

1. Matters taken up with Punjab Govt. and Govt. of India by KVCP

1. Representations regarding impact on Agriculture in model GST Law :

(a) The issue was discussed with the Additional Chief Secretary (Development), Govt. of Punjab by the representatives of Kissan Vikas Chamber Punjab on 28-12-2016 regarding impact of GST on Agriculture in model GST Law and decided to approach Government of India immediately.

(b) The detailed representation was submitted to Sh. Arjun Ram Meghwal, Minister of State (Finance), Govt. of India, New Delhi by the members of KVCP on 29-12-2016 regarding impact of GST on agriculture in model GST Law and requested to consider all the facts which have been given in our representation to ameliorate the lot of peasantry. KVCP through its efforts by providing very rational representation to the Ministry of Finance was able prevent the imposition of GST on the Dairy farming, poultry farming, stock breeding, the mere cutting of wood or grass, gathering of fruit, raising of man made forests and rearing of seedlings or plants (Nurseries) as all these items were to come under the GST net. Moreover the definition of self cultivation in the then proposed GST act was very erroneous and discriminatory as the agriculture by persons other than individual and HUF was kept out of the definition of "to cultivate personally". In the said representation of KVCP, this anomaly was corrected by providing the most authentic definition from Punjab Land reforms act 1973. Thus KVCP can claim to have not only saved the farmers of Punjab, but of the entire nation from the irrational imposition of GST.

In this representation, **Impact of GST on Agriculture** was analysed as under :

- * Dairy farming poultry farming and stock breeding are specifically kept out of the definition of Agriculture given in model GST Law, hence it seems that these will be taxable under GST regime.
- * The mere cutting of wood or grass, gathering of fruit and raising of man-made forest or rearing of seedlings or plants have also been specifically kept out of the definition of Agriculture given in model GST Law, hence it seems that these will be taxable under GST regime.

* Agriculture by cultivating on crop share basis is kept of definition of “to cultivate personally”, hence it seems that these will be taxable under GST regime.

* Agriculture by persons other than individual and HUF seems also kept out of the definition of “to cultivate personally”, hence it seems that these will be taxable under GST regime.

The office of Minister of State for Finance & Corporate Affairs, G.O.I., New Delhi has informed vide their D.O. letter dated 30-12-2016 that the matter has been forwarded to the Department of Revenue for necessary action.

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It is worth mentioning that considering our representation, modification has been made by Government of India in the model GST Law regarding GST on agriculture, it has long term benefits to the farmers at India level in terms of saving thousands crores of Rupees.

(c) The proposal was also sent to Hon’ble Sh. Arun Jaitley , Union Minister of Finance, Govt. of India, New Delhi on dated 08-02-2017 regarding impact of GST on Agriculture in model GST Law. At the end requested for amendment of definition of Agriculture in GST Act, considering all the facts stated in the proposal to ameliorate the lot of peasantry.

(d) The proposal was also submitted to Hon’ble S. Parkash Singh Badal, the then Chief Minister of Punjab. On the basis of this proposal, Hon’ble C. M., Punjab has written D.O. letter No. CMO/ CONFI/ 2017/ 48 dated 08-03-2017 to Hon’ble Shri Arun Jaitley, Minister of Finance, Govt. of India, New Delhi covering all points explained by the Kissan Vikas Chamber Punjab.

It is worth mentioning that not only agriculture which is on the Serial No.14th of the State list, but also the taxes on the income from agriculture has been included in the State list at serial No.46 and this clearly shows that only a State has the legal right to tax any income from agriculture.

2. Marketing of Agriculture :

A detailed representation was sent to **Hon'ble Mrs. Nirmala Sitaraman, Union Minister for Commerce & Industry, Govt. of India, New Delhi** regarding Marketing of Agriculture Produce, hardships faced by the farmers and defects in the existing marketing system on dated 20-02-2017. Main points elaborated in the proposal are :

(a) The smooth and rewarding link between the farmers and retail sector to be formed by creating a proper infrastructure.

* It requires huge capital investment and this is the proper time to think about allowing the Foreign Direct Investment (FDI) in our agriculture retail sector.

* A panel consisting of all the stake holders, eminent economists and market experts may be formed to suggest the ways the foreign direct investment is to be used.

(b) Food processing is another avenue to avoid middle man in the marketing.

* Farmers can sell direct to the processor or processing industries.

* The government can help to the rural entrepreneurs by providing

a tax holiday and other financial incentives.

(c) Export of both raw as well as processed produce of agriculture can give a big boost to agriculture economy. There are certain practical difficulties as follows :

* Delay in getting Phytosanitary certificates causes harm to both fruits and vegetables as both are perishable.

* Kinnow is the main citrus fruit of Punjab which is being exported to many countries but it is yet to be included in Hortinet.

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* Refrigerated railway bogies should be attached either to mail trains or some other rapid arrangements.

3. Receding ground water level and Brackish water in Punjab State :

The representation was submitted to **Hon'ble Capt. Amarinder Singh, Chief Minister, Punjab** on dated 17-04-2017 regarding grim situation faced in Punjab by receding ground water level and its subsequent adverse effects in Punjab State.

It was requested that prevailing grim situation due to the scarcity of water may be brought in the notice of Central Government and Hon'ble Supreme Court to convince them about the dire need of much more river water to recharge our already depleted ground water. It was also stated that intensive agriculture dominated by paddy-wheat monoculture has led to over exploitation of natural resources especially ground water. Out of 137 blocks in Punjab only 25 are safe, 103 over exploited, 5 critical and 4 semi critical.

Water level has gone up in 14 percent area as it is not extracted being brackish and not fit for domestic and irrigation purposes. This area lies in the Southwest of Punjab. Further pointed out that as per Report of CGWB, the underground water of Punjab is interconnected and it flows from Northeast to Southwest of the State. CGWB has already found traces of brackish (Saltish) water in the district of Sangrur. This is really a dangerous trend. This is the high time to take remedial and preventive measures to check it.

The following remedial measures suggested :

- * Watershed management programme which is now confined to Kandi area must be extended to the entire State.
- * Harvesting of water not only by rain water but also by canal water should be encouraged.
- * Irrigation through underground pipes instead of open Channels should be encouraged.
- * More stress should be given on Drip and sprinkle irrigation.
- * Furrow irrigation and Laser levelling should also be encouraged.

4. Policy formation of Horticulture for State of Punjab:

After a meeting with the Special Chief Secretary (Horticulture) Punjab Government on 1-03-2017, Members of Kissan Vikas Chamber Punjab prepared reports in their specific fields for the policy formation for Horticulture of Punjab State.

Summary of reports submitted by member are as under :

A) S. Kulwant Singh, President, KVCP.

Submitted detailed report covering Citrus Farming, Mineral Oil (HMO), Post

harvest facilities and remunerative marketing etc. also pointed out anomalies in the Punjab Land Reforms Act, 1973 as under :

- i) The orchards of Guava, Bananas and Vineyards have been excluded for determination of permissible area for orchards for the purpose of land ceiling.
- ii) Cut of date for considering a piece of land as orchard has been fixed as 21-01-1971 (new orchards planted not covered).

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iii) Basic unit for determining permissible area is the family defined as the husband and wife with minor children. This has been creating problems for the children when they become major and inherit the land.

iv) Ceiling on the lease-holding should be increased to reduce pressure of population on the land.

B) S. KVS Sidhu (Treasurer) and S. Sikander Singh (Executive Member).

To strengthen Horticulture Infrastructure specific to the field of fruits, vegetables, floriculture, herbs and other exotic products grown in the open field as well as protective cultivation under micro irrigation. Main points are as under :

- Production infrastructure.
- Post harvest infrastructure.
- Technology impetus.
- Capacity building.
- Shift from production driven to market driven agriculture.
- Suggestions for revival of ailing protective cultivation in Punjab.

C) S. Avtar Singh Dhindsa (Executive Member).

Regarding scope of Floriculture development in Punjab covering following points :

- Cut Flowers.
- Cut Foliage.
- Dry Flowers.
- Flower Seeds.

- Ornamental bulbs plants.
- Cutting and Tissue culture plants of Ornamentals.
- Potted Plants.

D) S. Harsunjit Singh Thiara (Executive Member).

Proposal for Mushroom Cultivation with present status and major bottlenecks.

a) Weakness of large Mushroom growers :

- Lack of good quality spawn.
- Uncontrolled price structure of Mushrooms.
- Lack of common facility for pre-cooling of fresh mushrooms.
- Lack of marketing facilities.

b) Weaknesses pertaining to small & marginal mushroom growers and beginners:

- Lack of availability of quality spawn and compost.
- Complex process of obtaining loan/finance.
- Lack of low cost mushroom farm design.
- Absence of Agricultural Income.

E) S. JBS Sangha (Vice President).

Submitted proposal regarding Potato cultivation and marketing. Also suggested

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short-term and long-term measures and promotion of Agri Business as under :

a) Short-term measures :

- Marketing Intervention Scheme (MIS).
- Export through Nodal departments.
- The commodity trade ICP at Wagah border needs to be facilitated.

b) Long-term measures :

- Cold Storage.
- Processing
- Mechanisation.
- Need of Commodity Export Policy.

c) Agri Business and Food Processing – Promotion :

There is a need to create an enabling environment in the State by synthesizing a holistic system wherein various organs function in tandem and individuals and groups are attracted to build a strong agribusiness and food processing base in the State. To encourage Agri Business and Food Processing in the State VAT and Entry Tax should be waived. This provision needs to be extended to renovation of existing agro industries.

5. Bio-fertilizers' use and production regarding :

A proposal dated 17-05-2017 was submitted to **Hon'ble Chief Minister, Punjab** regarding benefits of use of bio-fertilizers i.e. Phosphate Solubilising Bacteria (PSB) Nitrogen Fixing Bacteria, Potash Solubilising Bacteria and Zink Solubilising Bacteria.

It was pointed out that it will be helpful to curtail the use of chemical fertilizers and help to enhance the concept of organic farming. It will also help to avoid polluting of soil and water to a considerable extent.

At the end requested to expedite the project for creating a facility for bio fertilizers production as Punjab government has already earmarked a fund of Rs. 5.00 crores.

It is pertinent to mention here that State Government has released Rs. 1.50 crores for this purpose to Citrus Estate, Hoshiarpur.

6. Proposal regarding Electrostatic Spray System:

A proposal dated 28-06-2017 was submitted to **Hon'ble Capt. Amarinder Singh, Chief Minister, Punjab** regarding advantages and use of Electrostatic Spray System, which can help to reduce the consumption of pesticides and protect the crops like cotton and potatoes.

The Hon'ble Chief Minister Punjab forwarded this proposal to the Vice Chancellor, Punjab Agricultural University, Ludhiana for further necessary action and informed to the President, KVCP vide D.O.No.CMP-17/LC-3/ 17/CM/167 dated July 15, 2017.

The work on this Project is in progress at PAU Ludhiana.

7. Representation regarding Israeli Agriculture Technologies :

A proposal dated 18-07-2017 was submitted to **Hon'ble Chief Minister, Punjab** regarding Israeli Agriculture Technologies and judicious use of water in Agriculture. On the

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basis of directions by C.M. Office, Agriculture Department (Development and Coordination Branch), Punjab Government forwarded the proposal to the Director of Agriculture Punjab and the Chief Conservator of Soils, Punjab Chandigarh for necessary action. Further, the office of the Chief Conservator of Soils, Punjab informed vide their No.15976/Planning/ dated 18-09-2017 regarding activities and projects already in process and proposed that a Committee of Experts in Agriculture and Irrigation sectors may be formed for a detailed study and analysis of Israeli technologies and their dissemination in Punjab.

8. Representation regarding heavy indebtedness on farmers and to grant one time complete loan waiver to farmers :

The representation dated 24-08-2017 was submitted to **Hon'ble Sh. Narendra Modi Ji, Prime Minister of India** by 'Kissan Vikas Chamber Punjab', explaining the unfortunate and grim situation being faced by the farmers due to their heavy indebtedness and its causes along with a few remedial measures for the long run so that such a situation may not reoccurs. Our communication was received vide Registration number:PMO PG/D/2017/ 0416049.and this representation was sent to Ministry of Agriculture & Farmer's Welfare which was informed to us in a letter dated 12-12-2017.It is also pertinent to mention here that wether by way of providence or by our conviction the Swaminathan report has been accepted and Government in its latest budget has accepted our demand to procure all the crops if their market prices fall below MSPs.But unfortunately this is being not followed and the KVCP will again stress on it for its sincere implementation.

The worthy Prime Minister of India has been requested to come forward and grant one time complete loan waiver to the farmers, so that with changed favourable atmosphere, they can start their journey towards progress and prosperity. The representation has eleven pages elaboration on different aspects. The following points were explained.

a)It was explained in very vivid manner that which vested interest did not allow the procurement prices to keep pace with the rise in the prices of inputs and farmers were forced to resort to indiscriminate borrowing to sustain their lives and thus entrapped themselves in a debt-trap.

b)It was pleaded that Swaminathan Commission report which provides a very rational formula that the Minimum Support Price should be 50 percent more than the weighted average cost of production,should be implemented immediately.

c)Industry and Agriculture should be treated at par and cited in a very explicit way how liberal and huge bailouts were provided to the Industry as compare to the Agriculture.

d)It was pleaded that one time complete loan waiver should be provided to the farmers.

e)It was also stressed that the loan waiver must followed by such policies which ensure a remunerative and assured income to the farmers,so that such unfortunate situation may not occurs again.

f)Marketing policies should be restructured to reduce the gap between the farmer and the ultimate consumer by eliminating as many intermediaries as we can.

g)Food Processing Industry and agriculture export should be encouraged and be given a boost.

h)Government should be duty bound to procure all the crops whose MSPs have been declared but their open market prices have fallen below the declared minimum prices.

i) Government should keep a strict watch on the activities of the developed nations in the WTO.It has been noticed that the subsidies which they have been providing to their farm sector are much more than than their entitlement under WTO's Agreement on Agriculture (AOA) which may increase their agriculture production and lower its prices.It will adversely affect the farmers of developing countries like India in both international as well as in domestic markets.The copies of the above stated representation were also sent to :

* Hon'ble Sh. Arun Jaitley, Hon'ble Finance Minister, Government of India, New Delhi.

* Hon'ble Capt.Amarinder Singh, Chief Minister, Punjab.

* Respected S. Manpreet Singh Badal, Finance Minister, Punjab.

* Respected Sh. Hukamdeo Narain Yadav, Chairperson Committee on Agriculture, Govt. of India, New Delhi.

The matter is under consideration of Government of India and forwarded to Ministry of Finance, GOI, New Delhi vide office memo dated 12-11-2017 by Ministry of Agriculture & Farmers Welfare, GOI, New Delhi.

9. Promotion of Dairy Farming and its Problems :

A meeting of Dairy Farmers of the State was convened on 23rd August, 2017 at KVCP Complex, SAS Nagar to discuss various aspects to promote Dairy Farming. On the basis of discussions, a representation dated 15-09-2017 was sent **to Hon'ble Capt. Amarinder Singh ji, Chief Minister, Punjab** regarding problems faced by Dairy farmers including following basic points :

- * Good breeding on scientific lines.
- * Spread of Brucellosis disease to the animals and through them to the human beings.
- * The process to get certificate for transportation of animals.
- * Production of fodder seed at Nabha Farm.
- * Defaulted loans of Dairy farmers to be included in proposed scheme of farm loan waiving.
- * Priority Electric connection for dairy unit of minimum ten milch cattle.
- * Uniform MSP for all the Coop. Milk Plants.
- * Income tax exemption as Agriculture.

10. Representation to consider Livestock income as part of Agriculture Income under Income Tax Act :

A representation dated 24-10-2017 to consider Livestock income (such as Dairy, Poultry, Piggery, Fisheries, Goatry, Sericulture and Apiculture) as part of Agriculture Income under Income Tax Rules was sent to **Hon'ble Sh. Arun Jaitley ji, Union Finance Minister, New Delhi. It was pointed out that** practically all the Central Acts concerning agriculture except Income Tax Act include livestock in their ambit while defining agriculture. Under Income Tax Rules the income from raising of livestock is considered as non-agricultural income and is being taxed for income tax purposes.

The supporting facts explained in detail that livestock is an integral part of agriculture and requested to remove the anomaly to make amendment in definition of Agriculture under Income Tax Act.

Representation was also sent to **Hon'ble Capt. Amarinder Singh, Chief Minister, Punjab** and **Respected S. Manpreet Singh Badal, Finance Minister Punjab** for their kind perusal.

11. Climate change and its adverse effects on Agriculture in Punjab :

Representation dated 29-11-2017 was sent to **Hon'ble Capt. Amarinder Singh, Chief Minister, Punjab** regarding climate change and its adverse effects on Agriculture in Punjab.

It is stated that the climate change is going to affect Agriculture in a big way. It can affect crop growth and quality. The important changes in aspects of agriculture can be described as under :

- * With the increase in the temperature, the population of the pests which may be carrying many plant diseases may increase.
- * Weeds have become more prolific and expected to new habitats.
- * Herbicides have become less effective in the areas where the volume of the carbon dioxide is considerable high.
- * Climate change has affected soil microbes and soil microbe-plant interaction directly and indirectly.
- * Carbon dioxide is critical to Photosynthesis and thus plant growth.
- * With warming the plant species are migrating to higher elevation and latitudes.
- * Global warming has resulted in more sporadic rain fall which may cause floods and draughts in the same year in the same region.

With the coming of all the above changes, a new area of research has emerged which may combat the adverse effects of these happenings. State Government must rise to the occasion and impress upon the Punjab Agriculture University and other research organisation to give top priority to this research and strengthen their extension system so that the required remedies can reach the farmers well in time.

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It is added that the representation considered by the Govt. and forwarded to Additional Chief Secretary (Agriculture) for necessary action vide CM office No. 7/74/2017/GA3/30561/1 dated 13-12-2017. The Punjab Govt. has also created new Department of Environment.

12. Representation to seek financial assistance from United Nation's Green Climate Funds to adopt corrective measures to dilute adverse effects of climate change in Punjab :

A representation dated 13-12-2017 was sent to **Hon'ble Capt. Amarinder Singh, Chief Minister, Punjab** to seek financial assistance from United Nation's Green Climate Funds to adopt corrective measures to dilute adverse effects of climate change in Punjab . The climate change has resulted in abnormal increase in the temperature and emission of Green house gases in the atmosphere bringing so many hazards for flora and fauna both Plants and Animals including human beings. State will have to adopt many corrective measures to dilute these adverse effects If climate change and this will need a lot of financial resources.

This may be possible and pragmatic if the State Government can seek needed fund from the UN's Green Climate Fund (GCF). This fund was created by 194 countries who parties to the United Nations Framework Convention of Climate Change (UNFCCC) in 2010, as a part of Convention's financial mechanism to help the developing countries to face the effects of Climate Change.

At the end requested to constitute a panel of experts to prepare a comprehensive plan detailing all the impacts of Climate Change and be submitted to the National Bank for Agriculture and Rural Development (NABARD) which can further forward it to Green Climate Fund to seek financial assistance.

The matter is under consideration of Punjab Govt. and forwarded to concerned department for further necessary action.

13. Representation to allow Foreign Direct Investment in Agriculture Retail Sector :

As all of us know that a farmer gets just 18 percent of what an ultimate consumer pays and the rest 82 percent is pocketed by a horde of intermediaries. To solve this problem a representation dated 06-02-2018 was sent to **Hon'ble Sh. Narendra Modi ji, Prime Minister of India**, and requested to allow Foreign Direct Investment (FDI) in Agriculture Retail Sector. It was submitted that the Agriculture Retail Market in India is very much fragmented and un-organised. The smooth and rewarding link between the farmers and retail sector could be formed if the latter put adequate Capital Investment in creating a proper infrastructure which may include all the following Post Harvesting operations :-

- a) Proper techniques for harvesting of the crops.
- b) Waxing, Grading and Packaging in the Pack Houses.

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- c) Systematic Cold Chains till the produce reached at the properly conditioned warehouses of the retailers.

It was a commendable gesture on the part of the Government to allow FDI in the

Food Processing in the last budget of FY 2017-18. Government has recently allowed 100% FDI without any Government approval in single brand retail trading. It was requested to allow FDI with 100% equity in the Agriculture Retail Sector also.

The representation has been considered by the Government and Ministry of Commerce and Industry, GOI, New Delhi has informed vide their letter F.No.1(15)/2017-FC.I/FDI Pol. Dated 10-04-2018 that your representation would be duly considered in due course by the Government.

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