

# JAMMU & KASHMIR



**DAL LAKE IN SRINAGAR, JAMMU AND KASHMIR**

**October 2024**

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# Executive summary

1

## Strong tourism sector

- Jammu & Kashmir (J&K) is a global tourist destination. In addition to traditional recreational tourism, a vast scope exists for adventure, pilgrimage, spiritual and health tourism.



2

## Leader in agro-based industry

- A vast natural resource base has enabled J&K to develop land for cultivating major fruits. The UT's share in the overall apple production in India was 70.54% in 2021-22, with the overall production of apples in the UT reaching around 1.74 million tonnes (MT).



3

## Strong horticulture sector

- Department of Floriculture of the UT has submitted a policy for floriculture development to the Government. The policy will aim at promoting investments and fiscal incentives.



4

## Vibrant floriculture sector

- About 47 lacs cut spikes and 1,300 metric tons of loose flowers and 485 liters of aromatic oil have been produced. An income of Rs. 19.77 crore (US\$ 2.4 million) was generated for the growers during the year 2021-22.



**Note:** P - Provision, \* - 3<sup>rd</sup> Advance Estimates, MT - million tonnes

**Source:** Ministry of Tourism, Ministry of Agriculture

# INTRODUCTION



# Jammu & Kashmir fact file





  
**Summer capital -**  
Srinagar  
**Winter capital -**  
Jammu  
Capital

  
**124** persons per sq. km.  
Population density

  
**14.9** million  
total population (P)

  
**222,236** sq.km.  
geographical area

  
**7.05** million  
female population (P)

  
**7.94** million  
male population (P)

  
**67.2%** literacy rate

  
**22** administrative districts

**889**  
Sex ratio  
(females per 1,000 males)

## Key Insights

- Jammu & Kashmir is the northernmost UT of India. The UT shares borders with Himachal Pradesh and Punjab, and the neighbouring countries of Pakistan, China and Afghanistan. J&K consists of two regions: Jammu and the Kashmir Valley. The important cities and towns are Jammu, Srinagar, Gulmarg, Pahalgam and Udhampur.
- The climate of J&K varies considerably with its topography. The climate is primarily temperate. Jammu is known as the winter capital of the J&K while Srinagar is known as the summer capital.
- Urdu, Kashmiri and Dogri are J&K's official languages; Hindi, Pahari and Ladakhi are also spoken in some parts of the UT.
- Important rivers flowing through J&K include the Indus, the Chenab, the Jhelum, the Tawi and the Ravi.

Source: Planning & Development Department, Government of Jammu & Kashmir, Census 2011

# Advantage Jammu & Kashmir

## 2 Rich labour pool

- J&K's inhabitants are skilled weavers & designers of textile products. This provides a basis for setting up more textile units.
- The traditional skills of the people in craftsmanship can be utilised to meet the demands of industrial processes.

## 3 Horticulture and floriculture

- J&K has agro-climatic conditions best suited for horticulture and floriculture. Horticulture is the mainstay of the rural economy, providing employment to thousands.
- The floriculture industry supplies flowers to domestic and international markets

## 4 Policy incentives

- J&K has an industrial policy that offers attractive incentives along with a single-window clearance mechanism.
- Prime Minister Mr. Narendra Modi inaugurated, dedicated, and laid the foundation for numerous development projects worth over Rs. 32,000 crore (US\$ 3.84 billion) in Jammu, spanning sectors like health, education, infrastructure, and more.
- In April 2021, Lieutenant Governor Mr. Manoj Sinha announced that the government has approved power projects worth Rs. 54,000 crore (US\$ 7.39 billion) in the union territory to strengthen its power infrastructure.


## 1 Paradise on earth

- J&K is naturally pollution free and provides a salubrious environment.
- The natural beauty and picturesque locations have made it a favoured destination for tourists. Jammu is famous for its temples, while the Kashmir Valley is known for its lakes and gardens.



# Jammu & Kashmir in figures

## Jammu & Kashmir's Contribution to Indian Economy (2023-24)


 **GSDP as a percentage of all UTs' GSDP (2021-22)**  
India: 100.0 | Jammu & Kashmir: 0.8

 **GSDP growth rate (%) (2022-23)**  
India: 16.1 | Jammu & Kashmir: 15.00

 **Per capita GSDP (US\$)**  
India: 2410.9 | Jammu & Kashmir: 1988.97

## Social Indicators

 **Literacy rate (%)**  
India: 77.7 | Jammu & Kashmir: 77.3

 **Birth rate (per 1,000 population) (2020)**  
India: 19.5 | Jammu & Kashmir: 14.6


## Industrial Infrastructure


 **PPP projects under construction**  
India: 1,824 | Jammu & Kashmir: 9


## Physical Infrastructure in Jammu & Kashmir

 **Installed power capacity (MW) (as of August 2024)**  
India: 450,759.56 | Jammu & Kashmir: 3,851.99


 **Wireless subscribers (million) (as of July 2024)**  
India: 1,169.60 | Jammu & Kashmir: 12.54

 **Internet subscribers (million) (as of March 2023)**  
India: 881.25 | Jammu & Kashmir: 9.29

 **National highway length (km)**  
India: 146,145 (Jan 2024) | Jammu & Kashmir: 1,752 (March 2022)

 **Airports (No.)**  
India: 148 | Jammu & Kashmir: 3

## Investments

 **Cumulative FDI equity inflow between October 2019- June 2024 (US\$ million)**  
India: 248,925.17 | Jammu & Kashmir: 1.23

*Note: GSDP, per capita GSDP figures are taken at current prices, For source refer to Annexure*

# Jammu & Kashmir vision

## 1 SKILL DEVELOPMENT

- Develop vocational training centres to impart skilled training to women in various crafts and traditional trades.
- Create training facilities for agriculture and cottage industries.

## 2 INDUSTRIES

- Sustainable and balanced industrial growth with focus on employment generation by attracting large companies.
- Optimal utilisation of natural resources, 60% of which are commercially viable.

## 3 ENVIRONMENT

- Address the issue of shrinking natural water resources due to pollution, encroachment and siltation.
- Conserve forests from depletion due to population expansion.

## 4 INFRASTRUCTURE

- To make the UT self-sufficient in energy supply and reduce dependence on other states/UTs.
- Develop better roads in the mountain regions for farmers to market their products.



## 8 TRANSPORT

- Develop transportation network to enhance rural connectivity.
- Reform institutional machinery to create public transport facilities.

## 7 INVESTMENT PROMOTION

- Create an environment to attract private investment in job-oriented projects.
- Encourage development of small and medium-scale sectors.

## 6 TOURISM

- Develop eco-tourism in the UT apart from developing the UT as adventure, heritage and religious tourist destination.
- Promote rural tourism to provide employment to rural people who are dependent on agriculture for income.

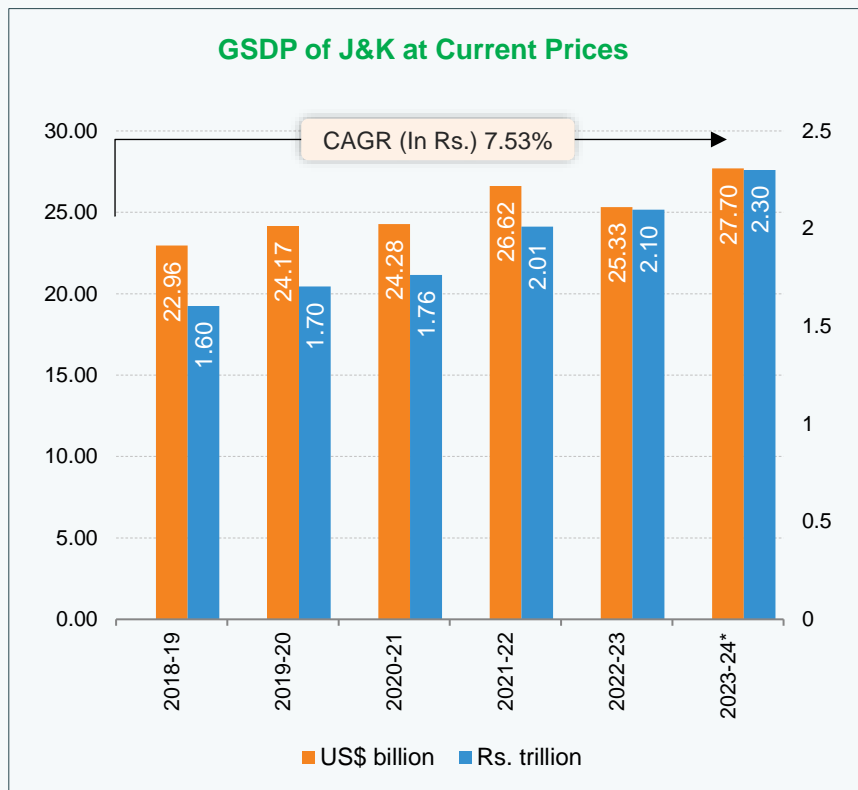
## 5 AGRICULTURE

- Develop fisheries to provide rural employment.
- Promote organic farming to help control degradation of natural resources by avoiding large-scale use of chemicals.

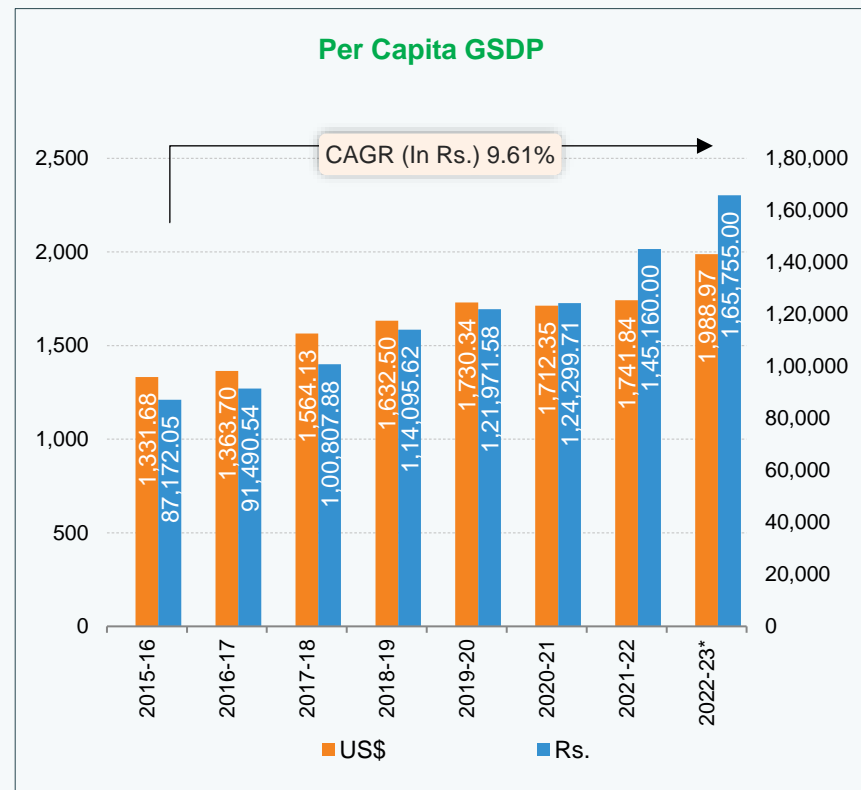




# Economic snapshot – GSDP



- At current prices, the GSDP of J&K has been estimated at Rs. 2.30 trillion (US\$ 27.70 billion) in 2023-24.
- The UT's GSDP increased at a CAGR of 7.53% between 2018-19 and 2023-24.

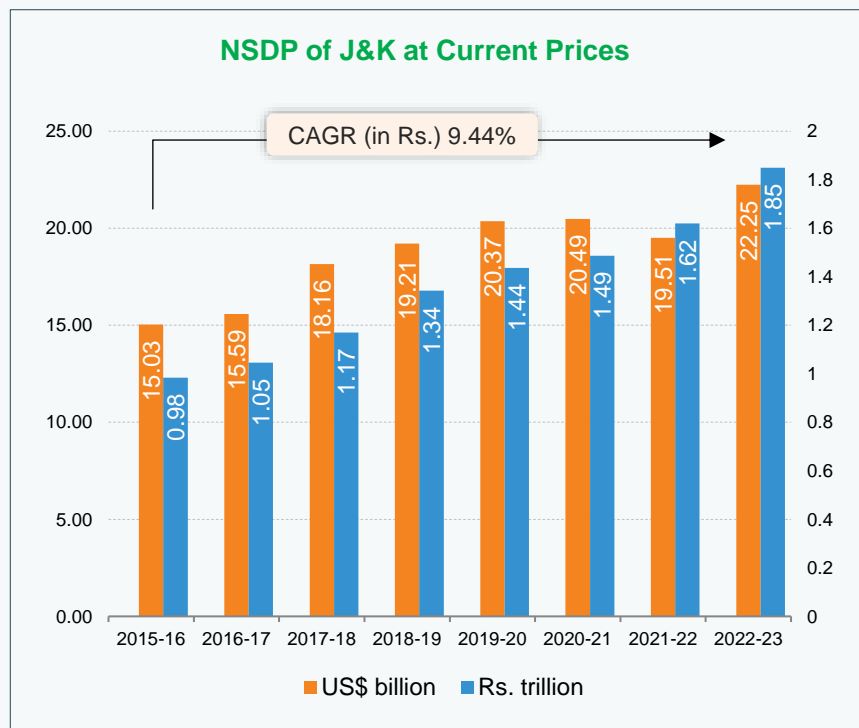


- J&K's per capita GSDP in 2022-23 is estimated at about Rs. 165,755.00 (US\$ 1,988.97).
- The UT's per capita GSDP increased at a CAGR of 9.61%, between 2015-16 and 2022-23.

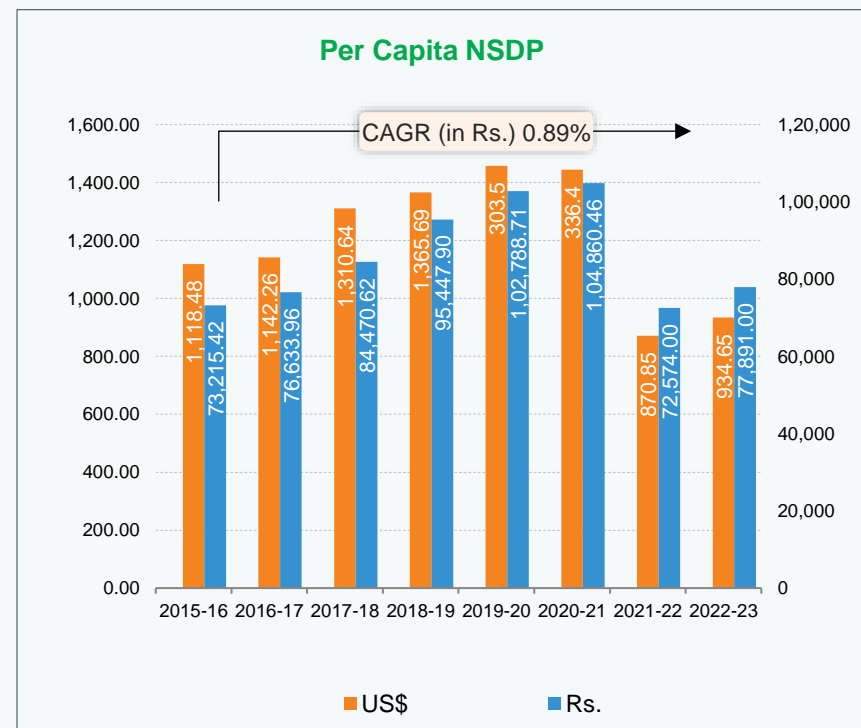
**Note:** \* - Estimate

**Source:** Ministry of Statistics & Programme Implementation

# Economic snapshot – NSDP



- In 2022-23, J&K's NSDP is estimated at about Rs. 1.85 trillion (US\$ 22.25 billion).
- The UT's NSDP increased at a CAGR (in Rs.) of 8.61% from 2015-16 to 2018-19.

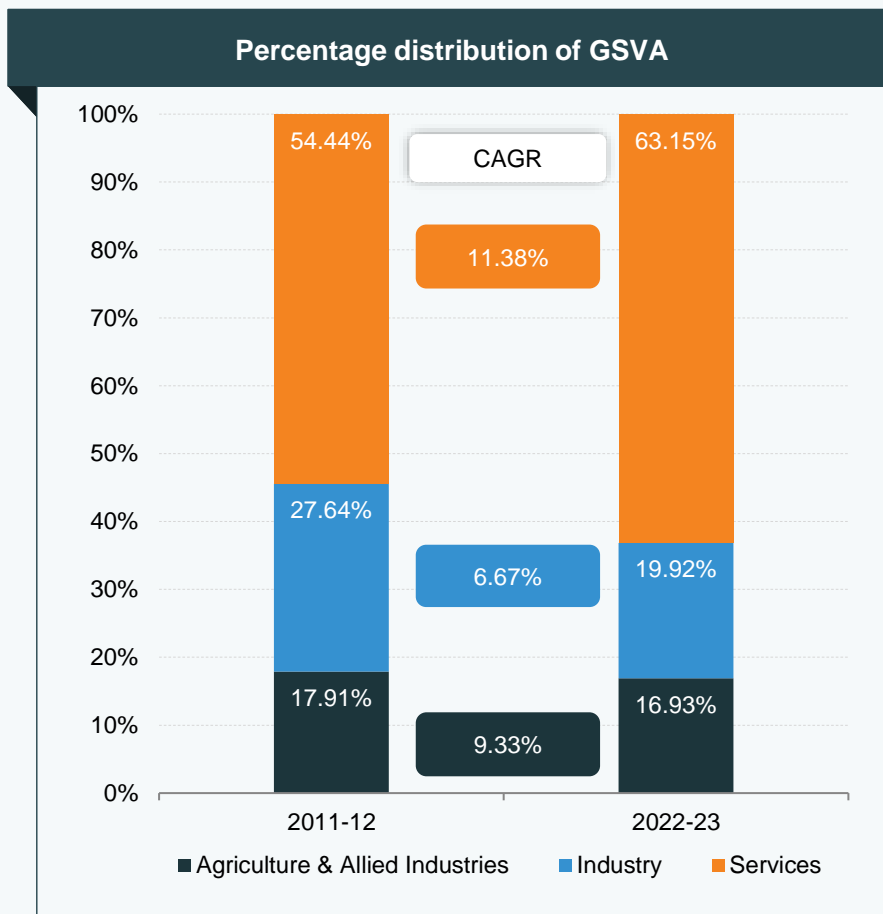


- J&K's per capita NSDP in 2022-23 was estimated at Rs. 77,891 (US\$ 934.65).
- The UT's per capita NSDP increased at a CAGR of 0.89% between 2015-16 and 2022-23.

Source: Ministry of Statistics & Programme Implementation

# Economic snapshot – Percentage distribution of GSVA

- At current prices, the services sector contributed 63.15% to J&K's Gross State Value Added (GSVA) in 2022-23, followed by the industry (19.92%) and agriculture and allied industries (16.93%) sectors.
- Services sector witnessed the fastest growth among the three sectors (from 2011-12 to 2022-23), witnessing a CAGR of 11.38%.
- The industry sector expanded at a CAGR of 6.67% from 2011-12 to 2020-21, driven by manufacturing, construction, electricity, gas and water supply.
- The agriculture and allied sector increased at a CAGR of 9.33% between 2011-12 and 2020-21.



Source: Ministry of Statistics & Programme Implementation

# Economic snapshot – Investments

- According to the Department for Promotion of Industry and Internal Trade (DPIIT), cumulative FDI inflow in J&K was valued at US\$ 1.14 million between October 2019-June 2024.
- The electricity and services sectors are the major contributors in the economic growth of the UT.
- Moreover, due to the UT being mineral rich, there exist numerous business opportunities in various sectors - mainly, agriculture, handloom, handicrafts, etc.
- In 2023, nine investments of Rs. 557 crore (US\$ 66.8 million) were proposed in the UT.
- In April 2021, the government of Jammu & Kashmir signed 456 memoranda of understanding (MOUs) with various firms for a potential investment worth Rs. 23,152 crore (US\$ 3.17 billion).
- In March 2022, the UAE pledged to invest Rs. 3,000 crore (US\$ 391.8 million) in J&K.

## Investment Intentions under Industrial Entrepreneurs Memorandum (IEM)

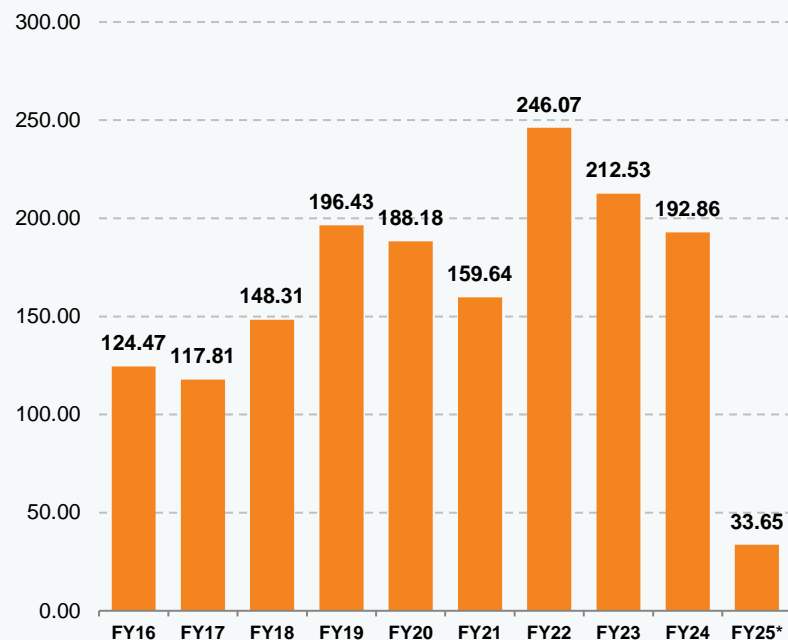
Year <sup>^</sup>	Number of Investments	Amount (US\$ million)
2013	11	67.12
2014	12	44.30
2015	11	98.90
2016	8	146.03
2017	7	150.36
2018	5	23.18
2019	10	49.51
2020	4	20.83
2021	5	81.7
2022*	12	166.2
2023**	9	66.8

**Note:** <sup>^</sup> - Calendar Year, \* Up to December 2022, \*\* Up to March 2023

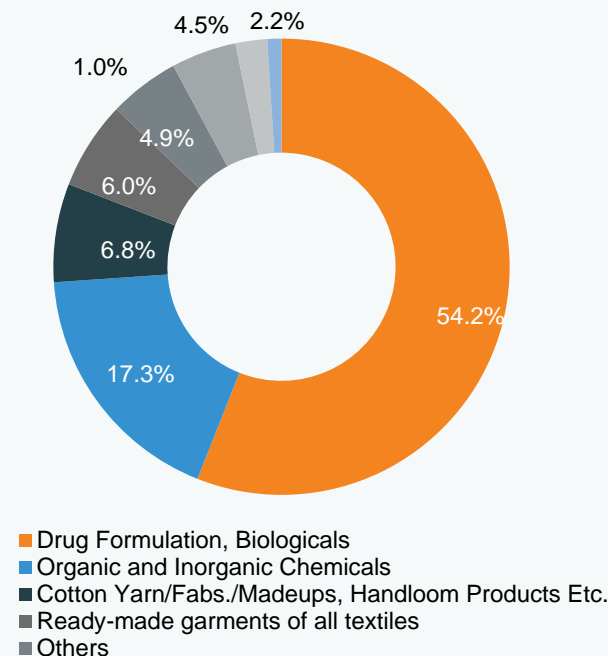
**Source:** DPIIT: Department for Promotion of Industry and Internal Trade.

# Economic snapshot – Jammu and Kashmir's export trend

**Export Trend (US\$ million)**



**Composition (% of total exports) of Major Items Exported from Jammu and Kashmir in FY25\***



- Total exports from J&K stood at US\$ 33.65 million in FY25 (Until August).
- Major items exported from J&K are drug formulations and biologicals, RMG wool, and manmade yarn fabrics.

Note: \*- Until August 2024

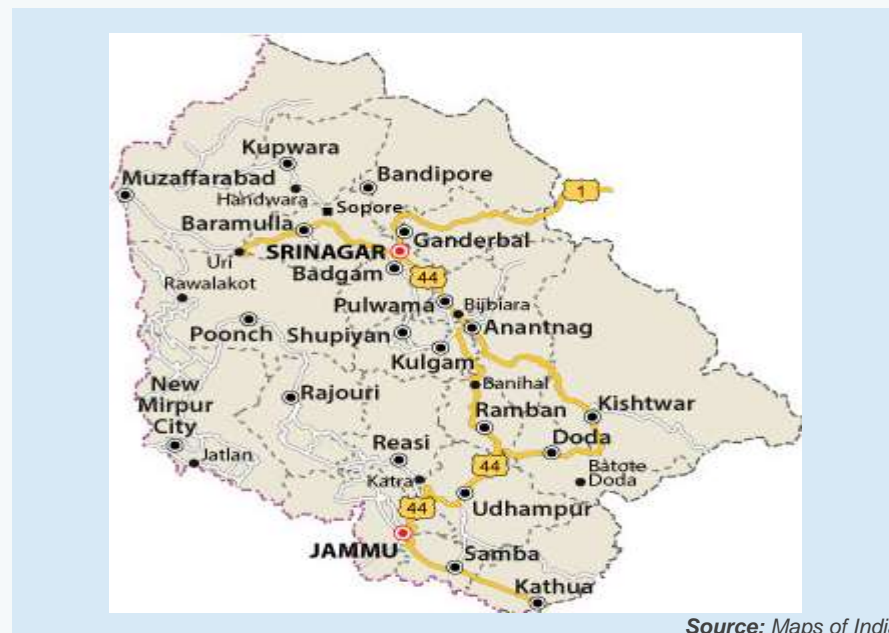
Source: Directorate General of Commercial Intelligence and Statistics





# Physical infrastructure – Roads

- Union Minister for Road Transport & Highways, Mr. Nitin Gadkari allocated of Rs. 1404.94 crore (US\$ 169 million) for the Widening and Strengthening project of the Rafiabab – Kupwara – Chowkibal – Tangdhar – Chamkot section of National Highway-701.
- Overall 6,000 kms of black topping of roads is to be achieved during FY23 under PMGSY/Cities & Towns/CRIF/NABARD/Pothole-Free-Roads.
- In FY23, 543 new projects with a total cost of Rs. 2,237 crore (US\$ 292.2 million) will be sanctioned with NABARD funding.
- Asia's longest 'Chenani-Nashri Highway Tunnel' is on Jammu-Srinagar Highway. Five other tunnels are being developed in the UT at a cost of US\$ 3.42 billion by National Highway Infrastructure Development Corporation (NHIDCL). The tunnels will have all weather access and will be completed by 2024.
- The Border Roads Organisation (BRO) is going to take up upgradation of Jammu-Poonch highway into a four-lane expressway. The Detailed Project Report of the project has been submitted to Ministry of Road, Transport and Highways and the work begin in 2019.
- In October 2020, construction work has started on the Zozila Tunnel at J&K. The tunnel will provide all-weather connectivity on NH-1 between Srinagar Valley and Leh (Ladakh Plateau) and will bring about an all-round Jammu & Kashmir economic and sociocultural integration (UTs of J&K and Ladakh). It involves building a 14.15-km long tunnel under the Zojila pass on NH-1, linking Srinagar and Leh via Dras & Kargil.



Source: Maps of India

Source: Ministry of Road Transport & Highways, NHAI - National Highways Authority of India, Economic Survey 2017-18, J&K Budget 2022-23



# Physical infrastructure – Railways



Source: Maps of India

- Due to its predominantly mountainous terrain, J&K is linked with the country's rail network up to the Udhampur district.
- The Government of India is planning to develop a 345 km long railway line for joining the Kashmir valley and Indian Railways network, so as to provide an alternate and reliable transportation system to the people of J&K.

- Work on connecting Srinagar and Baramulla is underway. The Katra-Qazigund (129 km) and Qazigund-Baramulla (119 km) rail links have been taken up for construction as national priority projects. The work on the Udhampur-Katra (25 km) section of the rail link has been completed.
- In May 2017, the Government hired Konkan Railways to construct the world's tallest railway bridge over the river Chenab. The 1.315 km-long track is being built at a height of 359 metre and will cost around US\$ 1.78 billion.
- The Railways Dept. reports that all 15 stations in Kashmir, from Srinagar to Anantnag, are WiFi-ready as of June 2021.
- An elevated light metro rail system is expected to be rolled out in 2022-23 and is likely to be completed in 2026. This will reduce the traffic congestion in Srinagar & Jammu cities.

## Udhampur to Baramulla Railway Line

Item	Udhampur-Katra	Katra-Qazigund	Qazigund-Baramulla
Route length (km)	25	129	119
Bridges	38	62	811
Tunnels Length (km)	10.90	103.00	0
Longest tunnel (km)	3.15	10.96	-
Stations	3	11	15

Source: Economic Survey of J&K, 2017-18

# Physical infrastructure – Airports

## Airport indicators

Airport	Aircraft movements (in no)		Passengers (in no.)		Freight (in MT)	
	2023-24*	2024-25*	2023-24*	2024-25*	2023-24*	2024-25*
Srinagar	150	85	19,28,745	21,24,866	4,564	5,062
Jammu	5,166	4,696	5,89,569	6,87,374	301	426

- The air travel in the UT connects all the three regions of the UT which include: Srinagar and Jammu. The Sheik-ul-Alam Airport at Srinagar is a major international airport. Jammu is the domestic airport in the J&K.
- The domestic airlines and destinations connecting the Srinagar airport include GoAir (Goa, Pune, Delhi, Jammu, Mumbai, Patna, Chandigarh, Bengaluru), Air India (Delhi, Jammu) and SpiceJet (Mumbai, Bengaluru, Delhi, Jammu).
- In September 2020, the Jammu and Kashmir administration and the Army signed a memorandum of understanding (MoU) for development and operationalisation of an airstrip in Kishtwar district.

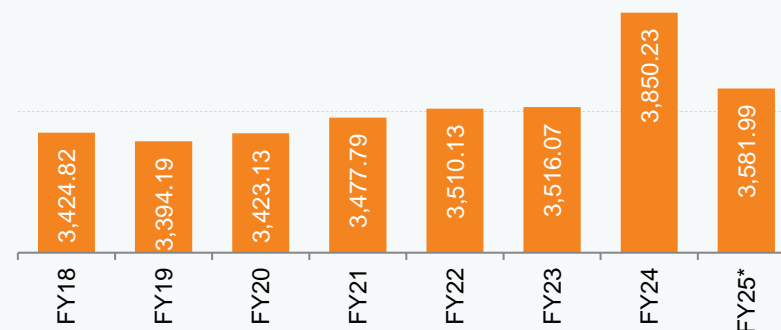
**Note:** Until August

**Source:** Airports Authority of India, News Article

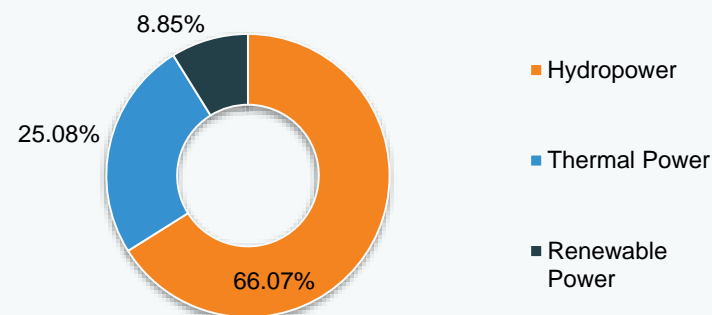
# Physical infrastructure – Power

- As of August 2024, J&K had a total installed power-generation capacity of 3,581.99 MW, comprising 1,866.08 MW under central utilities, 1,573.67 MW (state utilities) and 142.24 MW (private utilities).
- Of the total installed power-generation capacity until August 2024, 2,321.88 MW was contributed by hydropower, 881.22 MW (thermal power), 310.91 MW (renewable power) and 67.98 MW (nuclear power).
- Under the J&K's Budget 2020-21, the government has allocated Rs. 607 crore (US\$ 82.97 million) for major reforms in the power sector.
- In April 2021, a smart prepaid meter was launched in J&K. In the first phase, 60,000 smart prepaid meters will be deployed in J&K by the end of 2021.
- To further strengthen the power infrastructure in J&K, in April 2021, 17 power projects worth Rs. 118.91 crore (US\$ 16.28 million) were inaugurated in the region.
- In May 2021, Board Committee of Power Grid Corporation of India Limited (PGCIL) approved an equity investment to compensate state contribution of 5% project cost to J&K and Ladakh and spending for 220 kV Srinagar-Leh transmission system replacements at an estimated cost of Rs. 1.444 billion (~US\$ 19.77 million).
- In April 2021, NHPC signed an agreement with Jammu & Kashmir State Power Development Corporation (JKSPDCL) and the Government of Union Territory of J&K to form a 'Ratle Hydroelectric Power Corporation Ltd, a joint venture, to implement an 850-megawatt (MW) hydroelectric project in Chenab river basin.
- Mr. Manoj Sinha, the Lieutenant Governor of Jammu and Kashmir, launched 35 power projects costing Rs. 44.14 crore (US\$ 6 million) in July 2021, boosting the Jammu division's overall capacity by 367 megavolt ampere (MVA).

Installed power capacity (MW\*)



Break-up of installed capacity by source of power generation  
(As of August 2024) (in MW\*)



**Note:** GWH - Giga Watt Hours, JKSPDCL - Jammu & Kashmir State Power Development, Corporation Limited, PDD - Power Development Department, MW- Megawatt, \* - Including Ladakh Union Territory, Note: Until August 2024

**Source:** Central Electricity Authority, J&K Budget 2020-21

# Physical infrastructure – Telecom

- There are five secondary switching areas: Jammu, Srinagar, Udhampur and Rajouri. BSNL is one of the major service providers of basic telephony and value-added services in J&K telecom circle.
- According to the Telecom Regulatory Authority of India, J&K had 12.54 million wireless and tele-density of 92.39%, as of July 2024.
- By July 2024, 2.71 million subscribers had submitted requests for mobile number portability in J&K.
- In July 2021, Bharti Airtel deployed an additional 5MHz spectrum in the 900MHz band in Jammu and Kashmir in July 2021 to improve its customers' indoor network experience and high-speed data services.

## J&K telecom infrastructure (As of July 2024)

Wireless subscribers (in million)	12.54
Wireline subscribers (in million)	0.43
Tele-density (in %)	92.39%
Internet subscribers (in million)	9.29

## J&K Performance status Bharat Net Project

Service-ready GPs (September 2023)	4,391
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### Major telecom operators in Jammu & Kashmir

- Bharat Sanchar Nigam Limited (BSNL)
- Bharti Airtel
- Vodafone Idea
- Reliance Jio

**Note:** GP-Gram Panchayat, OFC – Optical Fibre Cable

**Source:** Telecom Regulatory Authority of India, India Post, Ministry of Communications and Information Technology

# Physical infrastructure – Urban and rural development

- Under the State Budget 2023-24, Rs. 2,928.04 crore (US\$ 357.4 million) has been allocated for housing and urban development.
- J&K is the most urbanised UT, with 81 notified urban areas and 86 statutory towns. As per Census 2011, the total urban population in the UT was 27.37%. The district of Srinagar ranked first with the highest urban population of 98.6%, followed by Jammu district having 50% of urban population. Hence, Srinagar and Jammu cities are the focal points of urbanisation in the UT. As of June 2019, 5,165 households have been electrified under Saubhagya Scheme in the UT.
- Under the Smart City Mission, 95 projects are likely to be completed by the end of FY22 and 80 more projects to be completed in FY23, improving the quality of life of the people by way of providing Wi-Fi facilities, Smart health centres, installation of river vending machines, smart class rooms, TV charging stations, development of cycle tracks & hawkers zone, development of parking and space under flyovers, etc.
- A project namely Augmentation of Water Supply to Jammu City from River Chenab costing, Rs. 886 crore (US\$ 126.7 million) stands formulated for providing additional drinking water of 240 MLD to Jammu City which has been submitted to Ministry of Urban Development.
- For Jal Shakti Department, an allocation of Rs. 7,161 crore (US\$ 873.97 million) has been made under Capital Expenditure for 2023-24, which is Rs. 3,191 crore (US\$ 389.45 million) more the previous year's budget allocation.
  - 50,000 Households are likely to be provided with water tap connections during 2023-24, under universal coverage of water supply to Urban Local Bodies (ULBs).

**Source:** JNNURM, Ministry of Urban Development, Finance Department Jammu and Kashmir, Government of India, State Budget 2023-24, Economic Survey of J&K 2017-18, News Articles



# Social infrastructure – Education

- Education is one of top priorities of the UT Government. Jammu district has 960 primary schools, 300 middle schools, 108 high schools and 62 higher secondary schools.
- Education in J&K is free up to the university level. Seasonal schools have been opened for people in the hilly areas and underprivileged population.
- J&K has a literacy rate of 67.20%, the male literacy rate is 78.26% and female literacy rate is 58.01%.
- As per the Budget 2020-21, the Government of Jammu & Kashmir has allocated Rs. 2,392 crore (US\$ 326.97 million) as revenue expenditure for the education sector.
- In January 2020, the government has established 25 'smart schools' in Srinagar.
- In March 2021, Lieutenant Governor Mr. Manoj Sinha announced launch of the Super-75 scholarship scheme to support education of meritorious girls in streams such as medicine, engineering, ITI and social sciences.
- In April 2021, Union Minister Dr. Jitendra Singh stated that in the last seven years, Jammu has emerged as the education hub of North India, with presence of AIIMS, three government medical colleges, Indian Institute of Mass Communication, IIMs, IITs, within 10-20 km range.

## Literacy rates (Census 2011)

Literacy rate (%)	67.20
Male literacy (%)	78.26
Female literacy (%)	58.01

## Premier institutions in J&K

- National Institute of Technology
- University of Jammu
- University of Kashmir
- Sher-e-Kashmir University of Agricultural Sciences and Technology of Jammu
- Sher-e-Kashmir University of Agricultural Sciences and Technology of Kashmir
- Shri Mata Vaishno Devi University
- Islamic University of Science & Technology
- Baba Ghulam Shah Badhshah University

**Source:** Economic Survey of Jammu & Kashmir 2014-15, 2017-18, J&K Budget 2020-21, News Articles

# Social infrastructure – Health

- As per the State Budget 2022-23, the Government of Jammu & Kashmir has allocated a total capital budget of Rs. 4,716 crore (US\$ 616 million) to the social sector, of which expenditure to the extent of 31% is expected on the Health & Medical Education Department.
- As of May 2020, J&K had 31 District Hospitals, 749 Primary Health Centres, 2,868 Sub-Centres and 135 Community Health Centres.
- Under National Rural Health Mission (NRHM), Rs. 485.82 crore (Rs 75.38 million) has been allocated for the UT out of which Rs. 373.26 (US\$ 57.91 million) has been released for 2017-18.
- Under the Jal Jeevan Mission (JJM), J&K plans to provide 4.9 lakh tap water connections to its households in FY22 and achieve the JJM target by September 2022.

## Health infrastructure (as of 2022)

Primary Health Centres	891
Sub-Centres	2,429
Community Health Centres	56

## Health Indicators (2020)

Birth rate*	14.6
Death rate*	4.6
Infant mortality rate^	17.0

## Life expectancy at birth (years)

Male (2014-18)	72.2
Female (2014-18)	76.2
Total (2014-18)	74.0

**Note:** \* - Per thousand persons, ^ - Per thousand live births, ICDS - (Integrated Child Development Services), KSY - Kishore Shakti Yojana, MBP - Maternity Benefit Program

**Source:** NRHM, Economic Survey 2017-18, Sample Registration System (SRS) Bulletin September 2020, J&K Budget 2022-23





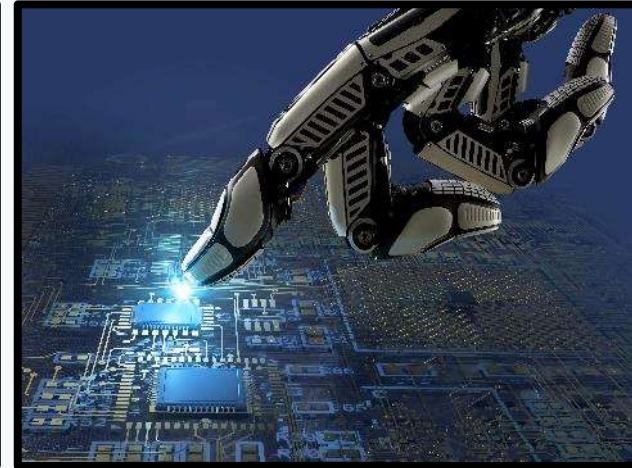
# Industrial infrastructure – Industrial estates



Source: J&K SIDCO, Industrial Development Corporation



# KEY SECTORS



# Key sectors – Agriculture and allied activities...(1/2)

- Union Minister of State for Science and Technology Mr. Jitendra Singh highlighted Jammu and Kashmir's emergence as an agricultural start-up hub, particularly in Bhaderwah, where lavender cultivation has flourished.
- Food processing & agro-based industries (excluding conventional grinding and extraction units) thrive in the UT due to an excellent climate for horticulture & floriculture.
- The Kashmir region is known for its horticulture industry. The industry plays a vital role in the UT's economic development. In 2023-24, the total production of vegetables and fruits in the state was estimated at 1,996.18 thousand metric tonnes and 2,643.24 thousand metric tonnes, respectively.
- The State Level Sanctioning Committee (SLSC) approved Rs. 601.12 crore (US\$ 82.19 million) annual action plan of Pradhan Mantri Krishi Sinchayee Yojana for the year 2020-21.
- In July 2021, Lieutenant Governor Mr. Manoj Sinha started the horticulture week by planting seedlings at Akhnoor, as part of the government's effort to achieve Prime Minister Mr. Narendra Modi's goal of doubling farmer income by 2022.

Crop	Production – 2023-24 <sup>1</sup> ('000 tonnes)	Area – 2023-24 <sup>1</sup> ('000 hectares)
Fruits	2,643.24	344.67
Vegetables	1,996.18	83.67
Aromatics and Medicinal	0.01	3.83
Spices	1.13	4.85
Honey	3.14	-

**Note:** <sup>1</sup>As per third advanced estimates

**Source:** Economic Survey of J&K 2016, UT Budget 2018-19 Department of Horticulture, Government of Jammu and Kashmir, News Article

## Key sectors – Agriculture and allied activities...(2/2)



**Krishi Rasayan Group**

- Krishi Rasayan Group is involved in the basic manufacturing of formulations and export of agrochemicals.
- The company has a factory at Samba in Jammu.



**Zamindara Rice & General Mills**

- Zamindara Rice & General Mills was established in 1978 at Ranbir Singh Pura, Jammu.
- The company has been recognised over the years for supplying of high quality basmati rice to its customers in the UT.



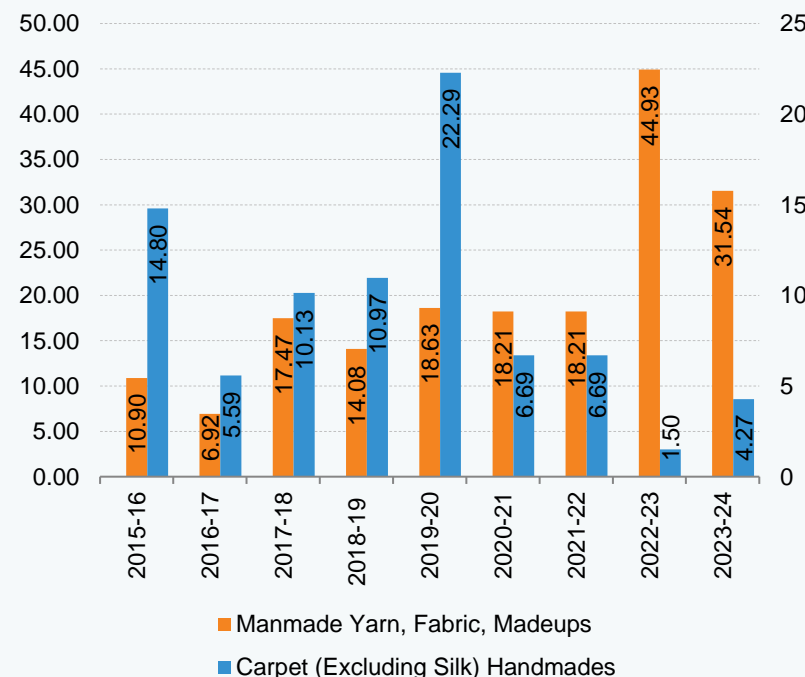
**Sarveshwar Rice**

- Sarveshwar Rice was founded by the late Mr. Mulamal Ji in 1890 with Headquarters in Jammu.
- Product range includes the complete range of Indian traditional Basmati rice, 1121 Basmati Rice, Pusa Basmati Rice, Sharbati Rice, PR 11 rice, IR 8 rice, and so on

# Key sectors – Handicrafts and handloom...(1/2)

- Handicraft is J&K's traditional industry and occupies an important place in economy of the UT. Kashmiri silk carpets are famous globally and earn substantial foreign exchange. Wood from Kashmir, popularly known as Kashmir willow, is used to make high-quality cricket bats. The cottage handicrafts industry provides direct and gainful employment to around 340,000 artisans.
- The UT has established the Jammu & Kashmir Handicrafts Sales & Export Promotion Corporation and Jammu and Kashmir State Handloom Development Corporation to promote development and growth of the handicraft sector. The handicrafts and handloom sectors have engaged several people as artisans and weavers. The total number of handicrafts and handloom establishments in the UT are 60,397.
- As per the Budget 2020-21, the Government of Jammu & Kashmir has allocated Rs. 750 crore (US\$ 102.58 million) for upskilling 5,000 craftsmen and building capacity of craft instructors under the handicrafts sector.
- In October 2020, the J&K government signed an MoU with Flipkart to provide an online platform to showcase and encourage local artisans/craftsmen/weavers to meet clients worldwide.
  - This is a significant step towards fostering the rural economy and boosting sale of authentic exotic handicraft and handloom products and seeking new destinations for niche handmade Jammu and Kashmir products.
- The Government of India's newly constituted Union Territory of Jammu and Kashmir has announced a fresh plan to revitalise the region's crafts sector in August 2021. The project, known as Karkhandar, aims to improve trainee learning techniques and help artisans better their living standards.

Exports from Jammu and Kashmir (US\$ million)



- There are 523 registered handloom industrial cooperative societies in the UT and have a membership of 15,275 weavers.

Source: Economic Survey of J&K, 2014-15, 2017-18, Ministry of Textiles, J&K Budget 2020-21

## Key sectors – Handicrafts and handloom...(2/2)



**Sutlej Textiles and  
Industries Ltd**

- Sutlej Textiles and Industries is a part of the K K Birla Group; the company entered the UT when Chenab Textile Mills of J&K merged with Sutlej Textiles in 1997.
- Sutlej is an integrated company in the textiles industry. Its product range includes yarn, fabrics, home furnishing and garments.
- Chenab Textile Mills, a unit of Sutlej Textiles and Industries Ltd, is located in Kathua, J&K; it manufactures cotton yarn and man-made fibre yarn.
- The company has installed a production capacity of 420,840 pieces for spindles. In 2015, company acquired Birla Textile Mills. In 2014-15, Birla Textile Mills has installed capacity of 83,376 spindle.

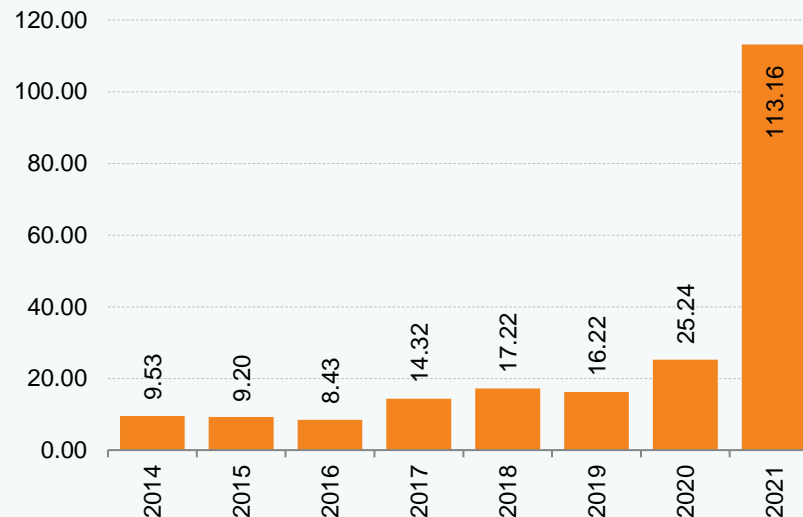
# Key sectors – Tourism

- In CY24 (Until June), a record number of 1.08 crore tourists visited Jammu and Kashmir, marking an all-time high. This surge in tourism in the state was fueled by remarkable growth following the removal of Article 370.
- In 2023, Jammu and Kashmir became a global tourism hub, welcoming 2.02 crore tourists and over 50 thousand foreign visits.
- Jammu is famous for its temples, while the Kashmir Valley is known for its scenic beauty. The tourism sector in the UT has a huge employment potential for skilled persons as well as for people without any specialised skills such as guides, sledgewallas, ponywallas, etc.
- Major tourist attractions include Chashma Shahi Springs, Shalimar Bagh and the Dal Lake in Srinagar; Gulmarg, Pahalgam and Sonamarg in the Kashmir Valley Vaishno Devi temple and Patnitop near Jammu. Darshan in June is popular event in the UT. The Department of Tourism of J&K has launched aero ballooning to boost the influx of tourists.
- Total tourist arrivals to the UT reached 113.16 million in 2021
- In January 2021, tourist arrivals in Srinagar were recorded at 19,000 in contrast to 3,750 in January 2020.
- In April 2021, the government announced its plan to establish an adventure tourism hub in J&K. It initiated the key stakeholder to identify and map potential areas, along with promotion of pre-notified areas, as per the J&K tourism policy.
- In July 2021, the Jammu and Kashmir administration planned to launch helicopter services to numerous tourist locations in an effort to enhance tourism.

*Note: P - Provisional*

*Source: Ministry of Tourism*

**Tourist Arrivals in Jammu & Kashmir (million)**





# Key sectors – Sericulture

- Kashmir is well known for its quality of silk and traditional silk-weaving industry. Sericulture is an agro-based labour intensive cottage industry, providing gainful employment to about 30,000 families in rural areas of the UT.
- J&K's Sericulture Development Department organises cocoon auction markets in the UT to facilitate farmers to sell their cocoon produce at competitive rates. In 2016-17, the UT produced about 973 MT of cocoons, which further helped in generating a huge income through silk production.
- The Department has envisaged an ambitious vision programme in the form of a document for the next twenty years to cover about 500,000 farmers in the activity of sericulture to take the cocoon production to newer heights of upto 25,000 MT.
- About 150,000 metres of silk cloth is produced per annum in J&K. In 2019-20, 117 MT of raw silk was produced in the UT, 80 MT in 2020-21, and 98 MT in 2021-22.

Raw Silk Production	
Year	Production (MT)
2015-16	127
2016-17	145
2017-18	132
2018-19	118
2019-20	117
2020-21	80
2021-22	80

**Note:** P - Provisional, MT - Metric Tonnes

**Source:** Ministry of Textiles, Economic Survey of J&K 2017-18, Budget 2016-17, News Articles

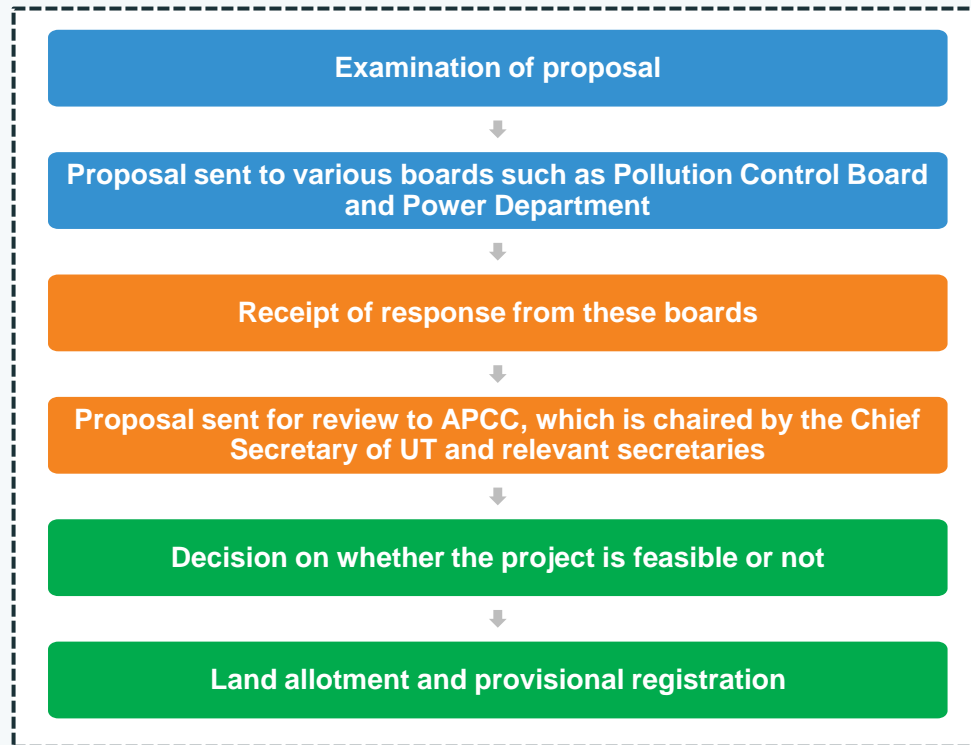


**PROCEDURE**

**POLICIES**

# Single-window clearance mechanism

- APCC, a high-power clearance committee, has been set up to rapidly clear projects under the chairmanship of the Chief Secretary of the UT. The committee serves as a single-window clearance system for projects related to all cases of export-oriented units and prestigious units.






- The entire procedure is completed within a maximum time-frame of two months.

**Note:** APCC - Apex Projects Clearance Committee

# Key nodal agencies for single-window clearance

Agency	Description
Jammu & Kashmir Industrial Development Corporation (Jammu and Kashmir SIDCO): UT-level nodal agency for single-window clearance	<ul style="list-style-type: none"> <li>Jammu and Kashmir SIDCO is the nodal agency for promotion and development of medium and large scale industries.</li> <li>Established in 1967, its purpose is to act as a catalyst to inspire and accelerate industrial development.</li> <li>Since its inception, Jammu and Kashmir SIDCO has acted as a prime mover in the UT for promotion of industrial ventures. It plays the role of 'institutional entrepreneur'.</li> <li>The corporation's activities include supporting modernisation, brand promotion, rehabilitation of sick units and export promotion.</li> <li>Jammu and Kashmir SIDCO acquires land, constructs internal roads and affluent disposal facilities, and provides for supply of water and power in the industrial estate.</li> <li>The corporation offers a variety of financial assistance programmes for setting up new units and for expansion, diversification and modernisation of existing units.</li> </ul>
Directorate of Industries and Commerce: District-level committee for single-window clearance	<ul style="list-style-type: none"> <li>The directorate provides sanctions and clearances to set up small scale industrial units in the UT.</li> <li>The General Manager (GM) is the key nodal officer for sanctions.</li> </ul>
Jammu and Kashmir Industrial and Technical Consultancy Organisation Limited (Jammu and Kashmir ITCO)	<ul style="list-style-type: none"> <li>Set up in April 1997 as a subsidiary of Industrial Development Bank of India.</li> <li>Primary objective is to provide consultancy services to existing and potential micro, small and medium scale industrial units.</li> </ul>
Jammu and Kashmir State Financial Corporation (JKSFC)	<ul style="list-style-type: none"> <li>Established to act as a regional development bank with the aim of promoting industries and boosting economic development in the UT.</li> <li>Offers term finance to existing units for their expansion, diversification, renovation, modernisation and procurement of quality control equipment and energy saving devices.</li> </ul>
Micro, Small and Medium Enterprises (MSME) - Development Institute, Jammu/Srinagar	<ul style="list-style-type: none"> <li>Formerly known as Small Industries Service Institute, it provides a comprehensive range of industrial extension services, including identification of suitable line of production and marketing of the product.</li> </ul>

# Contact list

Agency		Contact information
	<p>Jammu &amp; Kashmir State Industrial Development Corporation (Jammu and Kashmir SIDCO)</p>	<p>Drabu House, Rambagh, Srinagar - 190 015. Phone: 91-194-2430 036, 2434 402 Fax: 91-194-2430 036 Email: <a href="mailto:info@jksidco.org">info@jksidco.org</a> Website: <a href="http://www.jksidco.org">http://www.jksidco.org</a></p>
	<p>Jammu and Kashmir State Financial Corporation (JKSFC)</p>	<p>Sheikh-ul-Alam Complex, Near Govt. Silk Factory, SPO Rajbagh, Srinagar, J&amp;K, 190008 Phone: 91-194-2310567, Fax: 0194-2312672 Website: <a href="http://jksfc.nic.in">http://jksfc.nic.in</a></p>
	<p>Micro, Small and Medium Enterprises (MSME) - Development Institute, Jammu/Srinagar</p>	<p>Industrial Estate, Digiana, Jammu - 180 010 ( Jammu and Kashmir) Phone: 91-191-2431077, 2435425 Fax: 91-191-2431077 E-mail: <a href="mailto:dcdi-jammu@dcmsme.gov.in">dcdi-jammu@dcmsme.gov.in</a> Website: <a href="http://www.msmedijammu.gov.in">www.msmedijammu.gov.in</a></p>

# Cost of doing business in Jammu & Kashmir

Cost parameter	Cost estimate	Source
Hotel costs (per room per night)	US\$ 15-200	Leading hotels in the UT
Office space rent (per sq ft per month)	US\$ 0.4-2.0	Industry sources
Residential rent (2,000 sq ft house)	US\$ 200-700 per month	Industry sources
Power cost (per kWh)	Commercial: US\$ 0.05-0.086 Industrial: US\$ 0.05-0.06	Jammu and Kashmir State Electricity Regulatory Commission
Labor costs	US\$ 6.3-9.3	Labour Bureau, Government of India, April 2015

# UT acts and policies...(1/2)

1

## Market Intervention Scheme

- In October 2020, the Union Cabinet decided to extend the Market Intervention Scheme (MIS) for procurement of apples in the Union Territory for 2020-21. As per the approval, apple procurement will be carried out directly from J&K apple farmers by the National Agricultural Cooperative Marketing Federation (NAFED) through the state-designated agency and payment will be made through Direct Benefit Transfer (DBT) to the apple farmers' bank account.
- 12 lakh metric tonnes of apples can be procured under this scheme. The government has also allowed NAFED to use the Rs. 2,500 crore (US\$ 338.58 million) government guarantee for this operation.

[Read more](#)

2

## Deendayal Antyodaya Yojana - National Rural Livelihoods Mission (DAY-NRLM)

- In October 2020, a special package worth Rs. 520 crore (US\$ 70.42 million) in the UTs of J&K and Ladakh for a period of five years until FY 2023-24 has been approved by the Union Cabinet and guarantees funding for Deendayal Antyodaya Yojana - National Rural Livelihoods Mission (DAY-NRLM) to improve the livelihood and women's empowerment in the UT.

[Read more](#)

3

## New Land Law

- On October 27, the Indian government approved Jammu and Kashmir of new land laws to allow land to be transferred for the benefit of an individual or institution for promotion of healthcare or senior secondary or higher or specialised education.

[Read more](#)

# UT acts and policies...(1/2)

4

## Industrial Development Scheme 2020

- On September 28, 2020, 26 J&K cases under the Industrial Development Scheme were approved by the Department of Industry Promotion and Internal Trade.
- In the cases settled by the Empowered Committee, the total investment is Rs. 79.62 crore (US\$ 10.78 million) and these units will be able to generate jobs for approximately 629 people.

[Read more](#)

5

## New Industrial Policy 2021-30

- In April 2021, the government announced the 'New Industrial Policy 2021-30' to provide incentives to existing and new producers and manufacturers that are planning to expand in J&K.
- The government announced a spending outlay of Rs. 28,400 crore (US\$ 3.89 billion) over 15 years in J&K for industrial development. The new policy is expected to generate an investment of funds worth Rs. 20,000 crore (US\$ 2.74 billion) and 4.5 lakh jobs.

[Read more](#)

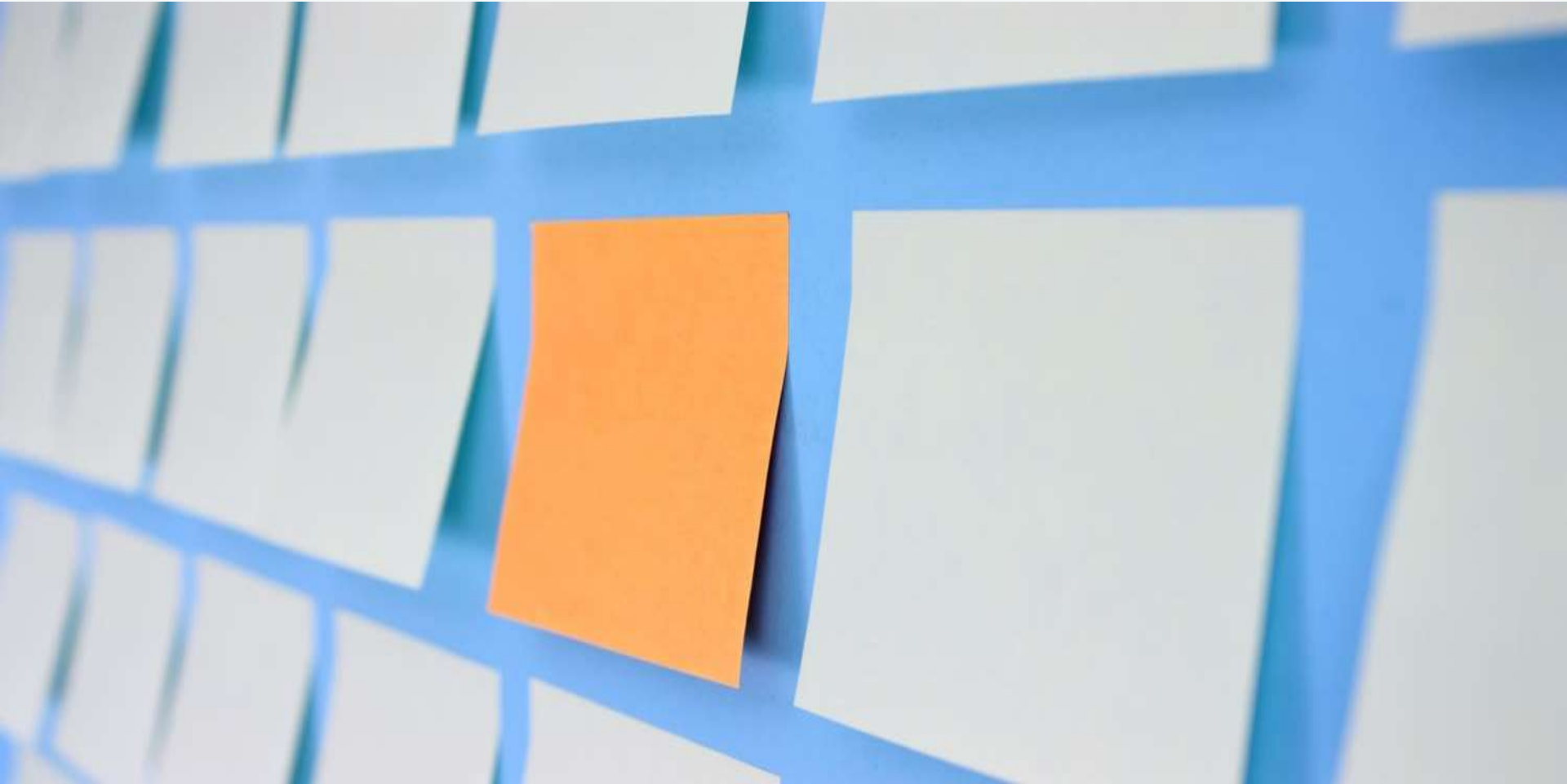
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## Industrial Development Scheme 2021-37

- In January 2021, the Cabinet Committee of Economic Affairs (CCEA) approved a new scheme for industrial development in the UT of Jammu & Kashmir with a total outlay of Rs. 28,400 crore (US\$ 3,918 million) until 2037.
- Under this scheme, companies will get capital-intensive, capital interest subvention, working capital and GST-linked incentives.

[Read more](#)





# Sources

Data	Sources
GSDP (UT)	Directorate of Economics & Statistics of Jammu & Kashmir, Central Statistics Office
Per capita GSDP figures	Directorate of Economics & Statistics of Jammu & Kashmir, Central Statistics Office
GSDP (India)	Directorate of Economics & Statistics of Jammu & Kashmir, Central Statistics Office
Installed power capacity (MW)	Central Electricity Authority
Wireless subscribers (No)	Telecom Regulatory Authority of India
Internet subscribers (million)	Telecom Regulatory Authority of India
National highway length (km)	NHAI & Roads and Building Department
Airports (No)	Airports Authority of India
Literacy rate (%)	Census 2011
Birth rate (per 1,000 population)	Sample Registration System (SRS) Bulletin, May 2020
Cumulative FDI equity inflows (US\$ billion)	Department for Promotion of Industry and Internal Trade
Operational PPP projects (No)	DEA, Ministry of Finance, Government of India

# Exchange rates

**Exchange Rates (Fiscal Year)**

Year	Rs. Equivalent of one US\$
2004-05	44.95
2005-06	44.28
2006-07	45.29
2007-08	40.24
2008-09	45.91
2009-10	47.42
2010-11	45.58
2011-12	47.95
2012-13	54.45
2013-14	60.50
2014-15	61.15
2015-16	65.46
2016-17	67.09
2017-18	64.45
2018-19	69.89
2019-20	70.49
2020-21	73.20
2021-22	74.42
2022-23	78.60
2023-24	82.80
2024-25**	83.77

**Exchange Rates (Calendar Year)**

Year	Rs. Equivalent of one US\$
2005	44.11
2006	45.33
2007	41.29
2008	43.42
2009	48.35
2010	45.74
2011	46.67
2012	53.49
2013	58.63
2014	61.03
2015	64.15
2016	67.21
2017	65.12
2018	68.36
2019	69.89
2020	74.18
2021	73.93
2022	79.82
2023	82.61
2024*	83.40

*Note: \*- Until September 2024, \*\*- April- September 2024*  
*Source: Foreign Exchange Dealers' Association of India*

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