

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Hon'ble Chief Minister Sri K. Chandrashekar Rao has decided to wage a legal battle against the central government for taking unilateral decisions on the GST. The CM has registered a severe protest against the decisions taken by the GST Council in New Delhi today. The CM has decided to write a letter to the Prime Minister in this regard tomorrow. The CM felt that by levying GST on all on-going projects, not only Telangana state but also other states will be subjected to injustice. The issue was raised in the GST council meetings earlier and the same is reiterated by Minister Sri KT Rama Rao today at the GST Council meeting held in New Delhi on Saturday on behalf of the Telangana State Government.

The CM has demanded the GST should be lifted for drinking water schemes, laying of roads and irrigation. The GST council has decided to reduce the tax from 18 percent to 12 percent for these schemes. But the Centre has decided to levy 12 percent GST on the ongoing projects.

The Telangana state government has been opposing levy of 18 percent GST on Irrigation, Drinking water and Housing schemes, which are useful to the people. The CM wrote letters to the PM, Finance Minister Sri Arun Jaitley in this regard. The Telangana government has already registered protests on the matter.

Speaking on the occasion the CM said it is an injustice to levy GST on the ongoing projects. By implementing GST on the projects started before July 1st, the loss will be to the tune of Rs. 19,000 Crore. Not only Telangana State but also all other states will incur this loss, the CM said and added that it will be a national issue. It will be difficult to implement the decision taken after the Budget. The project details have to be included in the Budget and it is not possible after the Budget, the CM said.

By implementing the GST the project estimates will increase and the same cannot be included in the Budget now. Hence the Centre should change its decision. Or else a legal battle has to be fought in this regard, the CM opined.

CPRO to CM

