

## Focus on agro-processing, SMEs: Assocham to Punjab

TRIBUNE NEWS SERVICE

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In a joint vision paper released by Assocham and Thought Arbitrage Research Institute (TARI) for the Punjab Government, industry body Assocham has suggested the state's new industrial policy should focus on agro-processing and MSMEs rather than big-ticket investments.

"Agriculture and MSMEs have been the strength of the state, so it is imperative to focus on these two sectors. The state should develop labour-intensive technologies for the growth of MSMEs and support with adequate infrastructure to overcome problems of poor labour productiv-

### The suggestions

- Financial incentives such as exemption or concessions in stamp duty and property tax should be extended to existing units which are fighting for survival
- Tourism and health are other areas which have a huge potential

ity and obsolete technologies. The state needs to take advantage of natural resources to promote farm products, horticulture, livestock products, textiles, machinery, and food processing etc. since these have strong linkages with the state's economy," said DS Rawat, secretary general, Assocham.

## ASSOCHAM TO PUNJAB

# 'No loan waiver or free power to big farmers, end industry cow cess'

EXPRESS NEWS SERVICE  
CHANDIGARH, MAY 18

IN THE backdrop of the Punjab government's farm loan waiver promise to farmers, the apex industry body, ASSOCHAM, has advised the government against loan waiver and free electricity to middle and big farmers and sought withdrawal of cow cess on power supply to industrialists.

Mooting a proposal to the newly elected government after a joint vision paper brought out by ASSOCHAM and Thought Arbitrage Research Institute (TARI), the organisation said, "To reduce farmers' indebtedness, private moneylenders should be registered and regulated and instead of debt waiver schemes, state should find ways to expand institutional credit facilities."

Addressing the media, ASSOCHAM National Secretary General D S Rawat and TARI Director Kshama V Kaushik said the government should loan money to farmers at low interest but not give them farm waivers.

While suggesting ways to attract and revive industry in the state, ASSOCHAM said power policy should be reviewed. "Octroi and cow

cess should be withdrawn and cheaper power available to



(From left) Kshama Kaushik, Director of TARI, ASSOCHAM National Secretary D S Rawat and Dalip Sharma release the report in Chandigarh Thursday. Sahil Walia

new industries should be extended to the existing ones."

On free power subsidy to farmers, Rawat said, "The policy should be changed to provide free power to only small and marginal farmers, while power to middle and big farmers could be charged at market rates (or slightly subsidised). In addition to renewable energy like solar power, plans should be worked out for harvesting bio-energy to use biomass generated."

It has suggested that 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.

Ad hoc policies like ban on export of foodgrain, limits on private stocking and tax on purchase of foodgrain (14.4%) should be revisited and withdrawn wherever possible.

The fertiliser subsidy policy needs to be revisited to achieve the balanced use of nutrients and subsidy should be transferred directly to the farmers.

The government has also been advised to develop labour-intensive technologies suitable for growth of MSMEs and support with adequate

infrastructure to overcome problems of poor labour productivity and obsolete technologies.



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

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**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

ANIL DAYAL/HT

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.

## 'Need to improve SMEs and agri sector in Punjab'

STATESMAN NEWS SERVICE  
CHANDIGARH, 18 MAY

Setting an agenda for the Punjab government on Thursday, the industry body ASSOCHAM has mooted a proposal for Congress led state government to emphasize on small and medium enterprises (SMEs) and a value addition to the agri-products. The industry body has sought this agenda to be included in upcoming new industrial policy.

It suggested the policy should focus on activities relating farm products, horticulture, livestock products like milk and other dairy items, cotton and textiles which have strong linkages in the state's economy. In a joint vision paper for the new government brought out by the The Associated Chambers of Commerce and Industry of India (ASSOCHAM) and Thought Arbitrage Research Institute (TARI) which was released by ASSOCHAM National Secretary General D S Rawat and Kshama V Kaushik, Director, TARI at a press conference in Chandigarh.

According to the paper, 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 etc. should be grown to raise their share of cropping area from 3.4 per cent.

The paper further stated that Ad-hoc policies like ban on export of food grains, limits on private stocking and tax on purchase of food grains (14.4 per cent) should be revisited and withdrawn wherever possible. "The fertilizer subsidy policy needs to be revisited to achieve balanced use of nutrients and subsidy should be transferred directly to the farmers."



## *Charge market rate for power to big farmers: ASSOCHAM*

RAJENDRA KHATRY  
CHANDIGARH, MAY 18

Once the most prosperous states of the country, Punjab today is lagging behind in industrial and economic growth. The sluggish growth in various sectors is pulling the state behind. To address the problem, a joint vision paper for Industrial and economic growth in Punjab has been prepared by Apex industry body, ASSOCHAM and Thought Arbitrage Research Institute (TARI), said ASSOCHAM National Secretary General D S Rawat and Kshama V Kaushik, Director, TARI. Talking to 'Yugmarg', D S Rawat said they have submitted the new vision



paper of ASSOCHAM to Punjab Chief Minister and a few other ministers and MLAs a week ago. "The Punjab government was very receptive to the suggestions," said Kshama V Kaushik, Director TARI. ASSOCHAM vision paper has suggested that Punjab policy on providing free

power to farmers must be changed. Free power should be provided to only small and marginal farmers, while power to middle and big farmers could be charged at market rates (or slightly subsidized). Free power to farmers has proved to be a big financial drain for states providing them. ASSOCHAM also suggested that the new policy should focus on activities relating to reservation, farm products, horticulture, livestock products like milk and other dairy items, cotton and textiles etc. which have strong backward and forward linkages in the state's economy. According to the paper, 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.

