

Sixteenth Loksabha

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Title: Need to provide GST exemption for RIG services for agriculture and Agro based works.

\*SHRIMATI. V. SATHYABAMA (TIRUPPUR): Madam Speaker, Vanakkam. The South Zone Agriculture RIG owners Association have already requested the Hon'ble Union Finance Minister to provide GST exemption for RIG services for agriculture and Agro based works. There are hundreds of RIG / bore well operators in my Tirupur Parliamentary Constituency who thrive solely on RIG services. This is very essential for the Agriculture and Agro based industries. Nearly 70% of agriculture depends on ground water and RIG operators play a very crucial role in getting farmers the adequate supply of ground water. RIGs are highly indispensable in most of the places where there is no source of water for irrigation either rivers or any water bodies. In the GST regime the RIG operations falls under 18% GST category. This is too much for RIG operators who are already burdened by the high Diesel/Petrol prices and wages. The fuel costs and wages constitute more than 75% of total expenses incurred for Bore well drilling. Since both fuel cost and wages are not covered by GST the RIG owners are not getting any input tax credit. There are already lots of bottlenecks and restrictions for the use of RIGs and bore well drilling services. In order to save the life of RIG operators as well as the farmers I humbly request the Hon'ble Finance Minister to provide GST exemption for RIG services which is very essential for Agriculture and Agro based works. Thanking You.