

GOVERNMENT OF WEST BENGAL
DIRECTORATE OF COMMERCIAL TAXES
14, BELIAGHATA ROAD, KOLKATA-700015

TRADE CIRCULAR No. 59/2018 (*Circular No. 81/55/2018-GST*)

DATED: 31.12.2018

Subject: Clarification regarding GST tax rate for Sprinkler and Drip Irrigation System including laterals.

Representations have been received seeking clarification as regards the scope and coverage of entry No. 195B of the Schedule II to notification No. 1125-F.T. [1/2017- State Tax (Rate)], dated 28.06.2017. The entry No. 195B was inserted vide notification No. 134-F.T. [6/2018- State Tax (Rate)], dated 25th January, 2018 and reads as below:

S. No	Chapter Heading/ Sub-heading/Tariff Item	Description of Goods	CGST rate
195B	8424	Sprinklers; drip irrigation system including laterals;	6%

2. Doubts have arisen as in certain cases a view has been taken in the field that this entry would not cover “laterals of sprinklers” and “sprinklers irrigation system”, while laterals of drip irrigations are covered by this entry.

3. The matter has been examined. Initially, with effect from 1. 7. 2017, all goods falling under HS8424, namely, Mechanical appliances (whether or not hand-operated) for projecting, dispersing or spraying liquids or powders; spray guns and similar appliances; steam or sand blasting machines and similar jet projecting machines (other than fire extinguishers, whether or not charged), were placed under 18% slab. Subsequently, on the recommendation of the GST Council, the item namely, ‘Nozzles for drip irrigation equipment or nozzles for sprinkler was placed under 12% GST slab (Entry No. ‘195A’ with effect from 22.09.2017). Upon revisiting the issue of GST rate on micro irrigation including drip irrigation system, including laterals the GST Council recommended 12% GST rate on micro irrigation system, namely, sprinklers, drip irrigation system, including laterals. Accordingly, the said entry 195B was inserted in the notification No. 1125-F.T. [1/2017- State Tax (Rate)].

3.1 The micro irrigation, sometimes called 'localised irrigation', 'low volume irrigation', or 'trickle irrigation' is a system where water is distributed under low pressure through piped network, in a pre-determined pattern, and applied as a small discharge to each plant or adjacent to it. The traditional drip irrigation using individual emitters, subsurface drip irrigations (SDI), micro-spray or micro-sprinkler irrigation, and mini bubbler irrigation all belong to the category of micro irrigation method.

4. Therefore, the term "sprinkler s", in the said entry 195B, covers sprinkler irrigation system. Accordingly, sprinkler system consisting of nozzles, lateral and other components would attract 12% GST rate.

5. Difficulty, if any, may be brought to the notice of the Commissioner immediately.

Sd/-
(Smaraki Mahapatra)
Commissioner, State Tax,
West Bengal

Memo. – 547 CT/PRO
3C/PRO/2018

Date: 31.12.2018

Copy forwarded to the Additional CST/ISD for information and for uploading it on the official website of the Directorate for information of all concerned.

Sd/-
(Adesh Kumar)
Special CST & PRO