

Tractor sector saw 27% jump in sales in April on strong rural sentiment

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Domestic tractor industry opened FY27 on a strong note, with wholesale rising 27 per cent year-on-year to 1,05,021 units in April, against 82,839 units in the same month last year, aided by favourable farm sentiment, improved rural liquidity and lower GST rates.

According to data from the Tractor and Mechanization Association (TMA), this is the second consecutive month that domestic tractor sales have crossed the one lakh mark. Domestic sales stood at 1,03,193 units in March 2026 before increasing further in April.



According to Crisil Ratings, GST reduction continues to support affordability and sustain near-term demand momentum.

GST PUSH

Poonam Upadhyay, Director, Crisil Ratings, said India's tractor industry opened FY27 on an encouraging

note. The GST reduction on tractors from 12 per cent to 5 per cent continues to support affordability and is likely playing a role in sustaining near-term demand. However, the high base built over FY26, which was a record year driven by a favourable monsoon and strong farm incomes, will make comparisons progressively harder as the year progresses, she told *businessline*.

The IMD has projected 2026 southwest monsoon at 92 per cent of the Long Period Average, with possible El Niño conditions raising concerns over kharif sowing. How the rest of FY27 shapes up will depend largely on monsoon distribution and crop output, she added.