EXECUTIVE SUMMARY … (1/2)

**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.

**Leader in agro-based industry**
- A vast natural resource base has enabled J&K to develop land for cultivating major fruits. The state’s share in the overall apple production in India increased from 65.97 per cent in 2013-14 to 72.22 per cent in 2014-15. The total production of apple in J&K stood at around 1.82 million MT in 2014-15.

**Strong horticulture sector**
- With varied agro-climatic conditions, the scope for horticulture is significantly high in the state. There is considerable scope for increasing the horticulture produce, which is exported.

**Vibrant floriculture sector**
- J&K has an ideal climate for floriculture and an enormous assortment of flora and fauna.
- The state has Asia’s largest tulip garden.
- The state would be allocating funds of US$ 10.29 million during 2015-16 for the infrastructure development of floriculture sector.

*Source: Ministry of Tourism, Ministry of Agriculture*
The average rate of electricity for industrial consumers in J&K ranges from US$ 0.05–0.086, while that for commercial consumers ranges from US$ 0.05–0.06; these rates are relatively lower than those in most other Indian states.

J&K’s handicrafts are world famous and the handicraft industry has emerged as a huge industry. A total of US$ 0.46 million funds were released under the handicraft schemes in J&K during 2014-15.

Source: Central Electricity Authority, Ministry of Textiles
JAMMU & KASHMIR
PARADISE ON EARTH

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.

Policy incentives
- J&K has an industrial policy that offers attractive incentives along with a single-window clearance mechanism.
- Land is allotted at concessional rates in industrial areas on lease for 90 years.
- The cost of setting up operations is comparatively lower than other states.

Rich labour pool
- J&K’s inhabitants are skilled weavers and 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.

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.

ADVANTAGE JAMMU & KASHMIR

2014-15
- 86,477 foreign tourists and 1.2 million domestic tourists visited the state.

2020E
- J&K expects to witness 22.7 million tourist arrivals.

For updated information, please visit www.ibef.org
Develop fisheries to provide rural employment. Promote organic farming to help control degradation of natural resources by avoiding large-scale use of chemicals.

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

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

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

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

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

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

- Encourage development of small and medium-scale sectors.

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

- Promote rural tourism to provide employment to rural people who are dependent on agriculture for income.

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

Source: Government of Jammu & Kashmir
JAMMU & KASHMIR is the northernmost state of India. The state shares borders with Himachal Pradesh and Punjab, and the neighbouring countries of Pakistan, China and Afghanistan. J&K consists of three regions: Jammu, the Kashmir Valley and Ladakh. The important cities and towns are: Jammu, Srinagar, Gulmarg, Pahalgam, Leh 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 state while Srinagar is known as the summer capital.

Important rivers flowing through J&K include the Indus, the Chenab, the Jhelum, the Tawi and the Ravi.

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Jammu &amp; Kashmir</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital cities</td>
<td></td>
</tr>
<tr>
<td>Summer capital – Srinagar</td>
<td></td>
</tr>
<tr>
<td>Winter capital – Jammu</td>
<td></td>
</tr>
<tr>
<td>Geographical area (sq km)</td>
<td>222,236</td>
</tr>
<tr>
<td>Administrative districts (No)</td>
<td>22</td>
</tr>
<tr>
<td>Population density (persons per sq km)</td>
<td>124</td>
</tr>
<tr>
<td>Total population (million)</td>
<td>12.5</td>
</tr>
<tr>
<td>Male population (million)</td>
<td>6.6</td>
</tr>
<tr>
<td>Female population (million)</td>
<td>5.9</td>
</tr>
<tr>
<td>Sex ratio (females per 1,000 males)</td>
<td>889</td>
</tr>
<tr>
<td>Literacy rate (%)</td>
<td>68.74</td>
</tr>
</tbody>
</table>

* Urdu, Kashmiri and Dogri are J&K’s official languages; Hindi, Pahari and Ladakhi are also spoken in some parts of the state.

* Important rivers flowing through J&K include the Indus, the Chenab, the Jhelum, the Tawi and the Ravi.
## Jammu & Kashmir in Figures … (1/2)

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Jammu &amp; Kashmir</th>
<th>All states</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Economy</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GSDP as a percentage of all state’s GSDP</td>
<td>0.70</td>
<td>100.0</td>
<td>Directorate of Economics &amp; Statistics of Jammu &amp; Kashmir, Central Statistics Office</td>
</tr>
<tr>
<td>GSDP Annual growth rate (%)</td>
<td>-0.20</td>
<td>7.3</td>
<td>Directorate of Economics &amp; Statistics of Jammu &amp; Kashmir, Central Statistics Office</td>
</tr>
<tr>
<td>Per capita GSDP (US$)</td>
<td>1,180</td>
<td>1,389.61</td>
<td>Directorate of Economics &amp; Statistics of Jammu &amp; Kashmir, Central Statistics Office</td>
</tr>
<tr>
<td><strong>Physical Infrastructure</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Installed power capacity (MW)</td>
<td>3,122.20</td>
<td>282,023.39</td>
<td>Central Electricity Authority, as of November 2015</td>
</tr>
<tr>
<td>Wireless subscribers (No)</td>
<td>9,794,739</td>
<td>1,003,487,792</td>
<td>Telecom Regulatory Authority of India, as of October 2015</td>
</tr>
<tr>
<td>Internet subscribers (No)</td>
<td>3,530,000</td>
<td>319,420,000</td>
<td>Telecom Regulatory Authority of India, as of June 2015</td>
</tr>
<tr>
<td>National Highway length (km)</td>
<td>2,319</td>
<td>96,214</td>
<td>NHAI &amp; Roads and Building Department</td>
</tr>
<tr>
<td>Airports (No)</td>
<td>3</td>
<td>125</td>
<td>Airports Authority of India</td>
</tr>
</tbody>
</table>
### JAMMU & KASHMIR IN FIGURES … (2/2)

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Jammu &amp; Kashmir</th>
<th>All states</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Social Indicators</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Literacy rate (%)</td>
<td>68.74</td>
<td>73.0</td>
<td>Census 2011</td>
</tr>
<tr>
<td>Birth rate (per 1,000 population)</td>
<td>17.5</td>
<td>21.6</td>
<td>SRS Bulletin</td>
</tr>
<tr>
<td><strong>Investments</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FDI equity inflows (US$ billion)</td>
<td>0.0042</td>
<td>265.14</td>
<td>Department of Industrial Policy &amp; Promotion, April 2000 to September 2015</td>
</tr>
<tr>
<td><strong>Industrial Infrastructure</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PPP projects completed &amp; operational</td>
<td>7</td>
<td>1,382</td>
<td>DEA, Ministry of Finance, Government of India</td>
</tr>
</tbody>
</table>

PPP: Public-Private Partnership, SRS: Sample Registration System
At current prices, total GSDP of J&K was about US$ 14.46 billion in 2014-15.

The state’s GSDP expanded at a CAGR of 9.03 per cent from 2004-05 to 2014-15.

Source: Directorate of Economics & Statistics of Jammu & Kashmir, Central Statistics Office
J&K’s NSDP was about US$ 11.9 billion in 2014-15.

The state’s NSDP increased at a CAGR of 8.6 per cent from 2004-05 to 2014-15.

Source: Directorate of Economics & Statistics of Jammu & Kashmir, Central Statistics Office
J&K’s per capita GSDP in 2014-15 was US$ 1,180. compared with US$ 568.5 in 2004-05.

The per capita GSDP increased at an average rate of 7.6 per cent between 2004-05 and 2014-15.

Source: Directorate of Economics & Statistics of Jammu & Kashmir, Central Statistics Office
J&K’s per capita NSDP in 2014-15 was US$ 971.7 as against US$ 485.0 in 2004-05.

The per capita NSDP increased at a CAGR of 7.2 per cent between 2004-05 and 2014-15.

Source: Directorate of Economics & Statistics of Jammu & Kashmir, Central Statistics Office
At current prices, the tertiary sector contributed 56.64 per cent to J&K’s GSDP in 2014-15, followed by the secondary (25.53 per cent) and primary (17.83 per cent) sectors.

The tertiary sector expanded at the fastest rate among the three sectors from 2004-05 to 2014-15, increasing at a CAGR of 13.3 per cent. The growth was driven by trade, hotels, real estate, finance, insurance, communications, transport and other services.

The secondary sector expanded at a CAGR of 8.9 per cent from 2004-05 to 2014-15, driven by manufacturing, construction, electricity, gas and water supply.

The primary sector increased at a CAGR of 4.6 per cent between 2004-05 and 2014-15.

Source: Directorate of Economics & Statistics of Jammu & Kashmir, Central Statistics Office
The Kashmir region is known for its horticulture industry. The industry plays a vital role in the state’s economic development. In 2014-15, the total production of fruit crops in the state stood at around 1.94 million metric tonnes.

The state is a leading producer of apples and walnuts; the total apple production was around 1.82 million metric tonnes in 2014-15.

Wood from Kashmir willows is used to make cricket bats. Moreover, Kashmiri saffron is renowned globally and generates export revenues for the state.

Rice, maize and wheat are the major cereals produced in the state. In 2014-15, J&K’s total food grain production stood at 1.38 million tonnes.

In the state budget 2015-16, the Government earmarked US$ 24.8 million towards “Secure Horticulture Future” initiative. The initiative is aimed at raising the current average productivity of 10 MT/ha to 40-70 MT/ha, thus matching international levels.

During 2014-15, the Seed Replacement Rate (SRR) of rice, registered by the Department of Agriculture in Kashmir valley was 33 per cent while in the Jammu division, the SRR of 26.32 per cent was recorded.

Similarly, the SRR of maize was recorded to be 32.1 per cent in Jammu division and 24 per cent in Kashmir valley during 2014-15.

In the budget 2015-16, the finance minister of the state announced the establishment of two new food parks in Khunmoh and Doabagh, Sopore in order to boost the investments in the food processing industry in J&K.

<table>
<thead>
<tr>
<th>Crop</th>
<th>Annual production in 2014-15 ('000 tonnes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apple</td>
<td>1,820</td>
</tr>
<tr>
<td>Rice</td>
<td>454.8</td>
</tr>
<tr>
<td>Maize</td>
<td>273.5</td>
</tr>
<tr>
<td>Wheat</td>
<td>581.9</td>
</tr>
<tr>
<td>Potato</td>
<td>127.2</td>
</tr>
<tr>
<td>Onion</td>
<td>65.3</td>
</tr>
<tr>
<td>Total pulses</td>
<td>8.41</td>
</tr>
<tr>
<td>Total oilseeds</td>
<td>58.38</td>
</tr>
<tr>
<td>Vegetable</td>
<td>1,395.5</td>
</tr>
</tbody>
</table>

State Budget 2015-16
As per the Budget 2015-16, the Government is planning to provide 0.05 hectares of land to the growers with annual income of US$ 1,658 and below.

A soil & leaf testing laboratory would be established in every district of the state. Further, Pesticide Regulation Authority would be set up in the state for the purpose of approving and monitoring all the pesticides supplied to J&K.

On November 2, 2015, the district wise extension plan for 2015-16 was approved by the state Government under the centrally sponsored scheme of “support to state extension programme for extension reforms” Submission on Agriculture Extension (SMAE) ATMA scheme.

US$ 0.001 million was released under the “soil health management” component of the National Mission on Sustainable Agriculture (NMSA) scheme by the Government of J&K as per the approved action plan of 2014-15 and would be utilised in the year 2015-16.

Source: Agriculture Production Department, Government of Jammu and Kashmir
State Budget 2015-16
According to the DIPP, cumulative FDI inflows during April 2000 to June 2015 were valued at US$ 4.2 million.

The electricity and services sectors are the major contributors in the economic growth of the state.

Moreover, due to the state being mineral rich, there exist numerous business opportunities in various sectors - mainly, agriculture, handloom, handicrafts, etc.

FDI equity inflows, 2013-14 to 2014-15 (US$ million)

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount (US$ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-14</td>
<td>0.2</td>
</tr>
<tr>
<td>2014-15</td>
<td>4.0</td>
</tr>
</tbody>
</table>

Source: Department of Industrial Policy & Promotion
JAMMU & KASHMIR PARADISE ON EARTH

ECONOMIC SNAPSHOT – JAMMU & KASHMIR EXPORT TRENDS

* J&K exports superior quality carpets, embroiderical clothes, woolen shawls and other valuable crafts. In addition to this, the handicraft sector also contributes considerably towards accumulating foreign exchange earnings.

* Such craft products being produced in the state in addition with the crewel, namda, wood carving, papier-mâché, jewelry, kani shawls and chain stich, have a significant share in the overall production and exports of the state.

* With an increase in the agricultural production in 2014-15, exports from the state stood at US$ 746.52 million, in value terms.

* The state is a major exporter of walnut & its international market share is about 7%.

* Export of fruits from the state, has occupied a prominent place in its trade but it is showing a fluctuating trend over the years.

* The total volume of fruits exported during the financial year 2014-15 (ending November 2014) was 0.68 million MT, which was comparatively less from the previous year. The reason behind such low growth is considered to be the introduction of Market Intervention Scheme (MIS), under which “C” grade apples are procured at a support price of US$ 10 cents per kg. for processing into juice concentrates in the locally established juice processing units.


* The tourism sector has also been a source of employment generation in the state since the sector has the capacity to create direct and indirect large scale employment for different sections.

General Highlights of Jammu and Kashmir Budget 2015-16:

* Total expenditure: US$ 7,709.52 million
* Capital Expenditure: US$ 1,865.63 million.
* Total Receipts: US$ 6,990.21 million
* Revenue receipts: US$ 6,273.06 million.
* Capital Receipts: US$ 717.15 million
* Own Tax Revenue estimated at: US$ 1,328.14 million
* Share of Central Taxes up at: US$ 1,341.74 million.
* Revenue Expenditure (RE) including Security Related Expenditure (SRE) to touch US$ 5,843.9 million
* The amount of US$ 1,641.01 million for the revenue deficit grants.
* Non Plan Revenue Expenditure (NPRE) consumes :US$ 5,602.19 million.
* Non Plan Capital Expenditure (NPCE) of the order of : US$ 142.67 million.
* Under the new pension scheme, an amount of US$ 25.55 million for 10 per cent employer’s salary.
* Annual Plan size : US$ 1,883.3 million.

Source: Government of J&K, Department of Finance
State Budget 2015-16,
For updated information, please visit [www.ibef.org](http://www.ibef.org)
ANNUAL BUDGET 2015-16 … (2/2)

* Social Infrastructure:
  * Plan provision of US$ 313.33 million proposed for Agriculture and Allied Activities in the state.
  * Plan provision of US$ 92.73 million for irrigation and flood control sector.
  * Plan provision of US$ 159.42 million for the tourism sector.
  * Plan provision of US$ 318.26 million proposed for the industries and commerce department.
  * The Higher Education Department and health & family welfare sectors are planned to receive allocations of US$ 114.09 million and US$ 628 million, respectively, under the plan.

* Youth Initiatives:
  * VSA to 50,647 youth (US$ 3.7 million disbursed). VSA is defined as the funds allocated to educate the unemployed youth population so that they can move towards self employment.
  * Allocation of US$ 20 million proposed for meeting requirements of Seed Capital Fund, Youth Start-up Loan Scheme, Women Entrepreneurs and VSA.

* Other Initiatives:
  * US$ 3.3 million provision for creation of additional 1,000 Anganwadi centres in a phased manner.
  * US$ 4.2 million for regularization of Rehbar-e-Zirat. It is a scheme aimed at aiding the agriculture sector of the state by regularization of the registered agriculture graduates.
  * Provision of US$ 0.5 million for marriage of orphan girls belonging to a BPL family.

Source: Government of J&K, Department of Finance
The total road length in J&amp;K is about 36,750 km. The central Government has attached high priority to developing and upgrading J&amp;K’s road network.

In January 2015, the Government approved two highway projects in Jammu & Kashmir involving total investment of about US$ 563.7 million.

The following road projects are being executed by NHAI:

- A four-lane national highway from Jammu to Srinagar on BOT annuity basis in six packages is being constructed. The estimated value of these six packages is US$ 2.1 billion.
- National highway works amounting to US$ 50.6 million are being executed by the Border Roads Organisation.
- Projects worth US$ 43 million related to blacktopping and fair-weathering of roads are being executed. Under the project, around 3,077 km of roads have been black topped, while about 3,101 km of roads have been fair-weathered.

The JKSRTC provides public transportation in the state.

<table>
<thead>
<tr>
<th>Road type</th>
<th>Road length (km)</th>
</tr>
</thead>
<tbody>
<tr>
<td>National highways</td>
<td>2,319</td>
</tr>
<tr>
<td>State highways</td>
<td>79</td>
</tr>
<tr>
<td>Total road length</td>
<td>36,750</td>
</tr>
</tbody>
</table>

Source: Ministry of Road Transport & Highways
In an effort to boost tourism in three regions, J&K’s Government is planning to construct several ropeways in the state.

Several new projects, such as cable car projects from Peerkho to Mahamaya, Mahamaya to Shahabad in Bahu Fort and one at Patnitop, are in the pipeline.

The State Cable Car Corporation has approved the installation of passenger ropeways, which would facilitate the movement of tourists across the Tawi River.

In 2014, the Government allotted US$ 0.35 million to the Collector, Land Acquisition, Jammu, for speedy clearances of land compensation related to Mubarak Mandi-Mohmaya–Bahu Fort ropeway project.

The Banihal–Qazigund tunnel and Chenani–Nashri tunnel projects, which are at operational stage till 2015 and likely to be completed in 2016, would reduce the distance between Jammu and Srinagar. The Chenani–Nashri tunnel will be the longest tunnel in the country when completed in 2016.

In August 2014, the Government of India has promised US$ 1.3 billion to improve road connectivity in Jammu and Kashmir.

The Government is planning to build two highways in order to provide all-weather connectivity from Jammu to the Kashmir valley. The first project of four-laning of Ramban-Banihal section of National Highway-1A (now NH-44) in Jammu & Kashmir will cost US$ 271 million.

Another project is related to four-laning of Udhampur- Ramban section of National Highway. The 40.07-km road project will cost US$ 293 million.

The following are some of the major initiatives proposed for 2015-16:


- A total of 350 km of rural road network will be built under these projects in proposals for which were submitted by the state Government.

- The projects cleared include six proposals in Leh District covering a road length of 142 km to be constructed at a cost of US$ 30.2 million.

- Another 22 projects in Kargil district have been approved to build 207 km of rural roads at a cost of US$ 42.8 million.

- As per the Budget 2015-16, the total capital expenditure on roads and bridges is expected to be US$ 150.13 million during 2015-16.

ISC - Inter State Connectivity,
PMGSY - Pradhan Mantri Gram Sadak Yojna
Various new national highways declared by the Ministry of Road Transport & Highways, Government of India include the following:

- NH-301: Kargil-Zanskar road
- NH-701: Baramulla-Rafiabad-Kupwara-Tangdhar road
- NH-444: The highway starting from its junction with NH-44 near Srinagar connecting Badgam, Pulwama, Shopian, Kulgam and terminating at its junction with new NH No. 44 near Qazigund in the State of J&K.
- NH-144A: The highway starting from its junction with NH-44 near Jammu connecting Akhnoor, Nowshera, Rajouri and terminating at Poonch in the State of J&K.
- NH-144: The highway starting from its junction with NH No. 44 Domail connecting Katra, Reasi and terminating at Pouni in the State of J&K.

Highways with numbers NH-301, NH-444, NH-144A and a section of NH-144, in addition to the old national highway i.e. NH-1B connecting Batote and Kishtwar, have been assigned to the Public Works Department (PWD) of Jammu & Kashmir by the Ministry of Road Transport & Highways, Government 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 state.

In 2014, the construction of Chenab Bridge was announced, which would be built over the Chenab river, and would be the highest of its kind in the world (35 metres higher than the tip of the Eiffel Tower in Paris). It is expected to be completed by December 2016.

Work on connecting Srinagar and Baramullah is underway. The Katra–Qazigund (148 km) and Qazigund–Baramullah (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 2015, the first phase of the project between Qazigund and Banihal, is under progress and the entire project is expected to be completed by 2017-18. The total cost associated with the projects is US$ 147.3 million and the entire construction of the railway line includes a 11-km tunnel between the Pir Panjal range.
Socioeconomic impact of J&K’s railway projects:

* The rail links would provide all-weather and reliable connectivity to J&K, including remote areas, from the rest of the country.
* With the completion of approach roads, more than 73 villages would get connected, thereby providing road connectivity to about 147,000 people. Of the 262 km of approach roads to be constructed, 145 km have been completed and 29 villages have been connected.
* These projects provide direct employment to about 7,000 local people and indirect employment to thousands for their day-to-day requirements; this would help mitigate militancy.
* One member from each family, who has lost more than 75 per cent of their land to projects, would receive a job in railways. Until now, over 300 jobs have been given under the programme.

### Udhampur to Baramulla Railway Line

<table>
<thead>
<tr>
<th>Item</th>
<th>Udhampur-Katra</th>
<th>Katra-Qazigund</th>
<th>Qazigund-Baramulla</th>
</tr>
</thead>
<tbody>
<tr>
<td>Route length (km)</td>
<td>25</td>
<td>148</td>
<td>119</td>
</tr>
<tr>
<td>Bridges</td>
<td>38</td>
<td>62</td>
<td>811</td>
</tr>
<tr>
<td>Tunnels Length (km)</td>
<td>10.90</td>
<td>109.54</td>
<td>0</td>
</tr>
<tr>
<td>Max height of bridge (m)</td>
<td>85</td>
<td>359</td>
<td>22</td>
</tr>
<tr>
<td>Longest tunnel (km)</td>
<td>3.15</td>
<td>10.96</td>
<td>-</td>
</tr>
<tr>
<td>Stations</td>
<td>3</td>
<td>12</td>
<td>15</td>
</tr>
</tbody>
</table>

The air travel in the state connects all the three regions of the state which include: Srinagar, Jammu and Leh. The Sheik-ul-Alam Airport at Srinagar is a major international airport. Jammu and Leh are the domestic airports in the state. The state also has an airport in Kargil, which is served by Djkota service.

In the month of September 2015, the Srinagar airport recorded 188,698 passengers out of which 673 were international passengers and 188,025 were domestic passengers. As of September 2015, Jammu airport recorded 100,807 domestic passengers.

In the month of September 2015, the Srinagar airport handled 4 international flights & 1,408 domestic flights whereas the Jammu airport handled 856 domestic flights.

The project worth US$ 11.1 million has been approved by the state Government for upgrading Jammu airport. The upgradation would include the expansion of airport building, increasing of passenger holding capacity to 700 from the existing 200 and increasing the landing surface and building hangars in the airport. The project is expected to be completed by December 2015.

The domestic airlines and destinations connecting the Srinagar airport include GoAir (Goa, Pune, Delhi, Jammu, Mumbai, Patna, Chandigarh, Bengaluru), Air India (Delhi, Jammu, Leh), JetKonnect (Delhi, Bengaluru, Leh) and SpiceJet (Mumbai, Bengaluru, Delhi, Jammu).

Source: Airport Authority of India
Economic Survey 2014-15
Major projects in the pipeline include:

- Setting up a state Government aviation complex at Satwari Airport in Jammu.
- Building airstrips at Kishtwar, Rajouri and Surankot.
- Extension of Nehru helipad and augmentation of its technical infrastructure.

Airport indicators in J&K

<table>
<thead>
<tr>
<th>Airports</th>
<th>Number of passengers (Nos.)</th>
<th>2013-14</th>
<th>2014-15</th>
<th>2015-16¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Srinagar</td>
<td>2,003,186</td>
<td>2,040,808</td>
<td>1,256,360</td>
<td></td>
</tr>
<tr>
<td>Jammu</td>
<td>845,555</td>
<td>952,641</td>
<td>544,909</td>
<td></td>
</tr>
<tr>
<td>Leh</td>
<td>330,001</td>
<td>403,243</td>
<td>252,955</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Airports</th>
<th>Aircraft movement (Nos.)</th>
<th>2013-14</th>
<th>2014-15</th>
<th>2015-16¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Srinagar</td>
<td>15,288</td>
<td>14,828</td>
<td>8,720</td>
<td></td>
</tr>
<tr>
<td>Jammu</td>
<td>9,916</td>
<td>10,065</td>
<td>5,348</td>
<td></td>
</tr>
<tr>
<td>Leh</td>
<td>3,002</td>
<td>3,462</td>
<td>2,026</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Airports</th>
<th>Freight (Tonnes)</th>
<th>2013-14</th>
<th>2014-15</th>
<th>2015-16¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Srinagar</td>
<td>3,722</td>
<td>5,636</td>
<td>2,428</td>
<td></td>
</tr>
<tr>
<td>Jammu</td>
<td>1,623</td>
<td>1,685</td>
<td>877</td>
<td></td>
</tr>
<tr>
<td>Leh</td>
<td>1,080</td>
<td>1,339</td>
<td>660</td>
<td></td>
</tr>
</tbody>
</table>

Source: Airports Authority of India, ¹From April-September 2015
State-owned power is generated by the JKSPDCL. PDD is responsible for all functions related to transmission and distribution in the state.

As of November 2015, J&K had a total installed power generation capacity of 3,122.20 MW, comprising 1,560.67 MW under central utilities, 1,511.53 MW under state utilities and 50.00 MW under private utilities.

Of the total installed power generation capacity, 2,255.21 MW was contributed by hydropower, 633.46 MW by thermal power, 156.53 MW by renewable power and 77.00 MW by nuclear power.

Industrial units are allowed to install their captive-power generation plants, which are exempted from paying electricity duty.

The village electrification programme in J&K has been pursued diligently. As of June 2015, the state had achieved 97.8 per cent of village electrification.

**Source**: Central Electricity Authority

(¹)November 2015
The identified hydro power potential for the state is 16,475 MW out of the estimated 20,000 MW. The Chenab basin comprises of 11,283 MW, Jhelum basin consists of 3,084 MW, Ravi basin comprises of 500 MW and the Indus basin accounts for 1,608 MW.

A total of 2,813.46 MW have been used so far in the state, of which 761.96 MW was accounted for by state sector, 2,009 MW by the central sector and 42.5 MW in private sector.

Due to its location in the Himalayan region, J&K has significant hydropower potential for development.

The state plans to boost electricity generation capacity by 9,000 MW in the next few years. Upcoming power projects in the state include five state-sector power projects totalling 453.61 MW and four central-sector power projects totalling 449 MW.

A 240-MW Uri hydroelectric project worth US$ 330 million, situated very close to the Line of Control, has been commissioned in May 2014.

The state Government planned to harness 9,000 MW of electricity in the state during 12th and 13th Five-year plans. The Government has taken various steps in fulfilling their aim over the past years.

For instance, the power purchase budget has been increased to US$ 514.26 million for 2014-15 as compared to past years. In 2014, a ratle hydro project was announced for the installation of an 850 MW power plant which is expected to be operational by 2017-18. Ratle hydro project is a planned hydro project of Jammu and Kashmir and will be set up on the Chenab River.

As per the Budget 2015-16, the capital expenditure for power projects in the state is estimated to be US$ 63.99 million for the period of 2015-16. The separation of the power budget from the next fiscal was also to be mentioned in the budgetary reforms. In Budget 2015-16, the Government announced a corpus of US$ 0.82 million to promote use of LED based lights under the scheme named Suuya Bhatt Energy Efficient Consumer Scheme.

According to the Telecom Regulatory Authority of India, J&K had around 9.79 million wireless subscribers and 132,821 wire-line subscribers with a teledensity of 76.93 per cent, as of October 2015. As of June 2015, the state of J&K had 3.35 million internet subscribers.

BSNL is one of the major service providers of basic telephony and value added services in J&K telecom circle. There are five secondary switching areas: Jammu, Srinagar, Udhampur, Rajouri and Leh.

The state has 1,699 post offices, of which 9 are head offices, 256 are sub post offices and the remaining 1,434 are appointed to Extra Departmental Branch Offices (EDBOs). Three post offices are seasonal post offices that work only for two months i.e. during Amarnath yatra period. As of May 2015, the state had 0.14 million landline telephones and 9.64 million mobile telephones.

### Performance Status of NOFN project (As of 15th Feb, 2015)

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total GPs</td>
<td>4,099</td>
</tr>
<tr>
<td>GPs in Phase-I</td>
<td>635</td>
</tr>
<tr>
<td>Pipe Laid (Km)</td>
<td>3</td>
</tr>
</tbody>
</table>

### Major telecom operators in Jammu & Kashmir

- Bharat Sanchar Nigam Limited (BSNL)
- Bharti Airtel
- Aircel Limited
- Vodafone Essar
- IDEA Cellular
- Reliance
- Idea

Source: Telecom Regulatory Authority of India, India Post, Ministry of Communications and Information Technology, (1) As of June 2015

GP-Gram Panchayat

For updated information, please visit [www.ibef.org](http://www.ibef.org)
Among the hilly states of India, J&K is the most urbanised state, with 81 notified urban areas and 86 statutory towns. As per Census 2011, the total urban population in the state was 27.37 per cent. The district of Srinagar ranked first with the highest urban population of 98.6 per cent, followed by Jammu district having 50 per cent of urban population. Hence, Srinagar and Jammu cities are the focal points of urbanisation in the state.

Under the Jawaharlal Nehru National Urban Renewal Mission- Urban Infrastructure and Governance (JNNURM-UIG) programme, five projects worth US$ 91.55 million were sanctioned for Srinagar and Jammu, and one more project worth US$ 15.3 million was approved in 2014, in Srinagar, is in transition phase. Under Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT), the state has four projects that are in the transition phase. All the four projects are based in Leh district. The approval cost of the projects along with the sector have been mentioned below.

As per Budget 2015-16, the total capital outlay for the urban development by the state Government is estimated to be US$ 87.33 million and the total revenue is estimated to be US$ 101.84 million during 2015-16.

<table>
<thead>
<tr>
<th>Component</th>
<th>Approved cost sanctioned by SLSC (in US$ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water supply</td>
<td>11.69</td>
</tr>
<tr>
<td>Road</td>
<td>12.7</td>
</tr>
<tr>
<td>Solid waste management</td>
<td>1.82</td>
</tr>
<tr>
<td>Sewerage</td>
<td>9.85</td>
</tr>
</tbody>
</table>

### Development Projects: Public-Private Partnership (PPP) Projects - Jammu & Kashmir

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Sector</th>
<th>Length (Km)</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Srinagar to Banihal</td>
<td>PPP Roads</td>
<td>183.4</td>
<td>Under construction</td>
</tr>
<tr>
<td>Four laning of Chenani–Nashri section</td>
<td>PPP Roads</td>
<td>419.7</td>
<td>Under construction</td>
</tr>
<tr>
<td>Four laning of Qazigund–Banihal section</td>
<td>PPP Roads</td>
<td>329.63</td>
<td>Under construction</td>
</tr>
<tr>
<td>Four laning of Jammu–Udhampur section</td>
<td>PPP Roads</td>
<td>302.2</td>
<td>Under construction</td>
</tr>
<tr>
<td>Bridge (Basohli) project</td>
<td>Non-PPP Roads</td>
<td>26.36</td>
<td>Under construction</td>
</tr>
<tr>
<td>Bypass (Srinagar) road project</td>
<td>Non-PPP Roads</td>
<td>NA</td>
<td>Completed</td>
</tr>
<tr>
<td>Jullandhar-Pathankot-Jammu Tawi DL railway line</td>
<td>Non-PPP Railway track, tunnel, viaducts, bridges</td>
<td>159.8</td>
<td>Under construction</td>
</tr>
<tr>
<td>Kathua-Madhopur-Punjab DL railway line project</td>
<td>Non-PPP Railway track, tunnel, viaducts, bridges</td>
<td>15.27</td>
<td>Under construction</td>
</tr>
<tr>
<td>Salal transmission line</td>
<td>Non-PPP Energy</td>
<td>393.43</td>
<td>Under construction</td>
</tr>
</tbody>
</table>

*Source: Ministry of Corporate Affairs, Government of India*
Education is one of top priorities of the state Government.

J&K is the only state where education is free up to the university level.

Seasonal schools have been opened for people in the hilly areas and underprivileged population.

Jammu district has 960 primary schools, 300 middle schools, 108 high schools and 62 higher secondary schools.

It was planned to provide corporate training for 17,000 J&K youth in 2014. Various education wings in the state include: Directorate of School Education, Jammu, Directorate of School Education, Kashmir, Sarv Shiksha Abhiyan and JKBOSE.

J&K has a literacy rate of 68.74 per cent, the male literacy rate is 78.26 per cent and female literacy rate is 58.01 per cent.

As per Budget 2015-16, the Voluntary Service Allowance (VSA), which is being paid to the educated unemployed youth in the state, would be used to enhance their capacities for self-employment.

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

<table>
<thead>
<tr>
<th>Literacy rates (%)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Literacy rate</td>
<td>68.74</td>
</tr>
<tr>
<td>Male literacy</td>
<td>78.26</td>
</tr>
<tr>
<td>Female literacy</td>
<td>58.01</td>
</tr>
</tbody>
</table>

Source: Economic Survey of Jammu & Kashmir, 2014-15,
State Budget 2015-16,
*As of June 2014 - University Grants Commission

For updated information, please visit www.ibef.org
Two central universities have been set up to boost the educational infrastructure in the state, one in Kashmir division and another in Jammu division. They have instruction and research facilities in emerging sectors such as IT, biotechnology, and nano sciences.

As per Budget 2015-16, the revenue generation estimated for general education is estimated to be US$ 714.19 million and the capital outlay on education, sports as well as culture is expected to be US$ 40.35 million during 2015-16.

As per Economic Survey 2014-15, 5,032 children for nomadic seasonal centres were approved by MHRD, 40 primary schools were approved for upgradation and 4,076 girls were enrolled in Kasturba Gandhi Balika Vidyalaya (KGBVs) to promote girls education.
As of June 2014, J&K had 21 district hospitals, 11 mobile medical units, 390 primary health centres, 1,909 sub-centres and 82 community health centres.

The central Government sanctioned US$ 52 million for constructing super-specialty hospitals in the cities of Jammu and Srinagar and as of March 2015, these hospitals were fully operational.

With the initiative of National Rural Health Mission (NRHM) in the state, the Government of India released US$ 227.45 million of which US$ 34.22 million has been provided.

In the state budget 2015-16, the total revenue of US$ 317.1 million for the family welfare and medical & public health was allocated.

### Health indicators (2014-15)

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Birth rate (^{(1)})</td>
<td>17.5</td>
</tr>
<tr>
<td>Death rate (^{(1)})</td>
<td>5.3</td>
</tr>
<tr>
<td>Infant mortality rate (^{(2)})</td>
<td>37</td>
</tr>
</tbody>
</table>

### Life expectancy at birth (years)

<table>
<thead>
<tr>
<th>Gender</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male (March 2014)</td>
<td>66.5</td>
</tr>
<tr>
<td>Female (March 2014)</td>
<td>69.3</td>
</tr>
</tbody>
</table>


\(^{(1)}\)Per thousand persons

\(^{(2)}\)Per thousand live births
The benchmarks set by the Ministry of Health & Family have been mentioned below and the health institutions that conduct the deliveries on the basis of these benchmarks are considered as the delivery points:
- District hospitals that conduct more than 50 or more deliveries a month;
- FRU (First Referral Units) that conduct 20 deliveries per month;
- PHC (Primary Health Centres) that conduct 10 deliveries per month; and
- Sub-centre that conduct more than 3 deliveries per month

The above table describes the status of various health institutions that are functioning as delivery points as per the standards of Government of India.

As per Budget 2015-16, total capital outlay on medical and public health, during 2015-16, is estimated to be US$ 122.38 million.

J&K’s culture is influenced by the South Asian and Central Asian cultures. The state is known for its rich cultural heritage and scenic beauty. Jammu’s numerous shrines attract thousands of pilgrims every year. The beautiful valley of Kashmir is visited by tourists from all over the world. Ladakh, also known as ‘Little Tibet’, is renowned for its pristine mountains and Buddhist culture.

Archery and polo are the famous sports in the state. Music forms include Kashmiri Sufiyana music, Chakri, Jeenda-ji, Kukoo, Benthe, Dogri Lok Geet, Gojri Folk songs, Ladakhi folk songs and Bakhan. The annual masked dance festival, along with archery and weaving, forms an integral part of the Ladakhi life.

As per Economic Survey 2014-15, the thrust of sports sector and youth services over the past years was to encourage physical activities such as the development of playfields, promotion of adventure sports, organizing of youth and cultural festivals in the state, etc.

Under the development initiative in the state budget 2015-16, the Government is expected to come up with a new concept related to the model business village under which the Government would establish an integrated infrastructure for enhancing the culture of modern business practices in the villages.

In order to recreate the aspects in relation with the tradition and culture of the Kashmiri pandits in the state, the first pilot cultural village would be occupied by the Kashmiri pandits.

Traditional dance forms include Dumhal, Jagarna, Geetru, Karak, Jabro, Gwatri, Rouf, Roul, Surma, Kud Pahari and Dogri. Jammu’s Dogra culture and tradition are similar to those of neighbouring Punjab and Himachal Pradesh. The traditional festivals of Lohri and Vaisakhi are celebrated in the state. During 2012-2017, the central Government has promised a package of US$ 128 million over a period of five years to boost sports in J&K. Towns with population of more than 50,000 would be provided with an indoor stadium as well as football and hockey grounds.

JAMMU & KASHMIR PARADISE ON EARTH

INDUSTRIAL INFRASTRUCTURE: INDUSTRIAL ESTATES

- Electronic Complex, Rangreth
- Khonmoh Industrial Complex
- Zainakote and Zakura Industrial Estates
- Software Technology Park, Rangreth
- Agri Processing Zone for Apples
- Pulwama Industrial Complex
- Agri Processing Zone for Walnuts
- Integrated Infrastructure Development Project, Udhampur
- Industrial Growth Centre, Samba
- Textiles Park, Kathua
- Industrial Growth Centre, Budgam
- Bari Brahmana Industrial Complex
- Gangyal Industrial Estate
- Export Promotion Industrial Park, Kartholi

Source: J&K SIDCO State Industrial Development Corporation

For updated information, please visit www.ibef.org
Food processing and agro-based industries (excluding conventional grinding and extraction units) thrive in the state due to an excellent climate for horticulture and floriculture.

Handicrafts, the state’s traditional industry, has been receiving priority attention from the Government in view of its large employment base and exports potential.

J&K is famous for its small-scale and cottage industries such as carpet weaving, silks, shawls, basketry, pottery, copper and silverware, papier-mâché and walnut wood.

J&K SIDCO is the nodal agency for promotion and development of medium- and large-scale industries in the state.

To boost infrastructure, J&K has approved funding of about US$ 1.8 billion. Additionally, US$ 120 million is earmarked under the Pradhan Mantri Gram Sadak Yojana.

The Department of Industrial Policy and Promotion (DIPP) extended the Special Incentive Package. This includes 100 per cent premium reimbursement under Central Comprehensive Insurance Subsidy Scheme to all units on expansion over the next five years. The DIPP also allowed capital investment subsidy of 15 per cent on investment in plant and machinery; the subsidy is applicable for five years from the date of commencement of production.

Key industries

- Horticulture
- Floriculture
- Handlooms and handicrafts
- Tourism
- Mineral-based industry
- Gems and jewellery
- Sericulture
- IT
- Pharmaceuticals

Horticulture is the mainstay of the state’s rural economy, providing direct and indirect employment to thousands. The productivity of fruits in the state during 2014-15 as per the second advance estimates was 4.30 tonnes/ha. As per the Budget 2015-16, the finance minister of the state reserved US$ 24.88 million for the initiative of “Secure Horticulture Future” so as to raise the average productivity to international level of 40 to 70 MT/ha.

In 2014-15, the total productivity of the vegetables in the state as per the second advance estimate was 22.13 tonnes/ha. There are around 7 lakh families comprising of about 33 lakh people which are directly or indirectly associated with horticulture. The state is a leading producer of apples, walnuts, pears, almonds and apricots, and has huge potential for exports of processed food and allied services. J&K has around 3 per cent share of total fruit production in India.

In 2014-15, the state’s total productivity of total spices was around 0.22 tonnes/ha whereas the productivity of loose flowers was 0.75 tonnes/ha in accordance with the second advance estimates. J&K has been an important and significant player in the foreign exchange in regards to exports of dry fruits to the other states and countries around the world.

The state has suitable agro-climatic conditions for a variety of flowers. The floriculture industry supplies flowers to both domestic and international markets. J&K has Asia’s largest tulip garden, established by the State Floriculture Department.

As per the Budget 2015-16, horticulture and vegetable receipts stood at US$ 0.38 million. During 2015-16, the Government is planning to come up with a scheme related to the market intervention for the horticulture sector in order to ensure that good quality fruits are being exported and adequate returns are flowing back to the sector.

In 2014-15, the production of fruits, vegetables, flowers, spices and honey stood at 1,542.7 thousand tonnes, 1,395.5 thousand tonnes, 0.3 thousand tonnes, 1.1 thousand tonnes and 420.8 thousand tonnes, respectively.

Under the Mission of Integrated Development of Horticulture (MIDH) during 2015-16, the state of J&K was allotted US$ 10.29 million by the Government of India.

During 2015-16, under MIDH allocation of US$ 10.29 million is planned for improving the state’s floriculture sector.

Key initiatives by the state Government to develop horticulture and floriculture industries include:

- Organising buyer-seller meets.
- Arranging air-cooled railway coaches for transportation of soft fruits.
- Introduction of cardboard cartons for packaging apples at a computerised data dissemination facility and a dynamic website for promoting horticulture marketing.
- Exhibitions across metros in the country as well as other major market promotion events such as Agro Tech and India International Trade Fair.
- Implementation of the APMR Act.
- Establishment of an additional terminal market in south Kashmir.
- Establishment of 18 fruits and vegetables satellite markets in the state, eight in the Kashmir division and three in the Jammu division.

APMR - Agriculture Produce Marketing Regulation
The following strategies have been laid out to further develop the sector and encourage players:

* Apple Insurance Scheme: The state Government has decided to construct a chain of compressed air stores in each district to introduce modern pre- and post-harvest technologies.

* Development of olive cultivation: In J&K, olives can be grown in Poonch, Rajouri, Doda, Udhampur, Ramban, Reasi and Kathua districts. The state is working towards increasing the yield in these areas.

* Walnut cultivation: With assistance from the APEDA, a hi-tech greenhouse has been set up at Zakura. The greenhouse is being used for raising budded/grafted walnuts. Moreover, another hi-tech greenhouse has been set up at Siot, Rajouri.

* Provision of cold storage in the valley: The Government plans to provide cold storage facilities to growers across districts in the state to help in preservation of fruits.

* Under the VAT Act, the finance minister proposed to place commodity “Tree Spray Oil” in zero per cent tax rate so that the commodity can be treated as an agriculture product.

The state Government has taken various measures to improve the healthcare sector in the state, such as:

- Rashtriya Swasthya Bima Yojana, successfully launched in two districts and extended to 10 more districts.
- 66,004 BPL families registered to receive benefits under the scheme.
- Nursing Council Act notified to revitalise nursing education in the state.
- 1,484 drug samples and 885 food samples tested by the Drug & Food Control wing of the health department.
- 47,364 inspections conducted for enforcing drug and food mechanisms in the state.
- Awareness programmes/camps organised in different areas of the state to educate ladies, adolescents and children regarding iodine deficiency disorders, reasons, symptoms, precautions and their prevention thereof.
- 11 health institutions being considered for NABH accreditation by Quality Council of India, New Delhi.
- 198 primary healthcare centres operate round the clock throughout the year.

During 2014-15, the Government of Jammu and Kashmir has sanctioned 87 new ISM dispensaries and 826 new sub centers.

As of September 2015, about 86 health projects were under progress, of which 140 were from district hospitals, 46 were from sub district hospitals and 26 were from primary health centres. The Government proposed investments of US$ 77.42 million for district hospitals, US$ 92.02 million for sub district hospitals and US$ 9.13 million for primary health centres.

The State Health Department was conferred with the following awards during the last two years.

1. First prize in Population Stabilisation.
2. 2nd prize in OPD in health institutions.
3. 3rd prize for increase in patient care and surgeries.
4. AYUSH appreciation for valuable services.
5. State Award on Best Practices and Innovations.

Establishment of five new Medical Colleges (three in Jammu and two in Kashmir) have been approved to be set up.

Two State Cancer Institutes (one each in Jammu and Srinagar) have been approved to be set up.

Three Tertiary Cancer Care Institutes for districts of Kishtwar, Udhampur and Kupwara have been approved to be established.

Super Specialty Hospital Jammu at a cost of US$ 20 million was completed and commissioned. IPD services in five disciplines and OPD in eight disciplines has been started.

Super Specialty Hospital Srinagar at a cost of US$ 20 million is nearing completion.

Handicraft is J&K’s traditional industry and occupies an important place in the economy of the state. 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 state 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 handcraft sector. The handicrafts and handloom sectors have engaged a number of people as artisans and weavers. The total number of handicrafts and handloom establishments in the state are 60,397.

 Carpets, woollen shawls and papier-mâché are recognised as leading items of production in the state. In 2014-15, carpet, woollen shawls and papier-mâché accounted for 33.9 per cent, 31.28 per cent and 6.99 per cent shares of the total production of handicrafts in the state, respectively.

The woollen shawls, carpet and papier-mâché are also recognised as leading items of export in the state. In 2014-15, woollen shawls accounted for about 34 per cent share whereas carpets and papier-mâché accounted for about 32 per cent and 3 per cent, respectively, of the total exports from the state.

<table>
<thead>
<tr>
<th>Funds released under various Handicraft Schemes (2014-15)- US$ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>AHVY</td>
</tr>
<tr>
<td>Design</td>
</tr>
<tr>
<td>MSS</td>
</tr>
<tr>
<td>HRD</td>
</tr>
<tr>
<td>Welfare</td>
</tr>
<tr>
<td>R&amp;D</td>
</tr>
<tr>
<td>Infrastructure</td>
</tr>
<tr>
<td>Others</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

Some of the initiatives taken for the handicrafts sector include:

- In 2014-15, around 8,500 persons were trained through 553 training centres in the state.
- The Directorate of Handicrafts department also encourage the sale of handicraft goods by organising exhibitions within and outside the state. During the year 2014-15, the Directorate of Handicrafts has organised 5 craft exhibitions within & outside the state.
- During 2014-15, there were 2,925 people that were trained in various crafts such as sozni, staple, papier-mâché, phool kari, chain stitching, etc.
- The state also organises an exhibition at international level annually.
- Pashminas, kani shawls and soznis from Kashmir have been awarded geographical indication status.
- A Pashmina testing and quality certification centre was set up at the Craft Development Institute campus in Srinagar to certify Pashminas for geographical indication registration.
- Self-employment scheme was started for individual artisans to provide easy and soft credit facilities to help start independent ventures.
- In January 2015, Handicrafts Expo was organized by the Department of Handicrafts, Jammu & Kashmir to promote the handicraft exports in the state.

Kashmiri embroidery, also known as Kashida, had its patronage in Persian and Mughal rulers. From rugs to shawls, from bags to kurtis, all kind of apparel and home décor features intricate Kashida work.

The approximate number of handlooms in the state are 38,000. The state has 3,741 handloom units, which produce Loies, Puttos, tweed, blankets, Raffal, Pashmina and Dusoti Khad.

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

There are 100 training centres under the department which provides training in various trades including making readymade garments, Pashmina spinning, Kani shawl weaving, etc.

Cotton yarn production in the state increased from 7.8 thousand tonnes in 2013-14 to 8.9 thousand tonnes in 2014-15. During April-June 2015, cotton production in the state stood at 2.2 thousand tonnes.

<table>
<thead>
<tr>
<th>Overview of achievements</th>
<th>2013-14</th>
<th>2014-15 (1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount of fabric produced (million meters)</td>
<td>10.26</td>
<td>9.98</td>
</tr>
<tr>
<td>Value (US$ million)</td>
<td>38.6</td>
<td>37.3</td>
</tr>
<tr>
<td>Number of trainees trained/enrolled</td>
<td>1,042</td>
<td>1,044</td>
</tr>
<tr>
<td>Number of cooperative societies organised</td>
<td>12</td>
<td>2</td>
</tr>
<tr>
<td>Membership (No)</td>
<td>138</td>
<td>55</td>
</tr>
<tr>
<td>Number of looms modernised</td>
<td>185</td>
<td>44</td>
</tr>
<tr>
<td>No of weavers covered under Mahatma Gandhi Bunker Bima Yojana</td>
<td>655</td>
<td>188</td>
</tr>
<tr>
<td>No of weavers covered under Health Insurance Scheme</td>
<td>16,265</td>
<td>16,265</td>
</tr>
<tr>
<td>No of weavers covered under Education Scheme</td>
<td>296</td>
<td>63</td>
</tr>
</tbody>
</table>

There are 84 centres that provide training in making readymade garments and handloom weaving. A total of 1,044 trainees were trained under different trades during 2014-15. As of September 2015, the state had 60,397 handicraft/handloom establishments, of which 46,054 were rural and 14,343 were urban.

Some of the initiatives in the handloom sector include:

- The rate of stipend and loan ceiling under the Handicrafts Micro Enterprise Scheme has been enhanced.
- Out of 100 handloom training centres, 58 have been brought under the National Council for Vocational Training.
- 4,200 individuals need to be trained for four months under CCM.
- 100 individuals would be trained for a year under DCTED.
- Mega cluster for Kashmir carpets in Srinagar and adjoining areas is under implementation; 4,000 artisans would be trained by the Indian Institute of Carpet Technology within four years.

<table>
<thead>
<tr>
<th>Funds released under National Handloom Development Programme (2014-15) - US$ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Integrated Handloom Development Scheme (IHDS)</td>
</tr>
<tr>
<td>Handloom Marketing Assistance</td>
</tr>
</tbody>
</table>

J&K boasts of significant mineral resources covering an area of 13,334 sq km, of which 60 per cent are reported to be commercially viable for mining of various minerals. In order to identify major mineral resources, the Department of Geology and Mining, J&K, was established in 1960.

A number of cement-based industries, units for manufacturing plaster of Paris, and marble and granite cutting units have been established in the state.

The Department of Geology and Mining is authorised to receive a royalty on the extraction of major as well as minor minerals as per rates fixed by the central Government (for major minerals) and the state Government (for minor minerals).

Production of gypsum and limestone in the state stood at 28.6 thousand tonnes and 131 tonnes in 2014-15, respectively. Value of royalty on minerals in the state increased from US$ 4.5 million in 2013-14 to US$ 5 million in 2014-15.

Major achievements in the sector include:

- Exploration was conducted for new minerals such as lead, zinc, china clay and iron ore.
- The Department of Geology and Mining has been exploring groundwater and drilling tube wells for drinking and irrigation purposes.
- Until now, around 370 tube wells have been drilled for drinking water and irrigation facilities.
- J&K has received six offers for the extraction of rare sapphire in Kishtwar district’s Padder area. The extraction and exploration would be done in collaboration with Jammu and Kashmir Minerals Limited.

## KEY INDUSTRIES – GEOLOGY AND MINING … (2/2)

<table>
<thead>
<tr>
<th>Mineral</th>
<th>Reserves</th>
<th>Occurrence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Limestone</td>
<td>6,125 million tonnes</td>
<td>All Districts of J&amp;K except Jammu</td>
</tr>
<tr>
<td>Gypsum</td>
<td>160 million tonnes</td>
<td>Baramulla, Doda and Kishtwar</td>
</tr>
<tr>
<td>Marble</td>
<td>500 million cubic metres</td>
<td>Kupwara, Leh, Kargil and Kishtwar</td>
</tr>
<tr>
<td>Granite</td>
<td>3,000 million cubic metres</td>
<td>Leh, Kargil, Doda and Kathua</td>
</tr>
<tr>
<td>Bauxite</td>
<td>8.60 million tonnes</td>
<td>Udhampur, Reasi and Rajouri</td>
</tr>
<tr>
<td>Coal</td>
<td>9.50 million tonnes</td>
<td>Kalakote, Mohla (Rajouri), Kotla Brehyal (Udhampur)</td>
</tr>
<tr>
<td>Magnesite</td>
<td>7.00 million tonnes</td>
<td>Udhampur &amp; Reasi</td>
</tr>
<tr>
<td>Slates</td>
<td>9.6 million cubic metres</td>
<td>Doda, Ramban, Baramulla, Kathua &amp; Poonch</td>
</tr>
<tr>
<td>Sapphire</td>
<td>2 Kms mineralised zone</td>
<td>Padder Kishtwar</td>
</tr>
<tr>
<td>Quartize</td>
<td>500 million tonnes</td>
<td>Anantnag, Kupwara, Kishtwar, Kathua and Poonch</td>
</tr>
<tr>
<td>Dolomite</td>
<td>12.37 million tonnes</td>
<td>Udhampur, Reasi &amp; Rajouri districts</td>
</tr>
<tr>
<td>China Clay</td>
<td>143 tonnes (annual crop)</td>
<td>Udhamipur</td>
</tr>
</tbody>
</table>

Tourism has emerged as an important sector and one of the major contributors to J&K’s economy.

Kashmir witnessed a 1 per cent surge in tourism inflows in 2014. The state has a total of 1,568 registered restaurants and hotels in addition to 84 tourist bungalows and huts.

Jammu is famous for its temples, while the Kashmir Valley is known for its scenic beauty. The tourism sector in the state has a huge employment potential for skilled persons as well as for people without any specialised skills such as guides, sledgedwallas, 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; and Ladakh, Vaishno Devi temple and Patnitop near Jammu.

The state Government has established 19 tourism development authorities at places with good tourism potential.

Ladakh festival in September and Sindhu Darshan in June are popular events in the state.

The Department of Tourism of J&K has launched aero ballooning to boost the influx of tourists.

There are various destinations in the state that are being developed under the Tourism Development Authorities of these areas. The state Government has decided to further work on the development and promotion of these areas in order to increase the number of footfall in these areas.
As per the budget 2015-16, the state Government would provide US$ 19.22 million as capital outlay to the state. In addition to this, with the massive losses in floods during 2014, the state Government suggested to continue the exemption of lodging services by hotels, guest houses, etc. under GST (Goods and Services Tax) until the end of March, 2016.

Key strategies to develop the tourism sector include:

- Infrastructure development through public investment and enhancing private investment by providing incentives.
- Opening up new destinations with high tourism potential.
- Focused and regulated development of major tourist destinations by tourism development authorities.
- Promoting the state’s USPs through a proactive publicity campaign.
- Development of tourism product areas such as heritage, adventure, pilgrim and eco tourism.
- Regulation of tourist trade for facilitating tourists.

Following are the focus areas for 12th Five-Year Plan:

- Developing heritage, pilgrimage, adventure and conventional tourism.
- Developing golf circuit and ropeways.
- Providing enhanced incentives to make tourism more vibrant and attractive.
- Providing wayside amenities en route to various destinations.
- Providing proper sanitation at tourist destinations, especially for those that do not fall under the purview of the Urban Development Department.

### State Plan

<table>
<thead>
<tr>
<th>Year</th>
<th>Allocation (US$ million)</th>
<th>Expenditure (US$ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011-12</td>
<td>19.41</td>
<td>23.69</td>
</tr>
<tr>
<td>2012-13</td>
<td>19.37</td>
<td>21.43</td>
</tr>
<tr>
<td>2013-14</td>
<td>15.15</td>
<td>5.79</td>
</tr>
<tr>
<td>2014-15</td>
<td>14.94</td>
<td>9.04</td>
</tr>
</tbody>
</table>

### Central Financial Assistance (CFA)

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of sanctioned project</th>
<th>Cost of sanction</th>
<th>CFA received</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011-12</td>
<td>26</td>
<td>27.96</td>
<td>7.79</td>
</tr>
<tr>
<td>2012-13</td>
<td>24</td>
<td>18.92</td>
<td>7.1</td>
</tr>
<tr>
<td>2013-14</td>
<td>13</td>
<td>12.36</td>
<td>14.66</td>
</tr>
<tr>
<td>2014-15</td>
<td>-</td>
<td>-</td>
<td>5.83</td>
</tr>
</tbody>
</table>

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 state.

J&K’s Sericulture Development Department organises cocoon auction markets in the state to facilitate farmers to sell their cocoon produce at competitive rates. The state produces around 1,022 MT of cocoons which help in generating huge income for the state through silk production.

In 2014-15, the support price of commercial cocoons has been increased by the Government from US$ 2.5/kg to US$ 5/kg (dry) for the sericulture farmers of the state during the current year.

The Department has envisaged an ambitious vision programme in the form of a document for the next twenty years to cover about five lakh farmers in the activity of sericulture to take the cocoon production to newer heights of upto 25,000MT.

About 150,000 metres of silk cloth is produced per annum in J&K. Silk production in the state increased from 136 MT in 2013-14 to 138 MT in 2014-15. As of August 2015, the silk production in the state stood at 131 MT.

Total non-tax revenues on the sericulture industry for 2015-16 is considered to be around US$ 0.19 million as per the state budget 2015-16. Under the schemes of CHDS and NHDP, the total financial assistance provided to the silk industry during 2013-15 and the current year 2015-16 is estimated to be US$ 0.37 million.

Around 173 mulberry nurseries and 374 mulberry blocks exist across the state, spread over an area of 963 acres and 2,215 acres, respectively. The nurseries help in utilising the production of the saplings to be used for further distribution among farmers. The annual plant production capacity of these nurseries is about 3 million plants; currently, 2 million plants are being produced.

IT is a sunrise industry in the state and is emerging as an important sector in transforming the socioeconomic lives of the people.

This sector provides direct employment to 2.2 million youth and 8.0 million individuals indirectly. By the end of 2020, the sector is expected to provide employment to 20 million youth directly and 50 million indirectly.

The state Government has taken certain initiatives under the IT policy to develop this industry. Moreover, the state industrial policy provides an attractive environment for increased investment in the IT industry.

The state Government is interested in inviting major Indian and overseas players in the sector to spur IT growth in J&K. The projects, which are being implemented, include setting up of 1,109 CSCs named ‘e-Khidmat centres’ for delivery of services to remote villages.

A Software Technology Park (STP) has been established at Rangreth in Srinagar.

A task force in the IT sector is being constituted, with experts from companies functioning in the state.

The state Government plans to set up an IT park at Ompura in Budgam district to boost delivery of modern IT facilities.

As stated in the state budget 2015-16, incentives have been provided in order to promote information technology in the state. In addition to this, the finance minister also announced development of a village in the Ladakh region for displaying different advantages of the modern technologies related to the horticulture processing.

CSCs - Common Service Centres
Major achievements by the IT Department during 2014-15:

* State Data Centre (SDC): State Data centre was incorporated in J&K under National e-Governance Plan (NeGP) and the prime function of SDC is to act like a central repository for the departmental applications and databases. It is projected to be an intermediary between secured Government Intranet, State Wide Area Network (SWAN) and Common Service Centre (CSC) network in open public domain.

* Mobile-Governance: Looking into its success, the JKPULSE application has been extended to all the development works of PHE, PDD and PWD departments after desired customisations.

* Establishment of IT Parks: The Department has established IT-Park at Ompura, Budgam to further IT activities in the State. Till date four local companies have been allotted land there. The overall site plan preparation is under process.

* State Wide Area Network (SWAN): The SWAN is a core infrastructure project of NEGP, Government of India to implement e-Governance infrastructure across the states of India. The Department of IT has floated the RFP of the same and is in final stages; once the project is sanctioned from the Government the implementation would get initiated. Along with Jammu & Kashmir SWAN is operational in 34 states of India.

* e-Public Distribution System: The IT department through its implementation agency JaKeGA has implemented the digitisation of the Ration cards and with coordination from CAPD Department, the data entry of the records is almost complete and till date more than 97% data has been digitised.
**KEY INDUSTRIES – IT AND ITeS … (3/3)**

* Computerised Personal Information System (CPIS): The objective of this system is to utilise the human resources of the state in order to fulfil the primary development needs, justifying the pattern of staffing and finally rearranging the staff for enhancing the service delivery.

* Automation of Prisons: This has helped in reducing the delays in processing the information. This initiative also provides efficient, convenient and transparent services by automating the processes and functions.

* Automation of Jammu Development Authority (JDA): The project includes provision for web based online solution to Jammu Development Authority including the Public Interface Module. The entire project is tendered by the IT department and funded by the Government of India.

* e-Public Distribution System: The Consumer Affairs and Public Distribution (CAPD) department coordinated with the state Government in order to complete the data entry of the digitised ration cards and about 97 per cent of data has been digitised.

* Other initiatives being taken are as follows:
  
  * Digital signatures are being used for various projects such as e-procurement and e-tendering.
  * 5,000 educated unemployed youth are to be trained in collaboration with universities.
  * Extension of CPIs to various departments.
  * Exploring the possibility of expanding services offered by community information centres.
  * Wi-Fi facility at important tourist locations in the state.
  * Wi-Fi facility at the civil secretariats in Jammu and Srinagar

SDC - State Data Centre*
# KEY INDUSTRIAL UNITS IN JAMMU & KASHMIR … (1/2)

<table>
<thead>
<tr>
<th>Company</th>
<th>Description</th>
</tr>
</thead>
</table>
| Indian Telephone Industries Ltd        | • Indian Telephone Industries Ltd is a pioneering venture in the field of telecommunications. The company was founded in 1948; this premier public sector undertaking has contributed to 50.0 per cent of the present national telecom network. The company generated revenues of US$ 95.08 million in 2014-15 and US$ 54.76 million during April-September 2015.  
• The company manufactures the entire range of telecom equipment.  
• The company has its manufacturing unit in Srinagar. |
| NHPC Ltd                                | • NHPC Ltd (formerly known as National Hydroelectric Power Corporation Ltd) was incorporated in 1975 as a private limited company for integrated and efficient development of hydroelectric power. NHPC has plants and projects in other sources of energy such as geothermal, solar, tidal and wind. The company has four power stations in the state at Salal, Uri- I, Dulhasti and Sewa- II.  
| Krishi Rasayan Group                    | • Krishi Rasayan Group is involved in the basic manufacturing of formulations and export of agrochemicals. The company’s revenues were US$ 225 million in 2014-15.  
• The company has a factory at Samba in Jammu. |

For updated information, please visit [www.ibef.org](http://www.ibef.org)
### 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 high quality basmati rice to its customers in the state.

### Sutlej Textiles and Industries Ltd
- Sutlej Textiles and Industries is a part of the K K Birla Group; the company entered the state 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 recorded revenues of US$ 311.64 million in 2014-15 and US$ 194.07 million during April-September 2015.

### Cadila Pharmaceuticals Ltd
- Cadila Pharmaceuticals Ltd is an integrated healthcare solutions provider catering to over 45 therapeutic areas. The company has a manufacturing facility at Samba in Jammu.
- During 2014-15, the company recorded a revenue of US$ 907.39 million and US$ 638.56 million during April-September 2015.
APCC, a high-power clearance committee, has been set up to rapidly clear projects under the chairmanship of the Chief Secretary of the State. The committee serves as a single-window clearance system for projects related to all cases of export-oriented units and prestigious units.

1. Examination of proposal
2. Proposal sent to various boards such as Pollution Control Board and Power Department
3. Receipt of response from these boards
4. Proposal sent for review to APCC, which is chaired by the Chief Secretary of state and relevant secretaries
5. Decision on whether the project is feasible or not
6. Land allotment and provisional registration

The entire procedure is completed within a maximum time-frame of two months.
### JAMMU & KASHMIR PARADISE ON EARTH

#### KEY NODAL AGENCIES FOR SINGLE-WINDOW CLEARANCE

<table>
<thead>
<tr>
<th>Agency</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jammu &amp; Kashmir State Industrial Development Corporation (Jammu and Kashmir SIDCO): State-level nodal agency for single-window clearance</td>
<td>- Jammu and Kashmir SIDCO is the nodal agency for promotion and development of medium and large scale industries in the state.&lt;br&gt;- Established in 1967, its purpose is to act as a catalyst to inspire and accelerate industrial development.&lt;br&gt;- Since its inception, Jammu and Kashmir SIDCO has acted as a prime mover in the state for promotion of industrial ventures. It plays the role of ‘institutional entrepreneur’.&lt;br&gt;- The corporation’s activities include supporting modernisation, brand promotion, rehabilitation of sick units and export promotion.&lt;br&gt;- 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.&lt;br&gt;- The corporation offers a variety of financial assistance programmes for setting up new units and for expansion, diversification and modernisation of existing units.</td>
</tr>
<tr>
<td>Directorate of Industries and Commerce: District-level committee for single-window clearance</td>
<td>- The directorate provides sanctions and clearances to set up small scale industrial units in the state.&lt;br&gt;- The General Manager (GM) is the key nodal officer for sanctions.</td>
</tr>
</tbody>
</table>

For updated information, please visit [www.ibef.org](http://www.ibef.org)
### KEY INVESTMENT PROMOTION OFFICES

<table>
<thead>
<tr>
<th>Agency</th>
<th>Description</th>
</tr>
</thead>
</table>
• Primary objective is to provide consultancy services to existing and potential micro, small and medium scale industrial units. |
| Jammu and Kashmir State Financial Corporation (JKSFC) | • Established to act as a regional development bank with the aim of promoting industries and boosting economic development in the state.  
• Offers term finance to existing units for their expansion, diversification, renovation, modernisation and procurement of quality control equipment and energy saving devices. |
<p>| Micro, Small and Medium Enterprises (MSME) – Development Institute, Jammu/Srinagar | • 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. |</p>
<table>
<thead>
<tr>
<th>Agency</th>
<th>Contact information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jammu &amp; Kashmir State Industrial Development Corporation (Jammu and</td>
<td>Drabu House, Rambagh, Srinagar - 190 015.</td>
</tr>
<tr>
<td>Kashmir SIDCO)</td>
<td>Phone: 91-194-2430 036, 2434 402, Fax: 91-194-2430 036, Email: <a href="mailto:info@jksidco.org">info@jksidco.org</a></td>
</tr>
<tr>
<td></td>
<td>Website: <a href="http://www.jksidco.org/">http://www.jksidco.org/</a></td>
</tr>
<tr>
<td></td>
<td>Phone: 91-194-2310567, Fax: 0194-2312672, Website: <a href="http://jksfc.nic.in">http://jksfc.nic.in</a></td>
</tr>
<tr>
<td>Micro, Small and Medium Enterprises (MSME) – Development Institute,</td>
<td>Industrial Estate, Digiana, Jammu - 180 010 (Jammu and Kashmir)</td>
</tr>
<tr>
<td>Jammu/Srinagar</td>
<td>Phone: 91-191-2431077, 2435425, Fax: 91-191-2431077, E-mail: <a href="mailto:dcdi-jammu@dcmmsme.gov.in">dcdi-jammu@dcmmsme.gov.in</a></td>
</tr>
<tr>
<td></td>
<td>Website: <a href="http://www.msmedijammu.gov.in">www.msmedijammu.gov.in</a></td>
</tr>
</tbody>
</table>
### Cost of Doing Business in Jammu & Kashmir

<table>
<thead>
<tr>
<th>Cost parameter</th>
<th>Cost estimate</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotel costs (per room per night)</td>
<td>US$ 15-200</td>
<td>Leading hotels in the state</td>
</tr>
<tr>
<td>Office space rent (per sq ft per month)</td>
<td>US$ 0.4-2.0</td>
<td>Industry sources</td>
</tr>
<tr>
<td>Residential rent (2,000 sq ft house)</td>
<td>US$ 200-700 per month</td>
<td>Industry sources</td>
</tr>
</tbody>
</table>
| 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        |
Incentives for Development Large/Medium/Small Scale and Tiny Sector Industries

Objectives

• To catalyse the industrial development in Jammu & Kashmir, the state Government has sanctioned incentives for the development of large/medium/small and tiny industries in the industrially backward areas of the state.

New "Contractual" Recruitment Policy, 2015

Objectives

• Formulated to make appointments against gazetted and non-gazetted vacancies on contractual basis.

Group Janta Personal Accidental Insurance Policy, 2015

Objective

• Securing a policy for its employees to cover accidental deaths and disabilities under the scheme.
Skill Development Policy 2012–17

Objectives

- To engage private players through initiatives such as ‘Udaan’ and ‘Himayat’.
- To move from a state owned institutional framework to a larger non-Governmental effort.
- To triple the existing training facilities.

Securitisation and Reconstruction of Financial Assets and Enforcement of Securities (SARFAESI) Act

Objectives

- The Act is in final stage of processing.
- The Act aims to help banks in debt recovery, which would increase the credit-deposit ratio of banks.

Policy for Development of Micro/Mini Hydro Power Projects 2011

Objective

- To attract investors for the development of the state’s water resources in an environment friendly manner in order to provide a solution to the energy problems in remote and hilly areas, where extension of the grid system is unviable or uneconomical.
The Jammu and Kashmir State Forest Policy 2011

Objectives
- To conserve forest resources for the ecosystem.
- To meet the population’s need for forest produce.
- To alleviate poverty through developmental activities.


Objectives
- To ensure judicious and optimum utilisation of the state’s water resources.
- To advance reforms in the water sector.


Objectives
- To promote the generation of green and clean power in the state using solar energy.
- To create environmental consciousness among citizens.
### Sher-e-Kashmir Employment & Welfare Programme for the Youth 2009

**Objective**
- To address issues related to unemployment among the state’s educated youth.

### Jammu & Kashmir IT Policy 2004

**Objective**
- To bring SMART governance in the state by using IT in the Government processes.
- To increase the use of IT in all sectors and make it a sunrise industry.
- To encourage and accelerate investments and growth in IT hardware, software, internet, training, IT-enabled services, telecom, e-commerce and related sectors in the state.

### Jammu & Kashmir Industrial Policy

**Objective**
- The state Government is drafting a new policy, aiming at encouraging new industrial investments for boosting growth of industries in the state.
### Average exchange rates

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>INR equivalent of one US$</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-05</td>
<td>44.81</td>
</tr>
<tr>
<td>2005-06</td>
<td>44.14</td>
</tr>
<tr>
<td>2006-07</td>
<td>45.14</td>
</tr>
<tr>
<td>2007-08</td>
<td>40.27</td>
</tr>
<tr>
<td>2008-09</td>
<td>46.14</td>
</tr>
<tr>
<td>2009-10</td>
<td>47.42</td>
</tr>
<tr>
<td>2010-11</td>
<td>45.62</td>
</tr>
<tr>
<td>2011-12</td>
<td>46.88</td>
</tr>
<tr>
<td>2012-13</td>
<td>54.31</td>
</tr>
<tr>
<td>2013-14</td>
<td>60.28</td>
</tr>
<tr>
<td>2014-15</td>
<td>60.28</td>
</tr>
<tr>
<td>2015-16E</td>
<td>61.06</td>
</tr>
</tbody>
</table>

Source: Reserve Bank of India
India Brand Equity Foundation (IBEF) engaged TechSci to prepare this presentation and the same has been prepared by TechSci in consultation with IBEF.

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