

# Punjab to unlock hidden potential in rural areas

Published on March 06, 2019

In an effort to reach out to budding entrepreneurs in smaller towns, the Punjab government plans to tap their potential to exploit the unlocked capital. Taking a step forward in this direction, the state has sought assistance of industry body CII to guide the rural youth about possible potential in various sectors. According to experts, a majority of youth comes from farming background in the state, but they don't see an opportunity to fulfill their aspirations in the farm sector.

“There is lot of unlocked capital ranging between Rs 5 and Rs 10 crore in B-towns or smaller towns. The youth have inherited the money but they don't have an idea about what kind of business they should pursue. The CII has an edge over us. So we have requested them to hold seminars or awareness drives in association with the state government to educate the youth about opportunities available in various sectors,” said Rajat Agarwal, CEO, Punjab Bureau of Investment Promotion, on the sidelines of CII Punjab's Annual Session on “Making Entrepreneurial Punjab: Progressive and Inclusive”.

Experts believe entrepreneurship in small towns can transform lives if they are given proper guidance and provided with necessary linkages to set up small units such as food processing.

Rahul Bhandari, managing director, Punjab Small Scale Industries & Export Corporation Limited, said as the youth don't have much exposure about the latest technology or emerging industry, they are left with no option but to set up either a brick kiln or a rice sheller.

Unemployment, especially among the rural populace, is the biggest challenge for Punjab. As a result, rural people move towards urban cities to explore employment opportunities.

Agriculture is the principal economic activity in Punjab but due to rising input costs and diminishing returns, the youth in the state are hesitant to opt for farming. In such a scenario, setting up of viable business unit will not only give employment to the rural youth but it will also add to the rural prosperity. So there is a need to generate entrepreneurship and new agricultural job opportunities to reduce migration of rural people and to promote rural uplift.

Rajat said Punjab constitutes 1.5% of the total area of the country but contributes around 3% to the GDP.

He said Punjab contributes 33% to the total grain production in the country; 80% of the country's bicycle manufacturing takes place in Punjab; more than 66% of woollen clothes are knitted in the state; and it also houses the world's largest tractor manufacturing unit. Hence, it offers a huge potential for investors and entrepreneurs.

Link: <https://www.tribuneindia.com/news/business/punjab-to-unlock-hidden-potential-in-rural-areas/738757.html>