

Identify, focus on strength areas for growth, ASSOCHAM tells Punjab govt

HT Correspondent

■ chandigarh@hindustantimes.com

CHANDIGARH: The Punjab government should identify and focus on its strength areas besides agriculture for better growth, The Associated Chambers of Commerce and Industry of India (ASSOCHAM) suggested to the state government on Thursday.

A joint vision paper for the new government was brought out by the ASSOCHAM and Thought Arbitrage Research Institute (TARI), which was released by ASSOCHAM national secretary general DS Rawat and Kshama V Kaushik, director, TARI in Chandigarh. The paper proposed a comprehensive industrial policy to strengthen small medium enterprise (SMEs) and value addition to agri products.

"We can't say that agriculture is the strength of Punjab, because it has a declining share in the GDP. As far as the strength of Punjab is concerned, it is its entrepreneurial ability. So you give enough incentive, enough



■ DS Rawat

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facility and create an environment which is conducive for the growth of small and medium enterprises," said Kaushik.

"The service sector is also a burgeoning one. So it is not the agriculture but the service sector and the entrepreneurship which is the strength of the state," she added.

When asked why the states have not been able to attract large investments, Rawat said, "It is

ASSOCHAM SECRETARY GENERAL RAWAT SAYS THE IMAGE OF PUNJAB WAS PORTRAYED AS A DRUG STATE AND THIS HAS ALSO DETERRED INVESTORS FROM INVESTING IN THE STATE

not only for Punjab but true for all other states in the country. Moreover, the image of Punjab was portrayed as a state where drug menace is a major issue and this has also deterred investors from investing in the state."

"Punjab needs to promote less-water guzzling crops like pulses, oilseeds, cotton, maize, millet, vegetables and fruits by providing improved seeds and ensuring that farmers get a fair price for these crops through a market support mechanism. The area under paddy cultivation should be reduced and high value crops like cotton, fruits, vegetables,

canola, menthe, turmeric and others should be grown to raise their share of cropping area from 3.4%," states the paper.

It adds, "Incentivise technology like direct seeding of paddy and drip irrigation which saves 30-50% of water."

Further to reduce farmers' indebtedness, the paper suggests that private moneylenders should be registered and regulated and instead of debt waiver schemes, the state should find ways to expand institutional credit facilities.

More funds should be mobilised to set up commercial dairy farms, poultry farms and provide marketing infrastructure to help such farms garner maximum benefits rather than middlemen.

"The state's growth is driven by the services sector which has grown disproportionately. However, analysis of sub-sectoral data shows that the only sub-sector which has been growing is banking and financial services. The rest are slowing down," the report mentions.