

Performance and Prospects of Agro-Based Industries in Punjab

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This paper deals with the development of agro-based industries in the context of a fast growing predominantly agrarian, constrained open economy of Punjab. A set of agro-based industries have been identified on the basis of pattern, performance and scope of the industry within the state and comparative advantage vis-à-vis other states of India which can become future of Punjab's future industrialization strategy.

I Introduction

Agro-based industry is regarded as a sunrise sector of the Indian economy in view of its large potential for growth and likely socio-economic impact specifically on employment and income generation. Some estimates suggest that in developed countries, up to 14 per cent of the total work force is engaged in agro-processing sector directly or indirectly. However, in India, only about three per cent of the work force finds employment in this sector revealing its underdeveloped state and vast untapped potential for employment (Kachru 2006). Thus, properly developed agro-processing sector can make India a major player at the global level of processed food, feed, wide range of other plant and animal products and a major source of employment.

Punjab with 4.2 million hectares of sown area, 190 per cent cropping intensity and nearly 100 per cent assured irrigation, is the granary of India. Apart from foodgrains, the state also has large quantity of fruits and vegetables available for processing. Kinnow, one of the main fruit crop comprises nearly 50 per cent of Punjab's fruit produce. But it is not suitable for producing juice owing to its characteristic of turning bitter when stored. However, the state can develop the technology of blending, in which, kinnow juice can be blended with other juices. Similarly, other fruits such as pear, mango, grapes and peach are also well-suited for value addition. In the vegetable segment, there is a great potential of processing carrot, cauliflower, ladyfinger, chillies, peas and cabbage. The only vegetables that are currently being processed are potatoes and tomatoes

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