



AGRICULTURAL MACHINERY MANUFACTURER'S ASSOCIATION (AMMA-India)



Trade Procedures and Practices for Agricultural Machinery - India

27 October 2021

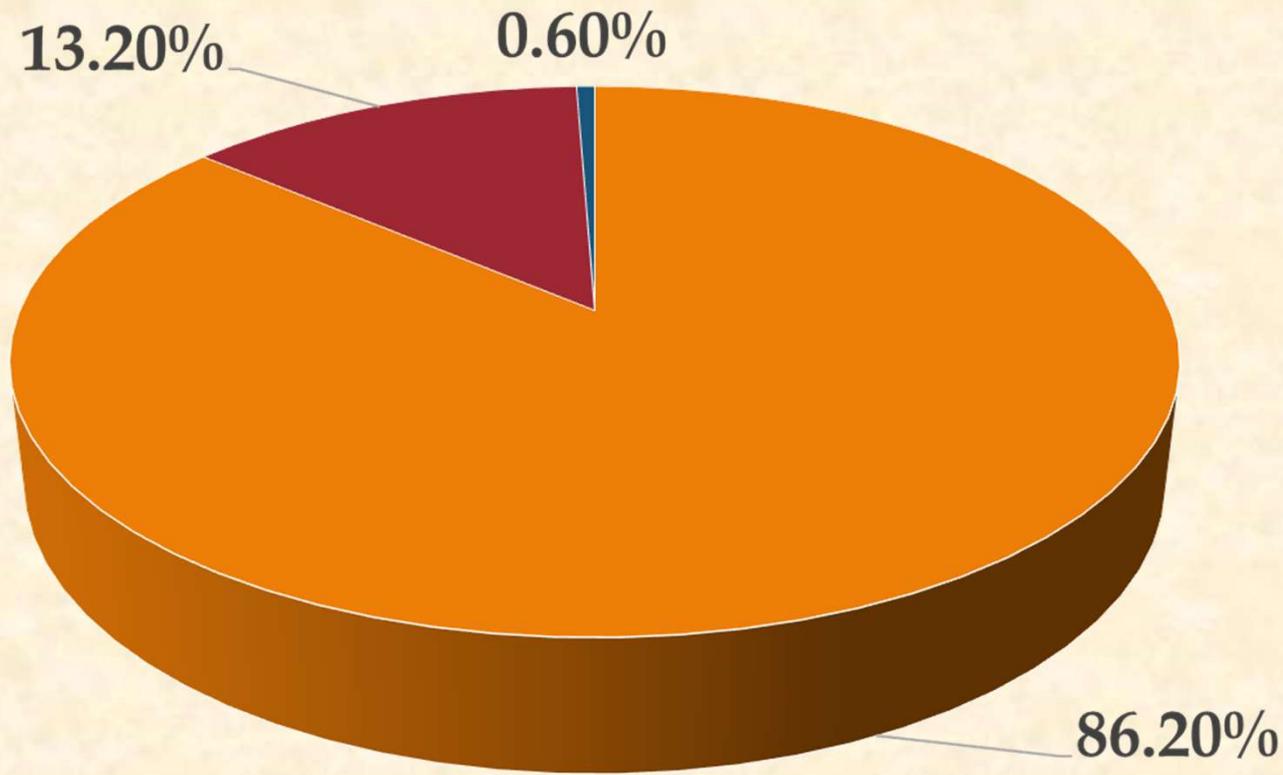
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Number of land holdings

Total 138 million farmers



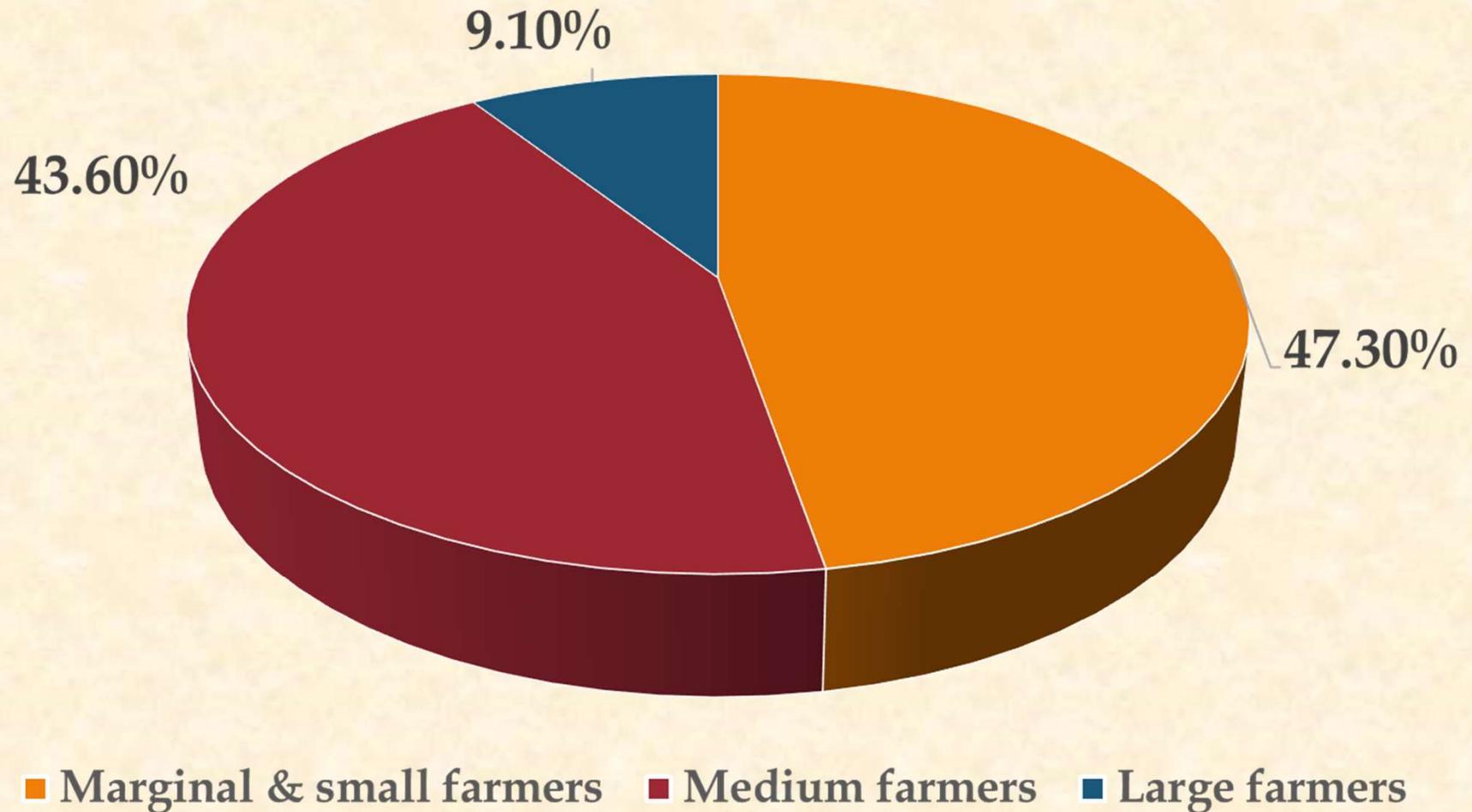
■ Marginal & small farmers ■ Medium farmers ■ Large farmers



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Net cultivated area

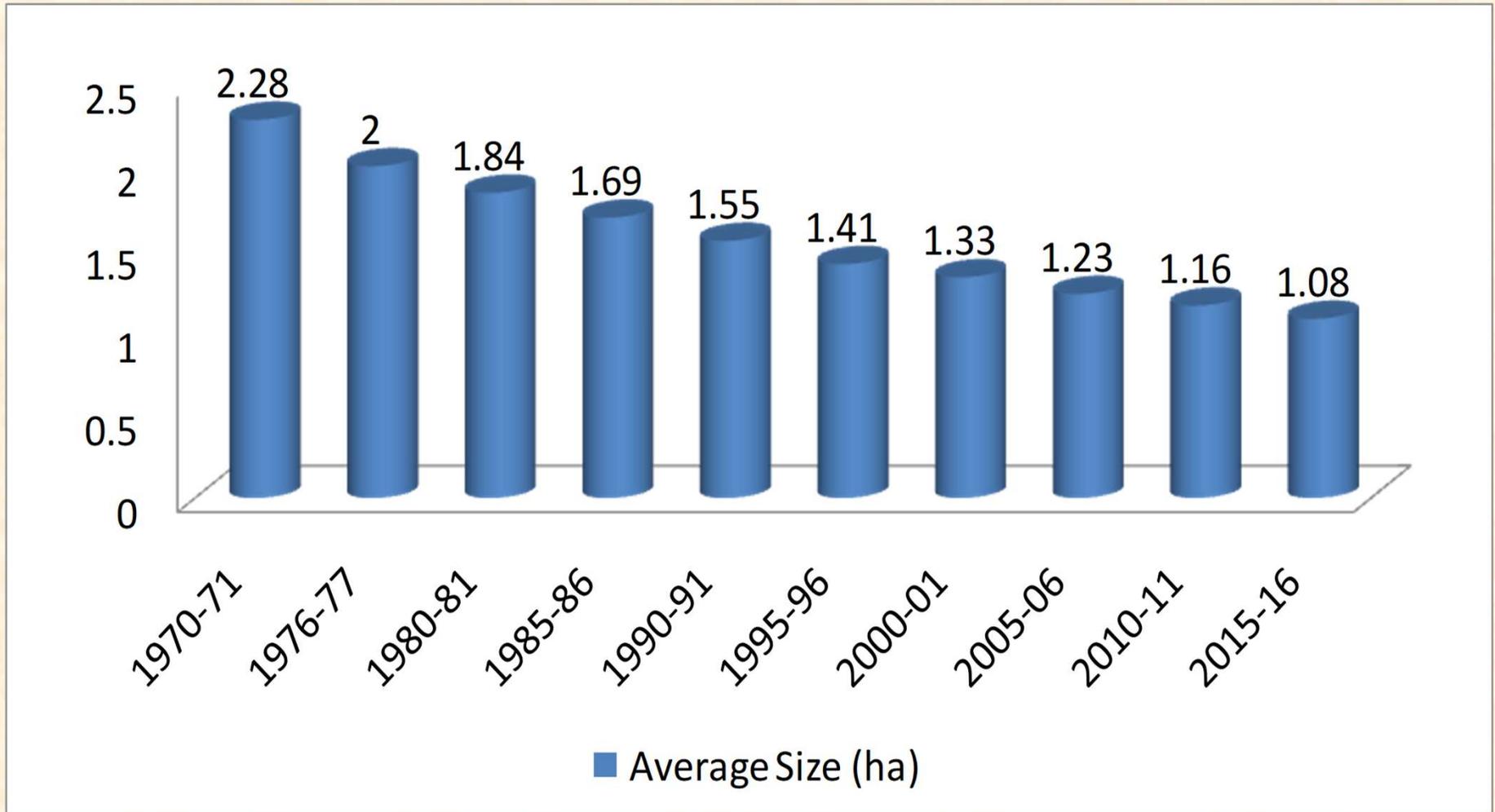
Total 140 million ha





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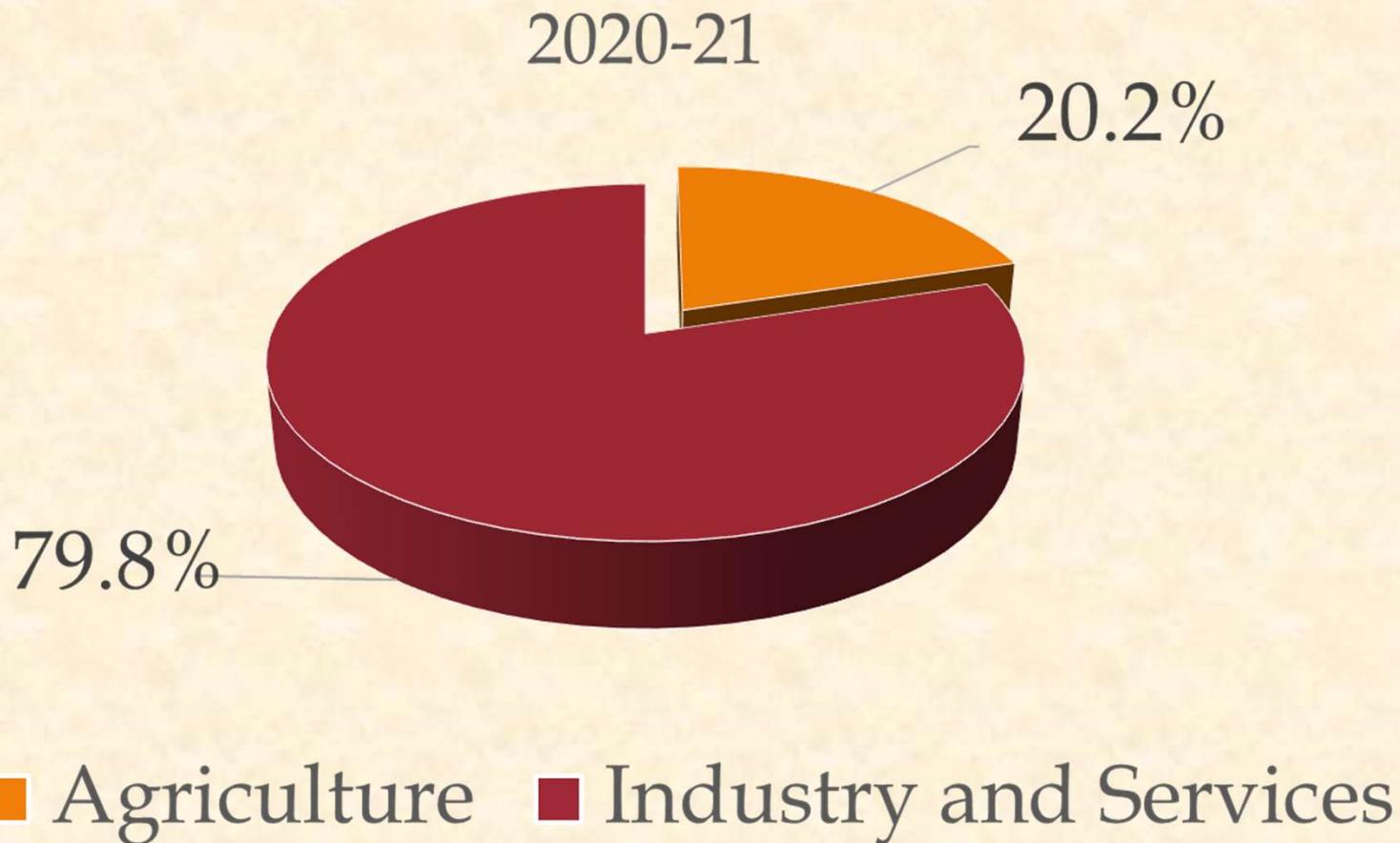
Average size of operational holdings





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Indian Agriculture Contribution to GDP





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Major crops Grown

Rice

Wheat

Maize

Cotton

Sugarcane

Oil seeds

Pulses

Millet

Potato



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Level of Farm Mechanization in India

Operation	Percentage
Soil working and seedbed preparation	60
Seeding and planting	40
Plant protection	50
Irrigation	45
Harvesting and threshing	70-80% for wheat and rice and less than 25% for others

Overall about 55%



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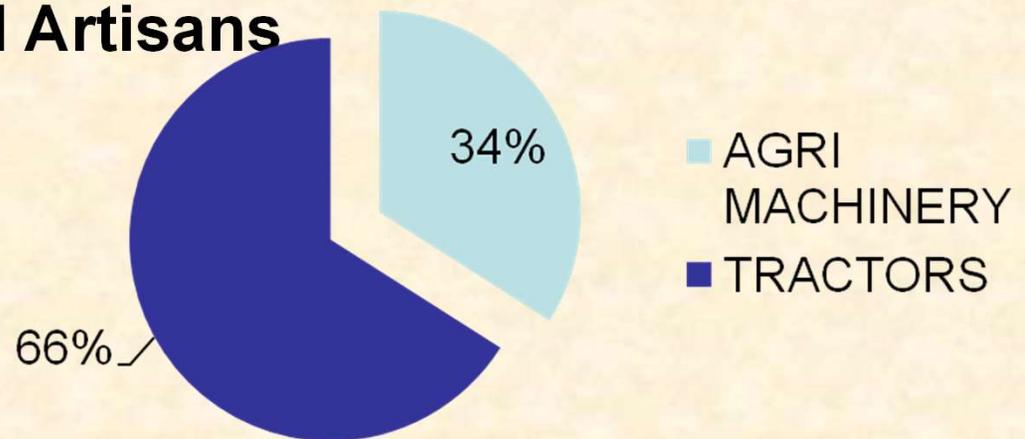
Status of Agricultural Machinery Industry

This is unorganized sector in India mostly with small and medium categories of industries.

MANUFACTURING UNITS

- **250 Medium to Large Scale Units**
- **2,500 Small Scale Industries**
- **15,000 Tiny Industries**
- **1 million Village level Artisans**

9 billion USD (Rs. 65,000 Crores) Industry, CAGR growth 5-8%





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Power availability

Year	Farm Power (kW/ha)	Net sown area per tractor (ha)	No. of combine harvesters per 1000 ha
2019-2020	2.76	18	0.4
2029-2030	3.5	12	1.0



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Distribution and Supply Chain of Agricultural Machinery in India

- **It is mainly through the network of dealership owned and managed by individual agricultural machinery manufacturer or by themselves.**
- **A group of manufacturers have joined hands together through common dealership and distribution centres and supply machineries.**



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Import of agricultural machinery

There has been huge increase in imports of agricultural machinery from other countries. The imports increased to around INR 13 Billion in FY 2020-21 from around INR 4.75 Billion in FY 2018-19.

There is a total of 47 countries India imports Agricultural Machinery from. About 41% Custom Duty on Agricultural Machinery in India Import and GST. 12%



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Export of agricultural machinery

Agricultural Machinery is exported to over 147 countries. In the year 2020-2021 (Apr-Nov), India exported Agricultural Machinery worth of INR 3.1 Billion. The total volume of export in 2020-2021 (Apr-Nov) was around 10.5 million.



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ASEAN-India Free Trade Area (AIFTA) has been signed under the Framework Agreement on Comprehensive Economic Cooperation between the Association of Southeast Asian Nations and the Republic of India. There is no restriction on import and export of agricultural machinery in Asia-Pacific countries.

➤ **Most Favoured Nation (MFN) tariff rates in the case of ASEAN Member States and India, refer to their respective applied rate as of 1 July 2007, except for products identified as Special Products in the Schedules of Tariff Commitments set out.**



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Special Products

- **Special Products refer to India's crude and refined palm oil (CPO and RPO, respectively), coffee, black tea and pepper.**
- **Applied MFN tariff rates for the Special Products will be reduced in accordance with the following tariff reduction schedules:**
- **Any better offers made by India to other competing oils/fats shall also be duly offered to palm products.**
- **If the applied MFN tariff rate for CPO and RPO is lower than the preferential tariff under the AIFTA, the lower applied rate shall prevail.**



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Asia-Pacific Trade Agreement (2005)

This Agreement, which was hitherto called the First Agreement on Trade Negotiations among Developing Member Countries of the Economic and Social Commission for Asia and the Pacific, as also the Bangkok Agreement, shall henceforth be called the Asia-Pacific Trade Agreement.

- National List of Concessions: Bangladesh**
- National List of Concessions: India**
- List of Special Concessions by India to least developed countries**



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Asia-Pacific Trade Agreement (2005) – contd.

- **National List of Concessions: Korea**
- **List of Special Concessions by Korea to least developed countries**
- **National List of Concessions: Sri Lanka**
- **List of Special Concessions by Sri Lanka to least developed countries**
- **National List of Concessions: China**
- **List of Special Concessions by China to least developed countries**
- **LAO People's Democratic Republic**

The logo of the Agricultural Machinery Manufacturers' Association (AMMA) India. It features a circular emblem with a gear-like border. Inside the circle, there is a map of India in orange and green, with the text 'AMMA INDIA' below it. The words 'AGRICULTURAL MACHINERY MANUFACTURERS' ASSOCIATION' are written around the top inner edge of the circle.

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THANKS