

(c) the details of the GST rate which is being levied on the equipments and vehicles which are used in tractors and for agricultural work?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANURAG SINGH THAKUR): (a) All electric vehicles, including e-bicycles, attract GST at the rate of 5%. Other bicycles attract GST at the rate of 12%.

(c) The details of the GST rate, being levied on the equipments and vehicles used in agricultural work are as under:

(b) There is no such proposal at the present.

Sl. No.	Items for agricultural use	GST Rate
1.	Tractors	12%
2.	Self-loading or self-unloading trailers for agricultural purposes	12%
3.	Disc ploughs, tractor ploughs, disc harrows, cultivators, weeders	12%
4.	Machinery for cleaning, sorting, grading, or milling of agricultural produce	5%
5.	Sprinklers, drip irrigation systems, and their parts	12%
6.	Agricultural, horticultural or forestry machinery for soil preparation or cultivation, harvesting or threshing machinery	12%

Simplification of process for start-ups

1644. SHRI S. MUTHUKARUPPAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government simplified the process for start-ups seeking exemption from angel tax notices by eliminating the need for a certification from an inter-Ministerial body;

(b) if so, the details thereof;

(c) whether it is also a fact that the move seeks to ease concerns raised by start-ups about tax officials questioning the share premium received at the time of raising capital through the sale of new shares; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANURAG SINGH THAKUR): (a) and (b) Yes, the Government has simplified the process for Startups of availing exemption under section 80IAC and exemption for the purpose of clause (viib) of the sub-section 2 of Section 56 of the Income Tax Act, 1961(Act). A notification dated 19th February, 2019 by the Department of Promotion of Industry and Internal Trade (DPIIT) defined the Startups and simplified the process of recognition of Startups, simply requiring them to submit of Form-2 as prescribed in the said notification to (DPIIT) and of the same is acknowledgement by CBDT. This acknowledgement letter provides exemption to Startups from further enquiry under section 56 (2) (viib) of the Act. Further, various circular/ clarification were issued by the CBDT in this matter for the smooth operation of the Startup Companies. The details are as under:—

- (i) Notification No.13/2019 dated 5th March, 2019.
- (ii) Circular No. 16/2019 dated 7th August, 2019.
- (iii) Clarification dated 9th August, 2019.
- (iv) Constitution of Start-up Cell *vide* order dated 30th August, 2019.

(c) and (d) Yes, the Government has taken steps to ease concerns raised by Startups about the issue of share premium. In this regard, circular no.16/2019 dated 7th August 2019 provides:—

a. In case of Startup companies recognized by DPIIT which have filed Form No. 2 and whose cases have been selected under scrutiny to examine multiple issues including the issue of section 56(2) (viib) of the Act, the issue will not be pursued during the assessment proceedings and inquiry on other issues will be carried out by the Assessing Officer only after obtaining approval of the supervisory authority.

b. In case of Startup Companies recognized by the DPIIT, which have not filed Form No. 2, but have been selected for scrutiny, the inquiry in such cases also will be carried out by the Assessing Officer only after obtaining approval of the supervisory authorities.