

**GOVERNMENT OF TAMIL NADU
COMMERCIAL TAXES DEPARTMENT
OFFICE OF THE COMMISSIONER OF COMMERCIAL TAXES
EZHILAGAM, CHENNAI-600 005**

**PRESENT: DR. T.V. SOMANATHAN, I.A.S.,
COMMISSIONER OF STATE TAX**

Circular No.52 (2018)/ 2019-TNGST
(RCNo.151/2018/A1/Taxation)

Dated:23.04.2019

Sub:	Clarification regarding GST tax rate for Sprinkler and Drip Irrigation System including laterals-reg.
Ref:	Circular No. 81/55/2018-GST, dated 31-12-2018 issued by the Department of Revenue, Ministry of Finance, Government of India, New Delhi.

Representations have been received seeking clarification as regards the scope and coverage of entry No. 195B of the Schedule II to TN notification No. II(2)/CTR/532/(d-4)/2017 dated 29.6.2017. The entry No. 195B was inserted vide G.O. (Ms) No. 18, dated 25.01.2018 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 HS 8424, 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 TN notification No. II(2)/CTR/532/(d-4)/2017 dated 29.6.2017.

31 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 "sprinklers", 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. This pari materia circular is issued with reference to the circular issued by the Government of India on the recommendation of the GST Council in the reference cited.

Sd/-T.V.Somanathan
Commissioner of State Tax

To
All the Joint Commissioners (ST) Territorial and Enforcement in the State.

Copy to: (1) Principal Secretary to CT& Regn. Department.
(2) All Additional Commissioners of State Tax in the

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(5) All Assistant Commissioners (ST) in the State.