

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE**

LOK SABHA

UNSTARRED QUESTION NO.2000

TO BE ANSWERED ON MONDAY THE 13TH MARCH, 2023 /PHALGUNA 22, 1944 (SAKA)

GST ON AGRICULTURAL EQUIPMENT

2000. SHRI ANUMULA REVANTH REDDY:

Will the Minister of FINANCE be pleased to state:

(a) the list of agricultural equipment included under the purview of GST with the respective percentage of GST for the same;

(b) whether the Government proposes to decrease GST rate on machines for cleaning, sorting or grading fruits, or other agricultural produce and if so, the details thereof and if not, the reasons therefor; and

(c) whether the Government proposes to impose zero rate GST on agricultural equipment for the benefit of farmers and if so, the details thereof and if not, the reasons therefor?

ANSWER

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

Part (a): The details of the agriculture equipment under the purview of GST and the rate of GST applicable on such items are as under: -

| S. No. | Description of Agricultural Equipment | GST Rate |
|-------------------|--|-----------------|
| 1. | Agricultural implements manually operated or animal driven i.e. Hand tools, such as spades, shovels, mattocks, picks, hoes, forks and rakes; axes, bill hooks and similar hewing tools; secateurs and pruners of any kind; scythes, sickles, hay knives, hedge shears, timber wedges and other tools of a kind used in agriculture, horticulture or forestry other than Ghamella | Nil |
| 2. | • Agricultural machinery for soil preparation or | 12% |

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| | cultivation; <ul style="list-style-type: none"> • Harvesting or threshing machinery, including straw or fodder balers; grass or hay mowers; • Other agricultural machinery, including germination plant fitted with mechanical or thermal equipment | |
| 3. | <ul style="list-style-type: none"> • Machines for cleaning, sorting or grading fruits, or other agricultural produce; • Machines for cleaning, sorting or grading, seed, grain or dried leguminous vegetables. | 18% |

Part (b) & (c): The GST rates and exemptions are prescribed based on the recommendations of the GST Council, which is a constitutional body comprising of members from both the Union and State Governments. There is no recommendation from GST Council for change in GST rate in this regard.
