

*Government of Jammu and Kashmir*

# **ECONOMIC SURVEY**

## **2008-09**

***DIRECTORATE OF ECONOMICS & STATISTICS***  
***Planning and Development Department***  
***Government of Jammu & Kashmir***

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*Chapter – 1*  
**J&K Economy 2008-09**  
**An overview**

The Jammu and Kashmir state with its varied and diversified geographic, agro-climatic and topographic features poses very peculiar and unique problems of development and administration. Closed corner location, remoteness and isolation from major markets, scattered population, lack of economic infrastructure and dislocation of normal civic life during the last two decades- all these factors and characteristics define special developmental challenges. Besides, the small size of domestic market has resulted in an under developed private sector and a limited diversification in its production activities and exports. The state of J&K offers a challenge to planners as well as administrators in tackling the manifold problems associated with the economic backwardness of the state.

The Jammu and Kashmir state accounts for 3.2% of the total geographical area and 1% of the total population of the country. Its contribution to the National income is just about 0.7%. What is more disturbing and alarming is that the contribution is on decline and has declined from 0.85% in 1999-2000 to around 0.7% at present. Whileas the National Income has grown at a robust rate of 8.2% during the last five years the State Income has grown at a much lower rate of about 6%. The Per Capita Income (PCI) has grown at a rate of 4.13% during the 10<sup>th</sup> Plan period which is below the desired goals. Consequently, Per Capita Income (PCI) of Rs.20604/- (2007-08) is far below the national average of Rs. 27442/-. In terms of PCI, our state ranks 22<sup>nd</sup> in the country which is of course a matter of serious concern.

During the year 2008-09, the Gross State Domestic Product (GSDP) at constant prices has been worked out at Rs. 24471 Crore indicating a growth rate of 6.12 % against the targeted growth rate of 7.5%. The slow growth rate can be attributed to the sluggish growth of manufacturing and construction activities within the secondary sector, with the growth in agriculture remaining stagnant at 1.79%. Further the export oriented sectors of the economy like Horticulture, Handicrafts have been greatly affected by the rounds of civil unrest that plagued the state in mid 2008 and also due to the impact of the overall global economic meltdown. Besides tourism, trade and transport have been badly hit during the peak summer season 2008 by the prolonged civil strife in the state. And in the prevailing circumstances, achieving the growth rate of 8% for the year 2009-10 projected in the 11<sup>th</sup> Five Year Plan document appears to be quite difficult.

Since 70% of our population eke out their living from agriculture and 49% of our total working force directly depends on this sector for their livelihood, the slow growth in agriculture and allied sectors is a major cause of concern. It is true that economic development in the modern times has come to be associated with industrialization; nevertheless, it is generally accepted that industrialization can follow only on the sound heels of agriculture or to turn the metaphor, agriculture is the foundation on which the entire super structure of

growth of industrial and other sectors of the economy has to stand. Neglecting agriculture particularly in an economy like ours would only be disastrous.

Production of food grains has registered an increase of 3.62% during the year 2008-09 as it has increased to 16275 thousand qtls from 15707 thousand qtls during the year 2007-08. Production of Rice is projected to be 5634 thousands qtls followed by Maize 5332 thousand qtls and wheat 4802 thousand qtls during 2008-09. However the yield rate of our principal crops is far below the national averages. For example the yield rate of Maize is 15.05 qtls/hectare as compared to 19.07 qtls at the National level. Similarly the yield rate of Rice is 18.92 qtls/hectare compared to the National average of 21.27 qtls/hectare and in case of Wheat it is 18.72 qtls/ hectare against the National level of 26.71 qtls /hectare. Deficiencies always define development. Efforts, therefore, have to be made to increase both the production and productivity of this vital sector on sustained basis. As per the statistics available there is about 12% of barren and waste land in our state. Efforts therefore have to be made to bring this land under cultivation. Sincere efforts shall also have to be made to improve the cropping intensity. Intensive cultivation through the principle of crop rotation/multiple cropping and bringing of waste and barren land into cultivation will go a long way in improving the position of the state vis-à-vis the imports of food stuffs. While the nation is on threshold of second green revolution, we are yet to fully reap the benefits of the first. High Yielding Varieties of seeds suited to local conditions, improvement in Seed Replacement Rate (SRR), adequate irrigation facilities and credit & insurance facilities are the areas that need the attention of the Government and Research & Technical institutions. Diffusion of modern agricultural techniques and practices to the farmers by way of strengthening and activating the extension machinery will go a long way in improving the situation. Stringent measures are needed to put an end to the misuse of agricultural land which is on rise at a fast rate in our state.

Our farmers generally have a traditional bent of mind. Diversification of agricultural activities is the need of the hour to keep up with the changed circumstances. However of late Apiculture and Mushroom cultivation have taken their roots. The production of Mushroom was 6156 qtls for the year 2008-09 and similarly production of honey during the year 2008-09 was reported to be 443 tonnes as compared to 277 tonnes during year 2007-08. Floriculture has emerged as a new promising area. Due to the growing domestic and foreign demand, floriculture has become much more remunerative cash crop. The efforts of Floriculture Department in development of nurseries and seed multiplication programme need to be further intensified. The establishment of "Tulip Garden" by the Floriculture Department as the Asia's largest Tulip Garden, is a land mark achievement.

Flow of credit to agriculture sector has been disappointing throughout. The financial institutions have been always reluctant towards this sector as compared to the industrial and services sector. Both the Government and the financial institutions have an added responsibility in this regard.

Optimum utilization of existing irrigation potential and creation of additional irrigation potential will define the future course of growth of our agriculture. The dispute created by the Punjab Government over Shahpur Kandi Barrage has created an impasse in extending irrigation facilities in the vast belt of unirrigated areas of Kathua, Samba and Jammu districts. The losses suffered in terms of production of food grains in 72500 acres, for which irrigation has been denied due to non construction of the dam by the Punjab Government, works out at about Rs.248.00 crore per annum and the cumulative losses come to the order of Rs.1550.00 crore.

9<sup>th</sup> Agricultural Science Congress jointly organised by Sher-i-Kashmir University of Agricultural Sciences and Technology of Kashmir and National Academy of Agricultural Sciences New Delhi on the theme “Technological and Institutional Innovations for enhancing Agricultural Income” held on 22<sup>nd</sup> to 24<sup>th</sup> June 2009, recommended that the department of Agriculture should focus primarily on the following multi pronged strategic interventions to make agriculture profitable and honorable venture.

1. Enhance investment in agriculture for creation of need based infrastructure.
2. Develop human resources and effective knowledge management system.
3. Enhance productivity and competitiveness of farm produce; create processing, product development and value addition opportunities in all areas of production.

In this direction, all the resources need to be planned and managed in an integrated manner for maximisation of environmental, social, economic livelihood, equity and to enhance all inclusive benefits.

Investment and capital formation have a great significance in the economic growth. They have a dual character. On one hand it generates income, and on the other, it increases productive capacity of the economy. Investment has been regarded as the prime mover of the economy. During the successive five year plans huge investments have been made in the state be it the agriculture, the industry or the expansion in the social over head capital. However, the level of investment has not been adequate enough to raise the state to the *take off* stage. The main problem is that the state has not been able to generate adequate internal sources for investment during the successive periods and has increasingly relied on aid and borrowings which have proved to be inadequate to boost the economy to the level of take off stage.



The efforts made in the past have fallen short of bringing the state out of this dependency syndrome. Even in matters of economic planning, it would always stop at incremental outlays, due to resource constraints, disregarding sectoral needs commensurate with the indentified potentials. The state will have to break away from the past and initiate effective steps towards achieving the objective of self reliance and sustainable development.

In the absence of private investment, planning can't be merely indicative. This calls for pro-active role the Government has to play in the economic transformation of the state. In order to make the planning process more rational and forward-looking, it should centre around strengthening the economic foundation rather than short term

objectives, priorities and targets that keep frequently changing.

The outlay for the 11th FYP stands agreed at Rs. 25833.98 crore which is 78.16% higher over the original 10th FYP outlay of Rs. 14500.00 crore. . Energy with Rs. 8196.95 crore is the priority sector for development followed by Social sector with an outlay of Rs. 6501.40 crore. General Economic Services and Transport with outlays of Rs. 2740.98 crore and Rs. 2660.81 crore are at No. 3 & 4 respectively for 11th Five Year Plan whereas agriculture has slipped to No. 5 with an outlay of Rs. 1818.21 crore. Annual plan for 2008-09 was approved at Rs 5512.97 crore. Against this, the expenditure was Rs 4773.68 crore (86.59%). The thrust areas for the annual plan 2008-09 have been agriculture, connectivity, education and power. The Annual Plan 2008-09 had been made more

capital intensive by transfer of the revenue component borne on the plan to non-plan in phased manner. Capital component (including PMRP) now accounts for 90% of the total state plan outlay. An amount of Rs 326.05 crore was earmarked as Additional Central Assistance (ACA) under Externally Aided Projects (EAPs) as compared to Rs. 318.13 crore in 2007-08 and 43.38 crore in 2005-06.

A plan for economic reconstruction and development of J&K State, known as Prime Minister's Reconstruction Plan (PMRP), was announced by the Hon'ble Prime Minister on 18th November, 2004. The total package was for Rs 23303.97 crore, which was subsequently raised to Rs 30867.71 crore. Projects for Rs 6437.75 crore are being executed by the State agencies under the State Sector. Projects for Rs 7141.47 crore are being executed by the State agencies under the Central Sector and Projects for Rs 17288.49 crore are executed by the Central Agencies under Central Sector. Expenditure as on 31<sup>st</sup> March, 2009 on the projects are Rs 2786.01 crore, Rs 763.44 crore and 2730.44 crore respectively under these three heads. The expenditure figures reveal that only 20% of the funds under PMRP have been utilised. There have always been problems relating to the identification/ implementation and execution of projects that needs special care and attention of the authorities concerned.

Another important Developmental Programme known as Border Area Development Programme (BADP), a 100% centrally sponsored programme, with focus on improvement of infrastructure aims at meeting the special needs of the people living in remote and inaccessible areas situated near the border. The programme is under implementation in 44 Border Blocks in the J&K State. Against Rs 14712.14 lakh available for utilization during 2008-09, an expenditure of Rs 11601.90 lakh has been incurred leaving an unspent balance of Rs 3110.24 lakh as on 31.3.2009.

The state is not a preferred destination for industrial investors, but it has natural advantage in setting up industrial units in computers, electronics, precision goods, sports, food processing, minerals, herbs and other related areas. In order to achieve a self sustaining economy with continued higher levels of investment and significant increase in income and employment, there is no option but to go for selective industrialization in the thrust areas.

Comprehensive state industrial policies have been framed from time to time under which planned initiatives are being taken to raise J & K which is known as a predominantly consumer state, to a better level of self sufficiency. In order to address the problem of unemployment, the incentives under the State Industrial Policy are available to the industrial units subject to fulfillment of the expectations of local employment.

During the year 2008-09 incentives of different kinds amounting to Rs.74.05 crore have been provided to 215 Industrial units of the state.

During the past years special attention has been given towards the development of industrial infrastructure in the form of Industrial Estates in the state. Presently we are having 51 such industrial estates spread over an area of 27718 kanals of land. 17 new industrial estates spread over an area of 11787 kanals of land are being currently developed, most of them in rural and industrially under-developed areas of the state. Eight storied complex "Jawaharlal Nehru Udyog Bhawan" at Rail Head Jammu at an area of 1.10 lakh sq. feet costing Rs. 14.71 crore has been completed. The department has identified 7 Kanals of land near Silk factory premises Rajbagh Srinagar for constructing Udyog Bhawan at a project cost of Rs. 30.00 crore.

In order to inculcate entrepreneurial values amongst the educated youth and motivate them towards entrepreneurship as a viable career option, the Jammu & Kashmir Entrepreneurship Development Institute (JKEDI) has been constituted and it has started its regular activities in 2004. The institute has so far conducted 449 number of programmes under different categories covering 23830 number of participants.

The efforts made during the last few years have started bearing fruit. At present 23908 registered SSI units are functioning in the State providing employment opportunities to 99031 persons ending March 2009. On an average 4 persons are working in each SSI industry. After the announcement of Central package during 2002 and State Industrial Policy 2004, around 139 Industrial Units have been set up as on 31-03-2009 in the large and medium sector with an investment of Rs. 3405.00 crore providing employment to 27286 persons. One steel processing mill with a production of 40000 Tonnes of TMT Bar Mill/ annum and 60000 Tonnes of GC sheets /annum is being set up at Industrial Growth Centre Lassipora, Pulwama by Steel Authority of India Ltd. at a cost of Rs.200.00 crore.

Because of the turmoil, a large number of industrial units have turned sick. For rehabilitation of these sick units, the State Govt has agreed to provide soft loan to the extent of 30% of total requirement to potentially viable Sick units for their revival under Rehabilitation Policy. The number of such units has been identified sofar to be 359. Out of these units, 32 units have been provided soft loan of Rs. 386.68 lakh by the State Level Rehabilitation Committee and an amount of Rs.519.12 lakh stands sanctioned in favour of 36 units as approved by State Level Rehabilitation Committee.

Handicrafts activities occupy an important position in the economic structure of the state. We have inherited a rich tradition of handicrafts which have no parallels. In the absence of large scale

industries, the handicrafts sector has a great contribution towards employment and foreign exchange earnings. The production and export figures for the year 2008-09 are tentatively estimated at Rs.1100.00 crore and Rs.705.50 crore respectively. Keeping in view the importance of Handicrafts, Handlooms and other related traditional sectors in the state economy, the state Government is going to develop International Trade Centre (ITC) in order to promote trade facilities and to boost the exports of these export oriented sectors. The ITC coming up at Pampore at a cost of Rs.115.84 crore will provide state-of-the-art facility for holding national, international trade fairs, buyer-seller meets, transaction of national and international business and place from where the exports of the state could have an interface with the overseas markets. The ITC will go a long way in creating a brand name for the state handicrafts.

Similarly handloom sector is also a labour intensive cottage industry having considerable potential for generation of employment opportunities. To give boost to this industry, the State Govt. is laying focus on product design and diversification, providing credit facilities, enhancing weavers' productivity through upgradation of skills and use of efficient looms. Market access to handloom products is being extended through marketing incentives and wide publicity.

During the years significant progressive changes have taken place in banking and financial structure of Jammu and Kashmir. The growth of commercial banks and co-operative credit societies has been really spectacular. The Banks have played a crucial role in the mobilization of savings and Investment. Bank credit to productive sectors of the economy has a critical role in sustaining the growth process. Banking structure in J&K consists of Commercial Banks, Regional Rural Banks and Cooperative Banks. During the period April – December 2008 an addition of 30 bank branches has been made in the banking network of the state. Thus at the end of December 2008, the state was served by 944 bank branches of all Scheduled Commercial Banks. The relative number of bank branches in the country is 77750 for the same period. Out of these 944 bank branches 522 (55.30%) are located in rural areas, 176 (18.64%) in urban areas and 246 (26.06%) are in urban/Metropolitan areas. Average population per bank is in the neighbourhood of 13 thousand in J&K state and this figure for the country is around 15 thousand.

The credit deposit ratio (CDR) of All Scheduled Commercial Banks was up from 48.08% as on March 2008 to 49.63% as against the CDR of 74.76% for the country as on December 2008. Highest credit-deposit ratio of 59.20% as on December 2008 has been observed in "Other Scheduled Commercial" banks and lowest CDR in case of State Bank of India and its Associates i.e. 28.80%. Looking at the population group-wise, CDR of All Commercial Banks as on December 2008, urban/metropolitan centers had the highest CDR of 61.57% and lowest CDR of 37.72% is reported by Rural Banks.

However, bank advances have a direct bearing on poverty alleviation and unemployment reduction and therefore the development of any economy. So for our state is concerned, 68% bank advances have been received by Srinagar (44.22%) and Jammu (23.70%), leaving there by only 32% advances received by the remaining 20 districts of the State. The lowest share of 0.30% each falling in the basket of Kishtwar and Kargil districts. The low flow of credit to the underdeveloped districts and backward areas of the state is a matter of serious concern from the point of view of inclusive growth and equitable development. This needs to be addressed in right earnest by the State Government and top management of the banks.

Social Overhead Capital (SOC) which broadly includes transport and communication facilities, irrigation system, energy production, education system and health facilities, creates favorable conditions for growth and also for better human living. The number of health institutions has made a remarkable expansion during the years be it the primary level, the secondary or territory level. Average population covered per institution is 3942, bed strength/lakh population is 105 and population per doctor has been worked out as 2086 persons. The Infant Mortality Rate (IMR) stands 51 per thousand against the national average of 55 for the year 2007, life expectancy of 60.5 years against national average of 62.7 years for 2006-2010. The immunization level has been achieved up to 67% and institutional deliveries have been ensured for 54% of pregnant women. Although the state compares favourably with the national aggregates of health, lot more has to be done on wholesome basis, particularly in an environment highly conducive to health. The time has come when there is a need to develop nation-wide effective and reliable primary healthcare infrastructure in place of largely hospital based services, which will be in consonance with our national health policy – 2002.

Similarly with the faster growth of educational institutions under the 10<sup>th</sup> five Year Plan, the population coverage per school has improved considerably, which is presently 469 souls / school as against 967 souls/ school at the national level. The literacy level has also increased from 55.52% in 2001 to 65.67% in 2008, as per the latest literacy survey 2008 conducted by the Directorate of Economics and Statistics, J&K. However, this falls short of the 11<sup>th</sup> Five Year Plan target of 73% that was to be achieved by the end of the year 2008-09. Similarly the female literacy levels are still low at 57.11% against 73.30 % for males. This is an area which deserves special attention. The implementations of the programmes aiming at improving the literacy levels viz. Midday Meals Scheme, Sarva Shiksha Abhiyan (SSA) can be made more fruitful with close and regular monitoring at the field level. Although the educational infrastructure has been considerably improved under the SSA scheme,

yet the competitiveness of Government Schools deserves special consideration.

The hallmark of development of an economy depends more on energy than any other thing. And in our state, the Hydel Power is the only source of energy. Against 16480 MWs of identified Hydro Power potential, 2318.70 MWs only amounting to 14% have been exploited so far, consisting of 758.70 MWs in state sector and 1560 MWs under central sector. The total availability of power from all resources is just around 9147 MWs and the state is under stress to purchase power from other sources. The 16<sup>th</sup> All India Power survey has projected an increase in power demand of the state to 14750 MU during 2008-09.

While the Hydel projects constructed in the central sector allow us only 12% of energy actually generated, even in the state sector 450 MW Baghilar Hydel Project commissioned recently, we have to sell about 50% of the energy to outside buyers as a pre-condition imposed by the rendering institutions while our own consumers strive for energy. Owing to Indus Water treaty, we have to choose less economic designs of Hydel projects. The treaty has literally sealed our economic fate both in energy and irrigation sectors. This is one area which we have to address with a sense of urgency as this has the potential to turn around the fortunes of the state. Another area of concern has been the transmission and distribution losses which are far above the National level. Apart from tightening of controls, major structural reforms are called for.

Connectivity, like energy has a strong bearing on the development of the different sectors of the economy. Despite 6 decades of planning, 1755 habitations are yet to be connected. The PWD road length per 100 Sq Kms of area for the state is 18.55 Kms which is lowest in the country. In many parts of the state, we have road density as low as 3.33 Kms (Leh) and just 6.84 Kms (Kargil) per 100 sq Kms of area. In rural areas with more than seventy percent population, road connectivity requires improvements.

The Jammu-Srinagar Highway is the only lifeline that connects the state to the rest of the country. The government has taken the initiative of creating an alternative highway via Shopian Buziaz popularly known as Mughal road. The construction of this road is presently going on and the project is expected to be completed by 2012 under the Prime Ministers Reconstruction Plan (PMRP).

As per Bharat Nirman goals, all habitations with a population of more than 500 and above were to be connected by March 2009. In J&K, there are 1643 such habitations (740 habitations with 1000 plus population and 903 habitations with population 500-999). This would require construction of 989 roads with an aggregate length of 5800 Kms, costing Rs 4000.00 crore. Under upgradation programme of Bharat

Nirman, a total road length of 2935.02 km was to be covered by end of March 2009 as per the target fixed by the Ministry of Rural Development, Government of India. The estimated cost on this account is Rs 755.74 crore. Under PMRP, construction of 209 major bridges at an estimated cost of Rs. 439.932 crore is in progress. During the year 2008-09, against allocation of Rs. 1500.00 lakh, the expenditure ending 3/2009 was Rs. 3611.00 lakh. 119 bridges stand completed and 90 are under progress. Under NABARD, 208 schemes at an estimated cost of Rs. 345.53 crore have been sanctioned under RIDF XIV. During the year 2008-09, against an allocation of Rs. 221.70 crore under NABARD, Rs.273.50crore stand utilized.

Commissioning of International Airport at Srinagar has opened new vistas for enhancing connectivity at International level which will in turn facilitate international tourism, promote international trade especially exports which will provide a big push to the economy and generate avenues of better employment.

The railways network is a recognized mode of commutation which has started making its presence felt in the state. This could be realized through commissioning of Anantnag- Baramulla Rail link. The rail connectivity in Jammu-Udhampur-Qazigund- section is on the anvil.

Different studies have shown that there is a direct relationship between illiteracy and poverty. The poverty has been found highly concentrated in certain pockets of the state which are remote and isolated and where illiteracy is deep rooted. Special developmental programmes apart from education and connectivity for these areas can make a lot of difference. As per BPL survey report 2008, conducted by the Directorate of Economics & Statistics, J&K, the total BPL Estimated Population Ratio of J&K State has been arrived at 21.63 percent (24.21 lakh persons) with a dispersion of 26.14 percent (22.00 lakh persons) in Rural areas and 7.96 percent (2.21 lakh persons) living in Urban areas. This shows that about one fifth of the State's population falls in Below Poverty Line (BPL) category. On the basis of BPL Head Count Ratio, the seven poorest districts in the State are Reasi, Ramban, Kisthwar, Poonch, Kupwara, Kargil, and Bandipora which have more than 30 percent estimated BPL Population ranging in between 37.93 to 31.09 percent. In Kulgam District urban poverty has been observed to be highest with 15.83% against state average urban poverty of 7.96%.

Similarly the problem of unemployment is a social issue of serious concern in the present time. As per 62<sup>nd</sup> round of NSSO (2005-06), our unemployment rate of 5.21% is much worse than the national average of 3.09%. Poverty and unemployment go hand in hand. Though the solution to the problems of poverty and unemployment cannot be viewed in isolation from the development of the overall growth of different sectors of the economy like agriculture, industry, horticulture,

handicrafts and tourism, certain specific measures need to be taken to address the issues. Emphasis should be laid on the judicious use of funds earmarked for specific programmes of poverty alleviation and employment generation already under implementation in the state as the benefits of growth have not trickled down to the grass root level in real terms and in equitable manner.

As regards the widening of employment base, note has to be taken of the fact that the Government sector has almost become employment inelastic. Any more pressure on this sector will result into inefficiencies that the state can ill afford in a fast growing competitive world. The business corporate sector and industrial sector, so far neglected, need to be given high priority which will not only bring development dividends but will also contribute significantly towards expanding the employment base and easing out the over crowdedness in the state sector and thus paving way for improving competence in the state administrative machinery and ensuring good governance. A proper blend of education and trainings should contribute to the development of entrepreneurship among the youth who could be motivated for taking up self employment ventures which need to be facilitated by making procedures easy and significantly cutting on plethora of paper formalities so as to ensure hassle free flow of finance to the prospective entrepreneurs. Employment opportunities need to be created primarily through two routes;

1. Accelerating the rate of economic growth of the State.
2. More effective implementation of employment-oriented schemes and programmes(broad based inclusive growth schemes)

The following 8 sectors of economy have been identified for generation of employment:-

- i. Agriculture (including Horticulture, Floriculture, Food Processing and Animal/ Sheep Husbandry),
- ii. Handlooms and Handicrafts,
- iii. Industries (including Small Scale industries and Rural industries)
- iv. Tourism & travels,
- v. Education & health,
- vi. Large infrastructure projects (Roads & Railways),
- vii. Information Technology & Telecommunication,
- viii. Construction Sector.

The economy of Jammu & Kashmir has suffered from disturbed conditions prevailing in the State for almost two decades. It would, therefore, be necessary to put the economy back on the rails to enable the average person to get employment opportunities. This would require giving fillip to the economic activities that have traditionally been the mainstay of the State's economy and continue to hold significant potential for growth and employment. Such activities include Agriculture (including Horticulture), Food Processing, Handicrafts and Handlooms,



Tourism etc. It would be equally necessary to ensure diversification of the State economy, especially expanding the industrial base by promoting private capital inflows into the State through various incentives and concessions in the initial stage.

**Key Indicators of J&K in Comparison with All India**

S. No	Indicator	Unit	J&K		India	
			Reference Year	Magnitude	Reference Year	Magnitude
1	2	3	4	5	6	7
1	Density of Population	Persons per Sq.km	2001	100	2001	325
2	Working Population	Percentage	2001	37.01	2001	39.10
3	National Income (at constant 1999-00 Prices)	Percentage Growth	2008-09	6.12	2008-09	6.70
	Sectoral Growth Rate	Percentage Growth	2007-08 (A)		2006-07 (Q)	
	Primary Sector			1.79		3.95
	Secondary Sector			11.18		11.45
	Tertiary Sector			6.26		11.08
4	Per Capita Income (at constant 1999-00 Prices)	Rs.	2007-08	20604	2007-08	27442
5	Literacy Rate	Percent	2001	55.52	2001	64.84
			2008	65.67 <sup>@</sup>		
6	Gross enrolment ratio in classes (I-VIII) 6-14 years	Percentage	2004-05	74.45	2004-05	93.54
7	Pupil teacher ratio at Primary level	No	2007-08	31	2004-05	46
8	Pupil teacher ratio at Upper Primary level	No	2007-08	20	2004-05	35
9	Infant mortality rate	Per 1000 live births	2007	51	2007	55
10	Life Expectancy at birth(Male)	Years	2006-10	65.0	2006-10	65.8
11	Life Expectancy at birth(Female)	Years	2006-10	67.0	2006-10	68.1
12	Poverty	Per cent	2004-05	5.4	2004-05	27.5
			2008	21.63 <sup>@</sup>		
13	Unemployment Rate	Per cent	June 2006	5.2 <sup>§</sup>	June 2006	3.1 <sup>§</sup>
14	Road Length per 100 Sq. km of area	Kms	2006-07 <sup>(1)</sup>	37.15	2006-07 <sup>(1)</sup>	104.64
15	Road length per lakh of population	Kms	2007-08	329.06	2006-07	297.71
16	Credit Deposit Ratio	Rs. in Crore	2008	49.63	2008	74.76

<sup>@</sup> Provisional

<sup>@@</sup> As per BPL Survey, 2008 conducted by the Directorate of E&S, J&K

<sup>§</sup> 62<sup>nd</sup> NSS Round (July 2005 - June 2006), as per Usual Principal Status (UPS)

<sup>(1)</sup> Indicates position on all roads.

The state spends annually on an average Rs.700.00 crore on the import of mutton and poultry from other states. Given the resources constraint nature of the economy, the State cannot bear this flight of capital. If the whooping sum of Rs 700 .00 crore gets pumped back into the economy, it would change the complexion of the State economy. Therefore, there is an urgent need for improving the production and productivity of mutton and poultry to eliminate the gap between the

supply and demand in the state. To promote organized farming and institution of diary, poultry and sheep cooperatives to help farmers to change their fate, the State Government should initiate appropriate policy measures and development interventions for promoting livestock sector in the state. Extension facilities to far off and backward places, genetic improvement, proper health cover can help a lot in the pursuit of this goal. Livestock is a fast growing sector and to boost it further, the suggested measures and the programmes and policies already under implementation, should be pursued with more vigour and determination. We are beset with the growing unemployment problem which can partly have its answer in livestock and poultry farming on scientific lines.

The potential of Horticulture in Jammu and Kashmir is high, given the rich diversity in its flora and fauna and varied agro-climatic situation. The state enjoys monopoly in certain fruits, vegetables and medicinal plants and there is an immense scope for increasing the production of other horticulture produce that are marketed in niche and export markets. In order to achieve this objective, it is important that the limiting factors in both production and marketing of fresh produce are addressed speedily and linkages between farmers and buyers are established by developing agricultural/ horticultural mandies at faster pace and on modern and scientific lines. This would not only reduce supply chain costs but would also help the farmers with an assured market for their produce. Technological improvements are necessary to bring about lower costs in processing as well as reducing wastages in fruits and vegetables.

The food processing and horticulture industries are intimately related to areas of infrastructure that includes processing facilities such as cold chain, refrigeration facilities, and transport by both rail and road to destination markets as well as market infrastructure for farmers to sell their produce on remunerative prices. This when addressed in totality would bring about a lower cost, high value delivering chain that can change the face of horticulture in the state. Horticulture holds a great promise for the state. Apart from strengthening and diversifying the traditional segments of fruits and mulberry, we need to harvest advantages in medicinal herbs, herbal medicines and herbal cosmetics for which there is growing demand in the international market. We could promote an Intellectual Property Rights (IPR) regime in herbal health care products. There is need to improve packaging and standardization of the state's horticulture produce.

Tourism is another area which is a gift of nature to the state. But unless we are able to create the requisite infrastructure and other facilities of high quality of international standard for the tourists, the real benefits will not flow to our people in terms of income supplementation and employment generation. The number of foreign tourists to Kashmir valley has declined from 59938 in 1988 to 22000 in 2008 thereby showing a decrease of 172.44%. As against this, the flow of foreign tourists to Ladakh has been encouraging as the number has swelled from 16256 to 33000 for the same period. The number of tourists to the

state has slightly declined from 7928302 in 2007 to 7718175 in 2008. As is well known, the downstream multiplier effect of tourism is perhaps the most wide spectrummed and equitable. Realizing the potential impact of this sector on the economy of the state, the State Government established 19 Tourism Development Authorities at places having very good tourism potential. As regards tourism, not only does it require to be diversified but it also needs to be extended over the whole year. There is ample scope for adventure tourism, pilgrim tourism, spiritual tourism, sports tourism and health tourism besides the traditional pleasure/recreation tourism. The scope for making films and other TV/Video programmes is immense. Improvement in tourism infrastructure calls for better roads, efficient connectivity, board and lodge facilities and prompt services including guidance. With normalcy gradually returning, time is ripe to take major initiatives in creating the requisite high quality infrastructure for development of tourism as one of the lead sectors of the state economy.

The LOC trade has opened up new vistas of trade and prosperity for the state. Since start of the LOC trade from 21.10.2008 up to 31.5.2009, forty items in total have been exported through Chakan-Da Bagh-Poonch route valuing Rs.5.03 cr. During the period imports worth Rs. 11.37 crore were traded through the same route. Similarly during the same period 15986 qtls. of different items including apples, onion, peas, lemon, grapes and mango were exported through Chakoti -Salamabad route. In addition embroidery suits/shawls /stools, paper machie items and cushion covers were also

exported through the same route. However there are certain impediments and deficiencies regarding communication, currency, infrastructure, number and nature of the trading items, access to traders across the line and days of trading etc., that need to be addressed in order to make the trade more successful. Further there are certain new possible areas of collaboration that need to be tapped and harnessed to gain the maximum benefit out of the changed scenario. The inclusion of “Manufactured items” and “Services” will give new dimensions to the trade. The LoC trade will open up new markets for the exports of the state which will go a long way in the development process of the state. Besides the trade routes will provide an alternative to the Srinagar Jammu highway which remains closed off and on during the winters thereby causing frequent disruption in the supply of essential commodities and also passenger traffic. All these issues are being regularly attended to by a high level Monitoring Committee.

## *Highlights*

### **Growth Profile**

- The Indian economy has so far stood tall against the global economic slowdown, although impact could be seen on the country’s Gross Domestic Product. The economy clocked 6.7 percent growth rate in 2008-09 against the growth rate of 9% during 2007-08.
- The target growth rates set for the state’s economy at the beginning of the Eleventh FYP were 7% for 2007-08 and 7.5% for the year 2008-09. The growth rate for the state is increasing surely but slowly over the years and still lags behind the national level growth rate.
- The Gross State Domestic Product (GSDP) at factor cost works out for J&K to be Rs 24471.31 crores, indicative of a growth of 6.12% in 2008-09 as compared to the growth of 6.28% in 2007-08 (Advance estimates).
- At the beginning of 11<sup>th</sup> Five year Plan, the growth rate for the current financial year 2009-10 for the state was targeted at 8%. However, the growth rate achieved during the first two financial years of 11<sup>th</sup> FYP indicates that the stiff target of 8% for 2009-10 appears difficult to be achieved. It is expected that the state economy will clock growth around 7% in 2009-10.
- The Per Capita Income for the state during 2007-08 at constant (1999-00) prices works out to be Rs 20604/- only as against the Per Capita Income of Rs 27442/- at all India level for the same period.
- District Srinagar, Jammu and Kathua are among the top three ranked districts in terms of Gross Per Capita Income of Rs. 30052/-, Rs. 28712/- and Rs. 27696/- respectively whileas Kargil is the lowest ranked district with Rs. 11922/- preceded by Kupwara and Leh districts with Gross Per Capita Income of Rs. 16360/- and Rs. 20237/- respectively at Current Prices of 2005-06.
- Contribution of primary sectors, secondary and tertiary sectors to the GSDP for 2008-09 (pre) has been 25.82%, 28.29% and 45.89%

respectively while as at all India level, the contribution of these sectors to GDP was 20.55%, 24.71% and 54.74% respectively as per figures of 2006-07.

### ***Development Performance***

- Plan size of Rs 25833.98 crore agreed for 11<sup>th</sup> FYP period is 78.16% higher than plan size of Rs 14500.00 crore of 10<sup>th</sup> FYP. Energy with Rs. 8196.95 crore is the priority sector for development followed by Social Services sector with an outlay of Rs. 6501.40 crore and General Economic Services and Transport with outlays of Rs 2740.98 crore and Rs 2660.81 crore respectively.
- Annual plan for 2008-09 was approved at Rs 4500.00 crore. Besides an amount of Rs. 1012.97 crore approved as outlay under PMRP, both aggregating to Rs. 5512.97 crore, against which the expenditure was Rs 4773.68 crore (86.59%). The expenditure under PMRP was Rs 603.85 crore (59.61%).
- As against the Annual Plan proposal of Rs. 8917.62 crore (AP 6500.00 crore & PMRP Rs 2417.62 crore) for the year 2009-10 by the State government, the Planning Commission in the Government of India has approved the Annual Plan for the state at Rs. 6700.00 crore (AP 5500.00 crore and PMRP Rs. 1200.00 crore). The overall increase in the plan allocation is 21.53% over the previous year. The increase in allocation of Annual Plan is 22.22% and 18.46% under PMRP.
- The Per Capita Plan expenditure during 2007-08 and 2008-09 works out to be Rs. 3613/- and Rs. 3815/- respectively as compared to the Per Capita plan outlay of Rs. 3254/- at national level for 2007-08 (RE).
- Against the availability of Rs 147.12 crore under BADP during 2008-09 the expenditure was registered to the extent of Rs 116.02 crore. For the year 2009-10 an allocation of Rs 100.00 crore has been approved under BADP which is Rs 5.00 crore less than earmarked amount of the previous year.
- Performance of Jammu and Kashmir under Twenty Point Programme has been rated very good in case of SGSY, TPDS, AAY, IAY and ICDS but in case of other monitorable targets under ARWSP, PMGSY and RGGVY etc., the performance has been treated as poor for the period April-December 2008.

### ***Banking & Finance***

- Budget estimates of the state for 2008-09 stood at Rs 18466.00 crore which is 15.81% more than 2007-08 figures.
- Estimated disbursements for the year 2008-09 were placed at Rs 12428.00 crore under non-plan budget and Rs 6038.00 crore under plan budget.
- The State Government resorted to an overdraft (OD) of Rs 2299.53 crore from J&K Bank as ways and means (WAM) facility to meet temporary mismatches in liquidity during 2008-09.

- With the successful introduction of the VAT in the state, the tax revenue has increased by 42.25% from Rs. 1799.00 crore in 2006-07 to Rs 2559.00 crore as per actuals for 2007-08. For the year 2008-09, the tax revenue has been estimated to be Rs. 2693.00 crore which indicates 5.24% increase over 2007-08 actuals.
- 59.72%, 31.42%, 8.68% and 0.18% disbursements were meant for revenue account, capital account, interest payments and loan disbursements respectively during 2008-09.
- As on December 2008, 944 bank branches of all Scheduled Commercial Banks were functioning in J&K, constituting 1.21% of total banking network of 77750 banks in the country.
- Against deposits of Rs. 25885.00 crore, the Scheduled Commercial Banks have made advances of Rs. 12846.00 crore as on December 2008, with CDR of 49.63% in the state as against the CDR of 74.76% in the country during the same period.
- Credit Deposit ratio (CDR) in the state is improving over the years but its dispersal among the districts is not encouraging. Ending December 2008, the highest Credit Deposit Ratio was observed for Srinagar district with 84.65% followed by Shopian with 59.62%. Lowest credit deposit ratio of 15.12% was observed for Kargil district, the next two low ranking districts in the credit-deposit ratio are Kishtwar (15.98%) and Ramban (19.06%).
- On an average one bank is available per 107.40 Sq Km and 13000 people. These figures for the country work out to be 40.73 Sq Km and 15000 people.
- 68% bank advances are received by Jammu (24%) and Srinagar (44%) districts leaving thereby only 32% advances to be shared by the remaining 20 districts of the state.

### **Sectoral Achievements**

- Jammu and Kashmir economy continues to be predominantly agrarian although the contribution of agriculture and its allied sectors towards GSDP has decreased from 51.05% in 1980-81 to 31% in 1999-00 and then 27% in 2007-08. Individual share of agriculture in GSDP is estimated to be 8 to 9%.
- 30.38% of the reporting area constituted the net area sown of the state during 2007-08. 41.97% and 40.85% of the net area sown and gross area sown respectively was irrigated for 2007-08.
- Cropping intensity for 2005-06 in the state was 150.05% as against 135.88% intensity in country for the same period. The cropping intensity has further increased in the state to 154.49% during 2007-08.
- As per 4<sup>th</sup> advance estimates, foodgrains production in the state during 2008-09 is projected to increase to 16275 thousand quintals which will record 3.62% increase over foodgrains production of 15707 thousand quintals for 2007-08.

- Average holding size of 0.67 hectare for the state and 1.32 hectares for the country has been recorded by 2000-01 Agriculture Census.
- Production of saffron for 2008-09 has been provisionally reported as 50.60 quintals as against 91.31 quintals for 2007-08. Area under saffron cultivation has decreased by 25% in 2008 when compared with 1998 area figures under the crop.
- Seed replacement rate in Jammu and Kashmir continues to be less than 10% as compared to more than 25% in the country. Besides natural factors, low ratio of seed replacement rate, yield stagnation, lack of adequate irrigation and small size of land holding is considered as a significant cause for low growth in agriculture and allied sectors.
- Contribution of agriculture and allied sectors to GSDP is estimated to be 27% for 2007-08 as against the all India average of about 21% for 2006-07. Horticulture accounts for nearly 45% returns of agriculture sector in the state.
- Fruit production of state for 2008-09 was 16.91 lakh tonnes posting an increase of 3.36% over 2007-08 fruit production.
- During 2008-09, 11.17 lakh tonnes of fruit were exported outside the state of which 98.57% was of fresh fruits. Foreign exchange earnings on export of dry fruit for 2007-08 were Rs 161.44 crore.
- Establishment of Tulip Garden first of its kind, spread over an area of 35 hectares of land, having distinction of being Asia's largest tulip garden at Siraj Bagh Srinagar is the landmark achievement in the floriculture segment.
- As per ISS report on Livestock and Livestock Products for the year 2007-08, per capita meat production is 2260 gms per annum, Per capita egg production is 55 eggs per annum. Per capita milk production is 341 grams per day as against all India milk production of 244 grams per day (2006-07).
- Milk processing capacity of Milk plant Cheshmashahi and Satwari is 25000 liters per plant per day.
- 19.95% of the geographical area (Jammu region 45.89%, Kashmir region 50.97% and Ladakh region 0.06%) on this side of the control line is under forest. This ratio for the country is 24.47%. However, the prescribed ratio of forest area for the Hill states is 67%.
- The state has four National Parks, 16 Sanctuaries and 35 Conservation Reserves covering an area of 15912 Sq Kms. Income of Rs 22.65 crore accrued from forestry to the state government during 2007-08.
- Fish production of the state reached to 192.70 thousand quintals during 2008-09. Under Prime Minister's package 481 fishing units have been completed ending March 2009 with most of them harvesting the crop.
- As on 31-03-2009, 205 beneficiaries were covered under insurance scheme meant for fishermen involving an amount of Rs 65.00 lakhs.

Besides 1480 beneficiaries were covered under construction of low cost housing scheme.

- An Aquarium cum awareness centre at Baghi Bahu was established at a cost of Rs 10.00 crores. During 2008-09, Rs 47.70 lakhs were realized as entry fee.
- Under Fisheries sector an amount of Rs 252.10 lakhs was realized as revenue by the state during 2008-09.
- The Co-operative Banks have a network of 204 Bank Branches with 1673 employees as on 31-03-2008.
- The deposits of the Central Co-operative Banks as on 31-03-2008 were Rs.1582.72 crore with loan outstanding amounting to Rs.659.88 crore.
- Primary Agriculture Credit Societies (PACS) during 2007-08 advanced a loan of Rs.13.00 crore to the members.
- The Central Cooperative Marketing Societies handled a record fertilizer business of Rs.1.57 lakh tonnes recording business turnover of Rs.150.00 crore during 2007-08.
- There were 23908 functional SSI units in the State providing employment to around one lakh persons ending March 2009 as against - 22937units ending March 2008.
- 1163 units in Large, Medium and SSI sectors have so far been set up in various industrial complexes managed by J&K SIDCO.
- As per the Fifth Economic Census-2005, there were 324908 establishments in the state as against 41826989 establishments in the country.
- The number of workers in the establishments was 751532 as compared to 100904121 workers in the country.
- While establishments grew at the rate of 6.03% (Jammu and Kashmir) and 4.69% (India) per annum during 1998-2005, the corresponding rate of growth in the employment was 6.82% (Jammu and Kashmir) and 2.78% (India).
- SICOP has so far developed 10 Industrial Estates spread over an area of 3726 kanals of land.
- Sericulture activities are carried out in 2421 villages of the State. 20000 families are reportedly engaged in sericulture activities.
- The influx of tourists to J&K has increased from 28.35 lakh in 1988 to 77.18 lakh in 2008 showing an increase of 172.19% in tourist rush during the last two decades.
- The number of foreign tourists to Kashmir valley has declined from 59938 in 1988 to 22000 in 2008 thereby showing a decrease of 63.30%. As against this, the flow of tourists to Ladakh has been encouraging as the number has swelled from 16256 to 33000 for the same period.



- The number of tourists to the state has slightly declined from 7928302 in 2007 to 7718175 in 2008. The decline is mainly attributed to the disturbances which prevailed in both the regions of Kashmir & Jammu during the peak tourist months of 2008.
- For integrated and focused development of places of tourist attraction across the state, 19 High Powered tourism development authorities have been created.
- 36 projects have been taken up under the central assistance at a cost of Rs 74.02 crore for development / promotion of leisure, heritage, pilgrim and adventure tourism against which the expenditure was of the order of Rs 30.36 crore ending March 2009.

### ***Human Development***

- Estimated Birth Rate of 19.0 per milli, Death Rate of 5.8 per milli and Infant Mortality Rate of 51 per thousand live births was recorded in J&K for 2007 against the all India figures of 23.1, 7.4 and 55 respectively.
- The Sex ratio in the state as per Census 2001 stood at 892 females per 1000 males. However, the results of the sex ratio survey conducted by the Directorate of Economics & Statistics in 2007 have shown 925 females per thousand males. These figures are almost similar with the figures of 923 females per thousand males revealed by 60<sup>th</sup> round of NSSO Survey conducted during (January to June 2004).
- At present there are 4804 number of Health Institutions ending March, 2009 recording about 40 times increase since 1951.
- Ending March 2009, average population covered per Health Institution is 3678. Bed Strength per lakh of population is 94 and population per Doctor has been worked out to be 2142 persons for J&K State.
- In the current financial year (2009-10), 15 Additional PHCs shall be made functional for 24 X 7 services. 14 additional First Referral Units (FRUs) are being created and 70 additional Child Health Centres and Sub-District Hospitals for up-gradation to IPHS norms shall be taken up.
- There are 14820 (13516 Government and 1304 Private) Primary Schools, 8300 (6264 Government and 2036 Private) Middle Schools, 1901 (1156 Government and 745 Private) High Schools and 786 (597 Government and 189 Private) Higher Secondary Schools functioning in the State. Besides 2 Sainik Schools, 36 Kendriya Vidyalayas and 14 Jawahar Nawodalayas are in the Government sector.
- The number of 'out of school children' stands at 0.40 lakh as on March, 2009 as against the dropout figure of 3.76 lakh during 2003. The Dropout Rate at Primary level and Upper Primary Level is 1.13% and 2.94% respectively.
- 22 New Degree Colleges have been set up during the 10<sup>th</sup> Plan. (14 Colleges under PMRP, 4 under the assistance of Ministry of HRD and 4 under State Plan).

- One Central University under the aegis of Ministry of Human Resource Development, GoI has been setup in J&K state which has recently started functioning.
- As per Census 2001, there were 55.52% persons (66.60% males and 43.00% females) literate in J&K.
- The Literacy Rate at State level has further increased to 65.67 percent (73.30 percent males and 57.11 percent females) as per latest survey conducted by the Directorate of Economics & Statistics in 2008 thereby showing a growth of 10.15 percentage points over the figures of Census 2001.
- The highest Estimated Literacy Rate in the State at (Rural+Urban) Combined level has been recorded in district Jammu with the indicator standing at 83.73 percent (10.553 lakh). District Samba stood at rank 2<sup>nd</sup> with Estimated Literacy Rate of 81.91 percent (1.998 lakh persons). District Srinagar stood at rank 3<sup>rd</sup> with Estimated Literacy Rate of 75.21 percent (7.024 lakh persons) as per survey of 2008.
- As per the Literacy Survey-2008, the lowest literacy rate was exhibited by district Rajouri (48.37%) preceded by district Kupwara (50.05%).
- The urban population of J&K state has observed a tremendous increase of 98.4% against the national average of 64.2% during the last two decades.
- Five projects have been sanctioned under Basic Services to Urban Poor Projects (BUSP) for Slum Dwellers.
- Ending March 2009, out of 12015 habitations in J&K state, 8761 habitations have been provided water supply.
- Presently there are 1233 schemes in rural areas under implementation in all the districts of the State at a cost of Rs.1799.00 crore against which expenditure of Rs.903.62 crore has been incurred up to 03/2009.
- As per the data made available by the Department of CA&PDS, 5.88 lakh BPL and 3.71 APL families are still without household latrines. By ending December 2008, 93295 individual household latrines have been constructed against the total target of 598614.
- For providing free boarding, lodging and health care to the destitutes, 12 Nari Nikatens are presently functional in the state, with an intake capacity of 400 inmates.
- At present there are 141 ICDS projects with 25483 Anganwadi Centres providing services to 6.19 lakh beneficiaries comprising of 4.98 lakh children and 1.21 lakh pregnant and lactating mothers under ICDS.
- For Welfare and Development of Backward Classes and other Weaker Sections, 1873 cases were sponsored to Banks, out of which 656 units were established with financial supplementation of Rs. 54.32 lakh as subsidy and Rs.236.24 lakh as loan disbursement during 2008-09.
- Out of a target of 850 beneficiaries, 376 were covered with a financial assistance of 4.89 crore during 2008-09 under Direct Financing Scheme.

- For disabled (physically handicapped) monthly pension of Rs. 300/- per month to Rs. 400/- per month has been enhanced from January 01, 2009.

### ***Infrastructure Development***

- Out of the estimated hydro power potential of 20,000 MWs in the State, 16480 MWs have been identified of which only 14 percent of 2318.70 MWs have been exploited sofar.
- With the commissioning of 450 MW Phase-I of Baglihar Hydroelectric Power Project in December 2008, the installed capacity of the State sector power projects has reached 758.70 MWs.
- With the completion of four more power projects of Pahalgam (Unit III), Machil, Sanjak and Baderwah (Unit III), 3.61 MWs will be added to the power generation potential during 2009-10.
- The Installed capacity of Central sector power projects from three commissioned projects is 1560 MWs. The demand of Power in J&K state for 2008-09, as per the 16<sup>th</sup> Power Survey conducted by Ministry of Energy, GoI is around 2120 MWs.
- Aggregate Technical and Commercial (AT&C) losses in power are very high in the state and have been put around 72%.
- The revenue realization of Rs 737.83 crore under Power Sector during 2008-09 has increased by 6.43% as compared to the revenue realization of Rs 693.24 crore for 2007-08.
- JAKEDA under Rural Electrification Scheme has electrified 50 unelectrified villages during 2008-09 by providing 8297 Solar Home Lights.
- 2500 Solar Home Lights have been also distributed under general category under Solar Photovoltaic Programme of MNRE, GoI. Besides, 8000 Solar Lanterns were also distributed in the unelectrified villages/hamlets of the state.
- 35 Water Mills have been upgraded during 2008-09 under Water Mills Programme.
- As against the national level road density of 104.6 kms per 100 sq. kms of area, the state has 18.12 Kms per 100 sq. kms with 24.37 Kms for Jammu division and 15.93 kms for Kashmir division for 2007-08. The lowest road density is in the districts of Leh, Kargil, Doda (erstwhile) and Rajouri with 3.33 Kms, 6.84 Kms, 7.77 Kms and 16.31 Kms respectively per 100 Sq. km of area (The state road density is for roads maintained by PWD only).
- Against the total road length of 18809 kms maintained by State R&B Department, 9559 kms are black topped, 4832 kms metalled, 1315 kms shingled, 3000 kms fair weather and 102 kms jeepable making the road density to be 18.55 Km per 100 Sq Km of area ending 03/ 2009.
- Four lanning of Jammu- Srinagar national highway has been approved by the Central government. The work on the historical Mughal Road as

an alternate road to the present Srinagar- Jammu highway is under execution at an approved cost of Rs 639.85 crore for which the completion is expected by the year 2011.

- 2735 habitations are yet to be connected with roads as against the total number of 9933 habitations.
- 119 bridges stand completed under PMRP since inception of the programme.
- The number of registered vehicles in March 2009 stood at 668427 as compared to 299104 number of registered vehicles in March 2000. The number of vehicles available per lakh of population in the state stood at 5342 (March 2009) as against the figure of 6739 at all India level of March 2004.
- 33 km Railway section of Mazhama-Baramulla has been inaugurated on Feb. 14th, 2009 for normal train traffic as against the previous service which was available for Anantnag-Mazhama section. The rail link from Anantnag to Qazigund is likely to be completed by August 2009. Similarly the work on the rail link from Qazigund to Banihal is going at a full swing and is expected to be commissioned by May 2012.
- Out of the three domestic Airports of the State, Srinagar Airport has been upgraded as International Airport and inaugurated on 14<sup>th</sup> of February 2009.
- The subscriber base of the mobile service providers – Bharat Sanchar Nigam Limited (BSNL), Bharti Televentures (Airtel), Dishnet Wireless (Aircel) – and Vodafone Eraser was 3299441 ending March 2009 in the state.

### ***LoC Trade***

- Since the start of the LoC trade from 21.10.2008 to 31.5.2009, forty items in total have been exported through Chakan-da-Bagh-Poonch route valuing Rs.5.03 crore.
- During the seven months period from October 2008 to May 2009 of LoC trade, 26008 qtls. of different items were also imported through the Chakoti-Slamabad route including 25297 boxes of oranges , 12171 qtls. of garlic and 8721 qtls. of moong. Besides, 11610 nos. of Jai-Namaz and 4053 Peshawari chapples were also imported.

### ***Poverty & Un-employment***

- The total BPL estimated population ratio of J&K State has arrived at 21.63% (24.21 lakh persons) with a dispersion of 26.14% (22.00 lakh persons) for rural areas and 7.96% (2.21 lakh persons) for urban areas as per the survey conducted in 2008 by the Directorate of Economics and Statistics. Poverty ratio at all India level for the year 2004-05 was found to be 27.50% with 28.30% in Rural and 25.70% in Urban areas as per NSSO Survey.
- On the basis of BPL Head Count Ratio, the seven poorest districts in the State are Reasi, Ramban, Kisthwar, Poonch, Kupwara, Kargil, and

Bandipora which have more than 30 percent estimated BPL Population ranging between 31.09 percent to 37.93 percent.

- The BPL Survey conducted by the Directorate of Economics & Statistics in 2008 reveal that the highest percentage of Urban poverty is in district Kulgam with 15.83% followed by district Pulwama with 14% and district Ganderbal with 13.87%.
- The Social-group distribution of BPL Population indicates the dispersion of 42.05 percent in case of Scheduled Tribes, 38.07 percent in case of Other Backward Classes (including Paharis), 22.77 percent in case of Scheduled Caste while as others categories show only 16.85 percent of population under Below Poverty Line when compared with the respective population of a particular category. This shows that highest incidence of poverty is among Scheduled Tribe population followed by OBC Category inclusive of Pahari speaking population.
- The Government has ordered for re-verification of BPL lists maintained by the various departments in the state. The Deputy Commissioners and Tehsildars have been appointed as Nodal authorities for carrying out the re-verification within their respective jurisdictions. The report has to be submitted to the State Planning & Development Department within three months from the date of the issue of the order i.e 25-06-2009.
- Unemployment rate in respect of J&K State, has been worked out to be 5.2% (5.4% for males and 3.5% for females) which is on higher side when compared to All India figures of 3.1 percent (3.1% for males and 3.0% for females) as per Usual Principal Status as per the findings of 62<sup>nd</sup> round of NSS (July 2005-June 2006) Report.
- The number of registered illiterate unemployed youths has increased to 4167 in 2008 from 4030 during 2007, thereby showing an increase of 3.40 percent in the state. The number of educated unemployed has increased to 89796 in 2008 from 82619 during 2007 showing an increase of 8.69 percent.

### **Prices/Inflation**

- General Index of Industrial Workers in Srinagar City increased by 8.17% during 2008-09 compared to 5.03% during 2007-08. Inflation rate of 8.93% (2008-09) and 6.39% (2007-08) on this series has been posted at All India level.
- General Index of Agricultural Labourers recorded 8.49% increase during 2008-09 in J&K compared to 9.59% rate of increase in the country.
- General Index of Rural Labourers inflated by 7.86% in J&K and by 10.84% in India during 2008-09.
- In J&K inflation rate on all the series i.e. Consumer Index of Industrial Workers, Agricultural Labourers and Rural Labourers was less as compared to relative rate of inflation in the country during 2008-09.

# *Executive Summary*

## *Macro Economic Framework/Pattern of Growth:*

The Indian economy has so far stood tall against the global economic slowdown, although impact could be seen on the country's Gross Domestic Product. The economy clocked 6.7 per cent growth rate in 2008-09 against the growth rate of 9% during 2007-08.

The Hon'ble Deputy Chairman, Planning Commission and Governor of the Reserve Bank of India have projected the Indian economy to expand by 6-7 percent during the current fiscal 2009-10. This of course is largely dependent on how the US economy recovers over next few months. If US economy bottoms, as many of the analysts are expecting, India can easily look at 7% upwards growth.

The Gross State Domestic Product (GSDP) at factor cost as worked out by the Directorate of Economics & Statistics; J&K is placed at Rs 24471.31 crore, indicative of a growth rate of 6.12% in 2008-09 as compared to the growth of 6.28% in 2007-08 (Advance estimates).

At the beginning of 11<sup>th</sup> Five year Plan the growth rate for the current financial year 2009-10 was targeted at 8%. However the growth rate achieved during the first two financial years came to be 6.28% in 2007-08 and 6.12% in 2008-09 only. This reveals that the stiff target of 8% for the current financial year 2009-10 is hard to be achieved. It is expected that the state economy will clock a growth of 7% in 2009-10. In addition to this the expectation will surely depend upon how much improvement in the overall economic recession will be observed at the end of this fiscal. Moreover the state of J&K again came under the grip of prolonged civil strife during the months of May, June & July 2009 as was experienced previous year. Adding insult to the injury the scanty rains as experts believe may affect the agricultural and horticultural production in the current financial year thereby adding to the list of possible reasons of slightly lower growth expected during the year 2009-10.

Experts believe that export oriented sectors of Jammu & Kashmir economy like Horticulture, Handicrafts have been affected greatly due to the repeated rounds of civil unrest and associated violence that has plagued the state in mid 2008 and also due to possible impact of the overall economic slowdown on state's economy. Particularly the export of carpets and walnut, kernels are thought to have considerably gone down during the period. Besides, tourism, trade and transport have been terribly hit during the peak summer season in 2008 by the prolonged civil strife in the State.

The Per Capita Gross State income at constant (1999-00) prices is worked out to be Rs. 20604 in the year 2007-08(A). The average annual growth rate of Gross per Capita income during Xth Five Year Plan at constant price stands at 4.13%. The Annual Average Growth Rate of per capita income is not growing on desired lines and hence is not able to keep pace with the national averages which results in poor purchasing capacity and welfare of the common masses. If ranked in terms of per capita income at constant prices in 2005-06, Chandigarh has got the highest per capita income in the country. Goa, Delhi, Pondicherry, Haryana, Maharashtra and Punjab are also among the top ones. Jammu & Kashmir is placed at the bottom ranking 22<sup>nd</sup> (out of total 32) which shows the state has not kept pace with the other States/UTs. The bottom ranks in per capita are with the States of Mizoram, Bihar and Uttar Pradesh. Among fast growing states/UTs economically, Chandigarh again tops the list registering growth rate of 13.6% followed by Gujarat, Chattisgarh, Goa and Maharashtra. Jammu & Kashmir is again not placed at the desired level securing 22<sup>nd</sup> place in the race. The bottom ranks are occupied by Jharkand, Bihar and Manipur.

The Primary sector mainly comprising agriculture & allied activities contributes about 25.82% to GSDP. The secondary sector mainly involving industries & allied manufacturing activities contributes about 28.29% to GSDP. Percentage contribution of tertiary sector to GSDP in 2008-09 is expected to be 45.89%.

<b>Sectoral Growth in GDP/GSDP at Constant (1999-00) Price</b>		
	J&K (2007-08) (A)	All India (2006-07) (Q)
Primary Sector	1.79%	3.95%
Secondary Sector	11.18%	11.45%
Tertiary Sector	6.26%	11.08%
Overall	6.28%	9.62%

### ***Per Capita Gross District Income***

District Srinagar occupies number one position with the Per Capita Gross District Income of Rs. 30052/- followed by district Jammu with Rs. 28712/- while as district Kargil is placed at the bottom position with Per Capita Gross District Income of Rs. 11922/- preceded by district Kupwara with Rs. 16360/- at current prices for the year 2005-06(P). At Constant Prices (2005-06 (P), district Srinagar is again placed at number one position with Per Capita Gross District Income of Rs. 23017/- followed by district Jammu with Rs 22873/- whileas district Kargil with Per Capita Gross District income of Rs.

9146/- secures the lowest position preceded by district Kupwara with Rs 12511/-.

### ***Development Review:***

The outlay for the 11th FYP of J&K State stands agreed at Rs. 25833.98 crore which is 78.16% higher over the original 10th FYP outlay of Rs. 14500.00 Crore. . Energy with Rs. 8196.95 crore is the priority sector for development followed by Social sector with an outlay of Rs. 6501.40 crore. General Economic Services and Transport with outlays of Rs. 2740.98 crore and Rs. 2660.81 crore are at No. 3 and 4 respectively for 11th Five Year Plan whereas agriculture follows suit with an outlay of Rs. 1818.21 crore.

Annual plan for 2008-09 was approved at Rs 5512.97 crore, which included a revenue component of Rs 586.74 crore and a capital component of Rs 4926.23 crore. Against this, the expenditure was Rs 4773.68 crore (86.59%) comprising revenue expenditure of Rs 506.19 crore (86.27%) and capital expenditure of Rs 4267.49 crore (86.63%). The outlay included Rs 1012.97 crore under Prime Ministers Reconstruction Plan (PMRP). The expenditure under PMRP was of the order of Rs 603.85 crore (59.61%).

The Per Capita Plan expenditure during 2007-08 and 2008-09 works out to be Rs. 3613/- and Rs. 3815/- respectively as compared to the Per Capita plan outlay of Rs. 3254/- at national level for 2007-08 on revised estimates.

As against the Annual Plan proposal of Rs. 8917.62 crore (AP 6500.00 crore & PMRP Rs 2417.62 crore) for the year 2009-10 by the State government, the Planning Commission in the Government of India has approved the Annual Plan for the state at Rs. 6700.00 crore (AP 5500.00 crore and PMRP Rs. 1200.00 crore). The overall increase in the plan allocation is 21.53% over the previous year. The increase in allocation of Annual Plan is 22.22% and 18.46% under PMRP. A plan for economic reconstruction and development of J&K State, known as Prime Minister's Reconstruction Plan (PMRP), was announced by the Hon'ble Prime Minister on 18th November, 2004. The total package was for Rs 23303.97 crore, which was subsequently raised to Rs 30867.71 crore. Projects for Rs 6437.75 crore are being executed by the State agencies under the State Sector, Projects for Rs 7141.47 crore are being executed by the State agencies under the Central Sector and Projects for Rs 17288.49 crore are executed by the Central Agencies under Central Sector. Expenditure as on 31<sup>st</sup> March, 2009 on the projects are Rs 2786.01 crore, Rs 763.44 crore and 2730.44 crore respectively under these three heads.

Border Area Development Programme (BADP), a 100% centrally sponsored programme is under implementation in 44 Blocks in the J&K State. Allocation under BADP for the year 2008-09 was fixed by GOI at Rs 105.00 crore. Against this allocation, Rs 103.95 crore were released by GOI during the course of the year. In addition, Rs 43.17 crore were available out of the unspent balance of funds released during 2006-07 and 2007-08, for its utilization during 2008-09. Against the total availability of Rs 147.12 crore for utilization during 2008-09, an expenditure of Rs 116.02 crore has been incurred leaving an unspent balance of Rs 31.10 crore as on 31.3.2009. An outlay of Rs 100.00



crore has been approved for 2009-10 under BADP for the development of the border districts in the state.

The Twenty Point Programme (TPP) was launched by the Government of India in 1975. The Programme was first revised in 1982 and again in 1986. Over the years, the need for restructuring the Programme has been felt in the light of achievements and experiences, as well as the introduction of several new policies and programmes by the Government of India.

The analysis of TPP carried out by the Ministry of Statistics and Programme Implementation (MOSPI), GoI for the period of April-November, 2008 shows that the State of Jammu & Kashmir has performed poorly in most of the monitorable targets, except few very goods as mentioned below:-

<p><b>(a) Very Good</b></p> <ul style="list-style-type: none"> <li>➤ Individual Swarozgaries Assisted-SGSY</li> <li>➤ Food Security: Targeted Public Distribution System (TPDS)</li> <li>➤ Food Security: Antyodaya Anna Yojana (AAY)</li> <li>➤ Houses constructed/upgraded under IAY</li> <li>➤ ICDS Blocks Operational</li> </ul>	<p><b>(b) Poor</b></p> <ul style="list-style-type: none"> <li>➤ SHGs provided income generating activities</li> <li>➤ Habitations covered (NC and PC)-ARWSP</li> <li>➤ Slipped back habitations and habitations with quality problems addressed – ARWSP</li> <li>➤ SC families Assisted</li> <li>➤ Area covered under Plantation (Public and forest lands)</li> <li>➤ Seedlings Planted ( Public and Forest Land)</li> <li>➤ Roads constructed- PMGSY</li> <li>➤ Villages Electrified- RGGVY</li> <li>➤ Electricity Supplied.</li> </ul>
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### ***District plan Performance***

The implementation of decentralized planning has remained successful in the state so far as the development and welfare of the common masses is concerned. However, the system needs to be strengthened by delegation of more administrative and financial powers to the District Development Boards and also by way of providing professional and technical support to the planning process at various levels. The quantum of district plan allocations has been on an increase since its inception in the state from Rs 41.90 crore in 1977-78 to Rs 1007.16 crore in 2008-09. The expenditures have almost been found commensurate with the earmarked outlays. During 10<sup>th</sup> FYP period (2002-03 to 2006-07) the expenditure has been registered to the extent of 96.11% against the total outlay of Rs 4597.94 crore. However percentage expenditure has slightly declined to 93.83% during 2007-08 as against the outlay of Rs 968.66 crore only an amount of Rs 908.87 crore was utilized.

### ***State Finance***

The Budget estimates for the year 2008-09 stood at Rs 18466.00 crore showing an increment of 15.81 % over the year 2007-08. Revenue receipts estimates for 2008-09 were Rs 15812.00 crore of which own taxes contribute 17.03%, non-tax revenue 7.13%, central tax transfers 12.98% and grant in aid 62.86%. Revenue receipts has increased by 19.07% over the year 2007-08.

The estimated disbursements for the year 2008-09 were Rs 12428.00 crore under non-plan budget and Rs 6038.00 crore under plan budget sharing 67.30% and 32.70% respectively. The state has very successfully managed the transition to the new VAT regime which was introduced in the financial year 2005-06. with the imposition of the VAT the tax revenue has increased by 42.25% from Rs. 1799.00 crore in 2006-07 to Rs 2559.00 crore as per actuals for 2007-08. For the year 2008-09, the tax revenue has been estimated to be Rs. 2693 crore which indicates 5.24% increase over 2007-08 actuals.

59.72% disbursements were meant for revenue account. Capital account constitutes 31.42%, disbursements on interest payments is 8.68% and 0.18% for loan disbursement. Component-wise percentage share of disbursements reveals 32.85% under General Services including 10.58% interest payments, 28.05% under Social Services, 35.79% under Economic Services and 3.31% under Loans and Advances.

### ***Banking:***

As on December 2008, Bank networking consists of 944 branches as compared to 77750 bank branches in the country. As on December 2008, one bank branch is available per 13000 persons and 107.40 sq. kms of area in J&K as compared to 15000 people and 40.73 sq. kms in the country. While aggregate deposits posted an increase of 2.93% from Rs. 25148.00 crore on March 2008 to Rs. 25885.00 crore on December 2008, the bank credit increased at a higher rate of 6.25% during this period from Rs. 12090.00 crore (March 2008) to Rs. 12846.00 crore (December 2008). The rate of growth in deposits and credits in the country recorded was 10.17% and 11.06% respectively during the period under report.

58% aggregate deposits are claimed by the capital districts of Jammu and Srinagar sharing 32% and 26% respectively leaving thereby only 42% deposits to be shared by remaining 20 districts with only 0.75% deposits falling as share of Bandipora district. 68% bank advances are received by Srinagar district (44.22%) and Jammu (23.70%) leaving thereby only 32% advances to be received by the remaining 20 districts and of course the lowest share of 0.30% falling in the basket of each Kisthwar and Kargil districts.

Credit-deposit ratio as on December 2008 works out to 49.63%. The corresponding credit deposit ratio in India is 74.76% for the same period. Highest credit deposit ratio in J&K has been recorded in case of Other Scheduled Commercial Banks i.e. 59.20% whileas in India highest CDR of 85.87% has been observed in case of Foreign Banks. It needs a mention here that Foreign Banks are not operating in J&K. Lowest credit-deposit ratio has been observed in case of Rural Banks viz; 37.72% and in the country, Semi Urban Banks reveal lowest CDR of 51.37%.

### ***13th Finance Commission:***

A seven member team of the Finance Commission headed by its Chairman, Dr Vijay Kelkar visited valley on July 01, 2009. Pinpointing peculiar situation of Jammu and Kashmir and the sufferings the people have undergone in two decades of turmoil, crippling the normal life and leading to economic losses, the Hon'ble Chief Minister, Jenab Omar Abdullah presented a strong case before the Commission for liberal financial support from the 13th Finance Commission Award seeking devolution of Rs 46769.23 crore under Non-plan for investment in the state in various priority areas/sectors of development for the period 2010-15.

### ***Agriculture and allied sectors:***

The economy of J&K continues to be predominantly agrarian as 49% of the total working force with 42% as cultivators and 7% as agriculture labourers depend directly on agriculture for their livelihood. Apart from direct impact of agriculture growth on generation of rural employment and incomes, its significant secondary linkages with development of rural non-farm sectors are more crucial. Trade in agricultural outputs and inputs and services required by it and processing of its products open up additional and more significant avenues for labour absorption. Agriculture has also a significant contribution in the export of rare agriculture produce like saffron, honey and basmati from state and remains an important source of raw material demanded by many industries. Looking at the contribution of agriculture and allied sectors to the state economy, it has been estimated that about 27% of GSDP (2007-08) accrued from it. The individual share of agriculture has been estimated in the range of 8-9% for 2007-08 (advance estimates).

Out of the total Reporting Area of 24.16 lakh hectares for 2007-08, 30.38% was the net area sown, 27.23% under forests, 12.12% under land put to non-agricultural uses, 11.98% under barren and unculturable land and 18.29% under all other categories. Out of total 7.34 lakh hectares of net area sown and 11.34 lakh hectares of gross area sown during the year 2007-08, 3.08 lakh hectares and 4.63 lakh hectares respectively were irrigated making the percentage irrigation of 41.97% and 40.85% under the respective categories. Out of net sown area of 7.34 lakh hectares, 4.00 lakh hectares is the area sown more than once, determining the extent of double cropping to be 54.50% for 2007-08.

Cropping intensity for the year 2007-08 is 154.49% which is higher than national level cropping intensity of 135.88% for 2005-06. Fertiliser consumption during the year 2008-09 was 133.0 thousand tonnes. Food-grains production for 2008-09 as per the 4<sup>th</sup> advance estimates is projected to increase to 16275 thousand quintals as compared to 15707 thousand quintals for 2007-08 measuring a rise of 3.62%. Average holding size as per agriculture census 2000-01 is 0.67 hectare compared to 0.76 hectare in 1995-96 and 1.32 hectares at all India level for 2000-01.

The advance estimates for 2007-08 measure the annual average growth in agriculture and allied sectors as 1.79%. 65350 Kisan Credit Cards stand issued by banks in J&K as on 31-3-2007. Production of honey for the year

2008-09 has been 443 tonnes compared to 277 tonnes for previous year. Mushroom production has been reported to be 6156 quintals for the year 2008-09 recording an increase of 2.51% over previous year's production. Seed Replacement Rate for J&K state is less than 10% while as in the country it is above 25%. Provisional figures for 2008-09 indicate that area under saffron was 3110 hectares and production figures were 50.60 quintals as compared to 2436 hectares under cultivation and 91.31 quintals production for the year 2007-08.

Horticulture is emerging as a fast growing sector in the state. Its importance is gauged by its contribution to the state's economy estimated to be 7 - 8%. Almost 45% economic returns in agriculture is accounted for by horticulture. 5 lakh families comprising of 30 lakh people are directly or indirectly involved in horticulture trade. An area of 3.06 lakh hectares was under horticulture during the year 2008-09, showing an increase of 3.55% over previous year's area figures of 2007-08. In the area figures, highest share of 43.55% is claimed by apple followed by 27.67% walnut. Production of fruit for the year 2008-09 was 16.91 lakh tonnes i.e. 3.36% more than fruit production for 2007-08. In the fruit production figures for 2008-09, share of apple accounts for 78.82% and walnut with 8.73% share is the next major fruit. During the year 2008-09 export of fruit outside the state is provisionally recorded at 11.17 lakh tonnes out of which 11.01 lakh tonnes (98.57%) were fresh fruit.

The foreign exchange earnings from horticulture produce were Rs. 161.44 crore for 2007-08. Growth of 20.91% in quantity exported and 34.71% in foreign exchange earnings on account of dry fruit has been observed during 2007-08 over 2006-07 figures. The number of Fruit Growers Cooperative Societies registered as on 31-3-2007 was 261 with membership of 19194 individuals. Three main fruit and vegetable markets at Nowpora-Sopore, Parimpora-Srinagar and Narwal-Jammu are operating to meet the marketing challenges for the horticulture produce. During the year 2007-08, 115 and 36 lakh fruit boxes were transacted by Fruit Mandi Sopore and Parimpora respectively. More than 40 lakh seedlings of different kinds of flowers and ornamental plants are produced by the Floriculture Department per annum thereby earning a revenue of Rs. 8.00 lakh. Among the landmark achievements in Floriculture segment is the establishment of Tulip Garden. The garden first of its kind located at Siraj Bagh Srinagar, has the distinction of being Asia's largest garden. During the year 2007-08, an amount of Rs. 30.00 lakh accrued as revenue to the state exchequer through the sale of entry tickets.

Livestock is making deep inroads in the rural economy by providing gainful employment to marginal and small farmers. It is a booming yet eco-friendly sector. Besides, consuming domestic biodiversity, it is a means of producing food in dry lands without depleting ground water resources. Contribution of livestock to the state economy is estimated to be 11%. Data on livestock is collected through quinquennial livestock census. The latest census 2003 posted livestock population of 98.993 lakh in the state working out the density of livestock at 98 animals per sq km of area. As per the latest report on ISS (2007-08), the population of cattle, buffaloes, sheep and goat stood at 29.416 lakh, 6.192 lakh, 37.380 lakh and 13.559 lakh respectively in the state. As per this report there are 61.36 lakh poultry birds with 55.66 lakh fowls and

5.70 lakh ducks. Milch animals account for 31.407 lakh showing dependency ratio of 4 persons per livestock.

As per ISS report for 2007-08;

- a. Per capita meat production was 2260 grams per annum
- b. Per capita egg production was 55 eggs per annum.
- c. Per capita milk production was 341 grams per day

Animal Husbandry department recorded the following notable achievements;

- a. 244 Dairy cooperative societies organised.
- b. Under Para Veterinary Services, a centrally sponsored scheme, 280 centres involving one unemployed youth per centre with required qualification for dispensing animal health sanctioned in the first phase. 1400 such centres are being established over a period of 5 years.
- c. Milk production per person as per Animal Husbandry Department is 338 grams per day.
- d. To increase wool and mutton production, 420 frozen embryos of rambouillet, corriedale and Dorper sheep have been implanted in surrogate ewes at sheep breeding farm Panthal.

The number of poultry cooperatives in the state for 2007-08 was 450 with a membership of 10500 individuals. 150 societies started business with rearing capacity of 17.15 lakh birds per annum. Milk plant Cheshmashi and Satwari made operational. Each plant has milk processing capacity of 25000 litres per day. During the year 2007-08 JKMPCL recorded a total business turn over of Rs. 954.27 lakh and earned profit of Rs. 4.84 lakh.

The state has 20230 sq kms forest area constituting about 19.95% of total geographical area on this side of Actual Line of Control. While “reserved forest” account for 12.61%, “protected forest” is 87.21% and 0.18% forest cover is categorised as “un-classified”. Per capita forest area accounts for 0.17 hectares as compared to 0.07 hectares in the country. Outturn of forest for the year 2007-08 was 101.16 thousand cubic metre with 68.27 thousand cubic metre timber and 32.89 thousand cubic metre firewood. Export of timber during the year 2007-08 was 30.70 thousand cubic metre i.e. the highest level achieved during the period 2000-01 to 2007-08. The state has 4 national parks, 16 sanctuaries and 35 conservation reserves covering an area of 15912 sq kms. During the year 2007-08, an income of Rs. 22.65 crore accrued from forestry to the state exchequer against the corresponding figure of Rs. 16.92 crore for 2006-07 indicating an increase of 33.87%.

The J&K state has the potential to produce all kinds of fisheries in view of its unique agro-climatic conditions. The length of 27781 kms of rivers/streams, facilitate farming of more than 40 million tonnes of fish catch. Ending March 2009, the number of fishing license holders was 13026. Fish catch over the years has been encouraging. Fish production during the year 2008-09 was 1.927 lakh quintals recording an increase of 4.35% over the figures for 2000-01. The production of famous Kashmiri “trout” has recorded increase of 112.12% between 2000-01 and 2008-09. Under Prime Minister’s Package, 481 units have been completed ending March 2009 with most of them harvesting the crop. “Insurance” and “Housing” schemes are under operation for the welfare of fishermen population which is prone to natural calamities. As on 31<sup>st</sup> March 2009, 205 beneficiaries have been covered under the “insurance”

scheme involving financial implication of Rs. 65.00 lakhs. 1480 beneficiaries have also been covered under the “construction of low cost housing” scheme. An Aquarium-cum-Awareness Centre at Bagh-e-Bahu was established at an estimated cost of Rs. 10.00 crore. During the year 2008-09 an amount of Rs. 47.70 lakh was realised as entry fee. The Fisheries department is establishing atleast one fish farm unit each in the newly created districts. Emphasis of the department is on increasing the hatching and rearing capacity to upgrade fish culture in the state. Fishermen are provided marketing facilities in this direction. An amount of Rs. 252.11 lakh accrued to the state from all sources of fisheries during the year 2008-09.

The Co-operative Movement in the country has completed over 100 years of fruitful service to farmers and other weaker sections of the society. Cooperatives play a notable role in every economic sphere. The cooperative movement in J&K was first institutionalised in 1913. The legal frame work was updated in the years 1936, 1960, 1989 and 1999. Rural Cooperative Credit structure is 3 tier with State Cooperative Bank at the apex level, District Cooperative Banks at the district level and Primary Agriculture Credit Society at the village level. The Cooperative Banks have a network of 204 branches employing 1673 persons. The deposits of the Cooperative Banks as on 31-3-2008 were Rs. 1582.72 crore, loan outstanding amounts to Rs. 659.88 crore. From 2001-02 to 2007-08, 1558 Cooperative Societies were registered in the state. These societies are involved in the areas of poultry, dairy, agriculture, housing, floriculture, women credit cooperatives etc. 109 district Cooperative Marketing Societies with a membership of 32 thousand individuals undertaking procurement of agriculture produce, enable the agriculturists to get the minimum administered price for their produce. Own funds of these cooperatives account for only 11% of the working capital. During the year 2007-08, the Primary Agricultural Credit Societies (PACS) advanced loan of Rs. 13.00 crore to the members. The Central Level Marketing Cooperative Societies have handled a record fertiliser business of 1.57 lakh tonnes and also recorded a business turn over of Rs. 150.00 core during 2007-08. The Cooperative Department launched the official website [www.jkcooperative.org](http://www.jkcooperative.org) on 28-11-2006 as a part of transparency and modernisation.

The ultimate irrigation potential in J&K has been assessed at 1358 thousand hectares, which includes 250 thousand hectares to be developed through major and medium irrigation and 1108 thousand hectares through minor irrigation. However, till the end of the 10<sup>th</sup> Plan, the state has been able to create a total potential of 677.66 thousand hectares only, out of which 580.61 thousand hectares of potential is being utilized. Net area sown in the state during 2007-08 was 734 thousand hectares whereas the gross area sown (total area sown under different crops) was 1134 thousand hectares.

### ***Industries sector:***

During the year 2008-09, incentives of different kinds amounting to Rs.74.50 crore have been provided to 215 Industrial units of the state. One steel processing mill with a production of 40000 Tonnes of TMT Bar Mill/annum and 60000 Tonnes of GC sheets /annum is being set up at Industrial

Growth Centre Lassipora, Pulwama by Steel Authority of India Ltd. at a cost of Rs.200.00 crore. The unit will provide direct employment to 242 persons.

A total of 23908 registered SSI units functioning in the State are providing employment opportunities to 99031 persons. On an average 4 persons are working in each SSI unit. 32 Industrial units have been provided soft loan of Rs. 386.68 lakh by the State Level Rehabilitation Committee (SLRC) and an amount of Rs.519.12 lakh stands sanctioned in favour of 36 units as approved by SLRC. 1163 units in Large, Medium, and SSI sectors have so far been set up in various industrial complexes managed by J&K SIDCO in the state. Out of these, 139 units are in Medium and Large scale. The total investment mobilization in all these units is to the tune of Rs. 4288.00 crore approximately and total employment generated is 52784 persons.

The results of the 5<sup>th</sup> Economic Census, 2005 have placed the number of establishments as 324908 with employment of 751532 workers in the state. The number of non-agricultural establishments was 322323 providing employment to 744685 (99.09%) persons whileas agricultural establishments other than crop production and plantation accounted for 2585 giving employment to 6847 (0.91%) persons. The establishments grew at a rate of 6.03% annually during the period 1998-2005 as against average annual growth rate of 4.69% registered by the establishments at the country level during the period under report.

SICOP has sofar developed 10 Industrial Estates spread over an area of 3726 kanals of land. 1046 number of units with an investment of Rs.25153 lakh have come up in these estates. Jammu and Kashmir Industries Limited is presently managing 15 units engaged in manufacturing of Textiles, Resin, Leather goods, woollen fabrics, wooden goods etc. These Industrial units provide employment to more than 2000 persons. However, most of the units are running in loss and a total loss of Rs 14.10 crore has been suffered ending March 2009.

J&K Minerals Limited was established to exploit the mineral resources and to establish mineral based industries in the State. During the year 2008-09 the company has realised revenue of Rs.771.53 lakh by producing 15326.402 MTs, 422.000 MTs and 21415.005 MTs of coal, cement and gypsum respectively.

J&K Cements Ltd. has liquidated loan of all the financial institutions and is now debt free. As a result of huge profit earned over the years, JKCL has been in a position to make payments as dividend on its equity share capital to the Government. JKPCC has posted a profit of Rs.2.5 crore during the year 2007-08 and the profit for the year 2008-09 has been tentatively put around Rs.8.00 crore.

The State Road Transport Corporation is reeling under heavy losses. During the year 2008-09, the Corporation has incurred a net loss of Rs.3310.50 lakh and the losses have accumulated to Rs.37519.62 lakh. For restructuring of the SRTC, State Government, constituted a committee headed by Shri S.L. Bhat, Financial Commissioner, Planning & Development Department including Commissioner/Secretary, Finance/Transport and MD JKSRTC as its members for suggesting measures for its restructuring. The Committee among other things has suggested as under;

1. Exclusive operation of the Corporation on certain specific routes.
2. Replacement of over aged fleet.
3. Transparent and need based system of recruitment.
4. Public Private Partnership.
5. Computerized/e-ticketing.
6. JKSRRTC should be compensated for plying on the unproductive and un-remunerative services.
7. Dispensing with the services of surplus/idle staff by offering them VRS/GHS.

As per the report of the committee, the proposed re-structuring of the Corporation has financial implications of the order of Rs.305.48 crores.

During the year 2008-09 loan sanctioned by State Financial Corporation was Rs.601.22 lakh in favour of 123 parties, a net decline of 36.01% as compared to the previous year. Loan disbursed by the Corporation has also declined by 29.39% during 2008-09. The Corporation posted recovery of Rs.987.17 lakh during the year 2008-09 as compared to Rs.1470.41 lakh during 2007-08.

The International Trade Centre coming up at Pampore, at a cost of Rs.115.84 crore will provide state-of-the-art facility for holding national, international trade fairs, buyer-seller meets, transaction of national and international business and provide a platform from where the exporters of the state could have an interface with the overseas markets.

As on 31-3-2009, Handloom department has registered a number of 598 handloom units in the State (excluding Leh & Kargil) providing employment to 2334 persons. In the Cooperative sector, during the year 2008-09, 7.045 million meters (approx) of handloom fabrics valuing Rs.36.61 crore were produced. The revenue collected during the year 2008-09 is Rs 1445.94 lakh. The revenue realisation by the department has been impressive and encouraging. As compared to 2006-07 the revenue has increased by around 40% during 2007-08 despite a slight decline as compared to the year 2007-08.

The Sericulture activities are carried out in 2421 villages (35%) of the total villages in the State. About 20,000 families are engaged in this pursuit. The number of mulberry trees has increased to 81.00 lakh numbers during 2008-09 from 74.40 lakh numbers since 2004-05 showing an increase of around 10%. The production of cocoons has been recorded as 7.38 lack kilograms during the year 2008-09 resulting in income generation of Rs.522.00 lakh as against the income of Rs.475.00 lakh during 2004-05.

***Some major /prominent achievements made under Prime Minister's Special Employment Package during 10<sup>TH</sup>Five Year Plan in the Sericulture Secto:-***

- Establishment of 7 Ware House/Cocoon storage godowns:
- Establishment of one Hot Air Dyer at Udhampur.
- Establishment of two Silk Exchanges, one each at Jammu and Srinagar.
- Setting up of 100 Chowki Rearing Centres:
- Creation of Revolving Fund of Rs.100.00 lakh for working capital assistance to realers (Cocoon Bank)
- 6000 Rearing kits supplied to rearers.



- 2750 Rearing houses constructed.
- 2 entrepreneurs from Kashmir Division provided with Multiend Reeling Machines and 3 entrepreneurs from Jammu Division established 3 cottage basin units.
- Four Basic Seed Stations and ten F1-Grainiages were strengthened during the 10<sup>th</sup> plan thereby achieving the targets in full.

### ***Tourism:***

It is an accepted fact that the state of Jammu & Kashmir has heavily suffered due to militancy and insurgency since 1988. The tourism sector is considered to have been hit very badly with the turmoil among other sectors of the economy, but with the improvement in the security scenario in the state the influx of tourists has again gathered momentum. This can be gauged from the fact that the number of tourists has considerably increased from 28.35 lakh in 1988 to 77.18 lakh in 2008, which shows an increase in tourist rush by 172.19% during the span of two decades. Out of the total number of 77.18 lakh tourists in 2008, the number of domestic tourists is 5.89 lakh, foreign tourists 0.55 lakh, pilgrim tourist to Shri Amarnath Ji and Mata Vaishno Ji 4.98 lakh and 65.76 lakh respectively. However, the number of tourists visited J&K ending June 2009 has been put around 32.49 lakh.

The number of foreign tourists to Kashmir valley has drastically dwindled from the figure of 59938 to 22000 during the years 1988 to 2008 registering a decrease of 63.30%. Contrary to this the number of foreign tourists to Ladakh has increased over the same period of time from 16256 in 1988 to 33000 in 2008 showing an increase of 103%. The main cause of decrease in foreign tourists to Kashmir valley is due to the advisories issued by different governments overseas.

19 High Powered Tourism Development Authorities have been created for integrated and focused development of identified areas in all the three regions of the state. 36 projects stand taken up at a total project cost of 74.02 crore under Central assistance relating to development/promotion of leisure, pilgrim, adventure and heritage tourism. Against the availability of 49.34 crore during the years 2003-04 to 2008-09, an expenditure of Rs. 30.32 crore only has been registered. Out of 19 TDAs, 8 TDAs have been created in Kashmir region, 8 in Jammu region and 3 in Ladakh region.

12 TDAs are implementing programmes under PMRP with envisaged funding of Rs 20.00 crore per Authority. 2 Tourist Development Authorities viz; Wullar-Mansbal and Verinag Development Authorities are funded with the central assistance under Destination Development Programme. The left over 5 TDAs are borne on state plan. 50 villages in the rural areas have been identified to be brought on the tourist map.

Under 12th Finance Commission, an amount of Rs. 100.00 crore has been earmarked for tourism sector. Rs. 90.00 crore are earmarked for need specific projects and Rs. 10.00 crore for heritage preservation. The funds were received for the year 2006-07 and 2007-08 to the extent of Rs. 50.00 crore representing Rs. 45.00 crore for need specific projects and Rs. 5.00 crore for heritage preservation. The expenditure against the availability of Rs. 50.00 core has been of the order of Rs. 46.11 crore and left over amount of the award of

Rs. 50.00 crore against the earmarked amount of Rs. 100.00 crore is expected to be released by the GoI during the current financial year (2009-10).

The State Government has recently recommended to the 13th Finance Commission (2010-2015), GoI for release of an amount of Rs. 289.00 crore for further development of infrastructure and allied services in leisure tourism, pilgrim tourism, heritage and adventure tourism. The recommendations also include the additional financial assistance of Rs. 360.00 crore for 15 new Development Authorities and 4 old Development Authorities @ Rs. 20.00 crore and Rs. 15.00 crore each respectively.

### ***Health:***

The estimated Birth Rate, Death Rate and Infant Mortality Rate per milli for J&K was 19.0, 5.8 and 51 respectively for the State for 2007. The corresponding figures for All India were 23.1, 7.4 and 55 for the same year.

At Tertiary level, the State has one Institute of Medical Sciences (Deemed University); 4 Medical Colleges having 12 Associated Hospitals (including one each in private sector); one Ayurvedic Hospital; and three Dental Colleges (one in private sector). At Secondary level, the State has 22 District Hospitals (14 old + 8 new) and 78 Sub-District Hospitals/CHCs (excluding 8 SDHs under up-gradation as District Hospitals). The number of Health Institutions has made a remarkable expansion to 4804 ending March, 2009 gaining about 40 times increase since 1951. However, the Government institutions are still overloaded as 91% in patients are dependent on Public Sector Institutions against 41.7% at national level.

Average population covered per Institution is 3678, Bed Strength per lakh population is 94 and population per Doctor has been worked out as 2142 persons. To bridge the infrastructural gaps and enable access to enhanced diagnostic care by specialists, J&K has made a beginning with Indian Space Research Organization (ISRO) connecting 12 centres (District Hospitals/Medical Colleges) to its Telemedicine network including AIIMS, New Delhi.

Primary Health Care Services are being provided by 375 PHCs, 238 Allopathic Dispensaries, 2253 Sub Centres/MACs, and 417 ISM dispensaries. Besides, 302 institutions are delivering area specific health care services which include STD/VD Clinics, TB Centres, Leprosy Sub Centres/Control Units and Trachoma Units/Amchi and other units. 15 Additional PHCs are proposed to be made functional for 24 X 7 services. 14 additional First Referral Units (FRUs) are being created and 70 additional Child Health Centres and Sub-District Hospitals for up-gradation to IPHS norms shall be taken up.

### ***Education:***

At State level the students per lakh of population has increased from 14602 students in 1980-81 to 15836 students in 2008-09 which indirectly indicates that the people's participation in education has increased from 14.06 percent to 15.83 percent. About 55.52% persons (66.60% males and 43.00% females) as per Census 2001 were literate in J&K, showing an increase of 25.85 % over the last two decades. The literacy rate at State level has further increased to 65.67% as per latest survey conducted in 2008 by the Directorate

of Economics and Statistics, thereby showing a growth of 10.15 % over the 2001 Census figures. However, female literacy continues to be deplorably poor with only 57.11% as compared to the male literacy rate of 73.30%. The survey further brought out that the highest literacy rate was in Jammu district with 83.73% followed by district Samba with 81.91%. The lowest literacy rate with 48.30% was observed in case of district Rajouri preceded by district Kupwara with the literacy rate of 50.05%. At present, 14820 (13516 Government and 1304 Private) Primary Schools, 8300 (6264 Government and 2036 Private) Middle Schools, 1901 (1156 Government and 745 Private) High Schools and 786 (597 Government and 189 Private) Higher Secondary Schools are functioning in the State. Besides 2 Sainik Schools, 36 Kendriya Vidyalayas and 14 Jawahar Nawodalayas in the Government sector are also functioning.

The estimated child population in the age group of 6-14 years stood at 21.64 lakh, out of which 19.30 lakh are enrolled in Primary and Middle Schools run under Government and Private sector. 8.01 lakh children are enrolled in High and Higher Secondary Schools. The Dropout Rate at Primary level and Upper Primary Level is 1.13% and 2.94% respectively. The number of 'out of school children' stands at 0.40 lakh as on March, 2009.

Under SSA, 4014 new Primary Schools were opened, 4353 EGS centres were converted into Primary Schools, 4988 Primary Schools were upgraded to the level of Upper Primary schools (Middle schools). 1517 Primary school are proposed to be upgraded to the level of Middle Schools during 2009-10. Ending March 2009, 3034 Rehbar-e-Taleem Teachers were appointed, 1517 Head Teachers were provided to the schools and 3835 Teachers were trained. Against the target of 5815 kitchen sheds, 4400 Kitchen Sheds have been completed and remaining 1415 are at different stages of construction.

581 Middle Schools were upgraded to High Schools, 363 High Schools upgraded to the level of Higher Secondary Schools and 15864 Children covered under Non-Residential Bridge courses.

22 New Degree Colleges have been set up during the 10<sup>th</sup> Plan. (14 Colleges under PMRP, 4 under the assistance of Ministry of HRD and 4 under State Plan). Out of 22 New Degree Colleges, the construction of the college buildings of 10 Degree Colleges is at the finalisation stage whileas in respect of four cases the matter is subjudice.

Three new universities have been setup making a total of eight universities in the state including one Central University established recently under the aegis of Ministry of Human Resource Development (MHRD), GoI.

### ***Housing:***

Census 2001 has recorded 2768.60 thousand houses in J&K as against 249095.6 thousand houses for the country. Number of occupied residential houses (1452125) constitutes 52.45% of total census houses for J&K State. No of households per hundred occupied residential houses as per 2001 census is 107 in J&K State as against 103 households for the country. As per census 2001, about 25 percent population of the State lives in urban areas.

During the last two decades, urban population of J&K state has observed increase of 98.4% against the national average of 64.2%. To be specific, out of every four individuals in the State, one lives in an urban area. As per the survey of 2008 conducted by the Directorate of Economics & Statistics, J&K, the BPL population for urban areas has been estimated 2.21lakh persons constituting 7.96% of the total projected population of the state for the year 2008.

For slum dwellers five projects have been sanctioned under BUSP. Rajiv Nagar Slum Dwellers project has been sanctioned at a cost of Rs. 14.25 crore (11.53 crore Centre Share+2.72 crore State Share) for construction of 609 Dwelling Units. Another project namely Rehabilitation and Resettlement of Slum Dwellers of Dal Lake Srinagar at a sanctioned cost of Rs. 90.93 crore (Rs 73.36 crore Central Share + Rs 17.57 crore State Share) has been envisaged for 4600 dwelling units. Three more projects namely Kasto Ashram at Baghwati Nagar, Jammu for construction of 36 dwelling units at a cost of Rs. 1.43 crore, Construction of dwelling units in 21 clusters of Jammu city with an estimated cost of Rs. 33.41 crore and construction of 622 dwelling units at Sumerbug, Wanganpora and Behrar for leper and Tibetan urban poor with an estimated cost of Rs. 22.37 crore have also been sanctioned.

### ***Water Supply and Sanitation:***

Out of 12015 habitations in J&K state, 11691 habitations are provided water supply of which 8761 habitations are fully covered and 2930 are partially covered, thereby leaving 324 habitations still uncovered ending March 2009. At present, 1233 schemes in rural areas are under implementation in all the districts of the State at a cost of Rs.1799.00 crore against which expenditure of Rs.903.62 crore has been incurred up to 03/2009. Out of 12854 schools of various categories in the state, 8139 have been provided with drinking water facility up to March, 2009 and remaining 4715 schools are still uncovered. As per the latest data available 5.88 lakh BPL and 3.71 APL families are still without household latrines. Ending December 2008, 93295 individual household latrines have been constructed against the total target of 598614.

### ***Women Empowerment and Child Development:***

During 2008-09, the Women Development Corporation, J&K, under loan assistance from National Minorities Development and Finance Corporation (NMDFC) has provided financial assistance of Rs. 3.20 crore to 546 female beneficiaries for establishment of various income generating units. Similarly the Corporation has also advanced loans to 158 female beneficiaries and 163 beneficiaries during the years 2007-08 and 2008-09 respectively with a financial involvement of Rs. 0.79 crore under National Backward Classes and Finance Development Corporation (NBCFDC) Scheme. The Corporation has also provided financial assistance of Rs. 0.18 crore to 25 disabled beneficiaries at a nominal rate of interest for setting up of their own income generation units under National Handicapped Finance and Development Corporation (NHFDC) during the year 2008-09.

At present there are 141 ICDS projects with 25483 Anganwadi Centres providing services to 6.19 lakh beneficiaries comprising of 4.98 lakh children and 1.21 lakh pregnant and lactating mothers under ICDS. 12 Nari Niketans are functioning in the State having total capacity of 400 inmates for providing free boarding, lodging and healthcare to the destitutes.

### ***Welfare and Development of Backward Classes and other Weaker Sections:***

Under Bank Tie-up Scheme, 1200 units and 1460 units were targeted for 2007-08 and 2008-09 respectively. 1575 cases were sponsored to banks during 2007-08, out of which 793 cases were sanctioned subsidy and bank loan input of Rs.68.86 lakh and Rs 172.15 lakh respectively. During 2008-09, 1873 cases were sponsored to Banks, out of which 656 units were established with financial supplementation of Rs. 54.32 lakh as subsidy and Rs 236.24 lakh as loan disbursement.

Under Direct financing scheme, out of a target of 850 beneficiaries, 376 were covered with a financial assistance of Rs 4.89 crore during 2008-09.

Pre-Matric Scholarship was provided to 81389 SC Students and 98396 OBC students against the target of 98855 and 99098 students respectively during 2008-09.

Per day Diet charges for inmates of various hostels being run by the Social Welfare Department like Nari Niketans, Bal Ashrams, G&B Hostels, Hostels for the Pahari Speaking Students were enhanced from Rs. 25/- per day per inmate to Rs. 50/- per day per inmate w.e.f. 1-1-2009. Similarly the monthly pension for the people with disabilities (physically handicapped) was enhanced from Rs. 300/- per month to Rs.400/- per month with effect from 1-1-2009.

### ***Power:***

Out of the estimated hydro power potential of 20,000 MWs in the State, 16480 MWs have been identified. Out of the identified potential, only 14 percent of 2318.70 MWs have been exploited sofar. From 20 power projects under state sector 758.70 MWs whileas under centre sector 1560 MWs from three power projects of Salal, Uri – I and Dulhasti Hydal power projects have been harnessed. With the imposition of the provisions of the Indus Water Treaty between India and Pakistan which prevents storage of water of three rivers of Jehlum, Chenab and Sindh, the power projects have been constructed as a run off the river which results in the reduction of the generation to less than 1/3<sup>rd</sup> of the installed capacity particularly during winters.

With the commissioning of 450 MW Phase-I of Baglihar Hydroelectric Power Project in December 2008, the installed capacity of the State sector power projects has reached 758.70 MWs. With the completion of the ongoing four power projects of Pahalgam (Unit III), Machil, Sanjak and Baderwah (Unit III), 3.61 MWs will be added to the power generation potential during 2009-10. The Installed capacity of Central sector projects from three commissioned projects is 1560 MWs. The demand of Power in J&K state for 2008-09, as per

the 16<sup>th</sup> Power Survey conducted by Ministry of Energy, GoI is around 2120 MWs.

The transmission and distribution losses in the State are as high as 72 percent which includes commercial losses as well. The main reasons for such high losses are more technical which include existing outdated system. To minimize such losses, the system needs up-gradation and improvements. Commercial losses, include unaccounted and uncontrolled consumption of power beyond the agreement load, unregistered consumers, lesser agreement loads etc.

The Revenue realization in the power sector during the year 2007-08 was 693.24 crore, against the target of Rs. 792.64 crore. The revenue realisation during 2008-09 has increased by Rs 44.59 crore thereby registering a growth of 6.43% over the previous year (2007-08).

By the end of March 2008, out of 6417 inhabited villages, 6152 were electrified, constituting 95.87 percent coverage. Out of 9278 hamlets, 6600 (71.14%) hamlets were electrified. During the financial year 2008-09, Jammu & Kashmir Energy Development Agency (JAKEDA) under the scheme of Rural Village Electrification (RVE) has electrified 50 unelectrified villages of the state by providing 8297 Solar Home Lights. Under general category, 2500 Solar Home Lights (SHLs) have been distributed by JAKEDA under the Solar photovoltaic Programme of the MNRE, GoI. These solar lights are subsidized by the MNRE, GoI and the state government to the extent of 40% and 15% respectively and the end user has to pay a beneficiary contribution of Rs. 5000 per SHLs. Besides 8000 Solar Lanterns (SLs) were also distributed in the unelectrified villages/hamlets of the state. Under the Water Mills programme, 35 Water Mills were upgraded during the year 2008-09. In addition to this 10 Water Mills/ Micro Hydel Projects of upto 5 KW each are being set up through a local NGO in Doda district of the state.

### ***Connectivity:***

The road length maintained by all the departments in the state was 40103 Kms as on 31<sup>st</sup> March 2008, out of which 24017 Km is surfaced and remaining 16086 KMs is unsurfaced. The density of road length per 100 Sq Kms of area of the state works out to be 39.55 Kms against the national average of 104.6 Kms. The road length maintained by the R&B department in the state, ending March 2009 was 18809 Kms, out of which 9559 Kms were black topped, 4832 Kms metalled, 1315 shingled, 3000 Kms fair-weather and 102 Kms Jeepable. Out of 9933 habitations in the state, 2735 habitations remain yet to be connected through roads. Under PMRP 119 bridges were completed and construction of 90 bridges is under different stages of progress.

In terms of Roads maintained by PWD, road length per lakh of population 2007-08, district Leh has the highest value i.e. 1067.07 Kms and Rajouri is the lowest with 73.88 Kms. Leh is followed by Kargil with 669.71 Kms and Rajouri is preceded by Bandipora with 79.70 Kms as against 150.71 Kms for the State. Similarly the road length per 100 sq. kms of area 2007-08, district Shopian and Srinagar are the first two districts where the magnitude of PWD road length is highest with 163.14 Kms and 106.76 Kms per 100 SqKm of area. Leh, Kargil and Doda (including Kishtwar and Ramban) have the lowest

road density of 3.33 Kms, 6.84 Kms and 7.77 Kms respectively against state density of 18.12 Kms.

Four lanning of Jammu- Srinagar national highway has been approved by the Central government. The work on the historical Mughal Road as an alternate road to the present Srinagar- Jammu highway is under execution at an approved cost of Rs 639.85 crore for which the completion is expected by the year 2011.

The number of all types of vehicles registered in the state as on March 2000 was 299104 which has increased to 668427 in March 2009, thereby showing an increase of 123.48% over the period of 9 years in the vehicular population.

### ***Communication:***

The number of Public Call Offices (PCOs) in the state stood at 16368 on March 31, 2006. During the year 577 PCOs were added, recording an annual growth rate of 3.53%. The subscriber base of basic services, provided by Bharat Sanchar Nigam Limited, was 338054 on March 31, 2006 which included 302520 fixed line subscribers and 35534 WLL (F) subscribers. The subscriber base registered an annual growth rate of 9.91% over the previous year figure of 307566 subscribers on March 31, 2005. The subscriber base of the mobile service providers – Bharat Sanchar Nigam Limited (BSNL), Bharti Televentures (Airtel), Dishnet Wireless (Aircel) – and Vodafone Eraser was 3299441 ending March 2009.

### ***LoC Trade:***

Since the start of the LoC trade from 21.10.2008 to 31.5.2009, forty items in total have been exported through Chakan-da-Bagh-Poonch route valuing Rs.5.03 cr. During the period imports worth Rs. 11.37 cr. (Pakistani currency) were traded through the same route. 15986 qtls. of different items including 7052 apple boxes, onion7239 qtls., peas 1970 qtls. and 1124 qtls. of lemon, 9024 boxes of grapes ,and 3010 boxes of mango were exported through the Chakoti –Salamabad route. In addition 1840 number of embroidery suits/shawls /stools, 500 paper machie items and 100 cushion covers were also exported through the same route. During the seven months period from October 2008 to May 2009 of LoC trade, 26008 qtls. of different items were also imported through the Chakoti-Slamabad route including 25297 boxes of oranges , 12171 qtls. of garlic and 8721qtls. of moong. Besides, 11610 nos. of Jai-Namaz and 4053 Peshawari chapples were also imported. For the purposes of making the trade further more successful, the impediments and bottlenecks being faced in the issue connected with communication, currency, infrastructure, trade in manufactured items, access to traders across the line and days of trading etc. are required to be addressed in a proper way. Possible areas of collaboration need to be tapped and harnessed to the full extent for attaining maximum benefit out of the changed situation. A high level committee constituted by the government is regularly attending to these issues.

### ***Poverty:***

The total BPL estimated population ratio of J&K State has been arrived at 21.63% (24.21 lakh persons) with a dispersion of 26.14% (22.00 lakh persons) for rural areas and 7.96% (2.21 lakh persons) for urban areas as per the BPL survey conducted in 2008 by the Directorate of Economics and Statistics. Poverty ratio at all India level for the year 2004-05 was found to be 27.50% with 28.30% in Rural and 25.70% in Urban areas as per NSSO Survey. The District-wise analysis of BPL survey 2008 data pertaining to the incidence of poverty distribution shows that, out of the total 22 districts of the State, 7 (31.82 percent) districts recorded 30-40 percent poverty, 9 (40.91 percent) districts recorded 20-30 percent poverty, 5 (22.72 percent) districts recorded 10-20 percent poverty and 01 district (4.55 percent) recorded 6.51 percent poverty. On the basis of BPL Head Count Ratio, the seven poorest districts in the State are Reasi, Ramban, Kisthwar, Poonch, Kupwara, Kargil, and Bandipora which have more than 30 percent estimated BPL Population ranging in between 31.09 percent to 37.93 percent. Urban poverty has been observed to be highest in district Kulgam with 15.83% followed by district Pulwama with 14.00% and district Ganderbal with 13.87%.

The Social-group distribution of BPL Population indicates the dispersion of 42.05 percent in case of Scheduled Tribes, 38.07 percent in case of Other Backward Classes (including Paharis), 22.77 percent in case of Scheduled Caste whileas other categories show only 16.85 percent of population under Below Poverty Line when compared with the respective population of a particular category. This shows that highest incidence of poverty is among Scheduled Tribe population followed by OBC Category inclusive of Pahari speaking population.

With a view to determining the exact BPL population in the state of J&K and to rectify the variations which have arisen as a result of adoption of the different figures by various departments, the state Government has ordered for re-verification of BPL lists. The Deputy Commissioners and the Tehsildars will be the Nodal authorities for carrying out the re-verification within their respective jurisdictions.

### ***Un-employment:***

As per the findings of 62nd round of NSS (July 2005-June 2006) Report, Unemployment rate in respect of J&K State has been worked out at 5.2% (5.4% for males and 3.5% for females) which is on higher side when compared to All India figures of 3.1 percent (3.1% for males and 3.0% for females) as per Usual Principal Status.

On the indicator Usual Principle Status (UPS) the ratio of 4.7 per 100 persons in rural areas is less than 7.3 observed in urban areas. This rate for J&K as a whole is 5.2% compared to 2.4% (rural), 5.4% (urban) and 3.1% combined for the both rural and urban areas of the country as a whole.

Looking at the indicator known by Current Weekly Status (CWS) the unemployment rates in J&K are 5.0% (rural), 7.1% (urban) and 5.4% (combined), these figures for the country are 4.0%, 6.1% and 4.5 % respectively.



Current Daily Status indicator revealed 6.7%, 7.7% and 6.9% rate of unemployment respectively for rural, urban and combined for J&K, these rates for the country are 8.1%, 8.3% and 8.1% respectively.

As per the data maintained by Employment Exchanges in the State, the number of registered illiterate unemployed youths has increased to 4167 in 2008 from 4030 during 2007, thereby showing an increasing of 3.40 percent. The number of educated unemployed has increased to 89796 in 2008 from 82619 during 2007 showing an increase of 8.69 percent.

### ***Inflation (Price):***

In J&K State, the highest rate of 9.48% inflation was experienced in General Index of Industrial Workers during the year 2001-02. For the year 2002-03, it was lowest at 3.77%, thereafter it increased to 5.81% in the financial year 2003-04. In the year 2004-05, the inflation rate recorded by General Index of Industrial Workers again dipped to 3.95% and moved up to 8.17% in the year 2008-09. Inflation in terms of Consumer Price Index for agricultural labourers (CPI-AL) worked out to be 35 points up during 2006-07 measuring the highest increase of 8.49% for J&K State. Regarding Consumer price Index of Rural Labourers, the rate of inflation in the year 2006-07 for J&K State was 8.76 percent with an increase by 31 points over the previous year 2005-06 which was higher as compared to CPI-RL for all India average of 7.61 %. The rate of inflation of 7.86% in General Index of Rural labourers with 32 points more over the previous year 2007-08 was observed in J&K. The relative rate of increase in General Index of Rural Labourers was 10.84% in the country.

## ***Chapter – 2***

### ***General Review***

#### ***Location:***

Jammu and Kashmir is the north western state of India. The State occupies a strategic place on the country's map with its border touching Pakistan, Tibet and China. The State has three distinct regions of Kashmir, Jammu and Ladakh. Each region has a specific resource base. Except for Jammu and Kathua districts, the entire State is mountainous. The plateau of Ladakh, flanking the State on the east with lower population density is separated from the rest of the State by high mountain ranges, offers very peculiar problems of development and communication. The land of the State is highly fertile and water resources are also abundant. Rice, maize and wheat are the major cereals of J&K. The State is largest producer of Apple, Walnut, Almond and many other temperate dry and fresh fruits. J&K holds top position in saffron production in India. J&K is a major exporter of superior quality carpets, wooden art, embroiderical clothes and many other valuable crafts.

#### ***Area & Population:***

The State has a geographical spread of 2, 22,236 Sq. Kms, (including an area of 1, 20,849 Sq Kms under illegal occupation of Pakistan & China),

accounting for 7.02% of total area of the country, making it the 6<sup>th</sup> largest state in the country. With 101.44 lakh population, as per census 2001, it ranks 19<sup>th</sup> state in India and constitutes approximately 1% of the country's population. Density (100 persons per sq.km.) places it to be the 31<sup>st</sup> populous state among the states/UTs of India. The population of the state in 2009 is projected as 125.11 lakh. Forest area of the state is 20230 Sq kms which constitutes 19.95% of its geographical area. Among the districts Jammu stands at number one in terms of population and Leh is the least populous district. District Leh stands at top with an area of 45100 Sq Kms whileas Shopian is the smallest district having an area of 312 Sq Kms. The literacy rate of J&K stood at 55.52% with male literacy of 66.6% and female literacy of 43.00% (census 2001) and as per Literacy survey 2008 the literacy rate of J&K has increased to 65.67% with male literacy of 73.30% and female literacy of 57.11%.

### *Administrative Setup:*

(Figures in number)			
Administrative divisions	2	Panchayats	4136
Districts	22	Patwar halqas	1720(P)
Jammu	10	Total Villages	6652
Kashmir	10	In-habited Villages	6417
Ladakh	2	Legislative assembly segments	87
Tehsils	82	Police Stations	147
CD Blocks	142	Police Posts	63
Towns	75	Parliamentary Constituencies	6

### *Main Characteristics of Jammu & Kashmir Economy:*

J&K economy is a high cost mountain economy & has a number of characteristics that pose special development challenges. The State is especially vulnerable to external events, natural disasters that cause high volatility in its State Domestic Product. It suffers from limited capacity in the public and private sectors. More specifically, the following characteristics define the special development challenges and vulnerabilities that J&K faces:

- a. **Remoteness and isolation:** Landlocked and located far from the major markets. High transport costs make it harder to turn the major markets to compensate for the drawbacks of the small size of its domestic markets.
- b. **Limited capacity:** While a weakness in both public and private sector capacity is a key problem for J&K, size has added a further dimension to the challenge. This is further compounded in the state where the internal distances are large and the population is scattered. The state does not possess sufficient institutional capacity to participate fully in national finance and trade activities, the outcomes of which can profoundly affect its economy. In the private sector, lack of diversification and domestic competition has held back successful development. Many of these factors combine to make J&K economy vulnerable.

- i. **Income volatility.** Overall, the range of per capita income and rates of growth are not significantly different across Indian state economies. However, the residents of J&K experience higher volatility in their incomes.
- ii. **Access to external capital:** The access to national capital markets is very limited for J&K. There is just one listed corporate in the state. Most private sector enterprises are still in the primitive stage of organization. The fact is that private markets tend to see J&K as more risky than other states, so that spreads are higher and market access is more difficult.
- c. **Limited diversification.** Because of its small domestic markets, J&K is necessarily relatively un-diversified in its production structure and exports. This adds to vulnerability to changes in the external environment.
- d. **Susceptibility to natural disasters and environmental change.** Of late, J&K has become susceptible to natural disasters such as earthquakes and drought which typically affect large parts of the population and economy. These events cause income volatility which creates additional hardships as the poor are less able to withstand negative shocks to their incomes.

### *Macro economic framework / pattern of growth:*

The Indian economy has so far stood tall against the global economic slowdown, although impact could be seen on the country's Gross Domestic Product. The economy clocked 6.7 per cent growth rate in 2008-09 against the growth rate of 9% during 2007-08. The main reasons for the fall in the overall economic expansion during the period was lower growth achieved in manufacturing and construction sectors in the national economy. Hon'ble Deputy Chairman, Planning Commission, Sh Montek Singh Ahluwalia and Governor of the Reserve Bank of India, D. Subbarao have projected the Indian economy to expand by 7 percent during the current fiscal 2009-10.

The Gross State Domestic Product (GSDP) at factor cost worked out by the Directorate of Economics & Statistics, J&K is placed at Rs 24471.31 crore, indicative of a growth of 6.12% in 2008-09 as compared to the growth of 6.28% in 2007-08 (Advance estimates). The target growth rates set at the beginning of the Eleventh FYP were 7% in 2007-08 and 7.5% in 2008-09. The moderation in growth of economy in 2008-09 to 6.12% only is mainly attributed to slowdown in growth of secondary sector. Within secondary sector, the manufacturing and construction activities moderate sharply. Growth in primary sector which include Agriculture & Allied activities is expected to be stagnant at 1.79% as was in 2007-08. Tertiary sector is slated to grow at 6.15% as against a growth of 6.26% in 2007-08.

#### **Gross State Domestic Product**

S.No	Year	At Current Prices		At Constant (1999-00) Prices	
		GSDP (Rs. in Crore)	Growth Rate %	GSDP (Rs. in Crore)	Growth Rate %
1	2	3	4	5	6
1	1999-00	15659.81	-	15659.81	-
2	2000-01	16699.53	6.64	16213.01	3.53
3	2001-02	18039.35	8.02	16530.81	1.96

<b>Xth Five Year Plan</b>					
4	2002-03	20325.91	12.68	17379.31	5.13
5	2003-04	22194.43	9.19	18277.57	5.17
6	2004-05	24265.04	9.33	19233.90	5.23
7	2005-06	26537.22	9.36	20420.75	6.17
8	2006-07 (Q)	29029.74	9.39	21697.61	6.25
<b>Average Annual Growth Rate of Xth FY Plan</b>			<b>9.99</b>		<b>5.59</b>
9	2007-08(A)	31793.04	9.52	23060.48	6.28
10	2008-09(pre)	34805.18	9.47	24471.31	6.12
<i>A) = Advanced estimates, (Pre) = Preliminary Estimates, Q = Quick Estimates</i>					
<i>Source: New Series of State Domestic Product of Jammu &amp; Kashmir, Directorate of Economics</i>					

Experts believe that export oriented sectors of Jammu & Kashmir economy like horticulture, handicrafts have been affected greatly due to the repeated rounds of civil unrest and associated violence that has plagued the state in mid 2008 and also due to possible impact of the overall economic slowdown on state's economy. Particularly the export of carpets and walnut, kernels are thought to have considerably gone down during the period. Besides, tourism, trade and transport have been hit during the peak summer season in 2008 by the prolonged civil strife in the State. Plan performance in the districts too has not kept pace to the desired level.

The Per Capita Gross State income at constant (1999-00) prices is worked out to Rs. 20604/- in the year 2007-08(A). The average annual growth rate of Gross per Capita income during Xth Five Year Plan at constant price stands at 4.13%. The annual average Growth rate of per capita income is not growing as desired and hence is not able to keep pace with the national averages which results in poor purchasing capacity and welfare of the common masses. However, there is not much wide gap in income distribution since the income is almost fairly distributed among the inhabitants of the state which has resulted into emergence of larger section of middle class society whileas in other parts of the country income distribution has wide gaps which results into inequitable wealth and welfare distribution resulting in poverty, illiteracy etc.

If ranked in terms of per capita income at constant prices in 2005-06 Chandigarh has got the highest per capita income in the country. Goa, Delhi, Pondicherry, Haryana, Maharashtra and Punjab are also among the top ones. Jammu & Kashmir is placed at the lower 22<sup>nd</sup> place (total 35) which shows the state has not kept pace with the other States/UTs. The bottom ranks in per capita income are held by the States of Mizoram, Bihar and Uttar Pradesh.

Among fast growing states/UTs economically, Chandigarh again tops the list registering growth rate of 13.6% followed by Gujarat, Chattisgarh, Goa and Maharashtra. Jammu & Kashmir is again not placed at desired level having 21<sup>st</sup> place in the race. The bottom ranks are occupied by Jharkand, Bihar and Manipur

The Primary sector mainly comprising agriculture & allied activities contribute about 25.82% to GSDP. The growth rates in primary sector had been 0.90% in 2005-06, 2.99% in 2006-07 & 1.79% in 2007-08. The lower growth rate in agriculture & allied sector of J&K State is a major cause of concern from

the point of view of inclusiveness. The J&K state contrary to national economy opted for market oriented strategy of development as against growth oriented strategy which led to the structural transformation mainly oriented to create the state's regional economy more a dependent one than a self sustaining one.

The secondary sector mainly involving industries & allied manufacturing activities contribute about 28.29% to GSDP. The Directorate of Economics & Statistics successfully launched the Index of Industrial Production (IIP) estimates of J&K State with base year 1999-00. IIP estimates are 100.874 in 2004-05, 109.462 in 2005-06 and 108.82 in 2006-07, whereas it has crossed 200 mark in many other states of the country. The low growth index reveals that industrial performance needs to be improved further which in turn will generate high quality employment in the non-agricultural sector.

Percentage contribution of tertiary sector to GSDP in 2008-09 is expected to be 45.89%. A growth of 2.84 percent, 3.29 percent, 7.57 percent and 5.38 percent was registered during 2003-04, 2004-05, 2005-06 and 2006-07(A) years respectively.

### ***Development Review:***

Economic development is the direct outcome of the investments made under different programmes. The State of Jammu & Kashmir offers a challenge to the planners as well as administrators in tackling the manifold problems associated with the economic backwardness of the State.

### **Eleventh Five Year Plan (2007-12)**

The outlay for the 11th FYP stands agreed at Rs. 25833.98 crore which is 78.16% higher over the original 10th FYP outlay of Rs. 14500.00 Crore. Energy with Rs. 8196.95 crore is the priority sector for development followed by Social sector with an outlay of Rs. 6501.40 crore. General Economic Services and Transport with outlays of Rs. 2740.98 crore and Rs. 2660.81 crore are at No. 3 & 4 respectively for 11th Five Year Plan whereas agriculture follows suit with an outlay of Rs. 1818.21 crore.

### **Annual Plan 2008-09**

The Annual plan for the state for the financial year 2008-09 was approved at Rs 5512.97 crore, which included a Revenue component of Rs 586.74 crore and Capital component of Rs 4926.23 crore. Against this, the expenditure was Rs 4773.68 crore (86.59%) comprising revenue expenditure of Rs 506.19 crore (86.27%) and capital expenditure of Rs 4267.49 crore (86.63%). The outlay included Rs 1012.97 crore under Prime Minister's Reconstruction Plan (PMRP) of which the expenditure was Rs 603.85 crore (59.61%).

### **Outlays Earmarked and Expenditures Incurred during the last 11 FY Plans with Level of Expenditure and Percentage in periodical Plan Step-Up (Rs. in lakh)**

<i>S.No</i>	<i>Plan period</i>	<i>FYP Outlay</i>	<i>Expdr. against the FYP outlay</i>	<i>Expdt. as %age of outlay</i>	<i>%age periodical (FYP) step-up in outlays</i>	<i>Expenditure Per Capita per annum Rupees</i>
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01.	1951-56	1274.15	1151.71	90.39	-	7
02.	1956-61	3392.07	2594.75	76.49	166.22	15
03.	1961-66	7514.44	6185.09	82.31	121.53	32
04.	1969-74	15840.00	16284.80	102.81	110.79	69
05.	1974-79	36340.02	27854.71	76.65	129.42	103
06.	1980-85	90000.00	91814.83	102.02	147.66	277
07.	1985-90	140000.00	163662.17	116.90	55.55	533
08.	1992-97	400000.00	452007.71	113.00	185.71	1006
09.	1997-02	1000000.00	754287.75	75.43	150.00	1449
10.	2002-07	1450000.00	1421716.00 (including PMRP)	98.04	45.00	2395
11	2007-12	2583400.00	917664.63*	* Indicates the expenditure incurred in the first two financial years of the 11 <sup>th</sup> Five Year plan.		

### **Thrust areas set for the Annual Plan- 2008-09**

#### **Agriculture**

- Increasing apple productivity from 12 MTs per Hectare to around 17 MTs.
- Improving market access and bank Credits.
- Crop diversification

#### **Connectivity**

- Enhancing road connectivity through PMGSY, NABARD, CRF, PMRP etc and to increase road density from the existing 35.71 Km/100 Sq. Km to the national average.
- Completion of damaged bridges.

#### **Education**

- Achieving gross enrolment ratio of 80%.
- Reducing the drop out rate from 2.55% in the age group of: 6-11 and 5.27% in the age group of 11-14 to "0".
- Achieving a literacy rate of 73.3% compared to present level 55.52% (2001 census)
- Reducing the gender gap in literacy rate.
- Consolidating the expansion at secondary and college levels.

#### **Power**

- 100% electrification of all villages through (RGGVY)
- Strengthening Transmission & Distribution Network (Reduce T&D losses from 42% to 20%)

The Annual Plan 2008-09 had been made more capital intensive by transfer of the revenue component borne on the plan to non-plan in phased manner. Capital component (including PMRP) now accounts for 90% of the total outlay. An amount of Rs 326.05 crore was earmarked as ACA under Externally Aided

Projects (EAPs) against Rs 318.13 crore in 2007-08 and against Rs 43.38 crore in 2005-06.

### **Annual Plan 2009-10**

The total level of investment under Annual Plan 2009-10 and PMRP was proposed at Rs 8917.62 crore (AP Rs 6500.00 crore and PMRP Rs 2417.62 crore), representing an increase of 44 % over the previous year's plan of Rs 4500.00 crore. The increase in the proposed outlay under annual plan 2009-10 was mainly due to the following reasons; -

- **Increase in Capital component:** A step up of Rs 1685.00 crore in the capital component was proposed to take care of the State share for AIBP schemes to the extent of Rs 489.00 crore. In case of other Centrally Sponsored Schemes an amount of Rs 643.00 crore was proposed for state matching share. Power generation outlay was proposed to be enhanced by Rs 45.00 crore. Land acquisition cost was proposed at Rs 106.00 crore as against Rs 50.00 crore of 2008-09 AP to remove the bottlenecks in major infrastructure projects.
- **Increase in Revenue component:** An amount of Rs 315.00 crore was proposed to be enhanced in the Revenue component of 2008-09 AP raising it to the level of 901.72 crore from existing level of Rs 586.72 crore. This has been necessitated by regularization of staff created under various flagship programmes.

### **Prime Minister's Reconstruction Plan (PMRP)**

A plan for economic reconstruction and development of J&K State, known as Prime Minister's Reconstruction Plan (PMRP), was announced by the Hon'ble Prime Minister on 18th November, 2004. The total package was for Rs 23303.97 crore, which was subsequently raised to Rs 30867.71 crore. Projects for Rs 6437.75 crore are being executed by the State agencies under the State Sector, Projects for Rs 7141.47 crore are being executed by the State agencies under the Central Sector and Projects for Rs 17288.49 crore are executed by the Central Agencies under Central Sector. Expenditure on 31<sup>st</sup> March, 2009 on these projects was Rs 2786.01 crore, Rs 763.44 crore and 2730.44 crore respectively under these three heads.

### **Border Area Development Programme**

Border Area Development Programme (BADP), a 100% centrally sponsored programme, was launched during the Seventh Five Year Plan for balanced development of sensitive border areas with focus on improvement of

infrastructure and promotion of a sense of security in the local population. According to the revised guidelines of the Ministry of Home Affairs, Government of India, the main objective of the programme is to meet the special needs of the people living in remote and inaccessible areas near the border. Department of Border Management in the Ministry of Home Affairs oversees the implementation of the programme.

The programme is under implementation in 44 Blocks in the J&K State. Allocation under BADP for the year 2008-09 was fixed by GOI at Rs 105.00 crore. Against this allocation, Rs 103.95 crore were released by GOI during the course of the year. In addition, Rs 43.17 crore were available out of the unspent balance of funds released during 2006-07 and 2007-08, for its utilization during 2008-09. Against Rs 147.12 crore available for utilization during 2008-09, an expenditure of Rs 116.02 crore has been incurred leaving an unspent balance of Rs 31.10 crore as on 31.3.2009.

The Annual Action Plan of BADP for 2009-10 was approved at Rs. 100.00 crore in the meeting of State Level Screening Committee on BADP held on 19.06.2009 under the Chairmanship of the Chief secretary (Chairman SLSC on BADP) with the following breakup:-

<b>Annual Action Plan of BADP (breakup)</b>		
<b>S.No</b>	<b>District/ State sector</b>	<b>2009-10 (Rs in crore)</b>
<b>A</b>	<b>District Sector</b>	
1	Jammu	10.86
2	Samba	4.12
3	Kathua	3.80
4	Rajouri	6.05
5	Poonch	5.22
6	Budgam	0.55
7	Baramulla	9.57
8	Bandipora	2.82
9	Kupwara	9.92
10	Kargil	5.02
11	Leh	12.07
	<b>Total</b>	<b>70.00</b>
<b>B</b>	<b>Science &amp; Technology</b>	
	Setting up of Photovoltaic Power Plants	1.71
<b>C</b>	<b>Civic Action Programme</b>	
	i. 14 <sup>th</sup> Corps	0.36
	ii. 15 <sup>th</sup> Corps	0.50
	iii. 16 <sup>th</sup> Corps	0.45
	iv. 9 <sup>th</sup> Corps	0.45
	v. BSF Kashmir	0.50
	vi. BSF Jammu	0.45
	vii. ITBP	0.36
	viii. J&K Police	0.14
	<b>Total C</b>	<b>6.18</b>



<b>D</b>	Const of Land Custom stations at Chakandabagh Poonch/Salamabad Baramulla	1.00
<b>E</b>	Health and Medical Education deptt.	0.92
<b>F</b>	Special requirements of Gurez area	1.00
<b>G</b>	Maintenance of assets created under BADP	2.50
<b>H</b>	BRO	7.00
<b>I</b>	Eastern River system of Indus River System	6.00
<b>J</b>	Specific area Scheme Establishment of five Model villages under “Cluster Approach”	5.00
<b>K</b>	Provision for monitoring/ evaluation studies, training of staff etc	0.40
	<b>Grand Total A to K</b>	<b>100.00</b>

### **Twenty Point Programme Progress report April-November, 2008**

The Twenty Point Programme (TPP) was launched by the Government of India in 1975. The Programme was first revised in 1982 and again in 1986. Over the years, the need for restructuring the programme has been felt in light of the achievements and experiences, as well as the introduction of several new policies and programmes by the Government of India.

The analysis carried out by MOSPI, GoI for the period of April-November, 2008 shows that the State of Jammu & Kashmir has performed poorly in most of the monitorable targets, except performing very good in a very few cases as mentioned below:-

#### **(a) Very Good**

- Individual Swarozgaries Assisted- SGSY
- Food Security: Targeted Public Distribution System (TPDS)
- Food Security: Antodaya Anna Yojana(AAY)
- Houses constructed-IAY
- ICDS Blocks Operational

#### **(b) Poor**

- SHGs provided income generating activities
- Habitations covered (NC and PC)- ARWSP
- Slipped back habitations and habitations with quality problems addressed – ARWSP
- SC families Assisted
- Area covered under Plantation (Public and forest lands)
- Seedlings Planted ( Public and Forest Land)
- Roads constructed- PMGSY
- Villages Electrified- RGGVY
- Electricity Supplied

### ***State Finances:***

The overall fiscal deficit of Rs. 2666.00 crore has been recorded during 2007-08 whileas the fiscal deficit for 2008-09 is expected to be of the order of Rs. 2654.00 crore.

In the receipts for the year 2008-09 (RE), 5.24% increase has been anticipated in tax revenue and non-tax revenue receipts are expected to rise by

39.48%. On the disbursement side, total Non-Plan expenditure as per estimates for 2008-09 would record an increase of only 5.49% over previous year. Disbursement under Non Plan revenue account has shown increase of 14.61%. Interest payments have fallen by 34.21% while as disbursements on non plan capital account would go up by 178.95%.

Public expenditure both under normal budget and Plan has increased considerably. The estimate of budget receipt for the year 2008-09 was of the order of Rs. 18466.00 crore, 15.81% above the previous year figures. Tax revenue increased from Rs. 2559.00 crore for 2007-08 to Rs. 2693.00 crore (RE) for 2008-09 estimates registering growth of 5.24%. Non tax revenue during the same period increased by 39.48%. Other receipts have gone up to Rs. 1192.00 crore for 2008-09, showing a step up of 20.98% over previous year.

Revenue receipts have increased from Rs. 13279.00 crore to Rs 15812.00 crore for 2008-09, forming an increase of 19.08% over the previous year 2007-08.

For the year 2007-08, contribution of central tax transfers is 13.36% to the total revenue receipts as against 12.98% for 2008-09 (RE) and 12.64% for 2006-07 actuals with Rs 1774.00 crore, Rs 2053.00 crore and Rs. 1413.00 crore respectively. Central tax transfers have risen by 25.55% and 15.73% during 2007-08 and 2008-09 (RE) over respective previous years.

Estimated disbursements for the year 2008-09 were Rs. 12428.00 crore under non plan budget and Rs. 6038.00 crore under plan budget sharing 67.30% and 32.70% respectively. Total expenditure (disbursements) on revenue account is 59.72%, on capital account it is 31.42%, on interest payments it is 8.68% and 0.18% for loan disbursement.

The tax collection as a result of diversification of state economy and a faster growth in GSDP has become more buoyant, added by the fact that the state has very successfully managed the transition to the new VAT regime which was introduced in the financial year 2005-06. The tax revenue has increased by 42.25% from Rs. 1799.00 crore in 2006-07 to Rs 2559.00 crore as per actuals for 2007-08. For the year 2008-09, the tax revenue has been estimated to be Rs. 2693.00 crore which indicates 5.24% increase over 2007-08 actuals.

The total outstanding debt of the State as on March 31, 2008 stood at Rs. 15008.00 crore. As per revised estimates, the borrowings during 2008-09 were targeted at Rs. 2525.00 crore, of which an amount of Rs.848.00 crore was to be raised only to discharge the past liability on account of repayments. The actual borrowings, however, remained of the order of only Rs. 2499.00 crore. Thus, the total debt (net of repayments) as on March 31, 2009 stood at Rs. 16659.00 crore.

Apart from the stock of debt, the State Government also resorts to Overdraft (OD) from J&K Bank as ways and means (WAM) facility to meet temporary mismatches in liquidity. Further, drawals from General Provident Fund (GPF) amount to Rs. 4826.00 crore. When this is also taken into account, the overall liabilities, net of overdraft, as of 31st March, 2009 would come to Rs. 21485.00 crore.

## ***13th Finance Commission***

The Hon'ble Chief Minister Jenab Omar Abdullah sought a grant-in-aid of Rs. 46769.23 crore from the 13<sup>th</sup> Finance Commission, the award period for which shall be from 2010 to 2015. The seven member team of Finance Commission headed by its Chairman Dr. Vijay Kelkar visited valley on July 01, 2009. The Hon'ble Chief Minister strongly presented before the Commission for liberal financial assistance in view of the peculiar position of the state of Jammu and Kashmir and the hardships people faced during the last twenty years which crippled the normal life and lead to economic losses. The state government sought financial support for the various sectors/areas of the economy of development as summarised as under:-

### **Requirement of Funds from 13<sup>th</sup> Finance Commission (Rs. in Crore)**

<b>S.No</b>	<b>Sector</b>	<b>Amount</b>
1	Sustainability and Rejuvenation of Power Sector in J&K	18740.27
2	Forest and Environment sector	3480.00
3	Administrative Infrastructure and facilities for effective delivery of public services	876.15
4	Health sector	347.47
5	Strengthening of Rural Development sector	1498.45
6	Agriculture and Allied sectors	545.50
7	Housing and Urban Development	289.00
8	Re-vitalising & Strengthening of District Administration for quality service to public	210.21
9	Revival of Tourism in J&K	649.00
10	Maintenance of assets of Public Works Department (R&B)	1425.52
11	Security Related Expenditure (SRE)	982.50
12	Finance Sector	14321.00
13	Education sector	486.58
14	Creation & Strengthening of infrastructure for judiciary	206.58
<b>Total</b>		<b>44058.23</b>
<b>Supplementary</b>		
1	Requirement of funds for Irrigation & FC Public Health.	517.00
2	Housing & Urban development	1050.00
3	Lakes & Water Bodies	1144.00
Total		2711.00
<b>Grand Total</b>		<b>46769.23</b>

## ***Banking:***

Banks have played the role of intermediation between savers and investors. Bank credit to productive sectors of the economy has a critical role in sustaining the growth process. Recognising the importance of banks in the economic development, the spread of banking network has become a continuous process. Banking structure in J&K consists of Commercial Banks, Regional Rural Banks and Cooperative Banks. During the period April – December 2008 an addition of 30 bank branches has been made in the banking network of the state. Thus at the end of December 2008 the state was served by 944 bank branches of All Scheduled Commercial Banks. The relative number of bank branches in the country is 77750 for the same period. Out of these 944 bank branches 522 (55.30%) are located in rural areas, 176 (18.64%)

in urban areas and 246 (26.06%) are in urban/Metropolitan areas. Bank groupwise distribution of 944 bank branches indicate that major chunk of 400 bank branches accounting for 42.37% fall under the fold of “Other Commercial Banks”. 245 (25.96%) belong to bank group categorised as Regional Rural Banks. 164 and 135 branches are owned by bank group known as Nationalised Banks and State Bank of India and its Associates respectively. With the increase in bank networking the dependence has reduced over the years. When the availability of bank branches is linked with area coverage the dependence per bank has gone down from 124.25 sq. km in 2000-01 to 107.40 sq. km in 2008-09 (December 2008) as compared to 40.73 sq. km in the country (December 2008). However, average population per bank is in the neighbourhood of 13 thousand currently in J&K state and this figure for the country is around 15 thousand.

**Banking profile in J&K viz-a-viz India 2008-09 (December 2008)**

S. No.	Particulars	Unit	J&K	India
I.	Banks	No.	944	77750
II.	Average Per Bank			
a.	Population	“000” Nos.	13	15
b.	Area	Sq. Km	107.40	40.73
III.	Aggregate Deposits	Rs. in crore	25885	3557340
IV.	Gross Bank Credit	Rs. in crore	12846	2659486
V.	Advances per 100 of Deposits	Rs.	49.63	74.76

Business performance

Deposits

Total deposits have increased by 2.93% from Rs. 25148.00 crore on March 2008 to Rs. 25885.00 crore as on December 2008. Average deposits per bank branch equate to Rs. 27.42 crore.

Credits

The bank credit increased by 6.25% as on December 2008 over March 2008. The banks have recorded advances of Rs. 12846.00 crore as on December 2008 compared to Rs. 12090.00 crore as on March 2008. Average credits per bank branch works out to Rs. 13.61 crore as on December 2008.

Credit Deposit Ratio

Credit deposit ratio is an important indicator in the banking business. With credits growing by 6.25% in December 2008 the credit deposit ratio of All Scheduled Commercial Banks was up from 48.08% as on March 2008 to 49.63% as on December 2008 as against the DCR of 74.76% for the country as on December 2008. Highest credit-deposit ratio of 59.20% as on December 2008 has been observed in “Other Scheduled Commercial” banks and lowest CDR in case of State Bank of India and its Associates i.e. 28.80%.

Looking at the population groupwise CDR of All Commercial Banks as on December 2008, urban/metropolitan centres had the highest CDR of 61.57% and lowest CDR of 37.72% is reported by Rural Banks.

***Agriculture:***

Agriculture constitutes an important sector of the state economy as around 70% of the population of J&K derive greater part of their income directly or indirectly from this sector. Economy of J&K continues to be predominantly agrarian as 49% of the total working force with 42% as cultivators and 7% as agriculture labourers depend directly on agriculture for their livelihood. Apart from direct impact of agriculture growth on generation of rural employment and incomes its significant secondary linkages with development of rural non-farm sectors are more crucial. Trade in agricultural outputs and inputs and services required by it and processing of its products open up additional and more significant avenues for labour absorption. Agriculture besides has a significant contribution in the export of rare agriculture produce like saffron, honey and basmati from state and remains an important source of raw material demanded by many industries. Looking at the contribution of agriculture and allied sectors to the state economy it has been estimated that 27% of GSDP (2007-08) accrue from it. The individual share of agriculture has been estimated in the range of 8-9% for 2007-08 (advance estimates).

Land use statistics:

As per the land use statistics for the year 2007-08, the total reporting area of the state is 24.16 lakh hectares. Out of total reporting area, 30.38% was the net area sown, 27.23% under forests, 12.12% under land put to non-agriculture uses, 11.98% under barren and un-cultivable land and 18.29% under other categories i.e. fallow lands, culturable waste, permanent pastures and other grazing lands and land under miscellaneous tree crops and groves not included in net area sown. The total cropped area during the year 2007-08 was 11.34 lakh hectares. Out of total of 7.34 lakh hectares of net area sown and 11.34 lakh hectares of gross area sown during the year 2007-08, 3.08 lakh hectares and 4.63 lakh hectares respectively was irrigated constituting 41.97% and 40.85% under the respective categories. Out of net sown area of 7.34 lakh hectares 4.00 lakh hectares is the area sown more than once determining the extent of double cropping to be 54.50% for 2007-08.

Cropping intensity:

The Cropping Intensity i.e. the percentage of gross cropped area to net area sown for the year 2007-08 stands at 154.49% which is higher than National level cropping intensity of 135.88% (2005-06).

Fertiliser Consumption:

The fertiliser consumption increased to 133.00 thousand tonnes during 2008-09 (P) compared to 129.13 thousand tonnes for 2007-08.

Production (Crop forecast for 2008-09):

As per the 4<sup>th</sup> Advance Estimates the production of food grains in the state is projected to increase to 16275 thousand quintals in 2008-09 from 15707 thousand quintals in 2007-08. These production figures for 2008-09 will register an increase of 3.62% over previous year's production. Production of rice is expected to be 5634 thousand tonnes whereas production of wheat and maize is predicted around 4802 thousand quintals and 5332 thousand quintals respectively for 2008-09.

Land Holdings:

The data on land holdings in the state is being collected from 1970-71 through a quinquennial census of land holdings and the latest relates to 2000-01. This census recorded a number of 1442894 land holdings in the state, the corresponding number of land holdings posted by 1995-96 census was 1335779. Thus there is an increase of 107115 holdings in the state compared to 1995-96 level.

#### Holding Size:

Holding size is a crucial indicator in the agriculture statistics. The average holding size in the state which was 0.76 hectare during 1995-96 had declined to 0.67 hectare during 2000-01 indicating fall of 0.09 hectare in the size of land holdings.

Agriculture insurance has been decentralised from district to teshil level from khariel 2007 for Rice, Maize and Potato crops. This will ensure coverage in case of natural calamities at a more approachable level. As against the national average of Seed Replacement Rate (SRR) of above 25%, the state is yet to surpass 10% SRR.

The advanced estimates for the year 2007-08 work out the annual average growth rate of 1.79% in the agriculture and allied sectors over previous year (2006-07) in J&K state. This growth rate at all India level was estimated at 3.95% (2006-07). The state is spending Rs. 288.57 crore out of its annual plan outlay for 2009-10 on agriculture and allied sectors as against the expenditure of Rs. 142.87 crore for 2008-09. The state had earmarked an amount of Rs. 1818.21 crore under 11<sup>th</sup> Five Year Plan size of the state for implementation of programmes under Agriculture and allied sectors.

#### Kisan Credit Card Scheme:

In J&K state as on 31-3-2007, the banks have issued 65350 Kisan Credit Cards, the relative number of Kisan Credit Cards in the country issued by banks was 66563396.

#### Apiculture Development:

This important cottage industry provides employment to a number of unemployed youth. Production of honey during the year 2008-09 was reported as 443 tonnes provisionally as compared to 277 tonnes for 2007-08 measuring increase of 59.93%.

#### Mushroom Development:

Mushrooms are rich in proteins, vitamins and minerals. Mushroom is cultivated in both the divisions of J&K state. As against 6005 quintals production for 2007-08, the provisional figure of mushroom production is 6156 quintals for 2008-09 recording an increase of 2.51% over previous year.

#### Saffron:

Saffron is cultivated mostly in Kashmir province and its major intensity is in district Pulwama and Budgam. In Jammu division cultivation of saffron is limited to Kishtwar district only. Provisional area and production figures of saffron crop for 2008-09 were 3110 hectares and 50.60 quintals, these figures for 2007-08 were 2436 hectares and 91.31 quintals.

## *Horticulture:*

Jammu & Kashmir is well known for its horticulture produce both in India and abroad. The state offers good scope for cultivation of all types of horticulture crops covering a variety of temperate fruits like apple, pear, peach, plum, apricot, almonds, cherry and sub-tropical fruits like mango, guava, citrus, litchi etc. Apart from this, well known spices like saffron and zeera are cultivated in some parts of the state. Horticulture is emerging as a fast growing sector in the state. Its importance is visualised by its contribution to the state's economy which is estimated at 7-8%. Almost 45% economic returns in agriculture sector is accounted for by horticulture produce. 5 lakh families comprising of 30 lakh people are involved in horticulture trade.

### Area under Horticulture:

Reportedly an area of 3.06 lakh hectares was under horticulture during the year 2008-09 showing an increase of 3.55% over the previous year's area figures. In the area figures highest share of 43.55% is claimed by apple followed by 27.67% walnut.

### Production:

The production of fruit for the year 2008-09 was reported at 16.91 lakh tonnes registering an increase of 3.36% over the fruit production figures for 2007-08. Out of total fruit production for 2008-09, 15.31 lakh tonnes constituting 90.53% are fresh fruit and the remaining 9.47% are dry fruit. In the fruit production figures share of apple accounts for 78.82% and walnut with 8.73% share is the next major fruit.

### Export of Fruit:

Export of fruit outside the state has occupied a prominent place in the trade of state. During the year 2007-08, the state exported 7.50 lakh metric tonnes fruit comprising of 7.34 lakh metric tonnes fresh and 0.16 lakh metric tonnes dry fruit. A careful analysis indicates that around 46% of the fruit production is exported outside the state. However, for the last couple of years fruit export has remained stagnant and there is no any sizeable growth in export figures. Highest quantity of 8.70 lakh metric tonnes of fruit were exported during 2005-06. During the year 2008-09 export of fruit outside the state is provisionally recorded at 11.17 lakh tonnes out of which 11.01 lakh metric tonnes (98.57%) were fresh fruit.

### Foreign Exchange Earned on Export of Dry Fruit:

State's fruit especially dry fruit goes to other countries and in turn earns substantial foreign exchange. The export of dry fruit viz., Almond and Walnut (in shell and in kernel) during the year 2007-08 was 6889.11 metric tonnes with 197.11 metric tonnes almond and 6692 metric tonnes walnut (161 metric tonnes in shell and 6531 metric tonnes in kernel). The foreign exchange earnings were Rs. 161.44 crore for 2007-08. Growth of 20.91% in quantity exported and 34.71% in foreign exchange earnings on account of export of dry fruit has been observed during 2007-08 over 2006-07 figures.

### Fruit Growers Cooperative Societies:

The number of Fruit Growers Cooperative Societies registered as on 31-3-2007 were 261 with membership of 19194 individuals.

#### Development of Fruit and Vegetable Mandies:

Development of fruit and vegetable mandies was started in the year 1997-98 for developing 19 fruit and vegetable mandies in the first phase to overcome the marketing challenges for the horticulture produce viz., fruit and vegetables which has increased many times over the years. At present 3 main fruit and vegetable markets are operating at Nowpora- Sopore, Parimpora-Srinagar and Narwal- Jammu. Fruit and vegetable mandi Sopore transacted 115 lakh fruit boxes during 2007-08. Similarly more than 36 lakh fruit boxes were transacted by Fruit Mandi Parimpora Srinagar during the year 2007-08.

#### **Floriculture:**

Floriculture sector has been identified as the most focussed segment of horticulture. There is much more income to farmers from flower cultivation due to growing demand for flowers in domestic and foreign markets. To promote this segment floriculture nurseries have been developed where ornamental and medicinal plants are produced, besides the seed multiplication programmes of flower seeds. The Directorate of Floriculture produces more than 40 lakh seedlings of different kinds of flowers and ornamental plants not only for its own requirement but also sells the seedlings to the flower lovers on cash payment and on an average earns a revenue of Rs. 8.00 lakh on this account annually.

One of the landmark achievements in Floriculture Segment has been the establishment of Tulip Garden first of its kind at Siraj Bagh Srinagar. Situated on the foothills of the mighty Zabarwan mountains the garden has the distinction of being Asia's largest Tulip garden. The garden remains in full bloom for one month (last week of March to last week of April). The garden witnesses highest inflow of tourists which includes film making companies for shooting song sequences in this beautiful garden. During 2007-08, Rs. 30.00 lakh accrued to the state exchequer through sale of the entry tickets.

#### ***Livestock:***

Historically livestock is treated as a sub sector of agriculture. Livestock is making deep inroads in the rural economy by providing gainful employment to marginal and small farmers. It is a booming yet eco-friendly sector. Besides consuming domestic biodiversity it is a means of producing food in dry lands without depleting ground water resources. It has been estimated that livestock contributes about 11% to the economy of the state.

#### Livestock population:

The 17<sup>th</sup> quinquennial livestock census (2003) posted 98.993 lakh livestock in the state which makes density of livestock to be 98 animals per sq km of area. When the indicator of livestock available per thousand of population is adopted, there are 926 animals per thousand of population in J&K state and this figure for all India is 457 animals. Average livestock per household (2001 census households) is 6 animals as against 3 animals for India.



Integrated Sample Survey (ISS):

As per the latest report on Integrated Sample Survey (ISS) for estimation of major livestock products for the year 2007-08, the population of cattle, buffaloes, sheep and goats stood at 29.416 lakh, 6.192 lakh, 37.380 lakh and 13.559 lakh respectively in J&K state. This report has apart from other things indicated that there are 31.407 lakh milch animals in the state showing dependence ratio of 3.9 persons per livestock. The ISS report for 2007-08 has further recorded 61.36 lakh poultry birds with 55.66 lakh fowls and 5.70 lakh ducks. The production of milk for the year 2007-08 was estimated at 1515.29 thousand metric tonnes and meat production was estimated at 275.42 lakh kgs. As per this report wool and egg production was recorded as 70.83 lakh kgs and 6667.74 lakh numbers respectively. In this way the per capita meat and egg production equates to 2260 grams and 55 eggs per annum. Similarly per capita milk production for the year 2007-08 is 341 grams per day.

Livestock is a fast growing sector and to boost it further, the government of India is providing assistance under the following various flagship/centrally sponsored schemes:

a. Genetic Improvement:

The genetic upgradation of cattle is carried out by veterinary institutions including artificial insemination centres using frozen semen technology.

b. Poultry Development:

The Animal Husbandry Department contemplates to introduce Hi-Tech commercial Broiler for distribution among the farmers to increase poultry meat production.

c. Health Cover:

Providing of adequate health cover to the livestock is the priority of the government. The idea is to cover all the uncovered areas and improving delivery system.

d. Para Veterinary Services:

Under this scheme one un-employed youth having required qualification shall be selected from the identified village and trained for a period of 9 months. The candidate will provide veterinary facilities to the farmers on payment. In the first phase 280 centres 20 each in erstwhile 14 districts stand sanctioned and 1400 centres in aggregate over a period of 5 years are being established.

e. Introduction of Dorper:

420 frozen embryos of rambouillet, corriedale and Dorper sheep have been implanted in surrogate ewes at Sheep Breeding Farm Panthal by expert Veterinarians of Canadians Sheep International Canada so as to receive improved quality animals to increase mutton and wool production. Achievements of animal and sheep husbandry are summarised as under:-

1. Increase of 21% in milk production, 207% in poultry meat production achieved during 2002-2008.
2. 244 Dairy Cooperative Societies organised.
3. 19% increase in mutton production and 26% increase in wool production formed during the period 2002-08.
4. As per ISS report 2007-08, 341 grams of milk are available per person per day.

#### *Poultry:*

Poultry production has assumed tremendous amount of significance in the state as it provides part time/whole time source of earning to the unemployed youth and also provides highly nutritious animal protein in the form of quality poultry meat and eggs.

#### Poultry Cooperatives:

The number of poultry cooperatives in the state for 2007-08 was 450 with a membership of 10500 individuals. Out of 450 cooperatives 150 started their business with rearing capacity of 17.15 lakh birds per annum.

In this sub-sector of livestock four new poultry projects one each at Udhampur, Doda, Achabal (Sopore) and Duck Breeding Farm Rambir Bagh stand sanctioned.

As per the information made available by the Animal Husbandry department egg production has increased to 566.00 million in 2008 from 462.05 million in 2002, recording an increase of over 22.50% between 2002 and 2008. At the same time poultry meat has increased to 431.7 lakh kgs from 140.69 lakh kgs measuring 206.8% rise.

#### Dairy Development:

J&K is ideally suited for dairy development. The state has recorded steady growth in the milk production over the years. As per information made available by Animal/Sheep Husbandry department, milk production in the state increased from 12.40 lakh metric tonnes in 2002 to 15.05 lakh metric tonnes in 2008 measuring 21% rise. The per capita milk consumption is 338 grams per person per day. To promote Dairy development in the state a number of measures have been taken. Milk plant Cheshmashahi and Satwari made operational by AMUL. Each plant have milk processing capacity of 25000 litres per day. During the year 2007-08 JKMPCL recorded a total business turn over of Rs. 954.27 lakh and earned a net profit of Rs. 4.84 lakh.

#### ***Forests:***

The state has 20230 sq km area under forest constituting about 19.95% of total geographical area of 101387 sq km on this side of Actual Line of Control compared to 24.47% forest cover in the country. However, the prescribed norm for hilly states as per National Forest Policy- 1988 is 66%. Area under reserved forest is 2551 sq km which account for 12.61% of total forest area, protected forest forms 87.21% with an area of 17643 sq km and the remaining 36 sq km (0.18%) are unclassified. Looking at division-wise distribution of forest cover

8128 sq km are in Kashmir valley, 12066 sq km in Jammu division and 36 sq km in Ladakh region constituting 50.97%, 45.89% and 0.06% of the respective geographical area. Per capita forest area accounts for 0.17 hectares as compared to 0.07 hectares at the national level.

Specie-wise forest cover:

Specie-wise forest area reveals 90.68% under coniferous with 5.32% Deodar, 9.02% Chir, 9.73% Kail, 16.81% Fir and 49.80% others. 9.32% forest cover is claimed by non-coniferous un-commercial reserves.

Out turn of forest produce:

The outturn for the year 2007-08 was 101.16 thousand cubic metres with 68.27 (000 cubic metres) timber and 32.89 (000 cubic metres) firewood. The outturn of timber for the last 3 years has remained stagnant at more than one hundred thousand cubic metres each year.

Export of timber:

During the year 2007-08 export of timber was 30.70 (000 cubic metres) indicating highest level from 2000-01 to 2007-08. Export figures of timber for the year 2007-08 further indicate that Deodar with 10.17 thousand cubic metres constitute 33.13% of total timber exported. Chir occupies rank first with 15.35 thousand cubic metres showing contribution of 50% in the export figures of timber.

The state has four national parks, 16 sanctuaries and 35 conservation reserves, covering an area of 15912 sq km. Important protected habitat include those of Snow Leopard, Chiru, Hangul and Musk Deer etc.

Dal Lake Conservation Plan, approved at a total cost of Rs. 298.76 crore in September 2005 with 100% Government of India funding is going to be instrumental in sustenance of a clean and health Dal Lake. Besides, a sustainable catchment for the lake system will be restored. The project will be able to exhibit the resolve of the State Government to maintain the serenity of the environment of Dal Lake, which is the lifeline of tourism in the state.

Under National Afforestation Programme of Ministry of Environment and Forest (MOEF) the state has been provided a grant of Rs. 69.29 crore for managing 42797 hectares of degraded forests with people's participation. The assistance can be used effectively to nurture the forest areas on which local populations are dependent for their needs.

The 12<sup>th</sup> Finance Commission has provided a grant of Rs. 6.00 crore to the state for maintenance of forests for 2007-08. A work plan identifying activities to be undertaken under the grant has been forwarded to the Government of India.

Forests have a direct bearing on environment as trees and vegetation are the basic requirements for a clean environment, healthy living and sustainable production. It is in this essence that concerted efforts are being made by the government to conserve natural forest and bring more and more areas under afforestation. Forest development activities commenced on a really big scale in J&K with the commencement of 3<sup>rd</sup> Five Year Plan. Forestry programmes involve raising of economic plantation and quick growing species. The income

accrued from forestry was Rs. 22.65 crore during 2007-08 against the corresponding figures of Rs. 16.92 crore for 2006-07.

### ***Fisheries:***

The J&K state in view of its diverse agro-climatic features, plethora of streams, lakes and hilly torrents, reservoirs, sars has the potential to grow all types of fisheries. While Kashmir valley offers potential for development of cold water fisheries, Jammu division offers potential for development of warm water fisheries and the Ladakh region is bestowed with the atmosphere suitable for production of cold water fisheries and for brackish fisheries. It is worthwhile to mention that Kashmiri "Trout" and "Maheseer" is famous all over the world.

Livestock census- 2003 recorded around 0.31 lakh fishermen population in the state. The length of 27781 km of rivers/streams facilitates farming of more than 40 million tonnes of fish catch. The number of fishing licence holders was 13026 ending March 2009.

### ***Fish Production:***

The fish catch during the year 2008-09 has reached to 1.927 lakh quintals recording an increase of 4.35% over the figures for 2000-01. Fish catch over the years has been encouraging. Production of famous Kashmiri trout has recorded increase of 112.12% between 2000-01 and 2008-09.

The development of fisheries is given great importance in the backdrop of employment opportunities offered by it. Fish Farming in the private sector has been introduced and success has been achieved in this direction. Under Prime Minister's Package, 481 units have been completed as on 31-3-2009 with most of them harvesting the crop.

Since the fishermen population is prone to natural calamities two schemes viz;. "insurance" and "housing" are under operation as a welfare measure for the last more than 10 years with the assistance of Central Government. Under the "insurance scheme" free insurance cover is provided to the fishermen and Rs. 50,000 are paid in case death occurs while fishing. 205 cases have been paid Rs. 65.00 lakh and 1480 beneficiaries have been covered under the scheme of construction of low cost houses till March 2009. Recreational fisheries is also promoted in the state. An Aquarium cum Awareness Centre at Baghi Bahu Jammu was established at an estimated cost of Rs. 10.00 crore. During 2008-09 an amount of Rs. 47.70 lakh was realised on account of entry fee. Other such unit at Gagribal is being upgraded.

The Fisheries Department is conducting extensive survey of areas suitable for establishing atleast one fish farm unit each in the all newly created districts. Emphasis is being laid to increase hatching and rearing capacity to upgrade further fish culture in the state. Efforts are also afoot to provide better marketing facilities to the fishermen. An amount of Rs. 252.11 lakh accrued to the state from all sources of fisheries during 2008-09.

### ***Cooperatives:***

The cooperative movement in the country has completed over 100 years of fruitful service to farmers and other weaker sections of the society.

Cooperatives play a notable role in every economic sphere. The cooperative movement in J&K was first institutionalised in 1913. The legal frame work was further updated in 1936, 1960, 1989 and 1999. To encourage the cooperatives is a promise under the constitution of the state. To revive the cooperative movement pragmatic steps have been initiated by the government from time to time.

#### Rural Credit Cooperatives:

The Rural Credit Cooperative structure at present is 3 tier with State Cooperative Bank at the apex level, District Cooperative Banks at the district level and Primary Agricultural Credit Societies at the village level. The Cooperative Banks have a network of 204 branches employing 1673 persons. The deposits of the Cooperative Banks as on 31-3-2008 were Rs. 1582.72 crore, loan outstanding amounts to Rs. 659.88 crore.

#### Growth in Cooperative Societies:

In J&K, during the years 2001-02 to 2007-08, 1558 Cooperative Societies were registered. Out of these 450 societies i.e. the highest number accounting for 28.88% were involved in the area of poultry, 438 (28.11%) in agriculture, 366 (23.49%) in Dairy and the remaining Societies are associated in Housing, Floriculture, Women Credit Cooperatives and others.

#### Marketing Cooperative Societies:

There are 109 district Cooperative Marketing Societies with a membership of 32 thousand undertaking procurement of agricultural produce to enable the agriculturists to get the minimum administered price for their produce. Financial position of these Cooperative Societies indicate that own funds account for only 11% of the working capital.

#### Primary Agricultural Credit Societies:

The number of such societies in the state ending 3/2008 was 765, out of which 215 were made credit worthy. During the year 2007-08, the PACs have advanced loan of Rs. 1300.00 lakh to the members.

#### Integrated Cooperative Development Projects (ICDP):

The aim of these projects is the economic development of the region and employment generation through cooperatives. Projects for Anantnag and Kathua have been sanctioned by NCDP involving project cost of Rs. 1936.66 lakh. In the 2<sup>nd</sup> phase district Baramulla and Doda have been selected for ICDP.

#### Housing Cooperative:

The Housing Cooperatives have established 6 colonies in the prime locations at Humhama near Air Port Srinagar and Mujgund Baramulla. Recognising the excellent work done by the Building Centre Sidhra, the J&K Housing Corporation was awarded at the 14<sup>th</sup> National Congress of the Housing Cooperatives held at New Delhi.

The central level cooperatives have handled a record fertiliser business of 1.57 lakh tonnes during 2007-08.

The Tulumulla Milk Cooperative Society was selected for NCDC excellence award of Rs. 0.50 lakh during the year 2007-08. Bami Duniya Cooperative Consumer Store Ltd. Leh (Ladakh) was awarded National Cooperative Excellence Award in the year 2002-03. Other important achievements of the cooperatives are:

1. Central level Marketing Co-operative Societies recorded a business turn over of Rs. 150.00 crore during 2007-08.
2. The cooperative department launched the official website [www.jkcooperatives.org](http://www.jkcooperatives.org) J&K on 28-11-2006 as a part of transparency and modernisation.

### ***Irrigation:***

Irrigation is an essential input of agriculture and is practised in all parts of the world where rainfall does not provide enough ground moisture. In areas of irregular rainfall, irrigation is used during dry spells to ensure harvests and to increase crop yields. A major constraint in the development of agriculture in J&K is the fact that only 50% of the ultimate irrigation potential of the state has been harnessed. The ultimate irrigation potential in J&K has been assessed at 1358 thousand hectares, which includes 250 thousand hectares to be developed through major and medium irrigation and 1108 thousand hectares through minor irrigation. However, till the end of the 10<sup>th</sup> Plan, the state has been able to create a total potential of 677.66 thousand hectares only, out of which 580.61 thousand hectares (85.70%) of potential is being utilized.

25 major/medium irrigation schemes are under implementation in the state during the current year, 13 of which are funded under AIBP, 7 in the state sector and remaining 5 under loan raised from NABARD. The total estimated cost of these schemes is Rs 793.00 crore, against which a cumulative expenditure of Rs 433.00 crore has been incurred ending March 2009. Utilization of funds has not kept pace with actual availability.

There are 522 AIBP funded minor irrigation schemes under implementation in the state at an estimated cost of Rs 938.75 crore. 132 new MI schemes for Kashmir province estimated to cost Rs 425.39 crore, 151 new MI projects for Jammu division at an estimated cost of Rs 194.5 crore and 50 schemes for Ladakh region at an estimated cost of Rs 46.84 crore have been sanctioned by the Central Water Commission, Ministry of Water Resources, GoI under AIBP during 2008-09. 58 schemes under NABARD, 1 scheme under State Sector and 70 schemes under District Sector are also under implementation in the state. Ending December 2008, 126 Minor Irrigation schemes have been completed in the state.

The net area sown in the state during 2007-08 was 734 thousand hectares whereas the gross area sown (total area sown under different crops) was 1134 thousand hectares. The mode of irrigating the crops mainly used is the canals. About 93 per cent of the net area sown is irrigated through canals, while tanks, tube wells and other means are also used.

Gross irrigated area in the state has not shown any marked increase when compared with 2000-01, 40.31% was irrigated and for 2007-08 it is 40.85% as against 42.86% for the country (2005-06). The regional figures are 63.10% for Kashmir followed by 26.33% for Jammu as compared to 100% gross areas irrigated for Ladakh.

### ***Industry:***

In order to achieve a self sustaining economy with continued higher levels of investment, rapid rate of increase in income and employment, there is no option but to go for industrialisation.

Unfortunately, J&K has not been able to attract investments in this sector and remained an industrially backward state due to its unique economic disadvantages arising out of remoteness and poor connectivity, hilly and often inhospitable terrain, weak resource base, poor infrastructure, sparse population density, shallow markets and most importantly the political uncertainty. Nevertheless, despite all odds and limitations the Jammu & Kashmir State is on the path of industrialisation in a modest way.

To usher in new era of industrialization comprehensive industrial policy which came into being in 2004 to be lasted till 2015 under which planned initiatives are being taken to raise J & K which is predominantly known as consumer State for most of its requirements to a level of self sufficiency and in the near future to a producer State. The incentives provided in the policy are ahead of other States of the country.

The incentives under the State Industrial Policy are available to the industrial units subject to fulfilment of the conditions of 90% local employment. During the year 2008-09 incentives of different kinds amounting to Rs.74.50 crore have been provided to 215 Industrial units of the state.

### ***Industrial Infrastructure***

The department of Industries and Commerce has 51 existing Industrial estates spread over an area of 27718 kanals of land in the State under the control of Directorate of Industries and Commerce and SIDCO/SICOP.

In addition to above industrial estates, 17 new Industrial Estates spread over an area of 11187 kanals of land are being developed which are presently at the various stages of development/implementation, most of them being in rural and under developed areas of the state.

Eight storeyed complex “Jawaharlal Nehru Udyog Bhawan” at Rail Head Jammu at an area of 1.10 lakh sq. feet costing Rs. 14.71 crore has been completed. The department has identified land for constructing Udyog Bhawan at Srinagar at a project cost of Rs. 30.00 crore.

Government of India has sanctioned 2 Growth centres for J&K State. These growth centres are Industrial Growth Centre Samba, Jammu and Industrial Growth Centre Lassipora in district Pulwama, Kashmir. An expenditure of Rs.3.20 crore was made on their development during 2008-09.

In order to inculcate entrepreneurial values amongst the educated youth and motivate them of entrepreneurship as a viable career option, the Jammu & Kashmir Entrepreneurship Development Institute has been constituted and started its regular activities in 2004. The Institute's office in Kashmir will be soon shifted to newly constructed campus at Pampore, constructed at a cost of Rs.11.68 crore. The institute has so far conducted 449 number of programmes under different categories covering 23830 number of participants.

### ***Industrial scenario of J&K***

#### **Large and Medium Sector**

After the announcement of Central package during 2002 and State Industrial Policy 2004 around 139 Industrial Units have been set up as on 31-03-2009 in the large and medium sector with an investment of Rs. 3405.00 crore providing employment to 27286 persons.

#### ***Prestigious projects in pipe line***

- a) One steel processing mill with a production of 40000 Tonnes of TMT Bar Mill/ annum and 60000 Tonnes of GC sheets /annum is being set up at Industrial Growth Centre Lassipora, Pulwama, by Steel Authority of India Ltd. at a cost of Rs.200.00 crore. The unit will provide direct employment to 242 persons. 200 Kanals of land have been provided to SAIL for the said purpose by SIDCO and the company is in the process of implementation of the said project.
- b) A proposal has been received from M/S ESSAR GROUP for establishment of two call centres with a capacity of 3000 seats, one to be set up at Industrial complex Khunmoh and another at EPIP Kartholi Jammu. The total investment in these call centres would be to the tune of Rs. 135.00 crore. The employment opportunities to atleast 9000 computer literate/ professionals is envisaged to be created in these call centres.

#### ***Small Scale Industries Sector***

At present 23908 registered SSI units are functioning in the State providing employment opportunities to 99031 persons ending March 2009. On an average 4 persons are working in each functional SSI industry.

For rehabilitation of sick units, the State Govt has agreed to provide soft loan to the extent of 30% of total requirement to potentially viable Sick units for their revival under Rehabilitation Policy. The number of such units has been identified at 359. Out of these units, 32 units have been provided soft loan of Rs. 386.68 lakh by the State Level Rehabilitation Committee and an amount of Rs.519.12 lakh stands sanctioned in favour of 36 units as approved by SLRC.

#### ***Prime Minister's Employment Generation Programme (PMEGP)***

The Government of India, Ministry of MSME, New Delhi has launched a new Credit Linked Subsidy Scheme called Prime Minister's Employment Generation Programme (PMEGP) on 61st anniversary of India's Independence day by merging the two schemes that were in operation till 31.03.2008 namely Prime Minister's Rojgar Yojana (PMRY) and Rural Employment Generation Programme (REGP) for generation of employment opportunities through establishments of Micro enterprises in Rural as well as in Urban areas. During the year 2008-09, against the target of 624 projects/units involving a margin



money of Rs.748.14 lakh allocated by Ministry of MSME, 1780 cases have been sanctioned by the banks/financial institutions against the cases sponsored by the different concerned executing agencies involving a margin money of Rs.1387.28 lakh thereby envisaging employment opportunities for 10934 persons.

### ***Establishment profile of J&K- 2005***

As per 5<sup>th</sup> Economic Census 2005, 324908 establishments, 183118 (56.36%) in rural and 141790 (43.64%) in urban area operated during the year 2005. While the non-agricultural establishments accounted for 322323, the agricultural establishments account for 2585. The agricultural establishments, however, do not include the activities engaged in crop production and plantation. The number of establishments in the country was 41826989 with 25536066 rural and 16290923 urban establishments.

A number of 751532 persons were working in the establishments out of which 367051 (48.84%) were working in rural establishments and 384481 (51.16%) were working in the urban establishments. Agricultural establishments provided employment to 6847 (0.91%) workers and the non-agricultural establishments provided employment to 744685 (99.09%) workers. The number of workers working in the establishments in the country as per 5<sup>th</sup> Economic Census was 100904121, with rural/urban divide of 52069351 and 48834770 workers respectively.

Establishments grew at a rate of 6.03% per annum during the period 1998-2005 as against 4.69% average annual growth rate registered by the establishments at National level during the same period. While as rural establishments recorded impressive growth rate of 7.48% per annum this rate of growth in urban establishments was 4.37%. The growth rates at National level were 5.37% and 3.69% respectively.

During the period 1998-2005, annual average growth rate of 6.82% was recorded in the employment provided by the establishments as against 2.78% rate of growth in employment registered in the country. Rural employment grew at a faster rate of 7.77% as compared to 5.97% rate of growth in urban employment. The corresponding growth rates at National level were 3.88% and 1.70% respectively.

### ***PSUs***

Public Sector Undertakings were set up in the State, in view of the Industrial development for which private investment was not available. Public Sector Undertakings (PSUs) contribution towards State Domestic Product has not been great so far. Most of these PSUs are running into losses with exception of few. Seven PSUs are being provided budgetary support by the State Govt. to meet their wage bills and other day to day activities.

1163 units in Large, Medium, and SSI sector have so far been set up in various industrial complexes managed by J&K SIDCO in the state, out of which 139 units are in Medium and Large scale. The total investment mobilization in all these units is to the tune of approximately Rs. 4288.00 Crore and total employment generated is 52784 persons.

J&K SIDCO has so far transferred an amount of Rs. 2952.99 lakh to various agencies for executing the projects related to the Export Oriented Infrastructure in the State under ASIDE Scheme of GoI.

After successful completion of the Food Park project at Khunmoh a similar type of Food Park is being established at Doabgah, Sopore at a project cost of Rs. 948.44 lakh with the financial assistance from Ministry of Food Processing Industries, Government of India. In addition Industrial Estate, Ompura Budgam, Ghatti, Kathua and Industrial Estate Kanmoh Phase – III are at implementation stage.

Similarly SICOP has so far developed 10 Industrial Estates spread over an area of 3726 kanals of land. 1046 number of units with an investment of Rs.25153.00 lakh have come up in these estates. Yearly turnover of SICOP for the last 6 years in succession is showing impressive growth rate. During the financial year 2008-09 the total returns of the company were valuing Rs.393.43 crore.

In order to give fillip to the Handloom Sector the Handloom Development Corporation has developed infrastructure facilities in the field of designing, export promotion, sales outlets, common facilities centres. Sales performance of the Corporation has maintained upward trend since 2003-04 and has registered a sales turnover of Rs.3.50 crore during 2008-09.

The J&K Handicrafts (S&E) Corporation has 22 showrooms out of which 13 are outside the state. The Government has decided to set up emporia in all the major cities across the country for marketing of handicrafts, handloom and other artefacts of the State. Three such emporia are being set up at Delhi, Katra and Srinagar. The disturbed circumstances in the State from 1989 adversely affected the turnover of this Corporation. However, the Corporation has revived its performance over the years. During the last 3 years (2006-07, 2007-08 and 2008-09), the Corporation's domestic sales maintained upward trend. The corporation posted sale turnover of Rs. 950.00 lakh and Rs. 965.00 lakh respectively for 2007-08 and 2008-09 with a growth rate of 5.91% and 1.57% over respective previous years. The Corporation is likely to achieve its set sales target of Rs.1100.00 lakh by the end of the year 2009-10.

Jammu and Kashmir Industries Limited is presently managing 15 units engaged in manufacturing of Textiles, Resin, Leather goods, woollen fabrics, wooden goods etc. The Industrial units of the undertaking provide employment to more than 2000 persons. The Corporation after a drastic fall in production and sales for 5 years has started showing signs of revival and has registered high value of sales of Rs. 1354.99 lakh and production of Rs. 1551.93 lakh during the year 2008-09, as a result of it, the losses have also been reduced almost by 15%. The Corporation has also mooted a restructuring plan through department of Industries and Commerce for its closure, downsizing, modernization and privatization.

J&K Minerals Limited was established to exploit the mineral resources and to establish mineral based industries in the State. During the year 2008-09 the company has realised a revenue of Rs.771.53 lakh by producing 15326.40 MTs, 422.00 MTs and 21415.00 MTs of coal, cement and gypsum respectively. The short fall on account of production of coal and gypsum against the fixed targets during the year 2008-09 is mainly attributed to the

disturbing conditions arising out of Shri Amarnath Land dispute for 2 months of June/July thereby, causing both production and sales loss. Besides scarcity/non-availability of timber with SFC has also affected the production of Coal.

J&K Cements Limited has maintained upward trend in cement production from 2002-03 to 2005-06. Highest cement production of 159341.50 MTs was recorded during the year 2005-06. Since the year 2005-06 cement production has fallen and reached to a 5 year low of 140470.00 MTs during the year 2008-09. However sales turnover of the company has been encouraging over the years which has increased from Rs.4007.00 lakh in 2002-03 to Rs.8136.05 lakh in 2007-08 and a slightly lower sales value of Rs.7772.50 lakh during 2008-09. The JKCL has earned huge profits during the years and registered a profit of Rs. 356.00 lakh during the year 2008-09.

Sofar as the financial achievements are concerned the company has liquidated loan of all the financial institutions and is now debt free. As a result of huge profit earning JKCL has been in a position to make payments as dividend on its equity share capital to the Government. To bridge the gap between the demand and supply of cement in the state, the company obtained Administrative Approval of the State cabinet for installation of additional 600 TPD production line at the existing Cement Plant at Khrew at a cost of Rs.64.16 crore.

The J&K Projects Construction Corporation Ltd. (JKPCC) is one of the largest employer in the State. It has 1096 employees on its rolls. The Corporation meets its expenditure including salary of the employees out of its own resources. The profits earned by the Corporation has shown a healthy pace. The Corporation has posted a profit of Rs.2.06 crore during the year 2007-08 and the profit for the year 2008-09 has been Rs.8.00 crore.

The State Road Transport Corporation is reeling under heavy losses. During the year 2008-09, the Corporation has incurred a net loss of Rs.3310.50 lakh and the losses have accumulated to Rs.37519.62 lakh. The Corporation has a fleet of 667 buses out of which 250 buses have crossed the prescribed age limit of 10 years and 70 buses have crossed the age limit of 15 years. Out of the total truck fleet of 436, 158 have crossed the age limit of 10 years and 278 have crossed 15 years.

For restructuring of the SRTC, Government constituted a committee headed by Shri S.L. Bhat, Financial Commissioner, Planning & Development Department including Commissioner/Secretary Finance/Transport Departments and MD JKSRTC as its members for suggesting measures for its restructuring. As per the report of the committee, the proposed re-structuring of the corporation has financial implications of the order of Rs.305.48 crore.

State Financial Corporation (SFC) is one of the major sources of Institutional Finance in the State. During the year 2008-09 loan sanctioned by the Corporation was Rs.601.22 lakh in favour of 123 parties, registering a net decline of 36.01% (in amount) and 23.60% (Parties) as compared to the previous year. Loan disbursed by the State Financial Corporation has also declined by 29.39% during 2008-09. The corporation posted recovery of Rs.987.17 lakh for the year 2008-09 as compared to Rs.1470.41 lakh during

2007-08. The Corporation has a recovery target of an amount of Rs.4515.51 lakh during the financial year 2009-10.

**Handicrafts:** Production of handicraft goods for the year 2007-08 stood at Rs. 1614.59 crore. The production figures for the year 2008-09 are Rs.1100.00 crore approximately. The Department has a target of producing handicraft goods worth Rs.1150.00 crore during 2009-10.

Exports of handicrafts have also maintained upward trend over the years. Handicrafts goods valuing Rs.1200.47 crore were exported during the year 2007-08. During the year 2008-09 export of handicrafts were worth Rs. 705.50 crore only.

Keeping in view the importance of Handicrafts, Handlooms and other related traditional sectors in the state economy the state Government is going to develop the International Trade Centre (ITC) in order to promote trade facilities and to boost the exports of these export oriented sectors. The centre coming up at Pampore, at a cost of Rs.115.84 crore will provide state-of-the-art facility for holding national, international trade fairs, buyer-seller meets, transaction of national and international business and place from where the exports of the state could have an interface with the overseas markets.

**Handloom:** It is also a labour intensive cottage industry having considerable potential for generation of employment opportunities. To give boost to this industry the State Govt is laying focus on product design and diversification, providing credit facilities, enhancing weavers' productivity through upgradation of skills and use of efficient looms. Market access to handloom products is being extended through marketing incentives and wide publicity.

During the 11<sup>th</sup> Five Year Plan GOI has introduced an Integrated Handloom Development Scheme (IHDS), a centrally sponsored scheme to facilitate the sustainable development of handloom weavers located in and outside identified handloom cluster into a cohesive, self managing and competitive socio economic units. During the year 2007-08 Department of Handloom has submitted 10 Cluster Project Proposals to GOI for sanction, against which, 08 Handloom Cluster projects have been sanctioned by the GOI, Ministry of Textiles, New Delhi. An amount of Rs. 142.64 lakh as 1st instalment (central share) stands released by the GOI against which, an expenditure of Rs.15.94 lakh has been incurred during the year 2008-09.

Ending March 2009, Handloom department has recorded a number of 598 handloom units in the State (excluding Leh & Kargil) providing employment to 2334 persons. In the cooperative sector during the year 2008-09 approximately 7.045 million meters of handloom fabrics valuing Rs.36.61 crore were produced.

**KVIB:** The Ministry of Micro Small and Medium Enterprises (MSME) has launched a new credit linked subsidy programme called PMEGP by merging the two schemes viz; PMRP and REGP for generation of employment opportunities through establishment of micro enterprises through KVIC / DIC's / KVIB.

As per guidelines of Prime Minister's Employment Guarantee Programme (PMEGP), KVIC (Ministry of MSME) allocated a target to set up 262 units involving Margin Money component of Rs.314.22 lakh for KVIB for the financial

year 2008-09. Against the approved allocated targets banks have sanctioned 1530 cases against the cases sponsored by KVIB involving project cost of Rs.3140.68 lakh, Bank loan of Rs.2968.04 lakh, Margin Money of Rs. 1077.97 lakh thereby envisaging employment opportunities for 9862 number of persons.

**Geology and Mining:** During the year 2008-09 the department of Geology and Mining has made a drilling of 833.25 mts, geological mapping of 129 Sq. Kms and Pitting and Trenching of 312 Cu.Mts. The Department is authorised to receive royalty on extraction of Major as well as Minor Minerals in the state at the rates fixed by the Government. The revenue collected during the year 2008-09 is Rs 1445.94 lakh. The revenue realisation by the department has been impressive and encouraging. As compared to 2006-07 the revenue has increased by around 40% during 2007-08.

During the year 208-09 the value of extracted Minor/ Major Minerals was to the tune of Rs 4973.29 lakh with contribution of Rs 3206.83 lakh from Kashmir division and Rs 1766.46 lakh form Jammu division.

**Sericulture:** The data available for the year 2008-09 reveals that Sericulture activities are carried out in 2421 villages (35%) of the total villages in the State. About 20,000 families are engaged in this pursuit. The number of mulberry trees has increased to 81.00 lakh numbers during 2008-09 from 74.40 lakh numbers in 2004-05 showing an increase of around 10%. The production of cocoons has been recorded as 7.38 lakh kilograms during the year 2008-09 resulting in an income generation of Rs.522.00 lakh as against the income of Rs.475.00 lakh during 2004-05. The target of cocoon production for the year 2009-10 has been fixed at 9.00 lakh Kgs. Seeds produced and seeds imported were 23 (thousand ozs) and 6060 ozs. Production of raw silk was recorded as 82.00 (MTs) showing an increase of 57 MTs as compared to the production of 25 MTs during the year 2004-05. The number of reeling units has gone upto 31. During the year 2008-09, 25 cocoon markets were organised throughout the state in order to provide better returns to the rearing farmers.

***Some major /prominent achievements made under Prime Minister's Special Employment Package during 10<sup>TH</sup>Five Year Plan in Sericulture***

- Establishment of 7 Ware House/Cocoon storage godowns:
- Establishment of one Hot Air Dyer at Udhampur.
- Establishment of two Silk Exchanges, one in Jammua and another in Srinagar.
- Setting of 100 Chowki Rearing Centres:
- Creation of Revolving Fund of Rs.100.00 lakh for working capital assistance to realers (Cocoon Bank)
- 6000 Rearing kits supplied to rearers.
- 2750 Rearing houses constructed.
- 2 entrepreneurs from Kashmir Division provided with Multiend Reeling Machines and 3 entrepreneurs from Jammu Division established 3 cottage basin units.
- Four Basic Seed Stations and ten F1-Grainiages were strengthened during the 10<sup>th</sup> plan thereby achieving the targets in full.

**Information Technology:** Information Technology (IT) is emerging as an important sector in transforming the socio-economic lives of the people. The

Government of Jammu and Kashmir has decided to accord industry status to Information Technology in the State. To promote Information Technology, the Government established a separate Information Technology Department in 2002 which is looking after technological related issues of the industry.

The Information Technology Industry is not so well developed in the State. However, the state is marching very fast towards creating a conducive atmosphere for this knowledge based industry. An Electronic Industrial Park has been established at Rajbagh in Srinagar and a software technological park has been set up at Rangreth, the first phase whereof was commissioned in 2001. The Information Technology Department has established 135 Community Information Centres at the block level.

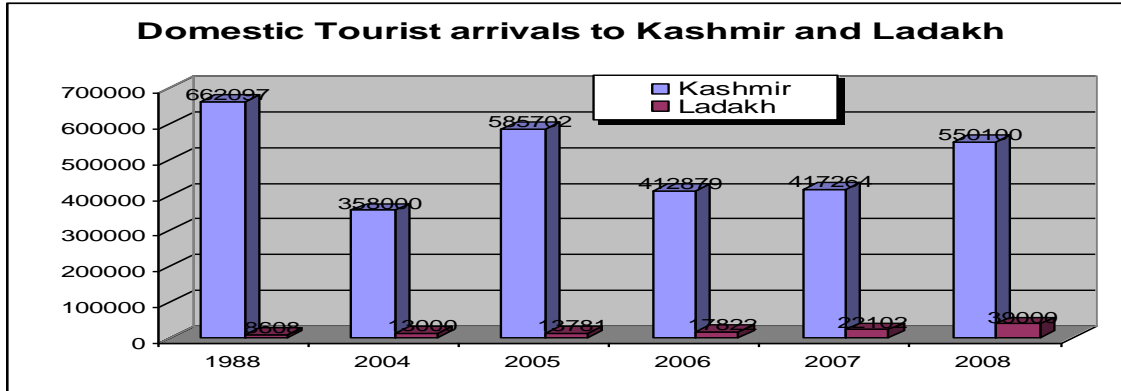
The Department is concentrating on developing human resources to expand the Industry as technology is a key to provide customised services. The department organises both short term and long term courses and topics related to Information Technology.

The State has a great potential required for expanding this industry. The geo-climatic conditions offer an ideal location for this industry apart from the educated unemployed which creates a large pool of qualified and skilled personnel required for the development of this Industry.

### ***Tourism:***

Jammu & Kashmir is an important tourist destination and has been a place of attraction for tourists since centuries. The lush green forests, sweet springs, perennial rivers, picturesque alpine scenery and pleasant climate of Kashmir valley-the paradise on earth has remained an internationally acclaimed tourist destination, whereas Jammu region- the land of temples is attracting a large number of pilgrim tourists and the important destination has been the Shri Mata Vaishno Devi Shrine. Ladakh region-the moon land has been a much sought-after destination especially for the foreign tourists and is famous for adventure tourism.

Tourist inflow to J&K has been increasing continuously and steadily from 69.12 lakh in 2004 to 77.18 lakh in 2008, which indicates an increase of 11.66%. The percentage increase in respect of the pilgrim visitors to Amarnath Ji has been to the extent of 24.51%, Mata Vaishno Devi Ji by 7.80%, domestic tourists by 58.79% and foreign tourists by 34.15% for the same period. During 2009, 32.49 lakh tourists visited J&K ending June 2009. In the perspective of overall tourist inflow to all the three regions of the state the percentage has increased during the years 1988 to 2008 by 172.19%. It may be in place to mention here that flow of foreign tourists has certainly diverted to Ladakh region because of turmoil which erupted in the state of Jammu & Kashmir in late 1980s and the prevailing security scenario.



Tourism generates employment, though it is difficult to measure or calculate the employment generation as these jobs are scattered across many sectors and can not be identified without a proper survey. The government is contemplating to conduct the survey to ascertain the employment generation under tourism sector. Further 65th round of NSS which envisages to cover the subject of Domestic Tourism has been taken up by the NSSO in all the states and UT's as well which would provide data for devising suitable policies for upgrading and developing Tourism sector on sustainable basis.

The state has sufficient potential in tourism to exploit for more and more revenue generation. The revenue earnings made under the public sector during last 4 years is about Rs. 102.63 crore. There has been substantial increase in the earnings during the last four years from Rs. 2072.26 lakh during 2004-05 to Rs. 2916.93 lakh during 2007-08. The percentage of earnings has been more by 40.76% during 2007-08 when put in comparison to the figures of 2004-05. However, the percentage increase has been 10.48% for the year 2007-08 as compared to 2006-07.

Out of 36 projects taken up at a total project cost of Rs 74.02 crore under various Centrally Sponsored Schemes related to development/promotion of leisure, pilgrim, adventure and heritage tourism an expenditure of Rs. 30.32 crore has been registered as against the availability of Rs. 49.34 crore during the years 2003-04 to 2008-09.

19 TDAs stand established of which 8 TDA have been created in Kashmir region 8 in Jammu region and 3 in Ladakh region. The main functions of these Tourism Development Authorities (TDAs) is to create infrastructure in new untapped areas and upgrading and maintaining the tourist assets at the prime tourist destinations. The objective of these TDA is also to exert for increase and to regulate the tourist inflow in their respective areas besides promotion of local traditions, art forms, crafts and culture. These TDAs will also ensure local participation of the people in the tourism activities especially in establishing eco-tourism projects besides providing incentives to local stake holders and conduct capacity building programmes for the local service providers.

Under 12th Finance Commission an amount of Rs. 100.00 crore has been earmarked for the state, out of which Rs. 90.00 crore are earmarked for need specific projects and Rs. 10.00 crore for heritage preservation. The funds were received for the year 2006-08 and 2007-08 to the extent of Rs. 50.00 crore representing Rs. 45.00 crore for need specific projects and Rs. 5.00 crore for

heritage preservation. The expenditure against the availability of Rs. 50.00 crore has been of the order of Rs. 46.11 crore and left over amount of the award of Rs. 50.00 crore against the earmarked amount of Rs. 100.00 crore, is expected to be released by the GoI during the current financial year.

The department of Tourism has initiated steps in many ways to attract more and more tourists by way of providing and creating various types of facilities and tourism infrastructure particularly in the field of adventure tourism.

The State government has recently made recommendations to the 13th Finance Commission during their visit to state of J&K for release of an amount of Rs. 289.00 crore for further development of infrastructure and allied services in leisure tourism, pilgrim tourism, heritage and adventure tourism. The recommendation also includes the additional financial assistance of Rs. 360.00 crore for 15 new Development Authorities and 4 old Development Authorities @ Rs. 20.00 crore and Rs. 15.00 crore each respectively.

### ***Health:***

The number of Health Institutions has made a remarkable expansion to 4804 ending March, 2009 gaining about 40 times increase since 1950-51. Still Government institutions are overloaded as 91% in patients are dependent on Public Sector Institutions against only 41.7% at national level.

At Tertiary level, the State has one Institute of Medical Sciences (Deemed University), 4 Medical Colleges having 12 Associated Hospitals (including One each in private sector), One Ayurvedic Hospital and three Dental Colleges including one in Pvt. sector Moreover, the State has a wide network of health institutions spread throughout its length and breadth. At Secondary level, the State has 22 district Hospitals (14 old+ 8 new) and 78 Sub-District Hospitals/CHCs (excluding 8 SDHs under up-gradation as District Hospitals). However, Primary Health Care Services are being provided by 375 PHCs, 238 Allopathic Dispensaries, 2253 Sub Centres/MACs, and 417 ISM dispensaries. Besides, 302 institutions are delivering area specific health care services which include STD/VD Clinics, TB Centres, Leprosy Sub Centres/Control Units and Trachoma units/Amchi and other units. About 35000 personnel comprising doctors, paramedical staff and other ministerial staff are borne on the establishment of these institutions. 483 Ambulances attached with health institutions at Primary, Secondary and Tertiary levels are on job for transportation of patients. These institutions provide Bed Strength of 1046, 6977 and 4863 in respect of Private, Secondary/Primary care and Tertiary sector respectively.

Under teaching institutions, the two Medical Colleges have intake capacity of 100 seats each for MBBS course. The intake capacity of PG Degree (MD/MS) in Government Medical College, Srinagar is 64 and that of GMC, Jammu is 68. Besides, 22 PG Diploma seats are provided under GMC, Srinagar. Similarly, 34 PG Diploma and 2 DNB seats are provided under GMC, Jammu. The intake capacity of Government Dental College, Srinagar is 54 with a break up of 50 BDS Seats and 4 seats for PG Degree Course. Government Dental College, Jammu has intake capacity of 50 seats. PG Courses (MD/Diploma) in



critical categories of Gynae/obstetrics, Anaesthesia and Paediatrics is provided under GMC Jammu/Srinagar, ASCOMS and SKIMS, Soura Srinagar.

At Primary level, 1753 institutions are housed in rented buildings and 615 institutions have insufficient accommodation, for which infrastructure development is to be ensured.

As per indicators (2008-09), the Average population covered per Institution is 3678. Bed Strength per lakh population is 94 and population per Doctor has been worked out as 2142 persons.

As per the Family Welfare Statistics Report — 2006, the CBR of the state stood at 18.9 per thousand, CDR at 5.5 per thousand, IMR at 50 and TFR at 2.4 per thousand as against 23.8 (CBR), 7.6 (CDR), 58 (IMR), 2.9 (TFR) at national level. The institutional births of the state stood at 54.3 percent, full immunisation at 66.7 percent and CPR at 15.9 percent against the national level indicator of 40.7 (institutional births), 43.5 (full immunisation) and 46.6 CPR during 2005.

Infant Mortality Rate (IMR) stands at 51 per thousand and Total Fertility Rate (TFR) at 2.4 during the year 2007. Immunization level has been achieved upto 67 percent. The institutional deliveries have been ensured for 54 percent pregnant women.

Health indicators revealed by Sample Registration Scheme (SRS) for the year 2007 regarding J&K viz-a-viz All India are presented here under				
S.No	Indicator	Unit	J&K	All India
1	2	3	4	5
1	Birth rate	Per milli	19.0	23.1
2	Death rate	-do-	5.8	7.4
3	Infant Mortality rate	Per thousand live births	51	55
4	Natural growth rate	Per milli	13.2	15.7
5	Life Expectancy at birth (2006-10)			
	a) Males	Years	65.0	65.8
	b) Females	-do-	67.0	68.1
All the indicators except S. No 5 present healthy position for J&K compared to all India.				

The emphasis on Health care services is also reflected in the increasing trend of expenditure on social services by the Govt. on State Plan. Expenditure on health sector as proportion of total expenditure (State Plan) increased from 3.13 per cent in 1<sup>st</sup> Plan period to 6.80 per cent in 10<sup>th</sup> Plan period. During 10<sup>th</sup> Plan period it rose from 6.23 percent in the year 2002-03 to 8.89 per cent in 2006-07. The outlay for the year 2008-09 has been estimated at 3.96 percent only. It shall be further supplemented by the Central assistance under NRHM and other Centrally Sponsored Schemes. The corresponding percentage share of health expenditure in the Social Sector increased from 20.22 percent to 24.00 percent during 10<sup>th</sup> Plan Period and from 22.49 percent (2002-03) to 30.77 percent (2006-07), respectively. During 2007-08 the expenditure had slipped to 17.78% which has further gone down to 17.33 percent in the year 2008-09.

In GMC, Srinagar, Institute of Traumatology is being established under the project with 9 allied Super Specialities. The specialities being created are – Neuro Surgery, Cardio Vascular Thoracic Surgery, Plastic Surgery, Paediatric Surgery, Urology, Neurology, Cardiology, Gastroenterology and Nephrology.

Under PMSSY, 15 Super specialties are being created at GMC Jammu. These are – Neuro Surgery, Cardio-Vascular Thoracic Surgery, Urology,

Neurology, Cardiology, Nephrology (in new Super Speciality Block) and Gastro-Intestinal Surgery, Plastic Surgery, Paediatric Surgery, Surgical Oncology, Gastroenterology, Endocrinology, Pulmonary Medicine, Clinical Haematology and Medical Oncology (in existing departments).

**Some of the Important Achievements during 2008-09 in Health Sector are:**

- OPD Block of GN Hosp., DH Doda & DH Kishtwar, IPD DH Handwara, Ist Phase of DH Kulgam & SDH Sopore, SDH Keeri besides 8 PHCs in Kmr. Div. commissioned/made functional.
- Blood Banks established in all district HQs of Jammu Division, DH Anantnag, Baramulla, Pulwama, Budgam, JLNH Hosp., SDH Uri, Bijbehara, Pampore & Tangmarg.
- M.O's qtrs. at Sunderbani, Nowshera, Mendher, Banihal, Kalantra, Uri, Khaitangan & PHC Manngam completed.
- Bed Side Cardiac Monitors provided in DH Udhampur, Kathua, Rajouri, Poonch, G.N. Hosp. & at SDH Darhal, Mendhar, Bhaderwah, Sunderbani & R. S. Pura
- DG Sets of 15-40 KVA capacity and Blood Storage Refrigerators provided to 43 and 32 health institutions respectively in Jammu Division.
- 09 ECG machines, 4 each of USGs & Defibrillators & 07 X-Ray plants provided to various health institutions in Kashmir Division.
- 2nd CT Scan Machine installed in Emergency Unit at GMC Jammu
- Funds provided for Critical Care Ambulances one each at GMC Jammu and GMC Srinagar.
- Closed Circuit TV in Emergency, OPD, Control room & Adm. Block installed. Besides Air conditioning of Library and Orthopedic ICU completed at GMC Jammu.
- Oncology Block of SMHS hospital completed. Cobalt, TPS/HDR procured. Procurement of Simulator in process.
- Work on new 200 bedded additional block at Lalla Ded Hospital started. Rs. 5.00 crore released against the project cost of Rs.16.00 crore.
- Cardiac Pacemaker facilities and Haemo-dialysis for renal failure patients started in SMHS hospital.
- Knee replacement started in B&J Hospital Srinagar besides Rs. 1.00 crore provided for procurement of equipment for Emergency OT.
- MD Transfusion Medicine started in GMC Jammu (only third institution in the country).
- MD Anaesthesiology & Pathology, and MS Orthopaedics recognized by MCI besides starting of DNB Family Medicine at GMC Srinagar.
- Thalessemia day care centre at SMGS Hospital and intermediate Reference Laboratory (Tuberculosis Bacteriological Laboratory) at C.D. Hospital Jammu established.
- 03 each of Digital Radiography Unit and Imaging Software provided at Dental College Jammu.
- MDS in Periodontia along with Diploma in Dental Hygienist Course with intake capacity of 02 and 05 started at Dental College Srinagar.
- Male Sterilization by NSV technique gaining popularity and increased from 567 in 2006 to 1797 in 2008.
- Hep. B vaccination to infants for all the districts included in Immunization Programme from 2008.

- Janani Suraksha Yojna again started in the State from Jan. 2009.

Programme Management Support Units have been established at State/District/Block levels.

15 Additional PHCs shall be made functional for 24 X 7 services, 14 additional First Referral Units (FRUs) shall be created and 70 additional Child Health Centres and Sub-District Hospital for up-gradation to IPHS norms shall be taken up.

Establishment of 8 district hospitals in the newly created districts by up-gradation of CHCs will be catered to during 11<sup>th</sup> Plan (2007-2012).

To bridge the infrastructural gaps and enable access to enhanced diagnostic care by specialists, J&K has made a beginning with Indian Space Research Organization (ISRO) connecting 12 centres (District Hospitals/Medical Colleges) to its Telemedicine network including AIIMS, New Delhi.

### ***Education:***

In order to enhance the level of literacy a basket of initiatives in the form of interventions were introduced to develop this core indicator of Human Development. With the help of these target oriented interventions, the number of Educational Institutions has increased which resulted in maximum area coverage and decreased the average area per school covered. Besides showing a phenomenal decrease in Average Area per school from 9.87 sq. km in 1980-81 to 3.90 km in 2008-09, the State still lags behind All India average of area coverage of 2.65 sq. km of 2004-05. The penetration of educational institutions was almost three fourth of that of the All India level during 2004-05.

With the mushrooming of educational institutions under 10th Five Year Plan, the State has been able to maintain the advantageous position of population coverage per school. The indicator has almost remained uniform from 1980-81 to 2001-02 within the range of 587 souls to 623 souls but it has shown a decrease to 469 souls during 2008-09 which is a healthy indication. The indicator stood at 967 souls at all India level during 2001-02. The healthiness of the indicator is neutralized by the area coverage and students per lakh of population.

At State level the students per lakh of population has increased from 14602 students in 1980-81 to 15836 students in 2008-09 which indirectly indicates that the people's participation in education has increased from 14.06 percent to 15.83 percent which can be attributed mainly to increase in the number of students as well as increase in level of higher education participation. The State indicator and All India indicator are moving neck to neck showing same trend.

The Literacy Rate at State level has increased from 26.67 percent (36.29 percent males and 15.88 percent females) as per Census 1981 to 55.52 percent (66.60 percent males and 43.00 percent females) as per Census 2001 showing an increase of 28.85 percentage points over the two decades from 1981 to 2001. The gap in Literacy Rate has further increased to 23.60 percent in the year 2001. The Literacy Rate for the Census year 2001 had been calculated for '7 years and above age'.

The Literacy Rate at State level has further increased to 65.67 percent (73.30 percent males and 57.11 percent females) as per latest survey conducted in 2008 by the Directorate of Economics and Statistics, J&K thereby showing a growth of 10.15 percentage points (18.32 percent) over the previous Census (2001). However, it still falls short of the targeted literacy rate of 73% during 2008-09. The gap in the Literacy Rate has been registered as 16.19 percent in favour of males. The Literacy Rate of the State has registered an exponential growth rate of 2.126 percent per annum besides exponential growth rate of population (aged 7 and above) by 1.81 percent per annum. As per literacy survey 2008, the highest literacy rate was exhibited by district Jammu (83.73%) and Samba (81.91%) whileas the lowest literacy rate was exhibited by district Rajouri (48.37%) preceded by Kupwara with 50.05%.

With the expansion in educational facilities the number of literates in the State have increased but has not been able to keep pace with the increasing population which has resulted into increase (though marginal) in the number of illiterates. The number of illiterates has simultaneously increased though at a declined rate of growth. In absolute terms, the number of literates have increased from 3.93 lakh in 1961 to 45.16 lakh in 2001 and further to 61.65 lakh in 2008, the number of illiterates has increased from 31.69 lakh to 36.783 lakh and subsequently decreased to 32.33 lakh during the same reference years. It has been observed that the number of literates has exceeded the number of illiterates for the first time in 2001 thereby taking the literacy rate above 50 percent landmark.

Gender disparity in literacy is historical phenomenon. This large disparity still continues in male/female literacy situation. While about three fourth of the males in the State are literate in 2008, the landmark of half (50 percent) has recently been achieved in case of females. The gap in literacy has increased from 12.70 percentage points in 1961 to 23.60 percentage points in 2001 whileas it has decreased from 23.60 percentage points to 16.19 percentage points in 2008 exhibiting the convergence of literacy rates to some extent. This is an indication of improvement of female literacy. However, the micro-analysis of the facts show contrary and encouraging results as far as female literacy is concerned. The female literacy at both Rural and Urban have shown higher growth in literacy than males. The highest progression has been made by Rural females while as least progression by Urban males. Rural females have shown growth of 15.96 percentage points while as Urban females have recorded 8.39 Percentage points during the period under consideration while as Rural males have managed a growth of 8.43 percentage points and Urban males by 3.15 percentage points.

At Combined level also, females have registered a higher growth rate (14.11 percentage points) in literacy than males (6.70 percentage points), resulting in an overall growth of 10.15 percentage points.

### ***Status of Physical Infrastructure***

At present, 14820 (13516 Government and 1304 Private) Primary Schools, 8300 (6264 Government and 2036 Private) Middle Schools, 1901 (1156 Government and 745 Private) High Schools and 786 (597 Government and 189 Private) Higher Secondary Schools are functioning in the State, besides 2 Sainik

Schools, 36 Kendriya Vidyalayas and 14 Jawahar Navodalayas in the Government sector. The estimated child population from 6 to 14 years stood at 21.64 lakh, out of which 19.30 lakh are enrolled in Primary and Middle Schools run under Government and Private sector. 8.01 lakh children are enrolled in High and Higher Secondary Schools. The Dropout Rate at Primary level and Upper Primary Level is 1.13% and 2.94% respectively. The number of 'out of school children' stands at 0.40 lakh as on March, 2009.

The Education system is manned by 200 Zonal Educational Officers, 877 Headmasters, 10284 Masters, 51890 Teachers, 7000 Third Teachers, besides 30570 RET teachers working under SSA, out of which 4789 teachers completed a tenure of 5 years. While taking into consideration the performance levels it has been observed that there is 33.74 percent for Matric Class, 34.37 percent for 10+2 Class which is a major area of concern. However, encouraging trend has been observed in case of Graduate with the pass out percentage at (83.66 percent to 87.12 percent) and post graduate level results at 77.96 percent to 86.30 percent.

### ***Contribution of SSA in reduction of out of School children***

- No. of 'Out of School' children reduced from 3.76 lakh to 0.52 lakh, out of which 0.12 lakh children are undergoing Bridge courses.
- Enrolment position in Government primary/Middle Schools is 13.58 lakh (9.81 lakh in Govt. Primary School and 3.77 lakh in Govt. Middle Schools).
- Percentage of 'children not attending' school was reduced to 5.57% from 7.8% in 2007-08.
- 'Drop out rate at primary level' is 1.13% while as at Upper Primary level the indicator stands at 2.94%.

### ***Inclusive Education for Physically challenged children***

- Out of 36,162 'differently disabled' children, 24,225 are enrolled (66%).
- 16407 teachers trained in Inclusive Education.
- Assistive devices provided to 4450 'Physically Challenged Children'.
- Ramps constructed in 660 schools.
- Regular health check-ups are being organized at Zonal/School levels.
- 121 Tricycles, 334 Wheel Chairs, 101 Crutches, 155 Hearing Aids, 349 Orthosis/Prosthesis, 175 shoes and 122 spectacles were distributed during 2008-09.

### ***Female Education***

- 51 Model Cluster Schools have been made functional.
- Vocational training initiative taken during 2008-09.
- 62 KGBVs made operational during 2008-09.
- Construction of 4 KGBVs completed and 54 are at various stages of construction.

### ***Other Initiatives***

- Free text books were provided to all children from Class 3rd to 8th.
- 76053 VEC Members were offered orientation/training programme.
- Remedial teaching has been provided to 55480 students on continuous basis during 2008-09.

- The process of remedial teaching is monitored by the concerned DIETs.
- 484 Computer Aided Learning (CAL) Centers have been established giving coverage to 726 Primary Schools

### ***Construction of Kitchen Sheds***

Government of India has been providing assistance @ Rs. 60000/- per kitchen cum store and 5815 kitchen sheds were to be constructed during 2008-09. An amount of Rs. 34.89 crore was provided during 2008-09. 4400 such Kitchen Sheds were completed during the year and remaining are at different stages of construction.

### ***Higher Education***

#### ***Major Achievements of Higher Education during 10th Plan***

Three new Universities have been established thereby making a total of eight Universities in the State including one Central university. Six new campuses of the existing Universities have been sanctioned and some courses are running in the existing colleges / hired buildings at Baramulla, Anantnag, and Baderwah. At Poonch, Udhampur, Kathua, Kargil and Kupwara, new campuses are proposed to be set up. University of Jammu has been conferred ISO 2000 for maintaining standards of quality education. One Central University under the aegis of Human Resource Development Ministry has recently started functioning in the state.

22 New Degree Colleges have been set up during the 10<sup>th</sup> Plan. (14 Colleges under PMRP, 4 under the assistance of Ministry of HRD and 4 under State Plan). The construction of 10 college buildings taken up under PMRP and State Plan is at the final stage and in four cases the matter is subjudice. Against earmarked outlay of Rs. 49.00 crore under PMRP and an additionality of Rs.21.00 crore for completion of allied activities under State plan, Rs. 43.78 crore and Rs. 17.59 crore stand utilised respectively ending March, 2009.

18 Degree Colleges under State Plan have also been made functional on make do arrangement basis and construction of these college buildings is expected to start during 2009-10 for which the case is under active consideration of the Government at various levels. Women Study Centres and one Gandhian Study Centre have been set up with seed money of Rs.7.00 lakh for each college. Post Graduate courses have been introduced in various subjects in 19 Govt. Colleges of the state.

Professional courses such as BCA, BBA, BIT and MCA have been started in 15 Colleges of the State. EDUSAT facility has been provided in Govt. College for Women, Srinagar and Govt. College for Women, Gandhinagar with the assistance of Indian Space Research Organization (ISRO). 102 Satellite Integrative Terminals (SITs) are being set up in the colleges and in a number of Higher Secondary schools. Rs.4.00 crore have been spent by Indian Space Organization.

The GGM Science College, Jammu and S.P. College, Srinagar have been declared as Heritage Colleges.

### ***Technical Education***

The department of Technical Education, established in 1981 by unifying the Administrative Control of Polytechnics and the Industrial Training Institutes (ITIs) of the State for imparting technical and vocational training to the youth of the State, had undergone various initiatives in the field of Technical Education.

A Centrally Sponsored Scheme for establishment of 18 New Polytechnics has been conceived, for skill development in a Mission mode, in a phased manner. This will be the thrust scheme during the 11<sup>th</sup> Plan period for which Rs. 1200.00 lakh per polytechnic as non-recurring/construction costs will be received from Govt. of India. The recurring charges and land development shall be the State responsibility.

Skill development through vocationalization in a Mission Mode for National & International placement is the recent initiative and targets are to be achieved in phased manner for increasing the Technical procedure for employability upto 2022. The proposal is being formulated in consultation with the experts. The scheme is designed to produce 500 Million Technical/skilled manpower at the ALL-INDIA-LEVEL to meet the global increasing demand of Technical hands.

### *Housing and Urban Development:*

Census 2001 has recorded 2768.60 thousand census houses in J&K as against 249095.6 thousand houses for the country. Number of occupied residential houses is 1452125 which constitutes 52.45% of total census houses for J&K State. The corresponding percentage of occupied residential census houses for India accounts for 75.14%. No of households per hundred occupied residential houses as per 2001 census is 107 in J&K State as against 103 households for the country. As per census 2001, about 25 percent population of the State lives in urban areas.

Census 2001 has revealed that 55% households live in permanent houses, 32.15% in semi permanent houses and 12.85% were living in temporary houses, the relative position in India was 51.80%, 30.04% and 18.16% respectively. Categorizing the households living in owned, rented and other categories works out to 93%, 5% and 2% for J&K and 87%, 11% and 2% respectively for India. These figures also depict good position for the state as compared to All India.

Potable drinking water, system for disposal of excreta, good sanitation and personal hygiene to reduce prevalence of morbidity are equally needed like food for sustenance. It is, therefore, imperative to know the availability of these basic services. Census 2001 has recorded that safe drinking water facility is not available to 45% of the rural households in J&K compared to only 27% rural households in India. 47% Households in J&K have no latrine facility. 80% of the total population have electricity in Jammu and Kashmir as compared to only 44% in India. The various schemes initiated by the Govt. to provide basic amenities to its population in J&K State are going in the right perspective.

During the last two decades, urban population of J&K state has observed increase of 98.4% against the national average of 64.2%. To be specific, out of every four individuals in the State, one lives in an urban area. As per the survey (2008) recently conducted by the Directorate of Economics & Statistics, J&K, the BPL population for urban areas has been estimated at 7.96% which is 2.21lakh persons.

Three colonies in Srinagar at Noorbagh, Bemina, Samerbug and two colonies at Rajinder Nagar and Nagrota have been established in Jammu city for economically weaker sections. The scheme VAMBAY alongwith NSDP stands subsumed under BSUP and IHSDP of JNNURM. Sewerage Project, Srinagar zone III is under execution at a sanctioned cost of Rs. 132.92 crore (119.63 crore Central share+13.29 crore State Share). Sewerage Project Jammu Sector-I – Division A is being executed at an approved cost of Rs. 129.23 crore (Rs 116.31 crore Central Share+ Rs 12.92 crore State Share). Similarly, Water Supply Project, Tangnar is under execution with financial involvement of Rs 148.39 crore (Rs 133.53 crore Central Share + Rs 14.86 crore State Share).

For slum dwellers five projects have been sanctioned under BUSP. Rajiv Nagar Slum Dwellers project has been sanctioned at a cost of Rs. 14.25 crore (Rs 11.53 crore Centre Share+ Rs 2.72 crore State Share) for construction of 609 Dwelling Units. Another project namely Rehabilitation and Resettlement of Slum Dwellers of Dal Lake Srinagar at a sanctioned cost of Rs. 90.93 crore (Rs 73.36 crore Central Share + Rs 17.57 crore State Share) has been envisaged for 4600 dwelling units. Three more projects namely Kasto Ashram at Baghwati Nagar, Jammu for construction of 36 dwelling units with sanctioned cost of Rs. 1.43 crore, Construction of dwelling units in 21 clusters of Jammu city with an estimated cost of Rs. 33.41 crore and construction of 622 dwelling units at Sumerbug, Wanganpora and Behrar for leper and Tibetan urban poor with an estimated cost of Rs. 22.37 crore have been sanctioned.

106 Projects/Sub-Projects have been sanctioned under UIDSSMT component with cost involvement of Rs.1021.14 crore (Rs 919.14 crore Central Share+ Rs 102.00 crore State Share). Sofar Centre funding of Rs 128.00 crore has been received. Integrated Projects for eight towns i.e. Akhnoor, Kathua, Samba, Sunderbani, Poonch, Doda, Baderwah and Udhampur of Jammu Division are under progress and an expenditure of Rs.63.00 crore has been incurred ending March, 2009.

Under IHSDP, ten projects in Phase 1<sup>st</sup> have been sanctioned at Anantnag, Banihal, Batote, Basholi, Khour, Nowshera, Parole, Poonch, Ramgarh and Thanamandi. Besides, these 10 projects, Fifteen more projects in Phase IInd at Ramnagar, Reasi, Baramulla, Budgam, Sopore, Bandipora, Mattan, Kulgam, Shopian, Ganderbal, Sumbal, Hajin, Kupwara, Handwara and Magam have also been sanctioned. The sanctioned cost of 25 projects is to the tune of Rs. 85.20 crore out of which Central Share of Rs. 29.91 crore has been received. 5176 dwelling units are to be created under this project. An amount of Rs. 2.14 crore has been expended till March, 2009.

### *Water Supply and Sanitation:*



At present, 1233 schemes in rural areas are under implementation in all the districts of the State at a cost of Rs.1799.00 crore against which expenditure of Rs.903.62 crore has been incurred up to 03/2009. There are 12854 schools of various categories in the state out of which 8139 have been provided with drinking water facility up to March,2009 and remaining 4715 schools are still uncovered.

Under AUWSP Water Supply Schemes in ten towns at an estimated cost of Rs.39.26 crore are under execution with central assistance. An amount of Rs.19.54 crore has been received from Govt. of India which has been utilized in full and Rs.19.72 crore provided by the State as matching state share also stands utilised.

- 452 habitations were provided drinking water facility during 2008-09 (November 2008).
- 412 Rural Schools have been covered with potable drinking water facility
- 900 Hand Pumps were installed in water scarcity area which has provided much wanted relief to the inhabitants of these areas.
- 748 water supply schemes have been completed under Bharat Nirman Programme thereby providing drinking water facility to 2283 uncovered and partially covered habitations.
- The computerization of the department up to sub-division level has been set into motion and is expected to be completed by September, 2009

7 MGD capacity intake chamber of Filtration Plant at Sitlee Phase-I which had got washed away during the floods of September, 2006 has been fully restored at a cost of Rs.6.54 crore. Besides, Phase-II of the Filtration Plant including 7 MGD intake, is being targeted for completion by end of December, 2009. With this augmentation, supply level of approximately 150 LPCD (litres per capita per day) will be achieved.

Augmentation of existing water supply in Srinagar city is being done by adding 12.25 MGD water capacity to Rangil Phase-II and Doodh- ganga water Supply schemes at the cost of Rs.70.18 crore out of which 10MGD Filtration Plant Rangil Phase-II has been completed. However, the work on Doodh ganga Filtration Plant is in full swing and is targeted for completion by August, 2009. After completion of both the Filtration Plants, aprox. 135 LPCD (litres per capita per day) supply level will be achieved.

Under TSC all individual households have to be persuaded to construct individual household latrines and an incentive of Rs.1200/- is provided for each household latrine. 5.88 lakh BPL and 3.71 lakh APL families are still without household latrines.

The allocation of 11<sup>th</sup> FYP is Rs. 1406.28 crore. The outlay for 2007-08 was Rs. 136.84 crore against which an expenditure of Rs. 149.31 crore has been incurred. The annual plan outlay for the year 2008-09 was Rs.160.00 crore.

### ***Women Empowerment and Child Development:***

Female population of J&K State rose very marginally from 47.1% of the total population in 1981 to 47.2% of the total population in 2001, with an

increase of 19.60 lakh. At 69.44%, the growth rate of females population for the 1981-2001 (two decades) was slightly higher than the male population growth rate of 69.40% over the period. This is because the life expectancy at birth for women (68.1 years) is higher than male life expectancy of 65.8 years. Demographic imbalance between men and women, however, continue to exist.

The sex-ratio as per census 2001 is 892 which is very unfavourable to the women of the State. Moreover sex ratio in the age group of 0-6 years is 941. Although the recent survey conducted by the Directorate of Economics and Statistics in the year 2006 has shown the sex ratio as 925 and the results of NSS Survey 61<sup>st</sup> round has also revealed a sex ratio of 923. The sex ratio in the State is comparatively low in comparison with the National average of 933. The position is worse in the urban areas where the sex ratio is only 819 as against 917 in rural areas as per the Census 2001. However, the position has improved as per NSS 60<sup>th</sup> Round results which exhibit sex ratio in urban areas at 919 and rural areas at 925.

As per census 2001, the literacy rate in the state was 55.52% and for females it stood at 43% with a corresponding dispersion at Rural and Urban level as 36.74% and 61.98% respectively. Whileas for males the indicator stood at 66.60% with a corresponding dispersion as 61.65% and 80.00% at Rural and Urban level. The gender gap in literacy is 23.6%. Gender differential exist both in Rural and Urban areas but it is high in Rural areas.

The Literacy Rate at State level has further increased to 65.67 percent (73.30 percent males and 57.11 percent females) as per latest survey conducted in 2008 by the Directorate of Economics and Statistics, thereby showing a growth of 10.15 percentage points (18.32 percent) over the previous Census (2001). The gap in the Literacy Rate has been registered as 16.19 percent in favour of males. The Literacy Rate of the State has registered an exponential growth rate of 2.126 percent per annum besides exponential growth rate of population (aged 7 and above) by 1.81 percent per annum.

The gap in literacy has decreased from 23.60 percentage points to 16.19 percentage points in 2008 exhibiting the convergence of literacy rates to some extent.

The female literacy at both Rural and Urban level have shown higher growth in literacy than males. The highest progression has been made by Rural female whileas least progression by Urban male.

12 Nari Niketans are functioning in the State having total capacity of 400 inmates to provide free boarding, lodging, healthcare to the destitutes. During 2008-09, under NMDFC, 546 beneficiaries were covered with a financial assistance of Rs 3.20 crore.

158 beneficiaries have been benefited during 2007-08 and 163 beneficiaries were covered during 2008-09 by incurring an expenditure of Rs.0.79 crore. The Corporation NHFDC provided an assistance of Rs. 0.18 crore to 25 beneficiaries during the year 2008-09. The 11<sup>th</sup> Five Year Plan envisages to bring all out of school children to school.

At present there are 141 ICDS projects with 25483 Anganwadi Centres providing services to 6.19 lakh beneficiaries comprising of 4.98 lakh children and 1.21 lakh pregnant and lactating mothers under ICDS.

### ***Welfare and Development of Backward Classes and other weaker sections:***

Scheduled Castes constitute 7.59% and Scheduled Tribes constitute 10.90% of the total population of the State.

Under Bank Tie-up Scheme, 1200 units and 1460 units were targeted for 2007-08 and 2008-09. 1575 cases were sponsored to banks during 2007-08, out of which 793 cases were sanctioned with subsidy component and bank loan input of Rs.68.86 lakh and 172.15 lakh respectively. During 2008-09, 1873 cases were sponsored to Banks, out of which 656 units were established with financial supplementation of Rs. 54.32 lakh as subsidy and loan disbursement of Rs.236.24 lakh.

Under Direct financing scheme, out of a target of 850 beneficiaries, 376 were covered with a financial assistance of Rs 4.89 crore during 2008-09. The SCs, STs and OBCs Corporation has so far trained 3182 candidates of the target group including 500 during the year 2007-08. During the year 2008-09, the Corporation has trained 860 candidates for various training courses all over the State through its district offices.

Under Pre- Matric Scholarship, 81389 SC students and 98396 OBC students were covered during 2008-09 with an financial involvement of Rs 211.63 lakh and Rs.254.68 lakh respectively. Similarly an amount of Rs 18.74 lakhs was incurred during the same period for extending the benefits of the scheme to the children whose parents are engaged in unclean occupation.

Under Post-Matric Scholarship, 2613 OBC Students and 11460 SC/ST students were benefited with the financial assistance of Rs Rs.328.62 lakhs and Rs.595.30 lakhs respectively during 2008-09.

For SC Boys/Girls Hostels during the year 2006-07 and 2007-08 an amount of Rs. 79.18 lakh and Rs. 17.29 lakh respectively was available which stands fully utilized. The outlay for 2008-09 was Rs. 15.00 lakh for construction of SC Boys Hostel Landhar, Udhampur against which Rs.43.71 lakh (with additionality of Rs.28.71 lakh) were incurred by the end of March, 2009. The proposed outlay for the current financial year is Rs.49.37 lakh (excluding central share).

For construction of Hostels for ST students an amount of Rs. 74.69 lakh was the approved outlay for 2008-09 (which include Rs. 50.00 lakh for Jammu province and Rs. 24.69 lakh for Kashmir Division against which an amount of Rs.63.98 lakh was incurred by the end of March, 2009. The proposed outlay for the current financial year is Rs.40.26 lakh (excluding central share).

During the year 2008-09 an outlay of Rs. 1317.00 lakh and Rs. 517.00 lakh was earmarked under the schemes SCA to TSP and Article 275(i)-Constitution of India respectively by the Planning and Development Department. However the Ministry of Tribal Affairs conveyed an allocation of Rs

1352.00 lakh and Rs. 484.14 lakh respectively under these schemes for the year 2008-09 against which the 1<sup>st</sup> instalment of Rs. 676.00 lakh under SCA to TSP and Rs. 193.66 lakh under Article 275(1) were only released in favour of the State, though the requisite Utilization Certificate for the year 2007-08 and the Action Plan 2008-09 were submitted to the Ministry of Tribal Affairs as per the prescribed proforma/spreadsheet as demanded well in time. The (tentative) expenditure during 2008-09 under the schemes SCA to TSP and Article 275 (1) was Rs. 434.33 lakh. Further, as per the instructions of the Ministry of Tribal Affairs, GOI the DDCs have been advised to formulate the Action Plans for the current financial year 2009-10 under both the schemes by giving 10% increase to the allocations earmarked by the Ministry for the 2008-09.

Gujjar and Bakerwal Students covered under Pre-Matric Scholarship during 2005, 2006 and 2007 were 173000, 184000 and 188000 respectively. During 2008-09 a target of 190000 students was fixed for award of Pre-Matric Scholarship.

Pahari Speaking Students covered under Pre-Matric Scholarship in 2005, 2006 and 2007 were 10000, 32700 and 76000 respectively. During 2008-09 a target of 1.51 lakh students was fixed envisaged for award of Pre-Matric Scholarship

A separate and independent Directorate of Tribal Affairs has been established in September 2008 in the state.

Per day Diet charges for inmates of various hostels being run by the Social Welfare Department like Nari Niketans, Bal Ashrams, G&B Hostels, Hostels for the Pahari Speaking Students were enhanced from Rs. 25/- per day per inmates to Rs. 50/- per day per inmate w.e.f. 1-1-2009.

Monthly pension for the people with disabilities (physically handicapped) was enhanced from Rs. 300/- per month to Rs.400/- per month with effect from 1-1-2009

### ***Power/Energy:***

The estimated hydro power potential of the State is 20,000 Megawatts (MWs), of which 16480 MWs have been identified. Out of the identified potential, only 2318.70 MWs (14%) have been exploited sofar, consisting of 758.70 MWs in State Sector from 20 power projects and 1560 MWs from three power projects under Central Sector i.e. 690 MWs (Salal Hydel Electric Project), 480 MWs (Uri-I Hydel Electric Project) and Dulhasti 390 MWs. The installed capacity of 758.70 MWs from state sector projects includes the 450 MWs of installed capacity of Baghlihar Phase -I constructed at a cost of Rs. 5211.61 crore taken over by the J&K State Power Development Corporation on 9-10-2008. The common works for the Phase II of the Baghlihar power project are under execution.

Due to resource constraints, exploitation of this economic rejuvenator has been very steady. Besides, the constraints imposed by the provisions of Indus Water Treaty between India and Pakistan preventing storage of the water of Jehlum, Chenab and Sindh rivers, these projects have been constructed as run of the rivers and as such generation reduces to less than 1/3rd of installed

capacity during winter when these snow fed rivers dwindle. The State is perpetually energy deficient and has to rely on power purchase from Northern Grid to meet its requirement particularly in winters, when its own generation recedes and demand peaks. The base load requirement of the State is about 716 MWs and peak demand is currently pegged at about 2120 MWs.

Rupees 18912.25 crore have been earmarked under the Prime Minister's Reconstruction Programme for development of power sector in the State. This includes an amount of Rs 14,952.41 crore in the Central sector for generation of power. Rs 2811.00 crore are earmarked for strengthening of transmission and distribution network including Rs. 630.00 crore for Baghlihar HEP (450 MW), Rs. 119.00 crore for access road to Sawalkote HEP and Rs. 78.00 crore for Damkund-Ramban road for Sawalkote HEP and Rs 1148.84 crore under Accelerated Power Development Reforms Programme (APDRP) in the state sector.

The Transmission and Distribution losses in the State are very high of the order of 72 percent which includes commercial losses as well. The main reasons for such high losses are more technical which include existing outdated system. To minimize such losses, the system needs up-gradation and improvements. Commercial losses, include unaccounted and uncontrolled consumption of power beyond agreement load, unregistered consumers, lesser agreement loads etc.

The base load requirement of the State is about 716 MWs and peak demand is currently pegged at about 2120 MWs. The Sixteenth All India Power Survey has projected an increase in power demand of Jammu and Kashmir from 1706 MWs (9640 MUs) during 2004-05 to 2120 MWs (14750 MUs) during 2008-09. 16441 MUs is the estimated demand for power during 2009-10 and the requirement is expected to reach 4000 MWs (19500 MUs) by 2020-21.

Under Power Sector Rs. 2879.49 crore were approved as outlay for the years 2002-2007, against which Rs. 2873.63 crore were spent on all the projects/schemes. An amount of Rs. 8190.12 crore have been earmarked for this sector under 11<sup>th</sup> Five Year Plan which is 184 percent more than that of 10<sup>th</sup> Plan outlay. The approved outlay 2008-09 was to the tune of Rs. 1096.14 crore including Rs. 469.14 crore under PMRP and Rs. 250.00 crore under APDRP. The expenditure was registered as Rs. 943.59 crore (86%). The proposed outlay for the year 2009-10 is to the tune of Rs. 1696.10 crore.

During 2007-08, 879.35 MUs energy was generated of the value of Rs. 81.42 crore whileas 1658.59 MUs power was generated, valued at Rs. 295.47 crore during 2008-09. Total availability of power from all the sources is just around 9147 MUs. The State is under stress to purchase power from other sources. To meet the restricted requirement of 10238 MUs in the current year, the State may require to purchase additional 1091 MUs through U.I and short term purchases besides banking arrangements with Punjab, Haryana and Chatisgarh.

Only 29 percent of the energy through power was realised in the year 2008-09 and it is expected to grow to the tune of 37.18 percent in the year 2009-10, which is one of the lowest in the country. The transmission and distribution losses are about 61 percent while as rest losses are due to collection losses making it an aggregate of 72 percent. Collection efficiency is only between 70-85 percent.

To meet the gap of infrastructure at 220KV and 132KV level various schemes have been taken under Prime Minister's Reconstruction Programme at a cost of Rs.1351.00 crore. Similarly for bridging the gap at Sub Transmission and Distribution level various APDRP schemes approved by CEA are under execution. The total cost of these approved schemes is Rs. 1100.13 Crore except for District Leh and Kargil for which the projects amounting to Rs.48.73 crore has been submitted to CEA for approval.

Simultaneous actions have been initiated for acquisition of land and all sites/ locations taken over. The infrastructure development work such as land development, fencing, construction of store sheds, approach roads, electricity supply arrangements and water supply arrangements are in progress at these locations. 8 Grid stations and 10 Transmission Lines which were under execution departmentally stand completed. 3 more Grid stations and 3 Transmission lines have been commissioned. The other schemes are targeted to be completed during 2009-10.

In addition to above the scheme also include other system improvement works. In order to reduce the Aggregate Transmission and Commercial Losses (AT & C) and to introduce effective energy auditing, the scheme envisage installation of 10.17 lakh consumer meters. Out of Rs.1100.13 Crore earmarked for completion of these schemes Rs. 671.55 Crore have been spent ending January 2009.

An amount of Rs. 693.24 crore was realised as revenue under power sector against the total target of Rs. 792.64 crore during 2007-08, thereby constituting 87.45 percent of the targeted revenue realisation in the power sector. The Revenue realisation during 2008-09 has enhanced by Rs.44.59 crore thereby registering a growth of 6.43 percent over the previous year (2007-08).

**Revenue realization (Pure) - target and achievement in crore)**

**(Rs.**

<i>S.No.</i>	<i>Year</i>	<i>Target</i>	<i>Achievements (Pure Revenue)</i>	<i>Percentage achievement</i>	<i>Misc. Rev.</i>	<i>Elect. Duty</i>	<i>Total Rev.</i>	<i>Percentage</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>
1	2002-03	485.70	283.37	58.34	1.06	38.77	323.20	66.54
2	2003-04	506.36	298.30	58.91	0.85	43.48	342.63	67.66
3	2004-05	588.12	344.75	58.62	1.21	52.81	398.77	67.80
4	2005-06	575.15	374.59	65.13	1.72	60.90	437.21	76.01
5	2006-07	480.98	393.41	81.79	1.85	60.22	455.48	94.69
6	2007-08	792.64	591.97	74.68	1.95	99.32	693.24	87.46

7	2008-09	1105.00	628.00	56.83	1.85	108.00	737.83	66.77
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The poor state of revenue realization is mainly due to high power thefts/illegal uses/unregistered consumers, uncontrolled and unaccounted consumption of power, lesser load agreements, low tariff rates and poor augmentation.

In view of the topography and terrain involved in the mountainous and border areas, Ministry of New and Renewable Energy (MNRE) Government of India launched a programme in 2003-04 with the sole objective of covering the un-electrified/de-electrified villages of the state through renewable energy sources. The scheme aims at providing Solar Home Lights and Solar Lanterns etc. under Solar Photovoltaic Programme (SPV). During the financial year 2008-09, Jammu & Kashmir Energy Development Agency (JAKEDA) has successfully implemented the Remote Village Electrification (RVE) under which 50 unelectrified villages of the state have been electrified by providing 8297 Solar Home Lights.

In the state about 2500 Solar Home Lights (SHLs) have been distributed under general category by JAKEDA under the Solar Photovoltaic Programme of the MNRE, GoI. These solar lights are subsidized by the MNRE, GoI and the state government to the extent for 40% and 15% respectively and the end user has to pay a beneficiary contribution of Rs. 5000/- per SHLs. In addition to this 8000 Solar Lanterns (SLs) were also distributed in the unelectrified villages/hamlets of the state. The Ministry has also sanctioned five Energy Parks for five educational institutions of the state in order to create awareness about the benefits of renewable energy through the student community. Under the Water Mills programme, 35 Water Mills were upgraded during the year 2008-09. In addition to this 10 Water Mills/ Micro Hydrel Projects of upto 5 KW each are being set up through a local NGO in Doda district of the state.

### ***Connectivity:***

Out of total 6417 inhabited Census Villages in the State, 4662 villages (72.65percent) were connected by all weather or fair weather roads, leaving 1755 inhabited villages (27.35 percent) yet to be connected by all weather or fair weather roads at the end of March, 2008.

Out of 9933 habitations only 2735 habitations are yet to be connected. A total length of 18809.42 kms of road is being maintained by PWD. Out of this 9559.64 kms is black topped, 4832 kms metalled, 1315 kms shingled, 3000 kms fair-weather and 102 kms is jeepable. The road length maintained by the State PWD was 14858 kms (12109 kms surfaced and 2749 kms unsurfaced) during 2002-03.

The allocation of 11<sup>th</sup> Five Year Plan is Rs. 2660.81 crore under R&B sector. During the First Year of the 11<sup>th</sup> Five Year Plan (2007-08), against allocation of Rs. 616.41 crore, the expenditure was Rs. 885.55 crore. The approved outlay for the year 2008-09 was Rs. 693.35 crore. During 10<sup>th</sup> Five Year Plan out of 1124 schemes, 21 schemes under CRF and 298 under NABARD have been completed. In addition 63 schemes have also been completed under PMGSY. An allocation of Rs. 1599.94 crore was earmarked

during 10<sup>th</sup> Five Year Plan against which an expenditure of Rs. 1612 crore has been booked under R&B sector.

PWD road length per hundred Sq. Kms of area for the State gives the value of 18.55 km. However, (PWD) road length per lakh of population gives better picture of 154.34 kms. Number of vehicles per 100 km of road length for the State stands at 3553 vehicles for roads maintained by PWD during the year 2008-09. The number of vehicles has grown upto 6.68 lakh in 2008-09 from 2.99 lakh in 1999-2000 indicating an annual average growth rate of 17.66% over the period of 9 years. The road length at the end of the 2008-09 maintained by PWD is 18809 kms whereas the total public and private vehicular fleet of the State is 668427 vehicles. The number of registered vehicles per 100 Sq. Km of areas is 659 whileas number of vehicles registered per lakh of people is 5342.

On the indicator, PWD road length per lakh of population during 2007-08, district Leh has the highest value with 1067.07 Kms and Rajouri is the lowest with 73.88 Kms. Leh is followed by Kargil with 669.71 Kms and Rajouri is preceded by Bandipora with 79.70 Kms as against 150.71 Kms for the State.

On the indicator PWD road length per 100 sq. kms of area 2007-08, district Shopian and Srinagar are the first two districts where the magnitude of PWD road length is highest with 163.14 Kms and 106.76 Kms per 100 Sq Km of area. Leh, Kargil and Doda including Kishtwar and Ramban have the lowest road density of 3.33 Kms, 6.84 Kms and 7.77 Kms respectively against state density of 18.12 Kms.

At the end of March 2008 road length maintained by all the departments in the State was 40103 kms, of which 24017 kms were surfaced and remaining 16086 kms unsurfaced. The road density (road length per 100 sq. kms of area) of the State thus works out to be 39.55 kms against the National Average of 104.6 kms. With this road density, J&K is among the States with lowest road density in the Country, thus hampering opening up of the economy and adversely affecting delivery of public services to the people. Moreover, there are huge inter-district variations in the rural road density.

The J&K National Highway NH1A, the only lifeline that connects the state to the rest of the country, has proved most expensive road as far as its maintenance cost is concerned. The route is highly vulnerable to landslides, avalanches, mudslides, etc right from Jawahar Tunnel to Udhampur particularly during the winter months. The incessant rains often results in the blockade of road which ultimately hampers the trading community which normally imports the goods from out side the state. The common masses are also hit very hard on account of the scarcity of food grains and other essential commodities during the road blockade period. Countenancing the situation over many years the government had no option but to consider the opening up of the alternative route which will connect the state particularly the Kashmir valley with the rest of the country. The government made all the possible efforts and to all the possible steps for creating alternative highway via Shopian Bufiaz popularly know as Mughal Road. The construction of this road is presently going on in full swing and the project is expected to be completed by



2011. The government of India has already conveyed the approval to the execution of the project at a revised cost of Rs. 639.85 crore.

The earliest, most direct and most heavily used route came to be known as the Silk Road will appear as another alternate route connecting the state with central Asia which will open international markets for the goods produced in the state.

In Phase I, II and III of the PMGSY, 79 schemes have been completed which has resulted in addition of 160 kms of road length. During the years 2006-07 and 2007-08 Phase IV and V of the scheme have been sanctioned by the Govt. of India, which will add 1565 kms of road length in the State with an investment of Rs. 623.00 crore.

The procurement of land measuring 10 kanals at Bemina, Srinagar for construction of TC/RTO complex, Kashmir is under process with Srinagar Development Authority at cost of Rs. 155.00 lakh against which an amount of Rs. 91.74 lakh has been released to SDA.

The construction of RTO Office complex at Rail Head Jammu is under construction at an approved cost of Rs. 119.00 lakh (Revised to Rs. 124.50 lakh). An amount of Rs. 94.50 lakh has been incurred on the project during 2008-09 and balance amount of Rs.30.00 lakh has been proposed to be allotted in the current financial year (2009-10)

Under Phase III, IV, V and VI of PMGSY being implemented by the state PWD, 752 schemes stand sanctioned at an estimated cost of Rs. 1959.93 crore out of which 67 schemes stand completed and a good number of schemes is at advanced stage of completion.

In addition to above, 25 schemes at an estimated cost of Rs 184.64 crore under Upgradation Programme (Tranche-I) were approved under World Bank funding but subsequently changed to PMGSY Phase VI.

As per Bharat Nirman goals, all habitations with a population of more than 500 and above were to be connected by March 2009. In J&K, there are 1643 such habitations (740 habitations with 1000 plus population and 903 habitations with population 500-999). This would require construction of 989 roads with an aggregate length of 5800 Kms, costing Rs 4000.00 crore. Under upgradation programme of Bharat Nirman, a total road length of 2935.02 km was to be covered by end of March 2009 as per the target fixed by the Ministry of Rural Development, Government of India. The estimated cost on this account is Rs 755.74 crore.

Under PMRP, 209 major bridges at an estimated cost of Rs. 439.932 crore are under progress. During the year 2008-09, against allocation of Rs. 1500.00 lakh, the expenditure ending 3/2009 was Rs. 3611.00 lakh. 119 bridges stand completed and 90 are under progress.

Under NABARD, 208 schemes at an estimated cost of Rs. 345.53 crore have been sanctioned under RIDF XIV. During the year 2008-09, against an allocation of Rs. 221.70 crore under NABARD, Rs.273.50crore stand utilised.

Commissioning of International Airport at Srinagar has opened the new vistas for enhancing connectivity at International level which will inturn

facilitate international tourism, promote international trade especially export which will provide a big push to the economy and generate avenues of better employment.

The railways network is a recognized cheapest mode of commutation, which has started making its presence felt in the state. This could be realised through commissioning of Anantnag-Mazhoma-Baramulla Rail link. The rail connectivity under Jammu-Udhampur section has proved to be potential linkage.

### ***Communication:***

No of Post office/Head Office/Sub Post Office/Branch Post Office has increased from 1671 in 2000-01 to 1691 in 2006-07 and further increased to 1701 in 2007-08 Area per Post office/Head Office/Sub Post Office/Branch Post Office has remained somewhat constant around 60 sq km from 2000-01 to 2007-08. Further on an average one post office (all categories put together) had to serve an area of 60 sq. km and with a population of 7021 souls in the state as on March 31, 2008.

The subscriber base of basic services provided by Bharat Sanchar Nigam Limited was 338054 on March 31, 2006 which included 302520 fixed line subscribers and 35534 WLL (F) subscribers. The subscriber base registered an annual growth rate of 9.91% over the previous year which registered a figure of 307566 subscribers on March 31, 2005. In the mobile segment there has been a boom in the state, as in the rest of the country. The subscriber figures reached about 33 lakh in just over 5 and half years. In 2008, the total number of cellular subscribers in J&K State rose from 1868820 to 2861046 with a growth of 531%, out of which 839175 (29.3%) were subscribed with BSNL service, 1442521 (50.4%) were subscribed with Bharti Airtel service and 579350 (20.3%) were subscribed with Dishnet Wireless. In March 2009, the subscriber base of the mobile service providers with Bharat Sanchar Nigam Limited (BSNL), Bharti Televentures (Airtel), Dishnet Wireless (Aircel) – and Vodafone Eraser was 3299441.

### ***LoC Trade***

Since start of the LOC trade from 21.10.2008 up to 31.5.2009, forty items in total have been exported through Chakanda Bagh-Poonch route valuing Rs.5.03 cr. During the period imports worth Rs. 11.37 cr. (Pakistani currency) were traded through the same route.

Similarly during the same period 15986 qtls. of different items including 7052 apple boxes, onion 7239 qtls., peas 1970 qtls. and 1124 qtls. of lemon, 9024 boxes of grapes and 3010 boxes of mango were exported through Chakoti-Salamabad route. In addition 1840 number of embroidery suits/shawls /stools, 500 paper machie items and 100 cushion covers were also exported through the same route.

During these seven months period 26008 qtls. of different items were also imported through the Chakoti-Slamabad route including 25297 boxes of oranges , 12171 qtls. of garlic and 8721 qtls. of moong. Besides, 11610 nos. of Jai-Nemaz and 4053 Peshawari chapples were also imported during the period.

However there are certain impediments and deficiencies regarding communication, currency, infrastructure, trade in manufactured items, access to traders across the line and days of trading etc., that need to be addressed in order to make the trade more successful. Further there are certain new possible areas of collaboration that need to be tapped and harnessed to gain the maximum of the changed scenario.

### ***Poverty:***

As per the estimates of Planning Commission, BPL figures for J&K for Rural and Urban areas stand at 3.97 percent and 1.98 percent respectively while as for Rural/Urban (Combined), it stands at 3.48 percent for the year 1999-00. The corresponding figures have declined from 30.34 percent, 9.18 percent and 25.17 percent respectively for Rural, Urban and Combined (R+U) from the year 1993-94. The estimates have shown a phenomenal decrease during the period under reference. The incidence of poverty of J&K State has shown a decline of 21.69 (R+U) percentage points while as the incidence of poverty at All India level has shown a decline of only 9.87 (R+U) percentage points during the period under reference.

The Poverty figures thrown out by the Planning Commission on the basis of data collected by the NSSO through its socio-economic surveys in respect of Jammu and Kashmir State have been a matter of debate and controversy in the State. The estimates have shown a phenomenal decrease during the period from 1993-94 to 1999-00. With this ethos underneath, the Directorate of Economics and Statistics, J&K, carried an exercise to arrive at the reasonably accurate estimates on BPL Population indicators prevalent in the Jammu and Kashmir State. As per this report the total BPL Estimated Population Ratio of J&K State has arrived at 21.63 percent (24.21 lakh persons) with a dispersion of 26.14 percent (22.00 lakh persons) from Rural areas and 7.96 percent (2.21 lakh persons) living in Urban areas as per the survey results (2007-08). This shows that about one fifth of the State's population-fall in Below Poverty Line category.

The Social-group distribution of BPL Population indicates the dispersion of 42.05 percent in case of Scheduled Tribes, 38.07 percent in case of Other Backward Classes (including Paharis), 22.77 percent in case of Scheduled Caste whileas other categories show only 16.85 percent of population under Below Poverty Line when compared with the respective population of a particular category. This shows that highest incidence of poverty is among Scheduled Tribe population followed by OBC Category inclusive of Pahari speaking population.

The Religion-wise distribution of BPL Population exhibited the dispersion of faith with 24.51 percent for Islam, 18.14 percent for Hinduism, 24.50 percent for Buddhism, 7.51 percent for Sikhism and only 3.12 percent for Christianity. This shows that highest incidence of poverty is among the Muslims and lowest is among the Christians.

As per the survey results, the District wise analysis of the incidence of poverty distribution shows that, out of the total 22 districts of the State, 7 (31.82 percent) districts recorded 30-40 percent poverty, 9(40.91 percent) districts recorded 20-30 percent poverty, 5 (22.72 percent) districts recorded 10-

20 percent poverty and One district constituting 4.55% share recorded 6.51 percent poverty.

On the basis of BPL Head Count Ratio, the seven poorest districts in the State are Reasi, Ramban, Kishtwar, Poonch, Kupwara, Kargil, and Bandipora which have more than 30 percent Estimated BPL Population ranging in between 37.93 to 31.09 percent.

On the basis of BPL Household Count Ratio the seven poorest districts in the State are Kisthwar, Kupwara, Bandipora, Reasi, Poonch, Ramban and Kargil which have more than 35 percent Estimated BPL Households ranging in between 42.73 to 35.87 percent.

The literacy rate of Jammu and Kashmir State (both Rural and Urban) for BPL Population was 42.15 percent showing a dispersion of 48.55 percent for males and 35.30 for females. In Rural areas of the J&K State, as per the Survey, the literacy rate of BPL stood at 41.28 percent with the dispersion of 47.81 percent for males and 34.27 percent for females while as in Urban areas of the J&K State, the literacy rate stood at 52.30 percent with the dispersion of 57.32 percent for males and 47.08 percent for females.

The illiteracy among women is more in both the divisions of the State. The gap is almost uniform in Jammu region as well as (13 percent each) in Kashmir division. It is also explicit from the analysis of data that the population Below Poverty Line has more illiterates than the general population of the State and the reasons thereof could be multidimensional. The study has revealed that there is direct relationship between illiteracy and incidence of poverty.

During 2007-08, financial outlay under SGSY was Rs.13.53 crore, out of which Rs. 9.31 crore were spent by providing employment to 9448 persons. 4205 self help groups have been formed during the reported period. Against the financial outlay of Rs.16.27 crore for 2008-09, Rs.10.42 cores (64%) have been utilised to provide employment to 10278 persons, besides, 4123 Self Help Groups have been formed ending January, 2009.

The financial outlay under SGRY during 2007-08 was Rs. 38.35 crore, out of which Rs.33.66 crore were utilised. 12083 works were completed by generating 21.08 lakh mandays. The schemes have been replaced by NREGS from 2007-08.

At present, National Rural Employment Guarantee Scheme (NREGS) is implemented in all the 22 districts of the State. The main objective of this scheme is to provide 100 days of guaranteed unskilled wage employment to each rural household opting for it. During the year 2007-08, 55.37 lakh mandays were generated where as in 2008-09, 79.25 lakh mandays were generated with the financial expenditure of Rs. 86.89 crore.

During 2008-09 under Indira Awas Yojana (IAY) and Rural Housing Scheme (RHS), 19010 houses were constructed/ upgraded with the financial expenditure of Rs. 53.543 crore.

The government has ordered for re-verification of BPL population in the state in order to ascertain the actual number of the BPL families.

## *Un-employment:*

Unemployment is a social issue of serious concern in the present times, both at National as well as State level. J&K State has been facing the problem of unemployment since long.

According to 2001 census, the number of total workers stands at 37.54 lakh of which the main workers constitute 26.09 lakh (69.49%) and the number of marginal workers constitutes 11.45 lakh (30.51%).

Out of 11.45 lakh of marginal workers, half of this working force suffers from disguised unemployment.

At State level, the number of registered illiterate unemployed in year 2007 was 4030 where as the number in the year 2008 swelled to 4167 thereby registering growth of 3.40 percent. The number of literate unemployed (literate below Matric) has recorded an increase of about 5.41 percent during the year 2008. Unemployment among the registered educated people had recorded a rising trend. The educated unemployed population has been recorded as 89796 in year 2008 which is 8.69 percent more over the previous year. The overall number of registered unemployed in the State during 2007 was 111564 persons which has increased to 120228 persons in the year 2008, showing an increase of about 7.76 percent.

Number of workers employed in Handicraft and Horticulture/ Agriculture sector has remained constant in year 2006-07 and 2007-08 as there has been no additional absorption of the human component in these sectors.

Handloom sector has shown decline in employment over the years. Substantial employment growth was observed in small enterprises which help to tackle the problem of unemployment to some extent by expanding employment base.

In Khadi Village Industries Board (KVIB) the employment scenario has drastically reduced from 69468 to 43850, thereby registering a negative growth of 36.88 percent.

As per the findings of 62<sup>nd</sup> round of NSS (July 2005-June 2006) Report, Unemployment rate in respect of J&K State, has been worked out to be 5.2 percent (5.4 percent for males and 3.5 percent for females) which is on higher side when compared to All India figures of 3.1 percent (3.1 percent for males and 3.0 percent for females) and the neighbouring States viz Himachal Pradesh, Haryana, Delhi, and North Eastern States which are having lower unemployment rate of 3.5 percent, 3.9 percent, 2.4 percent and 4.8 percent respectively. However, Punjab is the only State which has higher unemployment rate, with the indicator standing at 5.4 percent as per UPS pattern. The female unemployment rate in respect of Punjab is 13.1 percent which is quite higher than J&K State (3.5 percent), all other neighbouring States and All India level. Male unemployment rate of J&K State is on the higher side than its neighbouring States, North Eastern States and All India level.

Unemployment rate in Urban areas is higher than Rural areas, not only in J&K State but also in its neighbouring States/North Eastern States and at All India level. Unemployment rate of 7.3 percent in Urban areas of J&K State is

on the higher side when compared to its neighbouring States. Male unemployment rate (6.7) percent in Urban areas of J&K State is on higher side when compared to its neighbouring States. Further, Punjab is the only neighbouring State with female unemployment rate of 13.2 percent followed by J&K State (11.7 percent). In all other neighbouring States and All India level, the female unemployment rate is on the lower side in Urban areas.

In Rural areas, Punjab is the only neighbouring State with higher unemployment rate of 5.4 percent followed by J&K State (4.7 percent) as compared to adjoining States/All India level. Punjab is the only neighbouring State with female unemployment rate of 13 percent which is quite higher than J&K State (0.6 percent), all other neighbouring States and at All India level. Male unemployment rate of J&K State in rural areas is 5.1 percent which is on the higher side than its neighbouring States and All India level.

With the annual average growth rate of 1.81 percent in population, the literacy is growing at an annual average growth rate of 2.126 percent, which results in addition to the educated youth year after year.

Under National Rural Employment Guarantee Scheme (NREGA) 498022 (commutative) number of households were issued job cards and 79.25 lakh maydays were generated during 2008-09 against an expenditure of 86.89 crore.

Under Sawaran Jayanti Gram Swarozgar (SGSY) against an expenditure of Rs. 10.42 crore 10278 persons were provided employment besides, 4123 Self Help Groups have been formed during 2008-09.

### ***Inflation (Price):***

Inflation is an indicator of macro economic stability. Inflation affects adversely individual household budget and hurts the poor with their incomes not indexed to prices. It also upsets the developmental works in the economy and puts pressure on interest rates and adversely affect savings and investment. The rate of inflation is measured by the statistical device "Index Number of prices" considered as a barometer of economic activity.

At national level five series of price indices are compiled which capture the price movement at retail and whole sale levels. Out of these, consumer price index (CPI) for industrial workers, CPI for Agricultural Labourers and CPI for Rural Labourers are used to measure monthly variation in the retail prices of items of daily consumption of specified population groups. All India Wholesale Price Index (WPI) on the other hand is used to measure the fluctuations in the whole sale prices of all traded commodities in the economy on weekly basis. As the WPI represents whole sale trade and transactions and also being available on weekly basis, this index is conventionally used in India as an indicator to assess the rate of inflation in the economy.

#### **Consumer Price Index for Industrial Workers**

In J&K State, the highest rate of 9.48% inflation was experienced during the year 2001-02. For the year 2002-03, it was lowest at 3.77%, thereafter it increased to 5.81% in the financial year 2003-04. In the year 2004-05, the inflation rate recorded by General Index of Industrial Workers again dipped to 3.95% and moved up to 8.17% in the year 2008-09.

General Index of Industrial workers over the years i.e. from 2000-01 to 2008-09 has registered the fluctuating trend. For the five years in succession from 2001-02 to 2005-06, the General Index of Industrial Workers experienced an inflation rate below 5% at All India level. The inflation rate for the year 2006-07 and 2007-08 was recorded at 6.83% and 6.39% respectively, whereas the inflation rate for the year 2008-09 was recorded at 8.93%, the highest as compared to all the previous years.

### **Consumer Price Index for Agricultural Labourers**

Inflation in terms of Consumer Price Index for agricultural labourers (CPI-AL) worked out to be 35 points up during 2008-09 measuring increase of 8.49% for J&K State over previous year. In India 9.59% inflation rate on CPI-AL has been recorded during 2008-09 over 2007-08.

### **Consumer Price Index for Rural Labourers**

In the year 2008-09, the Consumer Price Index for Rural Labourers experienced inflation rate of 10.84% in the country which was higher as compared to CPI-RL of J&K State (7.86%).

Rate of inflation on all the above three series i.e. Industrial Workers, Agricultural Labourers and Rural Labourers for the year 2008-09 for J&K is relatively lower when compared with national level inflation rates.

It is pertinent to mention that CSO was compiling and maintaining CPI-Urban Non Manual Employees for the country and for all states. This series has been stopped w.e.f April 2008. The CSO on the recommendations of NSC has decided to develop Consumer price Index for Urban Population at national and state level.

## *Chapter- 3 (I)*

### ***Macro Economic Framework***

#### ***National Scenario of growth pattern***

The Indian economy has so far stood tall against the global economic slowdown, although impact could be seen on the country's Gross Domestic Product. The economy clocked 6.7 per cent growth rate in 2008-09 against the growth rate of 9% during 2007-08. The main reasons for the fall in the overall economic expansion during the period were lower growths achieved in manufacturing and construction sectors in the national economy. Many international institutions have projected low growth rate in the range of 5 - 6 per cent but finally economy performed better in the face of global slowdown.

Hon'ble Deputy Chairman, Planning Commission, Sh Montek Singh Ahluwalia and Reserve Bank of India Governor, D. Subbarao have projected the Indian economy to expand by 6 -7 percent during the current fiscal 2009-10. The government of India has taken a number of steps in monetary and fiscal policy to deal with the negative impact of the global financial crisis on the economy. Besides the installation of stable government has fueled hope for better growth and the Indian industry is now confident of improvement in the economy. In addition to this there are now indications that the global economy will witness some revival in the second half of this year. It will definitely help the economy to post better growth rate.



### ***State Scenario of growth pattern***

The Gross State Domestic Product (GSDP) at factor cost worked out by the Directorate of Economics & Statistics; J&K is placed at Rs 24471.31 crores, indicative of a growth of 6.12% in 2008-09 as compared to the growth of 6.28% in 2007-08(Advance estimates). The target growth rates set at the beginning of the Eleventh FYP were 7.5% for 2008-09 and 7% in 2007-08. The moderation in growth of economy in 2008-09 to 6.12% only is mainly attributed to slowdown in growth of secondary sector. Within secondary sector, the manufacturing and construction activities moderate sharply. Growth in primary sector which include Agriculture & Allied activities is expected to be stagnant at 1.79% as was in 2007-08. Tertiary sector is slated to grow at 6.15% as against a growth of 6.26% in 2007-08.

Experts believe that export oriented sectors of Jammu & Kashmir economy like horticulture, handicrafts have been affected greatly due to the repeated rounds of civil unrest and associated violence that has plagued the state in mid 2008 and also due to possible impact of the overall economic slowdown on state's economy. Particularly the export of carpets and walnut kernels are thought to have considerably gone down during the period. Besides, tourism, trade and transport have been hit during the peak summer season in 2008 by the prolonged civil strife in the State. Plan performance in the districts too has not kept pace to the desired level.

### ***Projected Growth rate for 2009-10***

At the beginning of 11<sup>th</sup> Five year Plan the growth rate for the current financial year 2009-10 was targeted at 8%. However the growth rate achieved during the first two financial years came to be 6.28% in 2007-08 and 6.12% in 2008-09 only. This reveals that the stiff target of 8% for the current financial year 2009-10 is difficult to achieve. It is expected that the state economy will clock a growth of 7% in 2009-10. In addition to this the expectation will surely depend upon how much improvement in the overall economic recession will be observed at the end of this fiscal. Moreover the state of J&K again came under the grip of prolonged civil strife in 2009-10 as was observed previous year. Adding insult to the injury the scanty rains as experts believe may affect the agricultural and horticultural produces thereby adding to the list of possible reasons of lower growth during the year 2009-10.

### **Growth performance in the Five Year Plans**

The average plan wise growth rates in NSDP from the third five year plan are given in the table below. It shows that the economy grew at 4.75% per year in the Eighth FY Plan Period (1992-97) and then decelerated to 4.21% in the Ninth FY Plan Period (1997-02) but recovered sharply to achieve a growth rate of 5.52% in the Tenth Plan.

**Table 3(I).1: Growth Performance in the Five Year Plans**

Serial No.	Period	Net State Domestic Product (NSDP) At Constant Prices	Per Capita At Constant Prices
1	Third FY Plan (1961-66)	-0.37	-2.91
2	Fourth FY Plan (1969-74)	4.20	1.57
3	Fifth FY Plan (1974-79)	5.62	3.00
4	Sixth FY Plan (1980-85)	4.44	1.74
5	Seventh FY Plan (1985-90)	1.35	-1.19
6	Eighth FY Plan (1992-97)	4.75	2.46
7	Ninth FY Plan (1997-02)*	4.21	1.60
8	Tenth FY Plan (2002-07)**	5.52	4.06

\* Base Year 1993-94    \*\* Base Year 1999-00    Source : DES, J&K  
*Note: The Average plan wise growth rates are on different base periods and interlinking of the base periods is under process.*

### **Gross State Domestic Product & Per Capita income**

The GSDP of the J&K State is continuously increasing over the years. Gross State Domestic Product at constant (1999-00) prices for the year 2007-08 is estimated at Rs. 23060.48 crores as against Rs 21697.61crores for the year 2006-07 registering an increase of 6.28 percent over the previous year. The GSDP at constant (1999-00) prices clocked 5.59 percent average annual growth rate during 10th Five year Plan as against the set target of 6.10%. The state has fixed a stiff growth target of 8% for the 11th Five Year Plan. However during the first two years of the Eleventh FYP, the economy is expected to grow only by 6.28% in 2007-08 and 6.12% in 2008-09.

**Table 3(I).2: Gross State Domestic Product**

S.No	Year	At Current Prices		At Constant (1999-00) Prices	
		GSDP (Rs. in Crores)	Growth Rate %	GSDP (Rs. in Crores)	Growth Rate %
1	2	3	4	5	6
1	1999-00	15659.81	-	15659.81	-
2	2000-01	16699.53	6.64	16213.01	3.53
3	2001-02	18039.35	8.02	16530.81	1.96
<b>Xth Five Year Plan</b>					
4	2002-03	20325.91	12.68	17379.31	5.13
5	2003-04	22194.43	9.19	18277.57	5.17
6	2004-05	24265.04	9.33	19233.90	5.23
7	2005-06	26537.22	9.36	20420.75	6.17
8	2006-07 (Q)	29029.74	9.39	21697.61	6.25

<b>Average Annual Growth Rate of Xth FY Plan</b>			<b>9.99</b>		<b>5.59</b>
9	2007-08(A)	31793.04	9.52	23060.48	6.28
10	2008-09(pre)	34805.18	9.47	24471.31	6.12
<i>A) = Advanced estimates, (Pre) = Preliminary Estimates</i>					
<i>Source: New Series of State Domestic Product of Jammu &amp; Kashmir, Directorate of Economics</i>					

The Per Capita Gross State income at constant (1999-00) prices is worked out at Rs. 20604/- in the year 2007-08(A). The average annual growth rate of Gross per Capita income during Xth Five Year Plan at constant price stands at 4.13%. The annual average Growth rate of per capita income is not growing as desired and hence is not able to keep pace with the national averages which results in poor purchasing capacity and welfare of the common masses. However, there is not much wide gap in income distribution since the income is almost fairly distributed among the inhabitants of the state which has resulted into emergence of larger section of middle class society whileas in other parts of the country income distribution has wide gaps which results into inequitable wealth and welfare distribution resulting in poverty, illiteracy etc.

The Per Capita Plan expenditure during 2007-08 and 2008-09 works out to Rs. 3613/- and Rs. 3815/- respectively as compared to the Per Capita plan outlay of Rs. 3254/- at national level for 2008-09 (RE).

**Table 3(I).3 : Per Capita Gross Income of J & K State**

<i>S. No</i>	<i>Year</i>	<i>At Current Prices</i>		<i>At Constant (1999-00) Prices</i>	
		<i>Gross Per Capita (In Rs.)</i>	<i>Annual Growth Rate %</i>	<i>Gross Per Capita (In Rs.)</i>	<i>Annual Growth Rate %</i>
1	1999-00	15988	-	15988	-
2	2000-01	16630	4.01	16145	0.98
3	2001-02	17529	5.40	16063	-0.507
<b>Xth Five Year Plan</b>					
4	2002-03	19554	11.55	16719	4.08
5	2003-04	21025	7.52	17315	3.56
6	2004-05	22642	7.69	17947	3.65
7	2005-06	24398	7.75	18774	4.61
8	2006-07 (Q)	26307	7.82	19663	4.74
<b>Avge Annual Growth Rate of Xth Plan</b>			<b>8.47</b>		<b>4.13</b>
9	2007-08(A)	28407	7.98	20604	4.79
10	2008-09(Pre)	30665	7.95	21561	4.64

*(A) = Advanced estimates, (Pre) = Preliminary Estimates*

### **Structural Changes in J&K economy**

The Primary sector mainly comprising agriculture & allied activities contribute about 25.82% (2008-09 Pre) to GSDP. The growth rates in primary sector had been 0.90% in 2005-06, 2.99% in 2006-07 & 1.79% in 2007-08. The lower growth rate in agriculture & allied sector of J&K State is a major cause of concern. The J&K state in contrary to national level opted for market oriented

strategy of development as against growth oriented strategy which led to the structural transformation mainly oriented to create the state's regional economy more a dependent one than a self sustaining one. With half of our population deriving the greater part of their income from agriculture and not having other identified areas like Horticulture sector to absorb & employ huge chunk of population in the state, faster growth in agriculture is necessary to provide boost to their incomes. Rising incomes in agriculture will also boost non-agricultural income in rural areas thus helping redress the rural-urban imbalance. Recently Planning Commissions plan panel has also asked the State to give more emphasis on agriculture.

*The main areas of concern under Agriculture are lack of Applied Agricultural Research, Education, Soil and Water Management/conservation and rejuvenation of now aged orchards.*

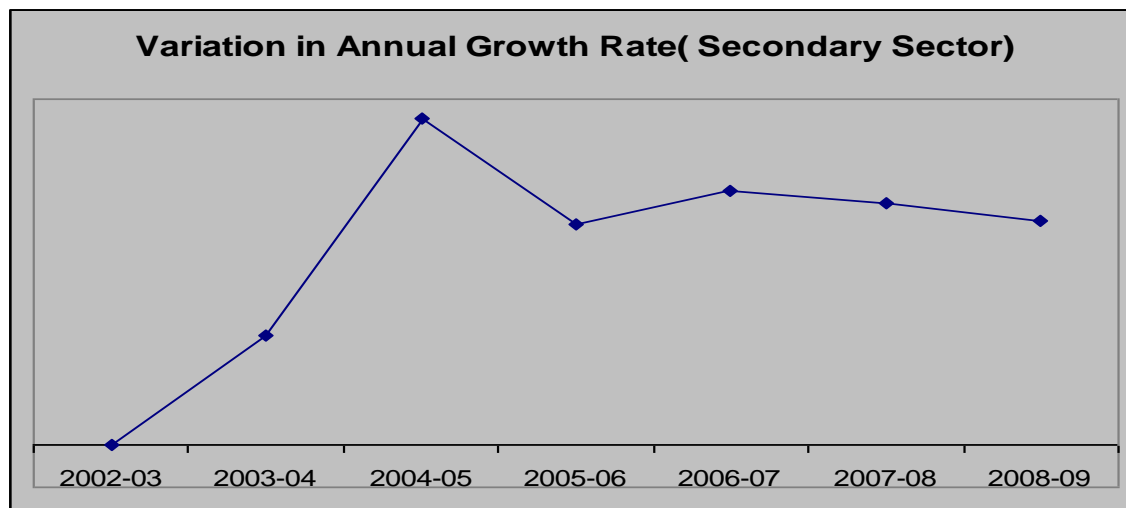
*Both area and production of cash crops particularly Kashmir's pride saffron has substantially decreased during 10<sup>th</sup> Five Year Plan as compared to 9<sup>th</sup> Five Year Plan.*

*The growth in crop production is to be achieved by raising the intensity of Agriculture by optimum utilization of existing irrigation potential and by creating and utilizing additional irrigation potential.*

*The National average of Seed Replacement Rate (SRR) has been above 25 percent whileas the State of J & K is yet to surpass 10 percent of SRR in case of High yielding varieties of major field crops. The deficiency is because of limited resources available for breeder and foundation seeds as these should be aerial location specific. The State Agricultural Universities must be activated & pursued to evolve short duration high yielding varieties including hybrids, with special emphasis on productivity constraints in rain fed areas.*

**Table 3(I).4: Growth Performance in the Five Year Plans Sectoral contribution in percents**

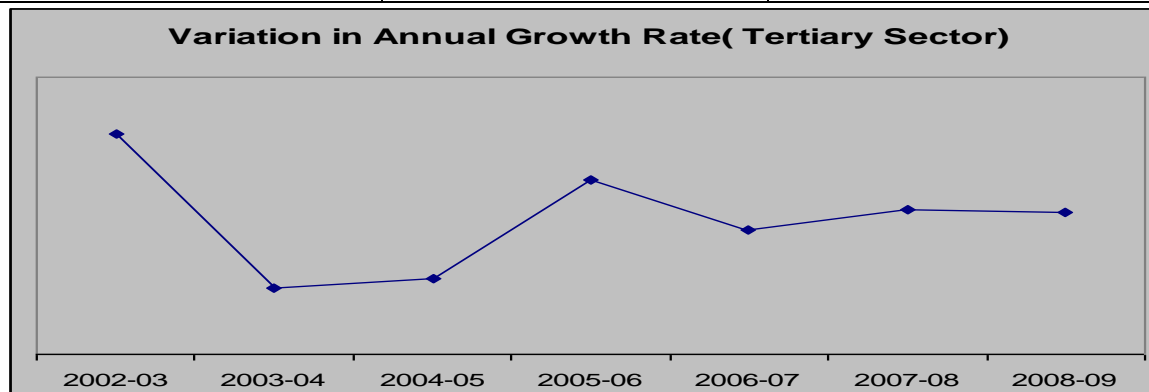
Sector	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07(Q)	2007-08(A)	2008-09
<b>Primary</b>	31.40	30.61	31.69	30.51	28.99	28.11	26.92	<b>25.82</b>
<b>Secondary</b>	22.94	21.81	21.81	23.82	24.73	26.00	27.20	<b>28.29</b>
<b>Tertiary</b>	45.66	47.58	46.53	45.67	46.28	45.89	45.88	<b>45.89</b>
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>



The secondary sector mainly involving industries & allied manufacturing activities contribute about 28.29% to GSDP. The Directorate of Economics & Statistics successfully launched the Index of Industrial Production (IIP) estimates of J&K State based on the base year 1999-00 and IIP estimates are 100.874 in 2004-05, 109.462 in 2005-06 and 108.82 in 2006-07, whereas it has crossed 200 mark in many other states of the country. The low growth index reveals that industrial performance needs to be improved further which in turn will generate high quality employment in the non-agricultural sector. It may be mentioned that some of the sub-sectors, like handicrafts, did not get affected in a serious way even at the peak of militancy due to its inherent strengths.

Percentage contribution of tertiary sector to GSDP in 2008-09 is expected to be 45.89%. A growth of 2.84 percent, 3.29 percent, 6.50 percent and 6.92 percent was registered during 2003-04, 2004-05, 2005-06 and 2006-07(A) years respectively. The tertiary sector is showing an annual average growth rate of 5.82 percent from 2002-03 to 2006-07 (A).

Sectoral Growth in GDP/GSDP at Constant (1999-00) Price		
	J&K (2007-08) (A)	All India (2006-07) (Q)
Primary Sector	1.79%	3.95%
Secondary Sector	11.18%	11.45%
Tertiary Sector	6.26%	11.08%
Overall	6.28%	9.62%



**Table 3(I).5: Annual Growth of Gross State Domestic Product (GSDP) by Economic Activity at Constant (1999-00) prices in %**

S.No	Industry	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-07(Q)	2007-08(A)
<b>A.</b>	<b>Primary Sector (1+2)</b>	<b>5.92</b>	<b>2.50</b>	<b>8.86</b>	<b>1.32</b>	<b>0.90</b>	<b>2.99</b>	<b>1.79</b>
1	<i>Agr. And Allied Activities</i>	5.93	2.49	8.88	1.24	0.81	2.86	1.64
1.1	Agriculture including Live stock	5.75	2.36	10.83	1.32	0.53	2.99	1.61
1.2	Forestry & logging	9.21	4.30	-10.21	0.44	4.69	1.86	2.33
1.3	Fishing	2.02	1.15	0.24	0.05	0.68	0.29	0.34
2	Mining & quarrying	2.41	3.29	4.19	21.56	21.04	26.42	23.01
<b>B.</b>	<b>Secondary Sector (3+4+5)</b>	<b>0.97</b>	<b>-0.07</b>	<b>5.06</b>	<b>15.07</b>	<b>10.23</b>	<b>11.72</b>	<b>11.18</b>
3	Manufacturing	0.26	5.51	6.47	37.34	7.40	18.55	11.13
3.1	Manu-Registered	4.76	5.39	10.98	118.60	7.74	17.40	12.04
3.2	Manu-Unregistered	-1.36	5.55	4.74	4.45	7.11	19.53	10.36

4	Construction	9.21	11.40	5.84	23.15	11.00	12.59	15.58
5	Electricity, gas and Water supply	-6.71	-15.92	3.01	-11.94	11.45	3.16	0.89
	<b>Industry (B+2)</b>	<b>3.38</b>	<b>3.22</b>	<b>9.26</b>	<b>36.62</b>	<b>31.28</b>	<b>38.14</b>	<b>34.20</b>
<b>C.</b>	<b>Tertiary Sector (6+7+8+9+10+11)</b>	<b>-0.11</b>	<b>9.56</b>	<b>2.84</b>	<b>3.29</b>	<b>7.57</b>	<b>5.38</b>	<b>6.26</b>
6	Trade, hotels and restaurants	4.46	-0.79	6.73	9.58	12.76	7.40	9.91
7	Transport, storage & communication	8.28	16.06	11.20	9.21	37.14	11.29	19.21
7.1	Railways	-7.22	14.40	5.44	17.42	51.10	50.00	19.27
7.2	Transport by other means	-0.47	5.72	4.01	4.83	10.30	5.71	19.21
7.3	Storage	-4.20	-5.73	-1.42	-4.11	23.34	-5.90	19.19
7.4	Communication	26.75	33.16	20.61	14.13	64.24	14.92	19.21
8	Banking & Insurance	6.36	15.24	-0.44	8.83	2.82	21.13	10.93
9	Real estate, ownership of dwellings and business services	2.98	1.12	0.70	3.46	-1.48	-2.17	-0.06
10	Public Administration	-6.08	11.47	-4.49	-3.81	3.40	0.83	0.14
11	Other services	-2.14	16.16	10.18	3.28	3.16	3.48	3.31
<b>12</b>	<b>Gross State Domestic Product (a+b+c)</b>	<b>1.96</b>	<b>5.13</b>	<b>5.17</b>	<b>5.23</b>	<b>6.17</b>	<b>6.25</b>	<b>6.28</b>
13	Population (in lakhs)	2.48	1.01	1.55	1.53	1.49	1.45	1.42
<b>14</b>	<b>Per Capita Income at constant prices</b>	<b>-0.51</b>	<b>4.08</b>	<b>3.56</b>	<b>3.65</b>	<b>4.61</b>	<b>4.73</b>	<b>4.79</b>
Q= Quick Estimates A= Advance Estimates								

The Sectoral growth rates at the national level for the year 2006-07 had been 2.7 %, 10.0% and 11.2 % in Primary, Secondary & Tertiary sectors respectively. The overall growth for the same year at constant prices remained 9.2% at national level.

### **Percentage Contributions to the GSDP**

The highest contribution to the GSDP of J&K comes from Agriculture & Allied activities which is 24.32 %, next to it is Construction which contributes 14.88 % followed by Public administration and trade, hotels & restaurants ( 9-10% each).

**Table 3(I).6: Percentage Contributions to the GSDP by Economic Activity at Constant (1999-00) prices**

S.No.	Economic Activity	2006-07(Q)	2007-08(A)
<b>A.</b>	<b>Primary Sector (1+2)</b>	<b>28.10</b>	<b>26.9</b>
<b>1</b>	<b>Agr. And Allied Activities</b>	<b>27.91</b>	<b>26.90</b>
1.1	Agriculture including Live stock	25.44	24.32
1.2	Forestry & logging	1.92	1.85
1.3	Fishing	0.54	0.51
2	Mining & quarrying	0.20	0.23
<b>B.</b>	<b>Secondary Sector (3+4+5)</b>	<b>26.00</b>	<b>27.20</b>
3	Manufacturing	6.52	6.81
3.1	Manu-Registered	2.97	3.13
3.2	Manu-Unregistered	3.55	3.68
4	Construction	13.68	14.88
5	Electricity, gas and Water supply	5.81	5.51
	<b>Industry (B+2)</b>	<b>26.20</b>	<b>27.43</b>

<b>C.</b>	<b>Tertiary Sector (6+7+8+9+10+11)</b>	<b>45.89</b>	<b>45.88</b>
6	Trade, hotels and restaurants	7.98	8.25
7	Transport, storage & communication	6.29	7.06
7.1	Railways	0.04	0.04
7.2	Transport by other means	2.39	2.68
7.3	Storage	0.02	0.03
7.4	Communication	3.84	4.30
8	Banking & Insurance	4.84	5.05
9	Real estate, ownership of dwellings and business services	5.41	5.09
10	Public Administration	11.39	10.73
11	Other services	9.98	9.70
<b>12</b>	<b>Gross State Domestic Product (a+b+c)</b>	<b>100</b>	<b>100</b>

Q= Quick Estimates, A= Advance Estimates

### **Comparison with other States**

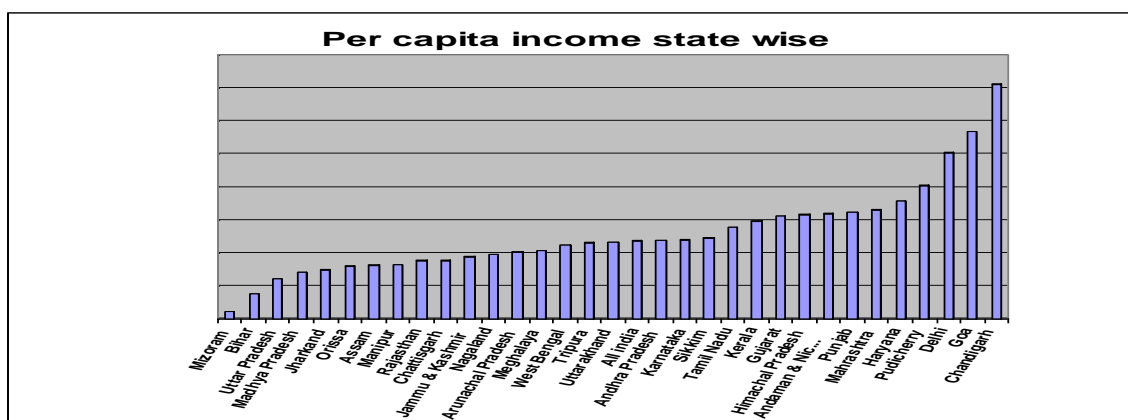
The following tables present the Gross State Domestic Product, Per Capita Income & Annual Growth rates in GSDP by States and GDP, Per Capita and Growth rate of the whole country.

If ranked in terms of per capita income at constant prices, in 2005-06 Chandigarh has got the highest per capita income in the country. Goa, Delhi, Puducherry, Haryana, Maharashtra and Punjab are also among the top ones. Jammu & Kashmir is placed at the lower 22<sup>nd</sup> place which shows the state has not kept pace with the other States/UTs. The bottom ranks in per capita are held by the States of Mizoram, Bihar and Uttar Pradesh.

**Table 3(I).7: Per Capita income GSDP State Wise (Rs)**

S.No	State/UT	2005-06		2006-07		2007-08	
		Current	Constant	Current	Constant	Current	Constant
1	Andhra Pradesh	29369	23760	33142	25598	NA	NA
2	Arunachal Pradesh	25090	20198	NA	NA	NA	NA
3	Assam	20186	16257	22506	17252	NA	NA
4	Bihar	8890	7475	10800	8846	11298	8793
5	Chattisgarh	24255	17654	27810	19496	32591	21330
6	Delhi	64170	50376	NA	NA	NA	NA
7	Goa	85493	56837	90317	61816	NA	NA
8	Gujarat	40222	31148	NA	NA	NA	NA
9	Haryana	45975	35697	53662	39057	NA	NA
10	Himachal Pradesh	38458	31599	42062	33898	NA	NA
11	Jammu & Kashmir	24398	18774	26307	19663	28407	20604
12	Jharkand	18900	14856	21198	16086	NA	NA
13	Karnataka	30000	23891	33236	25085	37577	26518
14	Kerala	35601	29564	39315	31642	NA	NA
15	Madhya Pradesh	17694	14015	19108	14346	NA	NA
16	Maharashtra	42056	32978	NA	NA	NA	NA
17	Manipur	20106	16287	20796	16807	21779	17045
18	Meghalaya	25708	20663	27970	21503	30203	22351
19	Mizoram	2703	2207	2916	2314	3132	2408
20	Nagaland	22734	19577	NA	NA	NA	NA
21	Orissa	20250	15957	23227	17245	NA	NA
22	Punjab	41420	32359	45731	33780	NA	NA

23	Rajasthan	20950	17652	23581	18577	26004	19530
24	Sikkim	31661	24446	35324	26041	NA	NA
25	Tamil Nadu	34424	27739	37635	29557	NA	NA
26	Tripura	27693	23047	NA	NA	NA	NA
27	Uttar Pradesh	15383	12072	16841	12738	NA	NA
28	Uttarakhand	28572	23174	31928	25184	NA	NA
29	West Bengal	27668	22365	NA	NA	NA	NA
30	Andaman & Nicobar	40944	31864	NA	NA	NA	NA
31	Chandigarh	90735	71167	NA	NA	NA	NA
32	Pudicherry	53672	40443	NA	42651	NA	NA
	<b>All- India GDP</b>	<b>29617</b>	<b>23624</b>	<b>33780</b>	<b>25529</b>	<b>37818</b>	<b>27442</b>



**Table 3(I).8: Gross State Domestic Product State Wise (Rs in Crores)**

S.No	State/UT	2005-06		2006-07		2007-08	
		Current	Constant	Current	Constant	Current	Constant
1	Andhra Pradesh	236034	190957	269173	207904	312509	230023
2	Arunachal Pradesh	2918	2349	3400	2647	4004	2986
3	Assam	57543	46341	65033	49850	72700	53823
4	Bihar	80157	67394	98957	81054	105148	80994
5	Chattisgarh	55059	40074	64242	54035	76588	50125
6	Delhi	101800	79916	118240	89487	NA	NA
7	Goa	13354	8878	14523	9940	NA	NA
8	Gujarat	219780	170200	254533	185802	NA	NA
9	Haryana	106385	82604	126475	92053	147576	101319
10	Himachal Pradesh	25471	20928	28358	22854	31974	24806
11	Jammu & Kashmir	26537	20421	29030	21698	31793	32060
12	Jharkand	55031	43256	62676	47562	69503	50995
13	Karnataka	167975	133769	188274	142097	215282	151926
14	Kerala	118998	98817	132739	106833	NA	NA
15	Madhya Pradesh	116322	92371	128202	96254	NA	NA
16	Mahrashtra	438058	343501	509356	376783	NA	NA
17	Manipur	5065	4103	5343	4318	5704	4464
18	Meghalaya	6319	5079	6959	5350	7605	5628
19	Mizoram	2697	2202	2985	2368	3288	2528
20	Nagaland	5667	4880	NA	NA	NA	NA



21	Orissa	78536	61887	91151	67676	103304	73542
22	Punjab	109735	85729	123397	91148	137486	97179
23	Rajasthan	129509	109121	148444	116946	166629	125146
24	Sikkim	1830	1413	2070	1526	2353	1651
25	Tamil Nadu	223528	180120	246266	193404	279287	209436
26	Tripura	9388	7813	10282	8472	NA	NA
27	Uttar Pradesh	279766	219554	312107	236070	NA	NA
28	Uttarakhand	26172	21227	29709	23434	NA	NA
29	West Bengal	234737	189749	272597	206570	NA	NA
30	Andaman & Nicobar	1691	1317	NA	NA	NA	NA
31	Chandigarh	9872	7743	NA	NA	NA	NA
32	Pudicherry	5700	4295	6299	4614	6991	4984
<b>All- India GDP</b>		<b>3275670</b>	<b>2612847</b>	<b>3790063</b>	<b>2864309</b>	<b>4303654</b>	<b>3122862</b>

Among fast growing states/UTs economically, Chandigarh again tops the list registering a growth rate of 13.6% followed by Gujarat, Chattisgarh, Goa and Maharashtra. Jammu & Kashmir is again not placed at the desired level securing 23<sup>rd</sup> place in the race. The bottom ranks are occupied by Jharkand, Bihar and Manipur states.

**Table 3(I).9: Year on Year Growth rates of Gross State Domestic Product State Wise (%)**

S.No	State/UT	2005-06		2006-07		2007-08	
		Current	Constant	Current	Constant	Current	Constant
1	Andhra Pradesh	12.2	8.7	14	8.9	16.1	10.6
2	Arunachal Pradesh	2.3	4.9	16.5	12.7	17.8	12.8
3	Assam	8.7	6	13	7.6	11.8	8
4	Bihar	9.5	2.8	23.5	20.3	6.3	-0.1
5	Chattisgarh	22.9	10.3	16.7	12.4	19.2	11.3
6	Delhi	13.2	8.6	16.2	12	NA	NA
7	Goa	16.2	9.9	8.8	12	NA	NA
8	Gujarat	16.2	11.2	15.8	9.2	NA	NA
9	Haryana	13.6	9.2	18.9	11.4	16.7	10.1
10	Himachal Pradesh	10.4	8.5	11.3	9.2	12.8	8.5
11	Jammu & Kashmir	9.4	6.2	9.4	6.3	9.5	6.3
12	Jharkand	7.2	2.6	13.9	10	10.9	7.2
13	Karnataka	12.1	7.5	12.1	6.2	14.4	6.9
14	Kerala	11.2	7.3	11.6	8.1	NA	NA
15	Madhya Pradesh	8.4	4.2	10.2	4.2	NA	NA
16	Maharashtra	13.1	9.3	16.3	9.7	NA	NA
17	Manipur	10.9	4	5.5	5.2	6.8	3.4
18	Meghalaya	8.8	6.1	10.1	5.3	9.3	5.2
19	Mizoram	9.9	7.1	10.7	7.5	10.2	6.8
20	Nagaland	6	5.2	NA	NA	NA	NA
21	Orissa	10	6.4	16.1	9.4	13.3	8.7
22	Punjab	12.6	5.5	12.5	6.3	11.4	6.6
23	Rajasthan	10.4	6.7	14.6	7.2	12.3	7
24	Sikkim	14.2	8.9	13.1	8	13.7	8.2
25	Tamil Nadu	11.3	7.4	10.2	7.4	13.4	8.3
26	Tripura	13.2	9.1	9.5	8.4	NA	NA
27	Uttar Pradesh	13.4	5.6	11.6	7.5	NA	NA

28	Uttarakhand	10.3	6.4	13.5	10.4	NA	NA
29	West Bengal	12.5	7.5	16.1	8.9	NA	NA
30	Andaman & Nicobar	11.1	9.7	NA	NA	NA	NA
31	Chandigarh	18.9	13.6	NA	NA	NA	NA
32	Pudicherry	9.8	6.2	10.5	7.4	11	8
<b>All- India GDP</b>		<b>13.8</b>	<b>9.4</b>	<b>15.7</b>	<b>9.6</b>	<b>13.6</b>	<b>9</b>

**District Domestic Estimates (Erstwhile 14 Districts only)**

In the current era of grass-root level planning, Gross District Domestic Product (GDDP) estimates or district income broadly brings to light the inter-district variations which in turn help the planners to formulate programmes to reduce these inequalities and disparities. As per as the volume of GDDP, District Jammu has highest GDDP of Rs 3095.00 crore at current prices and Rs 1958.00 crore at constant prices in the year 2004-05, thus leads all other districts whileas District Kargil lags behind all others. District Srinagar lies next to Jammu in terms of GDDP both at current & constant prices.

**Table 3(I).10: Gross District Domestic Product by Districts for 2002-03, 2003-04(P) and 2004-05(P)(Rs. in crores)**

<i>District</i>	<i>GDDP Estimates (2002-03) at</i>		<i>GDDP Estimates (2003-04) at</i>		<i>GDDP Estimates 2004-05(P) at</i>	
	<i>Current Prices</i>	<i>Constant (1993-94) Prices</i>	<i>Current Prices</i>	<i>Constant (1993-94) Prices</i>	<i>Current Prices</i>	<i>Constant (1993-94) Prices</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>
<b>Anantnag</b>	1919.23	1032.60	2077.77	1088.92	2261.34	1149.17
<b>Pulwama</b>	1190.60	624.99	1290.38	661.93	1402.76	697.60
<b>Srinagar</b>	2637.68	1413.91	2847.53	1486.39	3106.32	1571.86
<b>Budgam</b>	970.36	537.12	1052.50	570.13	1148.87	605.56
<b>Baramulla</b>	1942.40	951.51	2094.40	1000.38	2280.79	1059.22
<b>Kupwara</b>	768.70	409.79	822.40	428.16	894.63	451.42
<b>Leh</b>	243.37	140.21	264.39	148.46	288.26	156.81
<b>Kargil</b>	204.12	100.48	221.71	106.56	241.49	112.56
<b>Jammu</b>	3261.68	1760.45	3583.71	1855.25	3904.81	1958.10
<b>Udhampur</b>	1222.78	704.08	1322.69	742.79	1439.66	783.29
<b>Doda</b>	951.80	541.97	1013.64	564.74	1103.13	595.44
<b>Kathua</b>	1057.96	596.64	1144.95	628.6	1246.56	663.26
<b>Rajouri</b>	792.56	459.48	855.27	485.39	930.00	511.22
<b>Poonch</b>	549.91	294.66	584.34	302.88	628.42	311.01
<b>GSDP (J&amp;K) at 1993-94 prices</b>	<b>17713.15</b>	<b>9567.88</b>	<b>19175.68</b>	<b>10070.58</b>	<b>20877.04</b>	<b>10626.5</b>

**Per Capita Gross District income**

**A.** District Srinagar with Rs 24459/- Per Capita Gross District Income tops the list & District Kupwara with Rs 12672/- lags behind all others in the year 2004-05(P). Districts of Srinagar, Jammu, Kathua and Pulwama are among the top four ranked districts in terms of Per capita gross district income at current prices whileas Districts Leh, Doda, Kargil & Kupwara are the bottom four districts. Rest are ranked in the middle.

At Constant Prices District Srinagar leads other Districts with Per Capita Gross District Gross District income of Rs 12376/- whileas District Kargil with

per capita income of Rs 6214/- lags behind. The top four ranks are occupied by the Districts of Srinagar, Jammu, Kathua and Pulwama whileas bottom four at constant (1993-94) prices are Poonch, Doda, Kupwara and Kargil districts.

**Table 3(I).11: Per Capita GDDP at Current & Constant (1993-94) Prices**

<i>Per Capita GDDP at Current Prices for the Year 2004-05</i>			<i>Per Capita GDDP at Constant (1993-94) Prices for the Year 2004-05</i>		
<i>District</i>	<i>Per capita Rs.</i>	<i>Rank</i>	<i>District</i>	<i>Per capita Rs.</i>	<i>Rank</i>
Srinagar	24459	1	Srinagar	12376	1
Jammu	23298	2	Jammu	11683	2
Kathua	21946	3	Kathua	11677	3
Pulwama	20508	4	Pulwama	10199	4
Udhampur	18434	5	Rajouri	10123	5
Rajouri	18416	6	Udhampur	10029	6
Baramulla	18364	7	Anantnag	9193	7
Anantnag	18091	8	Budgam	9092	8
Budgam	17250	9	Leh *	8994	9
Poonch	16031	10	Baramulla	8528	10
Leh*	15728	11	Poonch	7934	11
Doda	15194	12	Doda	8202	12
Kargil*	13509	13	Kupwara	6394	13
Kupwara	12672	14	Kargil *	6214	14

\* The Per Capita income of Leh & Kargil Districts is an Adjusted Figure  
DES, J&K

Source:

**B. District Domestic Product (DDP) estimates (Quick) for the year 2005-06 at the new base year i.e. 1999-00.**

In the year 2004-05, the base year of the Domestic Product estimates was changed at the National level to 1999-00 from the earlier base of 1993-94. Like all other States of the country, Jammu & Kashmir also switched to the new base year i.e. 1999-00 for State Domestic Product (SDP) estimates as was necessary for the sake of comparability of the estimates and the SDP estimates have been prepared with the new base year for the years 1999-00 to 2007-08 which have been reconciled with the Central Statistical Organisation (CSO), Government of India.. The task of preparing District Domestic Product (DDP) estimates was taken up in the State few years back and the same have been prepared for the years 2002-03,2003-04 and 2004-05 at 1993-94 base year for all the erstwhile fourteen (14) districts of J & K State. The work on preparation of DDP estimates for the year 2005-06 and onwards could not move further for some time due to change in the base year of SDP estimates and consequential methodological problems involved in preparing the estimates at District level at the new base year. However, now most of the problems have been overcome and the DDP estimates (Quick) for the year 2005-06 have been prepared at the new base year i.e. 1999-00. The Gross District Domestic Product (GDDP) estimates at current and constant (1999-00) prices are shown in the Table below:-

**Table 3(I) 12:**

District	GDDP estimates for the year 2005-06 at (Rs. In Lakhs)	
	Current Prices	Constant(1999-00) Prices

Srinagar	387369	296685
Budgam	151531	116328
Anantnag	296845	225738
Pulwama	166461	127861
Baramulla	264262	201994
Kupwara	117300	89704
Leh	46687	35660
Kargil	32000	24434
Jammu	488099	388835
Udhampur	183218	140301
Kathua	159250	122143
Doda	150654	113555
Rajouri	121244	92958
Poonch	88802	65878
<b>Total GSDP(J&amp;K) at 1999-00 Prices</b>	<b>2653722</b>	<b>2042075</b>

District Jammu tops the list with Gross District Domestic Product (GDDP) of Rs. 4880.99 crores at current Prices followed by District Srinagar with Rs. 3873.69 crores while as the Districts Poonch and Kupwara remain at the bottom with GDDP of Rs. 888.02 crores and Rs. 1173.00 crores respectively. At Constant (1999-00) Prices too, the same trend is observed in the Districts.

***Per Capita Gross District Income or Per capita Gross District Domestic Product (GDDP)***

At Current Prices, District Srinagar with Rs. 30052 per Capita Gross District Income tops the list and District Kargil with Rs. 11922 lags behind all others in the year 2005-06. Districts Srinagar, Jammu, Kathua and Pulwama are among top four ranked Districts in terms of Per Capita Gross District Income or Per Capita GDDP at Current Prices while as Districts Kargil, Kupwara, Leh and Doda are the bottom four Districts at Current Prices. Rest are ranked in the middle.

At Constant (1999-00) Prices, District Srinagar leads all other Districts with Per Capita Gross District Income of Rs. 23017 followed by District Jammu with Rs.22873 while as Districts Kargil and Kupwara with Per Capita Gross District Income of Rs. 9146 and Rs. 12511 respectively lag behind.

At regional level, Jammu Division leads with Gross Per Capita regional income of Rs. 25260 whereas Kashmir Division has a Gross Per Capita Income of Rs. 23125 at Current Prices. In Kashmir Division, Kashmir Valley leads with Gross Per Capita income of Rs. 23430 whereas Ladakh region has a Gross Per Capita Income of Rs. 16062.

At Constant (1999-00) Prices, Jammu Division has a Gross Per Capita regional income of Rs. 19586 whereas Kashmir Division has a Gross Per Capita Income of Rs. 17687. In Kashmir Division, Kashmir Valley leads with Gross Per Capita income of Rs. 17919 whereas Ladakh region has a Gross Per Capita Income of Rs. 12320 at constant Prices.

**Table 3(I) 13: Per Capita Gross District Income (or Per Capita GDDP) at Current & Constant (1999-00) Prices**

<b>Per Capita Gross District Income ( or Per Capita GDDP) for the year 2005-06(Q)</b>
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Per Capita GDDP at Current Prices for the year 2005-06			Per Capita GDDP at Constant (1999-00) Prices for the year 2005-06		
District	Per Capita GDDP	Rank	District	Per Capita GDDP	Rank
Srinagar	30052	1	Srinagar	23017	1
Jammu	28712	2	Jammu	22873	2
Kathua	27696	3	Kathua	21242	3
Pulwama	23986	4	Pulwama	18424	4
Rajouri	23634	5	Rajouri	18121	5
Anantnag	23392	6	Anantnag	17789	6
Udhampur	23104	7	Udhampur	17692	7
Budgam	22416	8	Budgam	17208	8
Poonch	22312	9	Poonch	16552	9
Baramulla	20957	10	Baramulla	16019	10
Doda	20442	11	Leh*	15523	11
Leh*	20237	12	Doda	15408	12
Kupwara	16360	13	Kupwara	12511	13
Kargil*	11922	14	Kargil*	9146	14
<b>J&amp;K State</b>	<b>24398</b>		<b>J&amp;K State</b>	<b>18774</b>	
<b>Jammu Division</b>	<b>25260</b>		<b>Jammu Division</b>	<b>19586</b>	
<b>Kashmir Valley</b>	<b>23430</b>		<b>Kashmir Valley</b>	<b>17919</b>	
<b>Ladakh Region*</b>	<b>16062</b>		<b>Ladakh Region*</b>	<b>12320</b>	
<b>Kashmir Division</b>	<b>23125</b>		<b>Kashmir Division</b>	<b>17687</b>	

\*: The per Capita GDDP of Leh & Kargil Districts is an adjusted figure.

## *Chapter – 3 (II)*

### ***Development Review***

Development, in its comprehensive sense, is the most important National objective and has been vigorously pursued through the process of the Planning. Planning essentially involves identification of priorities and allocation of resources for their attainment. The State of Jammu & Kashmir offers a challenge to the planners as well as administrators in tackling the manifold problems associated with the economic backwardness of the State. These problems apart, the state suffers from woefully inadequate infrastructure, limited natural resources and undeveloped local skills, except in few fields. But the effort to reduce the huge infrastructural gap is on & is being addressed in the right direction. The J&K economy is undergoing a phase of reconstruction & rehabilitation and attaining sustainable growth and development is the “need of the hour”. The targeted growth rate for the Eleventh Five Year Plan (2007-12) has been fixed at 8% as against the expected rate of 9% at national level.

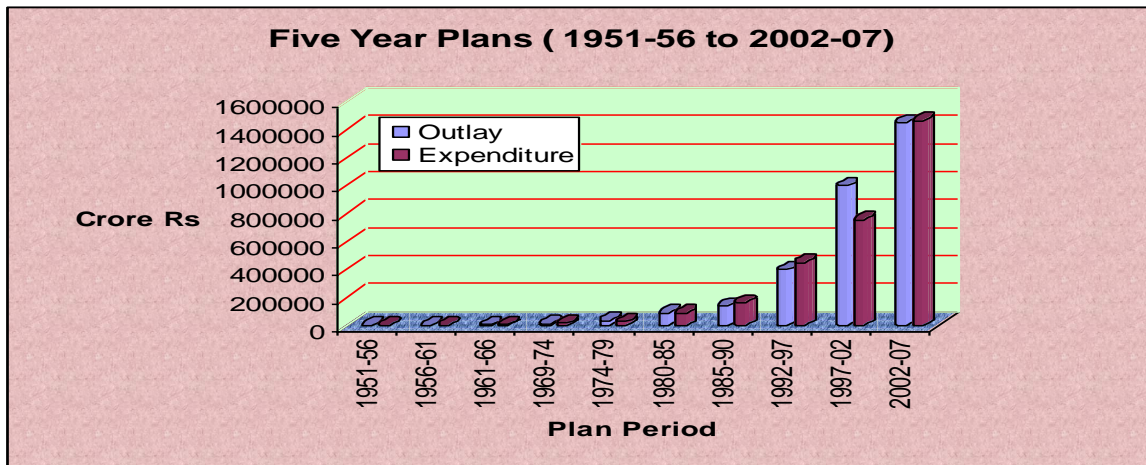
Economic development is the direct outcome of the investments made under investments. The 5-year Planning process in the State of Jammu and Kashmir has started from 1951 as part of All India Programme with first 5-year plan (1951-56) formulated for Rs.1274.15 lacs only. Outlay earmarked and expenditures incurred under all the 5-year plans implemented in the State so far together is shown in the table below;

**Table 3(II).1 : Outlays Earmarked and Expenditures Incurred during the Last 11 FY Plans with Level of Expenditure and Percentage Plan Step-Up (Rs. in lacs)**

<i>S.No</i>	<i>Plan period</i>	<i>FYP Outlay</i>	<i>Expdr. against the FYP outlay</i>	<i>Expdt. as %age of outlay</i>	<i>%age periodical (FYP) step-up in outlays</i>	<i>Expenditure Per Capita per annum Rupees</i>
01.	1951-56	1274.15	1151.71	90.39	-	7
02.	1956-61	3392.07	2594.75	76.49	166.22	15
03.	1961-66	7514.44	6185.09	82.31	121.53	32
04.	1969-74	15840.00	16284.80	102.81	110.79	69

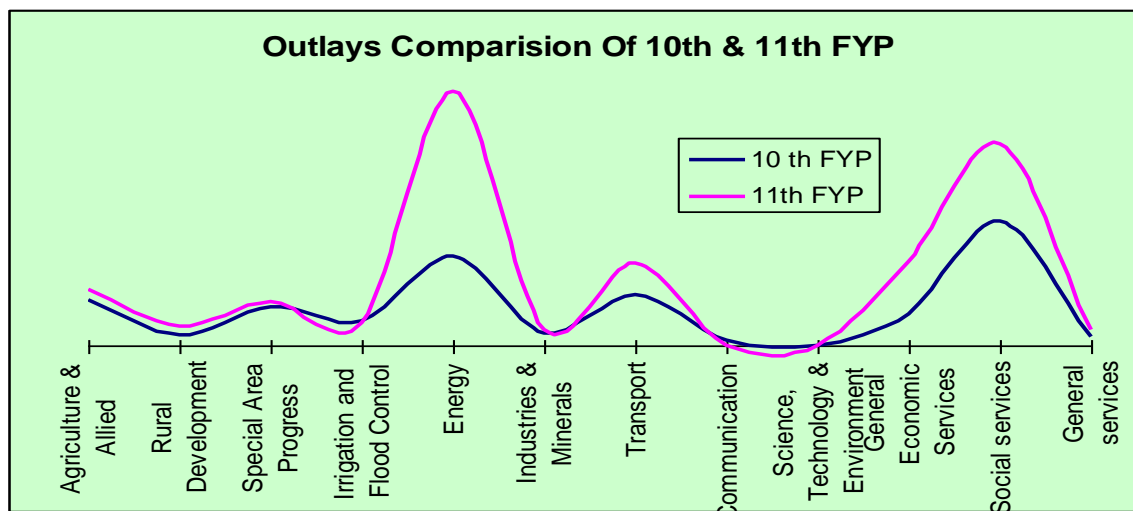
05.	1974-79	36340.02	27854.71	76.65	129.42	103
06.	1980-85	90000.00	91814.83	102.02	147.66	277
07.	1985-90	140000.00	163662.17	116.90	55.55	533
08.	1992-97	400000.00	452007.71	113.00	185.71	1006
09.	1997-02	1000000.00	754287.75	75.43	150.00	1449
10.	2002-07	1450000.00	1421716.00	98.04	45.00	2395
11	2007-12	2583400.00	917664.63*	<ul style="list-style-type: none"> <li>Indicates the expenditure incurred in the first two financial years of the 11<sup>th</sup> Five Year plan.</li> </ul>		

As can be seen expenditures have not been congruent with the outlays except for the Tenth FY Plan 2002-07 where the expenditure and outlay have gone neck and neck. This could safely be attributed to the various measures initiated by the government in the direction of observing financial discipline. The per capita Plan expenditure per annum which was Rs 1449/- during the 9th Five Year Plan reached to Rs. 2395/- during the 10th Five Year Plan recording an increase of 65.29% over the 9th Five Year Plan.



#### a) Eleventh Five Year Plan (2007-12)

The outlay for the 11th FYP stands agreed at Rs. 25833.98 crore which is 78.16% higher over the original 10th FYP outlay of Rs. 14500.00 crore. . Energy with Rs. 8196.95 crore is the priority sector for development followed by Social Services sector with an outlay of Rs. 6501.40 crore General Economic Services and Transport with outlays of Rs. 2740.98 crore and Rs. 2660.81 crore are at No. 3 & No. 4 for 11th Five Year Plan whereas agriculture follows suit with an outlay of Rs. 1818.21 crore. Outlays of Energy, Social Sector, General Economic Services, Transport and Agriculture & Allied activities for the 11th Five Year Plan have shown %age increases of 184%, 61.87%, 165%, 62.19% and 20.63% respectively over the 10th Five Year Plan. Science & Technology continues to be at the bottom of the list with an outlay of Rs. 23.70 crore during the 11th Five Year Plan and surprisingly has shown a %age decrease of 34.51% over the 10th Five Year Plan period.



**Table 3(II).2 : 10<sup>th</sup> And 11<sup>th</sup> Five-Year Plan Outlays According to Sectors/ Services (Rs. in lakh)**

Sector/Service	10 <sup>th</sup> FYP Outlay 2002-07			11 <sup>th</sup> FYP Outlay	
	Total	Capital	Revenue	Total	Percentage
Agriculture & Allied	150780.10	63853.80	86926.30	181821.00	7.03
Rural Development	37410.17	15454.58	21955.59	61561.00	2.38
Special Area Progress	127187.12	108606.47	18580.65	141976.00	5.49
Irrigation and Flood Control	80578.90	53107.94	27470.96	73502.00	2.84
Energy	288573.93	238170.00	50403.93	819695.00	31.71
Industries & Minerals	43565.21	26154.90	17410.31	55088.00	2.13
Transport	164070.11	144337.97	19732.14	266081.00	10.29
Communication	20000.00	20000.00	0.00	4234.00	0.16
Science, Technology & Environment	3619.21	1109.50	2509.71	2370.00	0.09
General Economic Services	103490.66	93105.50	10385.16	274098.00	10.60
Social services	401643.25	187440.30	214202.95	650140.00	25.16
General services	29081.34	28730.00	351.34	52832.00	2.03
Total	1450000.00	980070.96	469929.04	2583398.00	100.00

Source: Plan document of Jammu and Kashmir

### **Eleventh Five Year Plan – Broad Objectives**

The broad objectives and strategies during the 11th Five year plan include the following:

- I. The revenue expenditure as a proportion of the plan expenditure has been showing a declining trend in the recent years and the State will make an effort to move further down this road. The capital component in the 11th Five Year Plan is proposed to give the hike by 20% raising its limit to 87% from the previous existing share of 67% during the 10th Five Year Plan by way of transfer of Revenue Component to the Non Plan.
- II. The State economy is at a take off stage and the State will continue to put in efforts to attain a higher trajectory of growth which is both sustainable and inclusive. For this purpose, the State has set a stiff



target of 8% average annual growth in State Domestic Product over 11th Plan period in real terms.

- III. The allocation of resources must be undertaken rationally in order to ensure that its impact becomes clearly visible on the ground. This makes it imperative to dedicate the bulk of resources to priority sectors like road connectivity, health, education and power.
- IV. In view of the necessity to maximize investment in economic growth, the state will try to provide fully the state share of the centrally sponsored schemes with a view to maximizing the State's access to the central funds.
- V. There is a marked shift in emphasis towards the Public Private Partnership (PPP) in the approach to 11th Five Year Plan at the national level. PPP can help provide additional resources for development. In the State, the PPP model would be used innovatively for maintenance of capital assets and implementation of various developmental activities/projects.
- VI. The committed liabilities of the plan are supposed to be transferred to non-plan at the end of every five year plan. This, however, could not materialize in the last few five year plans. The State will endeavour to transfer the committed liabilities of the previous plan to non-plan in the next two years.
- VII. The State has initiated measures to improve governance especially economic governance. These measures include introduction of double shift for selected projects/works and a dedicated monitoring mechanism for ensuring physical delivery of various developmental programmes and projects on ground for which Additional District Development Commissioners have been posted in various districts.
- VIII. The basic objective of 11th FYP is to maximise employment generation consistent with 8% growth in the State Domestic Product at constant prices. Main thrust will be on building and strengthening of infrastructural facilities covering road connectivity, power, water supply, education and health.
- IX. Energy Sector has been given the top priority during the 11th Five Year Plan alongwith Social Services. General Economic Services and Transport also remain the key sectors for development whereas the basic subsistence sector of Agriculture & Allied activities has slipped to No. 5 as far as the outlay agreed under the Five Year Plan period is concerned.

### ***Mid Term Appraisal of the Performance of 11<sup>th</sup> Five Year Plan***

The Current Financial Year 2009-10 is the third year of the 11<sup>th</sup> Five Year Plan. The Planning Commission, Government of India have initiated Mid Term Appraisal of the performance of 11<sup>th</sup> FYP. The Planning Commission has identified a list of 13 monitorable indicators for the State that include GDP growth rate, Agriculture growth rate, New work opportunities, Poverty ratio, Literacy and Drop out rates, Gender gap in literacy rate, IMR, MMR, Total Fertility Rate, Child malnutrition, Anemia among women and girls, Sex ratio

etc. Trends in these indicators from the Ninth FYP will be analyzed. Besides under performance of flagship programmes 15 major Centrally Sponsored Schemes have been identified for monitoring at the Central level, covering six different sectors which are Rural Development, Health, Nutrition, Drinking Water & Sanitation, Education, Urban Development, Agriculture & Water Management, Power. Our State has already started the job and the work is under progress.

### **Union Budget Proposes Mega Cluster for Carpets in Srinagar**

In what could give a major boost to carpet industry in J&K, the Hon'ble Union Finance Minister while presenting the budget said a mega Cluster for carpets will be setup in Srinagar which aims at generation of jobs, promotion and upgradation of technology in the state's carpet industry. The Hon'ble Minister proposed Rs 210.00 crore for relief and rehabilitation of the migrants and Rs 204.00 crore for Indo-Pak border works. The valley's apex chamber, KCCI welcomed the announcement made by the Union Finance Minister. However the chamber expressed dismay that the union budget 2009-10 did not announce mega clusters for handloom, handicraft and power looms in the state.

### **Annual Plan 2008-09**

Annual plan for 2008-09 was approved at Rs 5512.97 crore, which included a revenue component of Rs 586.74 crore and a capital component of Rs 4926.23 crore. Against this, the expenditure was Rs 4773.68 crore (86.59%) comprising revenue expenditure of Rs 506.19 crore (86.27%) and capital expenditure of Rs 4267.49 crore (86.63%). The outlay included Rs 1012.97 crore for Prime Ministers Reconstruction Plan (PMRP). The expenditure under PMRP was Rs 603.85 crore (59.61%). The position of outlay and expenditure is indicated in the following table:-

**Table 3(II).3 : Outlay and expenditure for Annual Plan 2008-09 (Rs. in lakh)**

S. No	Items	Approved Outlay	Expenditure Ending March-09	Percentage expenditure
A	Revenue	58674.29	50619.2	86.27
B	Capital			
i.	State Share	207317.02	191735.63	92.48
ii.	Loan	70000.00	70996.12	101.42
iii.	ACA/ Earmarked	114008.69	103632.61	90.90
iv.	PMRP	101297.00	60384.78	59.61
	Total	492622.71	426749.14	86.63
C	<b>Grand Total</b>	<b>551297.00</b>	<b>477368.34</b>	<b>86.59</b>

### **Thrust areas set for the Annual Plan- 2008-09**

#### **Agriculture**

- Increase apple productivity from 12 MTs per Hectare to around 17 MTs.
- Improve market access and bank Credits.
- Crop diversification

#### **Connectivity**

- Enhance road connectivity through PMGSY, NABARD, CRF, PMRP etc and to increase road density from the existing 39.55 Km/100 Sq. Km to the national average of 104.6 Km/100 Sq. Km.
- Completion of damaged bridges.

## Education

- Achieve gross enrolment ratio of 80%.
- Reduce the drop out rate from 2.55% in the age group of: 6-11 and 5.27% in the age group of 11-14 to "0".
- Achieve a literacy rate of 73.3% compared to present level 55.52% ( 2001 census)
- Reduce the gender gap in literacy rate.
- Consolidate the expansion at secondary and college levels.

## Power

- 100% electrification of all villages through (RGGVY)
- Strengthening Transmission & Distribution Network (Reduce T&D losses from 42% to 20%)

The Annual Plan 2008-09 had been made more and more capital intensive by transfer of the revenue component borne on the plan to non-plan in phased manner. Capital component (including PMRP) now accounts for 90% of the total outlay. An amount of Rs 326.05 crore has been earmarked as ACA under Externally Aided Projects (EAPs) against Rs 318.13 crore in 2007-08 and Rs 43.38 crore in 2005-06. This means considerable reduction in the free plan.

**Table 3(II).4: Scheme of Finance for Annual Plan 2008-09 Jammu & Kashmir (Rs. Crore)**

<i>Item</i>		<i>Annual Plan 2008-09</i>
A. State Government		
1	State's Own Resources Excluding Borrowings (a to e)	-1976.14
	A BCR	-2017.05
	B MCR (excluding deductions for repayment of loans)	-63.14
	C Plan grants from GOI (TFC)	104.05
	D ARM	
	E Contribution from SEB	
2	State's Borrowings (I) - (ii)	2072.87
	(I) Gross Borrowings (a to g)	2908.27
	A State Provident Fund	590.84
	B Small Savings	453.00
	C Market Borrowings	1128.21
	D Negotiated Loans	700.00
	E Bonds/Debentures	
	F Loans portion of ACA for EAPs	36.22
	(ii) Repayments	835.40
1+2	State's Own Resources (Including Borrowings)	96.73
3	CENTRAL ASSISTANCE (a+b+c)	4403.27
	A Normal Central Assistance	1837.17
	B ACA for EAPs	326.05
	C Others	2240.05
	I) SPA for regular Plan	360.00
	ii) SPA for PMRP	
	iii) Others	710.05
	iv) Power reform Grant	1170.00
	Total A: State Government Resources (1+2+3)	4500.00
B. Public Sector Enterprises (PSE (SRTC))		

	1	Internal Resources	
	2	Extra Budgetary Resources	
	3	Budgetary Support	
	Total B: PSEs (1+2+3)		
<b>C. Local Bodies</b>			
	I.	Urban Local Bodies	
		A Internal resources	
		B Extra Budgetary resources	
		C Budgetary Support	
	ii	Rural Local Bodies	
		A Internal resources	
		B Extra Budgetary resources	
		C Budgetary resources	
		Total (a+b+c)	
	Total C : Local Bodies (I + II)		
	D. Aggregate Plan Resources (A+B+C)		4500
<b>* This excludes: Rs 1012.97 crores under PMRP</b>			

**Table 3(II).5: Component of Other central Assistance (Grants) for J&K 2008-09 Annual Plan.**

AIBP	136.38
JNURM	70.00
BADP	105.00
TSP	13.17
Roads & Bridges	53.92
NSAP	18.88
NPAG	1.97
Grants in aid- Art 275	5.17
BRGF	48.00
APRDP	250.00
NEGAP	7.57
<b>TOTAL</b>	<b>710.05</b>

**Annual State Plan 2009-10 (Proposed)**

The total level of investment under Annual Plan 2009-10 and PMRP was proposed at Rs 8917.62 crore (AP Rs 6500.00 crore and PMRP Rs 2417.62 crore), representing an increase of 44 % over the previous year's plan of Rs 4500.00 crore. The increase in the proposed outlay under annual plan 2009-10 was mainly due to the following reasons; -

- **Increase in Capital component:** A step up of Rs 1685.00 crore in the capital component was proposed to take care of the State share for AIBP schemes to the extent of Rs 489.00 crore. In case of other Centrally Sponsored Schemes an amount of Rs 643.00 crore was proposed for state matching share. Power generation outlay was proposed to be enhanced by Rs 45.00 crore. Land acquisition cost was proposed at Rs 106.00 crore as against Rs 50.00 crore of 2008-09 AP to remove the bottlenecks in major infrastructure projects.
- **Increase in Revenue component:** An amount of Rs 315.00 crore was proposed to be enhanced in the Revenue component of 2008-09 AP

raising it to the level of 901.72 crore from existing level of Rs 586.72 crore. This has been necessitated by regularization of staff created under various flagship programmes.

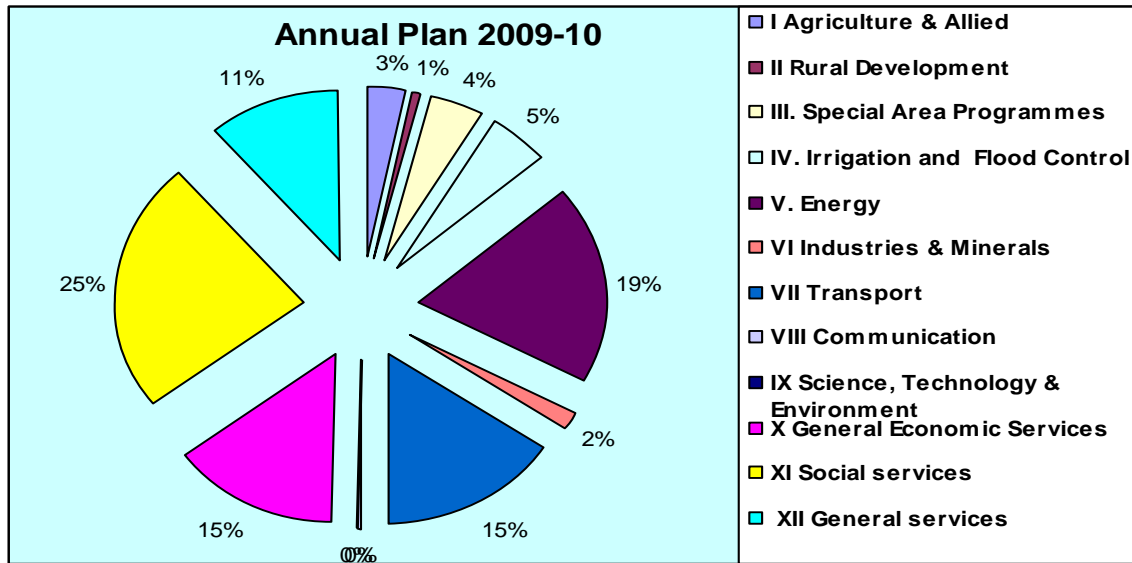


Table 3(II).6: Annual Plan 2009-10 (Rs in lakh)

Sector	Outlay 2008-09	Expenditure Ending 3-09	% age expenditure	AP 2009-10 (Proposed)		
				Revenue	Capital	Total
I Agriculture & Allied	15195.73	13009.39	85.61	1425.55	27430.94	28856.49
II Rural Development	8863.83	6865.49	77.46	1174.52	7411.99	8586.51
III. Special Area Programmes	30148.4	28931.09	95.96	2472.25	35738.71	38210.96
IV. Irrigation and Flood Control	20884.52	28700.73	137.43	0	47482.12	47482.12
V. Energy	109778.5	92899.35	84.62	0	169790.8	169790.8
VI Industries & Minerals	10294	11216.45	108.96	110	14601.8	14711.8
VII Transport	69335	91024.68	131.28	0	138195.8	138195.8
VIII Communication	1257.5	189.24	15.05	275.6	1091.3	1366.9

IX Science, Technology & Environment	691	454.68	65.80	0	655.36	655.36
X General Economic Services	113231.96	28384.42	25.07	10955.41	119216.2	130171.6
XI Social services	118915.12	101771.8	85.58	63726.38	149107.8	212834.2
XII General services	52701.44	73921.02	140.26	10022.26	90877.33	100899.6
<b>Total</b>	<b>551297.00</b>	<b>477368.34</b>	<b>86.59</b>	<b>90161.97</b>	<b>801600.00</b>	<b>891762.00</b>

### ***Prime Minister's Reconstruction Plan (PMRP)***

A plan for economic reconstruction and development of J&K State, known as Prime Minister's Reconstruction Plan (PMRP), was announced by the Hon'ble Prime Minister on 18th November, 2004. The total package was for Rs 23303.97 crore, which was subsequently raised to Rs 30867.71 crore. Projects for Rs 6437.75 crore are being executed by the State agencies under the State Sector, Projects for Rs 7141.47 crore are being executed by the State agencies under the Central Sector and Projects for Rs 17288.49 crore are executed by the Central Agencies under Central Sector. Expenditure as on 31<sup>st</sup> March, 2009 on the projects are Rs 2786.01 crore, Rs 763.44 crore and 2730.44 crore respectively under three heads.

The main Projects/ Schemes under all sectors of the PMRP are as under:-

- Micro Hydel Projects
- Financial Assistance to Baglihar (HEP)
- Strengthening of Transmission & Distribution Network.
- Electrification under Vidyut Karan Yojana
- Access Road to Swalkote HEP
- Ramban- Dhamkund Road
- Construction of 24 Degree Colleges
- Construction of 14 women ITIs
- 6817 Anganwari Centres
- NRHM
- Upgradation of Jammu/Srinagar Medical Colleges
- 119 Modal villages
- Two major Sewerage projects for Srinagar/ Jammu
- 12 Tourism Development Authorities and Tourist circuits/ villages.
- Dal lake preservation
- Mansar Lake
- WULAR Lake
- Tsomoriri Lake
- Horticulture Technology Mission
- Urban Employment
- Compensation to industrial units occupied by Security Forces
- Rehabilitation of POK refugees
- Tenements for Kashmiri Migrants
- Khanabal- Pahalgam Road
- Narbal Tangmarg Road
- Mughal Road
- BRO roads etc.

The need of extension of PMRP to the end of 11th Five Year Plan along with incorporation of certain new components has been felt & conveyed to the office of the Hon'ble PM by the State Government.

**Table 3(II).7: Prime Ministers Reconstruction Plan (PMRP)**

(Rs. in crore)

<i>(a) Projects implemented by the State Government under State Sector</i>			
<i>Name of Project</i>	<i>Original cost</i>	<i>Revised cost</i>	<i>Cumulative Expenditure March 09</i>
Baglihar HEP	630	630	630
Transmission & Distribution	707	1350.00	496.87
Access Road to Sawalkot	119	119	119
Srinagar Leh transmission line	634	634	0 (deferred)
Ramban Swalkot Road	78	78	35
Mughal Road	159	639.85	248.56
Khanabal-Pahalgam road	25.00	110	101.34
Narbal-Tangmarg Road **	38	116.00	91.57
Land acquisition	0	577	250
ADB-Counter part funding Loan I	591	486	320
ADB-Counter part funding Loan II	0	925	10
Salary for third teacher in Primary Education	54	54	54
14 (+10) New Degree Colleges	98	98	43.78
9 (+5) New Women ITI's	53.10	53.10	23.91
Model villages (119)	142.8	142.8	134.15
Infrastructure development of LAHDC, Leh/Kargil	60	80	80.00
Two room tenements for Kashmiri migrants	0	345.00	147.83
<b>Sub-Total</b>	<b>3388.90</b>	<b>6437.75</b>	<b>2786.01</b>
<i>(b) Projects implemented by the State Government under central sector</i>			
<b>Sub- Total</b>	<b>4731.37</b>	<b>7141.47</b>	<b>763.44</b>
<i>(c) Projects implemented by the Central Agencies under central sector</i>			
<b>Sub- Total</b>	<b>15183.70</b>	<b>17288.49</b>	<b>2730</b>
<b>Grand Total (PMRP)</b>	<b>23303.97</b>	<b>30867.71</b>	<b>6279.89</b>

### **Economic Reconstruction Agency - ADB Projects**

Considering the fact that many states developed their infrastructure at a very rapid pace by getting resources – technical and financial – by taking resort to externally aided projects, an Economic Reconstruction Agency (ERA) was constituted to get the projects prepared for external assistance, get these sanctioned and oversee their implementation. For the first time, a multi sector infrastructure development project was sanctioned by Asian Development Bank (ADB) for Jammu & Kashmir. A project for Phase-II dealing with Urban Development is in process.

### **Centrally Sponsored Schemes**

These schemes are target oriented and the benefit accrues to the common man. These schemes are funded by the centre and the states as per approved cost sharing pattern. The Centrally sponsored schemes are implemented in almost all the sectors of the economy and a sizeable investment is made under these schemes.

For the 10th FYP period an amount of Rs 4053.57 crore were earmarked under CSS consisting of Rs 3046.26 crore as central share and Rs 1007.31 crore as state share. Thus, Central share constituted 75.15% and State share 24.85%. Major share of 28.54% is claimed by the PHE, Irrigation & Flood Control sector. Another major share of 26.78% has gone to Education sector. These two sectors collectively have a share of 55.32% i.e., more than half of allocation leaving the remaining 45% for all other sectors. The state is investing an amount of Rs 3748.48 crore (92.47%) under CSS of which central share shall be 73.92% and the state share shall be 26.08% .Sector wise allocation with break-up of centre state share and the anticipated expenditure is revealed in table 3(II).8.

For the Eleventh FYP an amount of Rs 1991609.78 Lakh, as a centre share & Rs 314697.4 Lakh, as state share are the proposed outlays under Centrally Sponsored Schemes.

Moreover, after revalidation of previous unspent balances & actual receipts of funds, total funds available under CSS in Annual Plan 2007-08 consisted of Rs 171061.45 Lakh as central share & Rs 36928.15 Lakh as state share, thereby aggregating to Rs 207989.60 lakh. The total expenditure during the same year was Rs 152365.56 lakh (73.26 %).

The total availability of funds during 2008-09 under Centrally Sponsored Schemes was to the extent of Rs 224761.15 lakh. This availability consisted of Rs 44320.03 lakh as state share and Rs 180441.12 lakh as central share. The central share included an amount of Rs 46512.41 lakh which had remained unspent during the previous year. The expenditure against state share was Rs 40691.42 and under centre share Rs 126516.64 lakh aggregating to Rs 167208.06 lakh constituting 74.39%. An amount of Rs 53924.48 lakh has remained unutilised against central share ending March 2009.



**Flagship Programmes – Objectives and Physical / financial progress.**

**Table 3(II).8: Flagship Programmes- Objectives, Financial Progress & Physical achievements**

Program	Objectives	Approved plan/Cost of projects sanctioned 2005-06 to 2008-09	Funds received during 2005-06 to 2008-09			Exp. Ending Dec.2008	Physical achievements
			Central share	State share	Total		
<b>Sarva Shiksha Abhiyan (SSA)</b>	<ul style="list-style-type: none"> <li>• Universalization of education at primary level by 2007 and at elementary level by 2010.</li> <li>• Universal retention by 2010.</li> <li>• Imparting quality education.</li> <li>• Bridge all social and gender gaps.</li> </ul>	1884.58 (ending Dec.2008)	908.28	230.18	1138.46	1126.33	<ul style="list-style-type: none"> <li>• 4014 new Primary Schools opened</li> <li>• Upgradation of 4988 Primary Schools to Upper Primary Schools</li> <li>• Upgradation of 4354 EGS Centers to Primary School level</li> <li>• No. of out of School Children reduced from 3.76 lac in 2002-03 to 0.68 lacs in 2007-08</li> <li>• Under National Programme for Education of Girls at Elementary education (NPEGEE), 287 Girls Middle Schools have been developed</li> <li>• Under Kusturba Gandhi Balika Vidyalaya (KGBV), 14 schools have been approved in the State.</li> </ul>

<p><b>National Rural Health Mission</b></p>	<ul style="list-style-type: none"> <li>• Improve quality of life.</li> <li>• Reduce Infant Mortality Rate (IMR) &amp; Maternal Mortality Rate (MMR) and universal access to public health</li> </ul>	4010.00	213.61	0.00	213.61	73.30	<ul style="list-style-type: none"> <li>• 9764 ASHA workers selected and trained.</li> <li>• 1907 Sub-Centres strengthened</li> <li>• 334 PHCs strengthened</li> <li>• 96 PHCs made functional 24*7</li> <li>• 39 CHCs upgraded to IPH level</li> <li>• 474 Rogi Kaliyan Samithis registered</li> <li>• 6745 Village Health and Sanitation Committees constituted</li> <li>• 10 MNGO selected and functional for 12 Districts</li> </ul>
<p><b>Jawahir Lal Nehru National Urban Renewal Mission (JNNURM)</b></p>	<ul style="list-style-type: none"> <li>• <b>Dev. Of Urban Infrastructure and Governance (DUIG)</b> Development of infrastructure in Mission Cities of Srinagar and Jammu.</li> <li>• <b>Basis Services to Urban Poor (BSUP)</b> <ul style="list-style-type: none"> <li>• Providing of Housing and Basic amenities in Mission cities of Srinagar and Jammu (Integrated Development of Slums)</li> </ul> </li> <li>• Urban Infrastructure Dev. Scheme for Small and Medium Towns (UIDSSMT)</li> <li>• Dev. Of infrastructure in Towns</li> <li>• Integrated Housing and Slum Development Programme (IHSDP)</li> <li>• Providing of Housing and Basic amenities in Towns.</li> </ul>	1579.26	257.75	24.04	277.85	108.03	<ul style="list-style-type: none"> <li>• Laying of Sewerage pipes taken up in hand in Division a of Greater Jammu and zone III of Greater Srinagar.</li> <li>• Implementation of WSS Tangnar taken up in hand.</li> <li>• Development of Akhnoor, Sunderbani, Samba, Doda, Bhaderwah, Poonch, Kathua and Udhampur taken up in hand under UIDSSMT</li> </ul>

<b>Prime Ministers Grameen Sadak Yojana (PMGSY)</b>	<ul style="list-style-type: none"> <li>To connect all unconnected habitation having population 500=(in hilly States like J&amp;K)</li> <li>No. of schemes sanctioned =885</li> <li>Road length to be covered=4772 kms</li> </ul>	2222.64	308.21	-	308.21	294.72	<ul style="list-style-type: none"> <li>154 schemes completed</li> <li>343.91 kms road length covered</li> <li>Land/structure acquisition amounting to Rs. 577 crore delayed due to lack of resources. GOI providing Rs. 150 crore on this account under PMRP during 2007-08 which has been utilized in full.</li> <li>Rs. 100 crore provided during 2008-09.</li> </ul>
<b>National Rural Employment Guarantee Scheme (NREGS)</b>	<ul style="list-style-type: none"> <li>To enhance livelihood security in rural arrears.</li> <li>Creation of durable assets.</li> <li>Strong social safety net for vulnerable by providing fallback employment when other options are limited.</li> <li>Growth engine for sustainable development of an agricultural economy.</li> </ul>	-	191.22=0.91 (Bank interest)	25.49	217.62	143.10	<ul style="list-style-type: none"> <li>Man days generated = 120.41 lacs.</li> <li>Job cards issued = 3.68 lakhs</li> <li>Vigilance and monitoring committees constituted</li> <li>Muster rolls and social auditing systems put in place</li> <li>Scheme has significantly picked up in Doda, Ramban, Kishtwar, Poonch and Kupwara</li> </ul>
<b>Accelerated Water Supply Programme (ARWSP)</b>	<ul style="list-style-type: none"> <li>To provide safe and portable water supply in rural arrears</li> <li>To cover 653 not covered habitations</li> <li>To cover 2500 partially covered habitations (&lt; 40 ltr/c/d)</li> <li>Slippage-covering 2195 such previously fully covered habitations where source of water has depleted over period of time.</li> </ul>	1354.94 (Central share)	1196.99	479.04	1319.27	882.46	<ul style="list-style-type: none"> <li>No. of covered habitations=366</li> <li>Partially covered habitations=1199</li> <li>Slippage=407 habitations covered</li> <li>Shortfall in State share of Rs. 474.95 crore</li> </ul>

<b>Accelerated Urban Water Supply programme (AUWSP)</b>	<ul style="list-style-type: none"> <li>To provide portable and safe drinking water to urban arrears.</li> <li>Target=15 Towns</li> </ul>	39.26	19.54	18.00	37.54	33.26	11 Towns covered
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### **Special Area Programmes**

#### **District Leh & Kargil**

The respective Autonomous Hill Development Councils formulate and approve the plans for these twin districts of the State. The Ladakh Autonomous Hill Development Council Act came into existence in the year 1995 and was adopted by District Leh in the same year. Kargil District adopted it in the year 2003. Each Council consists of 26 elected and 4 nominated members headed by Chairman/Chief Executive Councilor who is assisted by 4 Executive Councilors.

The Council functions as the District Planning & Development Board for the district and DDC acts as CEO of the District Planning and Development Board. The Council formulates and approves the plans for the concerned districts after the Planning & Development Department conveys the total plan allocations to the said districts. The sectors, areas, schemes are prioritized by the Council. After getting the approval of the Council, the plan is finalised and forwarded to the Planning & Development Department for its approval. It may be pertinent to mention here that plan funds (Capital) do not get lapsed but are carried forward in the next year as an additional source to the plan.

The government stopped at nothing to ensure the development of various sectors in Ladakh region. Under horticulture cultivation of Apricot which is of national and international importance is doing well. Solar dryers scheme has been introduced to preserve Apricot. Similarly due to introduction of mini solar polygreen houses which are provided at subsidized rates, cultivation of vegetables has developed to a greater extent.

Approved outlay of Rs 121.00 crore has been utilized fully during 2008-09 in twin districts of Leh & Kargil. An amount of Rs 134.69 crore is proposed for the year 2009-10.

#### **Welfare of Gujjars and Bakarwals**

A sub-plan for the development and welfare of Gujjars and Bakerwals (G&B) is prepared and implemented in the State. Though they have been declared as Scheduled Tribes, because of their migratory character and socio-economic backwardness, a separate sub-plan will continue to be prepared under G&B sector. Gujjars and Bakkerwals constitute about 11% of the population of the State. An outlay of Rs.670.00 lacs was earmarked for welfare of G&Bs in the year 2008-09 and ending March 2009 Rs 639.98 lacs stand utilized constituting 95.52%. The number of Gujjar and Bakerwal Students covered under Pre-Matric Scholarship from 2005 to 2007 were 173000, 184000, 188000 respectively. During 2008-09 a target of 190000 students was envisaged for award of Pre-Matric Scholarship.

### **Welfare of Pahari Speaking People (PSP)**

People living in hilly and remote areas and speaking Pahari language have been trying to get declared as Scheduled Tribes. Since they are socio-economically as backward as the Gujjars & Bakerwals (G&B) living in similar conditions, a separate sub-plan for welfare of PSP was initiated a few years earlier. Schemes similar to those under G&B sub-plan are being implemented for this segment of population. An outlay of Rs 244.40 lacs was earmarked for welfare of PSPs in the year 2008-09 and ending March 2009 Rs 243.43 lacs constituting 99.60% stand utilised. Pahari Speaking Students covered under Pre-Matric Scholarship from 2005 to 2007 were 10000, 32700, and 76000 respectively. During 2008-09 a target of 147921 students has been envisaged for award of Pre-Matric Scholarship

### **Border Area Development Programme (BADP)**

Border Area Development Programme (BADP), a 100% centrally sponsored programme, was launched during the Seventh Five Year Plan for balanced development of sensitive border areas with focus on improvement of infrastructure and promotion of a sense of security in the local population. According to the revised guidelines of the Ministry of Home Affairs, Government of India, the main objective of the programme is to meet the special needs of the people living in remote and inaccessible areas near the borders. Department of Border Management in the Ministry of Home Affairs oversee the implementation of the programme.

The programme is under implementation in 44 Blocks in the J&K State. The District-wise blocks bordering Pakistan and China, where the programme is under implementation are as under:-

**Table 3(b).9: Statement showing the details of District-wise names of Border blocks**

<i>S.No.</i>	<i>District</i>	<i>No. of blocks</i>	<i>Name of blocks</i>
1.	Jammu	6	Bishnah, R.S.Pura, Satwari, Marh, Akhnoor, Khour
2.	Samba	2	Samba, Vijaypur
3.	Kathua	4	Ghagwal, Hiranagar, Barnoti, Kathua
4.	Rajouri	4	Sunderbani, Nowshera, Rajouri, Manjakote
5.	Poonch	4	Balakote, Mendhar, Poonch, Mandi
6.	Budgam	1	Khag
7.	Baramulla	6	Booniyar, Tangmarg, Baramulla, Ruhama, Dangiwachha, Uri
8.	Bandipora	1	Gurez
9.	Kupwara	9	Tangdhar, Kralpora, Trehgam, Kupwara, Sogam, langate, Rajwar, Ramahal, Teethwal
10	Kargil	3	Drass, Kargil, Shaker Chikten
11	Leh	4	Khalsi, Nobra, Durbuk and Nyoma
<b>Total</b>		<b>44</b>	

Source: Planning & Development Department, J&K Govt.

BADP is being implemented by District Development Commissioners, State Police, Army, BSF, ITBP, Border Roads Organization and other implementing agencies in the State.

**Table 3(b).10: Statement showing the details of funds released by GOI and utilized under BADP from 1993-94 to 2008-09**

<i>S.No.</i>	<i>Year</i>	<i>Funds released by GOI (Rs in lakhs)</i>	<i>Exp. Incurred (Rs in lakhs)</i>
1	1993-94	1400.00	1361.03
2	1994-95	1750.00	1667.96
3	1995-96	1925.00	1467.43
4	Supp. grants 1995-96	143.00	124.11
5	1996-97	1979.00	1679.61
6	Supp. grants 1996-97	89.00	78.98
7	1997-98	1034.00	1518.91
8	1998-99	3138.00	1903.04
9	1999-2000	3352.00	3292.99
10	2000-01	3965.00	3951.82
11	2001-02	3485.00	4804.15
12	2002-03	10000.00	8107.04
13	2003-04	10000.00	8775.18
14	2004-05	8695.00	9202.00
15	2005-06	10000.00	11291.10
16	2006-07	9793.00	10619.80
17	2007-08	10483.00	7088.00
18	2008-09	10500.00	11601.90
	Total	<b>91731.00</b>	<b>88535.05</b>

Allocation under BADP for the year 2008-09 was fixed by GOI at Rs 105,00.00 lakhs. Against this allocation, Rs 10394.88 lakhs were released by GOI during the course of the year. In addition, Rs 4317.26 lakhs were available out of the unspent balance of funds released during 2006-07 and 2007-08, for its utilization during 2008-09. Against the total available funds of Rs 147,12.14 lakhs for utilization during 2008-09, an expenditure of Rs 11601.90 lakhs has been incurred leaving an unspent balance of Rs 3110.24 lakhs as on 31.3.2009.

**Physical Achievements during 2008-09 under BADP**

Details of physical achievements recorded during 2008-09 are as under:-

**Table 3(b).11: Physical Achievements during 2008-09**

<i>S. No.</i>	<i>Item</i>	<i>Unit</i>	<i>Achievements during 2008-09 (ending March 09)</i>
	<b>Education</b>		
1	PS bldgs. Constructed	No.	8
2	MS bldg. constructed	No.	11
3	Addl class rooms constructed	No.	21
4	Playfields developed	No.	2
5	Repair/Fencing/c.wall of schools	No.	8
6	Const. of toilet/bath rooms	No.	1
	<b>Health</b>		
1	Sub-centre bldgs. Constructed	No.	1
2	PHCs/MOs quarters constructed	No.	8
3	Const of AD buildings	No.	3

	<b>Rural Development</b>		
1	Const of Community centers/halls	No.	8
2	Household latrines	No.	16
3	Const of lanes/drains	No.	336
4	Const of foot bridge/culverts	No.	15
5	Const of P wall/nallah	No.	94
6	Const of bath rooms	No	5
7	Const of roads/tractor roads	No	162
	<b>Road Communication</b>		
1	Road metalled	Kms.	101
2	Roads black topped	Kms.	16.12
3	No. of roads constructed	No.	14
	<b>Power sector</b>		
1	Augmentation/Imp of sub stations	No.	23
2	Creation of sub station	No.	10
3	Electrification of villages/mohras	No.	5
4	Laying of HT/LT	Kms.	31
	<b>PHE</b>		
1	Installation of hand pumps	No.	20
2	Imp. of Water Supply Schemes	No.	29
	<b>Agriculture</b>		
1	Soil conservation work on Agriculture land	Hectt.	115
	<b>Food and Supplies</b>		
1	Const. of godown	No.	5
	<b>Irrigation and Flood control</b>		
1	Const/Imp. of kulls	No.	40
2	Flood protection works	No.	4
	<b>Strengthening of security facilities</b>		
1	Const of police posts in border area	No.	12

Under cluster approach programme, development of 5 model villages at Sadoh (Samba), Chakonawad (Rajouri), Nandpur camp (Samba), Kangri (Rajouri) and Mangiote(Rajouri) have been taken up under the Programme. Work on four major roads of strategic importance near LOC/IB is in progress. Total funds released upto 31-03-09 for these roads is Rs 39.40 crore and the expenditure booked is Rs 26.52 crore.

The Annual Action Plan of BADP for 2009-10 for Rs. 100 crore was approved in the meeting of State Level Screening Committee on BADP held on 19.06.2009 at Civil Secretariat, Srinagar under the Chairmanship of the Chief secretary (Chairmen SLSC on BADP) with the following breakup:-

**Table 3(II).12: Annual Action Plan of BADP (breakup)**

S.No	District/ State sector	2009-10 (Rs in Lakhs)
<b>A</b>	<b>District Sector</b>	
1	Jammu	1086.00
2	Samba	412.00
3	Kathua	380.00
4	Rajouri	605.00
5	Poonch	522.00
6	Budgam	55.00
7	Baramulla	957.00
8	Bandipora	282.00

9	Kupwara	992.00
10	Kargil	502.00
11	Leh	1207.00
	<b>Total</b>	<b>7000.00</b>
<b>B</b>	<b>Science &amp; Technology</b>	
	Setting up of Photovoltaic Power Plants	171.00
<b>C</b>	<b>Civic Action Programme</b>	
	ix. 14 <sup>th</sup> Corps	36.00
	x. 15 <sup>th</sup> Corps	50.00
	xi. 16 <sup>th</sup> Corps	45.00
	xii. 9 <sup>th</sup> Corps	45.00
	xiii. BSF Kashmir	50.00
	xiv. BSF Jammu	45.00
	xv. ITBP	36.00
	xvi. J&K Police	140.00
	<b>Total C</b>	<b>618.00</b>
<b>D</b>	Const of Land Custom stations at Chakandabagh Poonch/Salamabad Baramulla	100.00
<b>E</b>	Health and Medical Education deptt.	92.42
<b>F</b>	Special requirements of Gurez area	100.00
<b>G</b>	Maintenance of assets created under BADP	250.00
<b>H</b>	BRO	700.00
<b>I</b>	Eastern River system of Indus River System	600.00
<b>J</b>	Specific area Scheme Establishment of five Model villages under "Cluster Approach"	500.00
<b>K</b>	Provision for monitoring/ evaluation studies, training of staff etc	39.58
	<b>Grand Total A to K</b>	<b>10000.00</b>

### **Twenty Point Programme Progress report April-November, 2008**

The Twenty Point Programme (TPP) was launched by the Government of India in 1975. The Programme was first revised in 1982 and again in 1986. Over the years, the need for restructuring the Programme has been felt in the light of achievements and experiences, as well as the introduction of several new policies and programmes by the Government of India.

The programmes and schemes under the TPP-2006 are in harmony with the priorities contained in the National Common Minimum Programme (NCMP). It renews the nation's commitment to eradicating poverty, raising productivity, reducing income inequalities and removing social and economic disparities.

The Twenty Point Programme- 2006 consists of 20 points and 66 monitorable items. The central government in consultation with the States/UTs fixes the physical targets in respect of the above said points and monitors the progress made by them. The States/UTs are required to furnish Progress Reports to the GoI. The performance is rated on the basis of norms set by the Ministry of Statistics and Programme Implementation, GoI – 90% and above as very good – 80% to 90% good and less than 80% - poor.

The analysis for the period of April-November 2008 carried by MVSPI shows that the State of Jammu & Kashmir has performed poorly in most of the monitorable targets, except few very goods as mentioned below;-



(a) **Very Good**

- Individual Swarozgaries Assisted- SGSY
- Food Security: Targeted Public Distribution System (TPDS)
- Food Security: Antodaya Anna Yojana(AAY)
- Houses constructed-IAY
- ICDS Blocks Operational

(b) **Poor**

- SHGs provided income generating activities
- Habitations covered (NC and PC)- ARWSP
- Slipped back habitations and habitations with quality problems addressed – ARWSP
- SC families Assisted
- Area covered under Plantation (Public and forest lands)
- Seedlings Planted ( Public and Forest Land)
- Roads constructed- PMGSY
- Villages Electrified- RGGVY
- Electricity Supplied.

***Development Concerns of J&K as a Special Category State***

At the national level remarkable progress has been made in different socio-economic sectors. The economy recorded an impressive growth in the recent past with an annual growth rate of 7.7% in the Tenth Plan period. There was acceleration even within the Tenth Plan period and the growth rate in the last four years of the Plan averaged 8.7%, making India one of the fastest growing economies in the world. Despite the negative fallout of the global economic slowdown, the national economy is still projected to grow by over 7% during 2008-09. With the determination of the central and the state governments towards improving the socio-economic condition of the people through a variety of social, economic and institutional means, health and education sectors have registered significant achievements. In health sector noteworthy progress has been made as evidenced by the successful elimination or controlling of diseases such as small pox, leprosy, polio, and TB, duly reflected in the steadily rising life expectancy of the population. Considerable improvement has also been made in attaining healthier literacy rates and higher education made more affordable and accessible. Self sufficiency has been attained in foodgrains production long back and poverty reduced considerably. Lot of investment has been made in infrastructure development as well. All this is the outcome of the economic planning embarked upon by the country soon after independence through successive annual plans and five year plans.

However, a widespread perception all over the country is that disparities among States, and regions within States, between urban and rural areas, and between various sections of the community, have been steadily increasing in the past few years and that the gains of the rapid growth witnessed in this period have not reached all parts of the country and all sections of the people in an equitable manner. Redressing regional imbalances has indeed been a vital objective of the planning process in the country. However, despite the efforts made towards their elimination, regional disparities have continued to grow and

the gaps have been accentuated as the benefits of economic growth have been largely confined to the already better developed areas of the country. The disparity is particularly witnessed in the hilly and mountainous regions of the country, which are far away from the mainland, and they continue to suffer on account of their peculiarities.

J&K, being part of the Indian Himalayan Region (IHR), also has some unique economic disadvantages arising out of remoteness and poor connectivity, hilly and often inhospitable terrain, vulnerability to natural disasters, a weak resource base, poor infrastructure, sparse population density, shallow markets and most importantly a law and order situation threatened by militancy. Taken together, all these factors have resulted in a classic 'backwardness trap' of low economic activity, low employment and low-income generation. These economic disadvantages have substantial implications for the size and nature of the development problem and for the approach to be adopted. First, the internal market is too small to take advantage of scale of economies in production. The alternative of scaling up production to viable levels by exporting to markets outside the state is not feasible because of poor connectivity. Second, unit costs of service delivery are high because of high costs of inputs as also low population densities. Third, the private sector, which should be the engine of growth, has not taken off in part because of low supply and demand linkages and in part because of inhibition of the private sector on account of restrictive legislations. This private sector perspective was compounded by security concerns. Consequently, the burden of generating economic activity has had to be borne almost exclusively by the public sector. Fourth, the virtual absence of the private sector has meant a low tax base. Finally, the beneficial impact of public expenditure has been lost to some extent. Such benefits have tended to spill over beyond the state as much of the contractors' payments are transferred and purchases are made beyond the state – a phenomenon referred to as the 'missing multiplier'.

A series of wars fought with the neighbouring country during the last six decades have also brought hardships and affected the state economy adversely. The turmoil of last two decades has particularly affected the progress in almost all the sectors. Now that our relations are getting better with the neighbouring country, the people of the state will be the direct beneficiaries of the improving relations. The CBMs initiated in the last few years have renewed the hope of the people of the state to have a better future. Setting up of road and trade links with the separated parts of the state are certainly steps in the right direction.

### ***Resource Transfers to the Special Category States:***

Recognising the fact that the Himalayan states of the country have some peculiar characteristics which hinder their socio-economic growth, the Central government has clubbed them as special category states for the purpose of devolution of financial grants. Along with Jammu & Kashmir, the special category states include Arunachal Pradesh, Assam, Himachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, and Uttarakhand, all of which fall in the Indian Himalayan Region, except for Assam which has only two hill districts in the IHR. The Hon'ble Prime Minister, in his concluding remarks in the 54<sup>th</sup> meeting of the National Development Council on December 19, 2007 expressed the need for analyzing the problems of hill states so that

these areas do not suffer in any way on account of their peculiarities. Undoubtedly the hill states have not been able to join the race of socio-economic development of the country and have suffered on account of their special traits. The issues and concerns of these states can be adequately addressed by adopting a holistic approach, wherein the interrelationship and intricacies associated with the other components of the system are taken care of.

Considering the special requirements of the hill states and the need for significant levels of government investment, the Central Plan assistance to the Special Category States is provided on special terms. For the Special Category States, the per capita level of Central assistance is among the highest in the country. Our state also being a special category state, receives Plan grants from the central government on 90:10 basis i.e., 90% grant and 10% loan. Given its peculiar characteristics, as shared with other special category states, our state has not progressed at the desired pace and hence lagged behind in the process of economic development. The plan grants so received have been very helpful in meeting the resource requirements for various social sector programmes of the state government. However, it needs a mention here that Central Plan assistance in case of North Eastern States is non-lapsable and the same needs to be made applicable for J&K along with other Special Category States. The state government has been strongly advocating for granting such relaxation for ensuring full utilization of available Plan resources for speedy development in the state.

The central government has also been providing financial assistance to the states through a wide range of centrally sponsored schemes (CSS), which has been seen to be on the rise over the years. However, the Special Category States do not get any special concession with regard to the funding under CSS. The pattern of financing of various CSS varies from scheme to scheme. In case of all the special category states, the pattern of financing for all the Centrally Sponsored Schemes, given their weak resource base and peculiarities, should also conform to the 90:10 pattern, as is applicable in case of North Eastern region. With the bringing in of this desired modification, the states like J&K, which have been experiencing a serious resource constraint and have not been able to get the benefit of the Centrally Sponsored Schemes to the full extent, would be benefited.

Over the years the resource transfer from the Centre to the States under Normal Central Assistance (NCA) has seen a declining trend, where as the transfer under various CSS to the states has been on the rise. During the 10<sup>th</sup> FYP the Central assistance to the states was 1.43% of the GDP, it is expected to come down to 1.2% in the 11<sup>th</sup> Plan period. When compared with the Gross Budgetary support of the central plan, the central assistance to the states was 42.5% for the 10<sup>th</sup> FYP whereas it will be 34.2% for the 11<sup>th</sup> FYP. On the other hand the resource transfers under the CSS, which was 2.31% of the GDP during the 10<sup>th</sup> FYP will go up to 3.15% in the 11<sup>th</sup> FYP. The funds transferred under CSSs to J&K state in the year 2007-08 were Rs 1582 crore, which constituted about 28.7% of the total investable funds of the state.

Though immensely beneficial for enhancing the resource availability of the state, the funds under Centrally Sponsored Schemes, it has been observed,

are often provided towards the end of the financial year and that it takes considerable time in getting them revalidated, in case of under utilization, for use in the next financial year. It will be more helpful and also justified if the funds under Centrally Sponsored Schemes are sanctioned in the beginning of the year or at least 75% are released in April and the balance amount is released after certain stipulated percentage of funds made available are utilized by the State.

As the resource transfers under CSS through central share has been on the rise, as has been witnessed in the last few years and that the states do not have enough spending capacity, the conditionalities under which these funds are to be utilized need to be relaxed in favour of the Special Category States, enabling them to fully utilize the funds provided under CSS without having them to go through the cumbersome process of revalidation.

#### **Criteria & Weights under TFC**

<b>Criterion</b>	<b>Weight</b>
Population	25.0 %
Income Distance	50.0 %
Area	10.0 %
Tax Effort	7.5 %
Fiscal Discipline	7.5 %

*Source: Report of the TFC*

#### **Criteria & Weights under Gadgil-Mukerjee Formula**

<b>Criterion</b>	<b>Weight</b>
Population (1971)	60.0 %
Per capita income	
(i) For States with lower than National average	20.0 %
(ii) For all states	5.0 %
Performance (Tax effort, fiscal management, national objectives)	7.5 %
Special Problems	7.5 %

*Source: Planning Commission*

#### **Inter-se Shares in NCA among Special Category States**

<b>States</b>	<b>Share in NCA (2007-08 BE)</b>
Arunachal Pradesh	7.928 %
Assam	19.532 %
Himachal Pradesh	9.656 %
Jammu & Kashmir	19.148 %
Manipur	5.840 %
Meghalaya	4.849 %
Mizoram	5.590 %
Nagaland	5.908 %
Sikkim	3.771 %
Tripura	8.243 %
Uttaranchal (now Uttrakhand)	9.535 %
<b>Total</b>	<b>100.00 %</b>

*Source: Planning Commission*

Strategies need to be evolved, taking into consideration the peculiarities of the states and regions, for liberating them from the backwardness traps they are stuck in. The needs and requirements of the states need to be taken care of while making the funds available to them and setting the conditions for their

utilization. Special concessions need to be granted to the Special Category States for improving their spending capacity and also making more funds available to them for enabling them to achieve a level of service delivery at par with the more advanced states so that they move ahead on the path of growth and progress alongwith other progressing states and the country as a whole.

As has been suggested in the 11<sup>th</sup> Five Year Plan document, the critical parameters for the growth of the Special Category States are enumerated hereunder:

- Two-pronged growth strategy: creation of critical infrastructure and creation of employment opportunities.
- Improvement in the security, law and order and governance.
- Capacity building of implementing machinery (government functionary); technical assistance programmes for capacity building.
- Thrust on major sectors of connectivity (road, rail, air, inland waterways, and telecommunication) and power with major step-up in investment in these sectors.
- Thrust on major social infrastructure: Health, Education (up-gradation of quality) and Tourism, clearly identifying gaps therein, and Skill Development.
- Emphasis on the primary sector of the economy to substantially step up productivity in foodgrains. Emphasis on agriculture extension services, irrigation.
- Farm-based economic activities: Horticulture, Animal Husbandry, Fisheries, Poultry, and so on.
- Post-harvest management and marketing infrastructure.
- Synergy and dovetailing of programmes/schemes between Central ministries and the State Governments for filling up gaps in infrastructure.
- Building capacity and bringing professionalism in Regional Planning Body/ State Planning Boards.
- Active involvement of Autonomous District Councils, Panchayati Raj and local Self Government institutions, communities and Self-Help Groups in various development welfare schemes.
- Making the states attractive destinations for private sector investment and PPP.
- State-specific approach for the creation of opportunities for employment generation.

**b) *Decentralized System of Planning in the State***

India began the process of planned development with the start of the First Five Year Plan in April, 1951. The basic purpose of planning was identified as that “of initiating a process of development which will raise living standards and open out to the people new opportunities for a rich and varied life.” The emphasis in the first three five year plans was on a substantial acceleration in

overall rate of growth of the economy as reflected in the growth of gross domestic product in real terms. The experience shows that it is an essential condition for realization of the objectives of raising living standards of the people.

The most alarming tragedy is that the planners wanted the benefits of development to trickle down to the poor but that did not happen because our economic planning has always been associated with centralization due to certain socio-economic and political expediencies. This arrangement based on trickle down growth strategy did not yield the desired results, inequalities and regional imbalances could not be narrowed down, thus making the underlying objective of rapid economic development a distant dream. However, changes at the global level, especially in countries which practiced devolution of politico-economic power to the grass root level and simultaneously reaped huge benefits, prompted many countries to review the centralized system of planning mechanism and it was simultaneously envisaged and appreciated that concept of growth and development ought to encompass socio-cultural and political development and this point slowly but surely gained ground that community participation in decision affecting its welfare and destiny was a mark of development which caused many heart burning in the paternalistic orientation of bureaucratic and public officials. The world bodies on the other hand strongly advocated empowerment of the weaker sections of the social strata in general and women in particular through the process of democratization. Thus the prevailing political, ideological and administrative imperatives impelled countries like India to go in for more decentralized system of governance, planning and administration. It was therefore felt that district and block should be primary unit for local planning and the area specific development programmes, which will help in dealing with the problems of regional imbalances and intra-regional variations, be given higher priority.

Decentralized Planning is viewed as a political strategy directed towards, inter alia, the promotion of increasing people's participation in the initiation, planning and implementation of development programmes, equity in resources allocation and greater accountability of bureaucracy and public administrators to elected bodies. Decentralized planning implies the planning from below adopting the bottom up approach. It means that there are local decision making agencies having more or less independent existence and power. The formation and implementation of the plan is influenced largely by the local authority which is incharge of overall development of the area under its jurisdiction within the broad frame work of national economic planning. The structural, technological, institutional and organizational obstacles to overall growth can be identified better when viewed in the proximity of specific area and people. Every area, however small it is, has its own characteristics which are important for meaningful planning. The prime objectives of the decentralized planning as laid down were "to decentralize the authority primarily to lend speed to developmental programmes and to ensure peoples" participation in the developmental process". The core element of the decentralized planning was to bring the decision making process closer to the locus of the problems and to integrate the same with the felt needs of the community.

The State of Jammu & Kashmir is a pioneer in the field of decentralized district planning. An innovative initiative of “Single Line Administration” was started in 1976 to plan development at the District level itself in consultation with the elected and other representatives of the people. District Development Boards were constituted for this purpose and the Deputy Commissioners were made the District Development Commissioners of the Districts who also function as the Heads of the Departments at District level with appropriate delegation of financial and administrative powers. DDC’s were also designated as chairman of the District Development Boards in the respective districts. This concept was eventually re-affirmed and strengthened to respond to the changing situations and developments in September 1993 by issuing comprehensive guidelines.

On the basis of feedback both at the administrative and political levels, the District Development Boards were revamped in November, 1996 by nominating the Hon’ble Ministers of the Cabinet as Chairmen of the Boards instead of District Development Commissioners. Hon’ble MPs and MLAs of the concerned Districts as the Members of the Boards and Hon’ble MLCs of the home districts are to be nominated as Members of the Boards by the Government. Due representation has also been given to the Panchayats, Municipal Committees/Corporations and weaker sections of the society including women.

Economic Development cannot be conceived in isolation when some important attributes influence the process of development. Amongst these is the political system that provides a very vital link and as such it is generally termed as political economy. The existing time demands more decentralization for speedy development of areas especially those which have remained backward despite various strategies adopted till now.

Government has created eight new Districts in the State which started functioning from April, 2007. These Districts were carved out of the existing Districts. Moreover, the Government is committed to give more powers to the Boards to strengthen the district planning process and also involving the Panchayats more effectively in the planning process for development at the grass root level.

The model for decentralized planning envisaged greater flexibility to the District Development Boards in terms of deciding inter sectoral outlays to manifest the requirements so as to make the plan exercise more responsive to the local needs. In practice, however sectoral outlays are predetermined by Planning and Development Department on the basis of the recommendations of HODs only without any consultation of District Development Boards. District Development Boards while approving the district Plan strictly follows the given sectoral outlays and have no authority even to effect any marginal inter sectoral changes as per the requirements of the districts.

For calculating the amount which should be provided as plan outlay for a district, a number of formulae have been worked out as recommended by Sikri Commission, Gadgil Formula on the basis of population, area, per capita income and backward indices but it has been observed that Annual District

Plans are just incremental in nature, mostly the allocations to the districts are not made on any scientific and rational basis.

### **Performance of District Planning over the Years in J&K**

Jammu and Kashmir State has the distinction of being the only State in the country where the process of decentralization was carried out at the district level by way of District Development Boards starting from the year 1977-78. Since then the quantum of district plan outlays is persistently on increase from Rs 4190.15 lakh in 1977-78 to Rs 100715.79 lakh in 2008-09. Expenditures achieved under district plan ever since its inception in the state has also matched with the earmarked district outlays. The five year period performance of the district plan outlays is shown in the table:-

**Table 3(II)b.13 :District Plan Performance from 6<sup>th</sup> FYP to 10<sup>th</sup> FYP (Rs in lacs)**

Period	Outlay	%age step-up in Dist. FYP Plan Outlay	Expenditure	%age of Expenditure against Dist. FYP Plan Outlay
6th FYP	39687.99	-	41437.28	104.41
7th FYP	74125.08	86.77%	83100.04	112.11
8th FYP	155091.69	109.23%	152221.48	98.15
9th FYP	300514.95	93.76%	282428.14	93.98
10th FYP	459793.88	53%	441930.15	96.11

During 6<sup>th</sup> and 7<sup>th</sup> FYP expenditure has been on the higher side than the initial outlay worked out at 104.41% and 112.11% respectively whereas during 8<sup>th</sup>, 9<sup>th</sup> and 10<sup>th</sup> FYP expenditure has been on the lower side than the initial agreed outlays with percentage achievements of 98.15 93.98 and 96.11 respectively.

**Table 3(ii) b.14 :Decadal %age increase in Outlay under District Plan and %age of Expenditure (Rs. in Lakhs)**

Year	Outlay	Decadal %age Increase	Expenditure	%age Expenditure against outlay
1977-78	4190.15	-----	4070.6	97.15
1987-88	13884.8	231.37	17460.8	125.75
1997-98	51211.6	268.83	48295.3	94.31
2007-08	96866.44	89.15	90886.68	93.83

Outlay under District Plan is increasing continuously over the years as is evident from the table which shows the decadal percentage increase in the outlay from 1977-78 to 2007-08 over the last three decades and also shows the percentage of expenditure achieved against the initial agreed outlay for each decade.

### **10<sup>th</sup> Five Year District Plan Performance**

In the 10th Five Year Plan, out of a total plan outlay of Rs.16255.70 crore, Rs.4613.70 crore was released for the Districts as District Plan excluding Rs.500 crore and Rs.215 crore for the Border Area Development Programme (BADP) and Constituency Development Fund (CDF) respectively making a total of Rs.5328.70 crore which comes to 33% of the gross plan outlay. Government is making every effort for raising the Capital outlays. In the year 2002-03, an amount of Rs.338.26 crore was released/earmarked as Capital component out



of the total outlay of Rs.755.03 crore while as in 2006-07 there was an outlay of Rs.618.33 crore as Capital outlay out of a total outlay of Rs.1175.10 crore thereby registering an increase of 82.80% over a period of five years. The table below reflects the year wise position since 2002-03:

<b>Table 3(ii)b.15 :10<sup>th</sup> Five Year District Plan Performance (Rs. in crore)</b>						
<b>Year</b>	<b>Revenue</b>	<b>% Increase</b>	<b>Capital</b>	<b>% Increase</b>	<b>Total</b>	<b>% Increase</b>
2002-03	416.77		338.26		755.03	
2003-04	436.7	4.78	364.04	7.62	800.74	6.05
2004-05	451.25	3.33	415.02	14.00	866.27	8.18
2005-06	531.21	17.72	485.35	16.95	1016.56	17.35
2006-07	556.77	4.81	618.33	27.40	1175.10	15.60
Total Increase (2002-07)	-	33.59	-	82.80	-	55.64
Average Increase	-	8.40	-	20.7	-	13.91

Source: - Planning & Development Department (J&K).

It is worthwhile to mention here that total district plan outlay for the 1st annual plan 2007-08 of the 11<sup>th</sup> FYP was Rs. 969.41 Cr., which indicated a %age decrease of 17.50% over the last annual Plan 2006-07 of the 10<sup>th</sup> FYP depicting thereby that the allocation of district plan for various annual plans has not followed an increasing trend. However, this is mainly attributed to the transfer of bulk of revenue expenditure from plan to non-plan. The outlay under capital component has registered sustainable increase in the last three consecutive years, which is positive and healthy for further development.

The guidelines governing the decentralized planning in the State stipulates at least 30% of the total plan outlay of the State to be earmarked for district planning. Table given below reflects the share of district plan in the total plan from the annual plan 2002-03 to 2006-07.

(Rs in Crore)

<b>S.No</b>	<b>Year</b>	<b>Total outlay for the state</b>	<b>Outlay Excluding PMRP</b>	<b>Share of District Plan in Total Plan</b>	<b>Share of District as % of col . 5</b>	<b>% increase over previous year in District Sector</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
1	2002-03	2200.00	2200.00	755.03	34.32	
2	2003-04	2500.00	2500.00	800.74	32.03	6.05
3	2004-05	3008.03	2708.03	866.27	31.99	8.18
4	2005-06	4200.00	3000.00	1016.56	33.89	17.35
5	2006-07	4347.67	3500.00	1175.10	33.57	15.60
	Total	16255.70	13908.03	4613.70	33.17	

Source: Planning & Development Deptt. J&K

Out of outlay of Rs. 13908.03 crore (excluding outlay under PMRP of the total approved outlay of Rs. 16255.70 crore) of the state for five annual plans from 2002-03 to 2006-07, an outlay of Rs. 4613.70 crore was earmarked under district plan constituting 33.17% of the total outlay.

Expenditure to the tune of Rs. 4597.75 crore which constitutes 99.65% of the total outlay of Rs. 4613.70 crore, has been incurred under District Plan during the 10<sup>th</sup> Five Year Plan period (2002-07).

In the initial years of decentralized system of planning, there was a set mechanism of finalizing district allocations in the month of March and the district allocations were being accordingly conveyed by the Planning and Development to the District Development Commissioners in the last month of the financial year. The District Development Commissioners of the Jammu Division would convene their DD Board meetings by or before 2<sup>nd</sup> week of April and the joint meetings of the State Cabinet with the DD Board of Jammu Division would get concluded by the 3<sup>rd</sup> week of April or before Durbar Move from Jammu to Srinagar. Similarly, in case of the Districts of Kashmir Division, the DD Board meetings would get concluded by or before 2<sup>nd</sup> week of May whereas the joint meeting of the cabinet with the DD Boards would get concluded by or before 4<sup>th</sup> week of May. This way the Distt. Dev. Boards would get the right kind of direction from the State Cabinet at the right time and implementation of the District plans would start much earlier than what is happening right now. The said mechanism needs to be revived again for effective plan implementation at the district level.

In the past during 1986-87, the planning department has introduced a system of mid-term plan review of Districts by the Planning Commissioner. The mid term plan review of all the Districts of Kashmir Division was being made by the Planning Commissioner on the directions of the Minister incharge Planning in the month of October before Darbar move to Jammu in all the Districts in which the respective HODs used to participate. The sectoral performance was being reviewed in detail and more importantly the decision about the utilization of anticipating saving was also taken in such meetings by the Planning Commissioner and the minimum requirement of additional funds for the districts was also got registered in such meetings and this would enable the authorities at the helm to take appropriate decisions well in time and also to issue right directions for corrective action wherever required. Similarly, in case of Districts of Jammu Division the Planning Commissioner would take review meetings in the month of November to facilitate speedier progress and maximum utilization of available resources. The Review mechanism of District Plans requires to be made more regular and effective.

The State Government may also consider delegating more financial and administrative powers to the DD Boards for sanctioning and implementing District Plans on the pattern of Hill Dev. Councils, Leh & Kargil with some modifications, wherever required. The model as envisaged in the LAHDC Act, 1995 for twin districts of Leh and Kargil delegates more powers to DD Boards for intersectoral adjustments wherever required. This model of decentralized authority for DD Boards/Development Councils enjoys more autonomy for dealing with both administrative and financial matters related to District plan has yielded greater success in the implementation of decentralized planning and need to be extended to the other Districts of the state as well.

In many states like Maharashtra, Punjab, Madhya Pradesh, Haryana and Karnatka etc. the system of decentralized planning is very much prevalent and in Maharashtra funds allocation in district plan is made on the basis of certain parameters like 1. Total population, 2. Urban population, 3. Backward Class population, 4. Backwardness in agriculture, 5. Backwardness in irrigation, 6. Industrial backwardness, 7. Communication backwardness, 8.

Special Problems of Drought Prone Area etc. However, the allocation for General Plan (Non-Tribal), Tribal Sub-Plan and Special Component Plan are decided separately and hence the above parameters are taken into consideration for General Plan. Other states do have some different parameters for allocation of district plan funds as well.

The concept of Decentralized Planning had been introduced in the state of Punjab a way back in the year 1984-85. Accordingly, the District Planning & Development Boards were set up in 1987 in Punjab. To attach utmost importance to meaningful Decentralized Planning, the DPDBs have been reconstituted and each board is headed by a Cabinet Minister/State Minister as Chairman/Vice Chairman. These boards have full powers to efficiently and cost-effectively implement the district level schemes and also identify the areas and groups of people at the grass-root level, which need special attention for equitable socio-economic growth. The District Planning & Development Boards are competent to select executing agencies for executing the works with decentralized funds at their own convenience and for works upto Rs.20.00 lakhs, administrative approvals are accorded by these Boards. It is clarified that upper limit is applicable to each individual work and not to the total amount approved under a particular scheme/programme. The works upto Rs.50.00 lakhs are to be sent to the Department of Planning for administrative approval. The works beyond 50.00 lakhs however are to be referred to the concerned Administrative Department for taking further approval of the Department of Planning at the State level. In consonance with the 73<sup>rd</sup> and 74<sup>th</sup> amendments to the Constitution, efforts are being made to transfer the fund, function and functionary to the Panchayati Raj Institutions and Urban Local Bodies by constituting District Planning Committees and Metropolitan Planning Committees in the State.

The State of J&K should also think on these lines and initiate efforts for strengthening the District Development Boards and also constitute formulate state planning and development Board comprising of elected representatives, technocrats, experts and professionals from Government and Non-Government organizations.

Moreover, Local Area Plan should reflect peoples priorities in the context of local needs and should be broadly consistent with the state policy and priorities. This requires preparation of a comparative district vision documents based on empirical grounding provided through rigorous compilation and analysis of baseline data. Formulation of perspective plans for each district for (15-20) years is of utmost importance for sound, sustainable and balanced development of the districts. One of the biggest stumbling blocks to good meaningful planning in the state is the lack of primary and secondary data. Even if data is available, it is often unclassified reducing the scope for meaningful analysis. It is not disaggregated to the relevant scale for use. The statistical system at village level/Panchayat level should be strengthened so as to build database of the district for facilitating the District Development Board and the Administrators in formulation of realistic plans in a decentralized setup.

The eleventh plan document expresses concern especially regarding the problems of backward areas. District Planning is a critical instrument that can

be used to direct investments in areas and districts which lag behind in development. Areas which need special attention include border areas, hilly areas, areas affected by militancy and insurgency etc. Good governance must lead to progressive decrease in social and economic inequality and the development of all regardless of social or economic background. To remove the regional disparities universalisation of basic services as per national standards viz; Health, Education, Drinking water, Nutrition etc. should be given top priority and should be the foremost priority in visioning exercise. Plan allocations should be used for filling this gap. Extensive exercise is required for preparation for perspective plan for the district so as to reflect the gaps in the development and the ways to fill up those gaps.

The success of decentralized planning system would depend upon the financial resources available at the district level. Over the years it has been felt that the District Development Boards merely act as decision maker for the schemes at the district level within the given sector wise outlays with no maneuverability to decide inter sectoral priorities rather than being confined to the sectoral planning framework. These institutions if given full support would emerge as the bedrock to demonstrate the principles. Since the District Development Boards have to play pivotal role in envisioning development plan of the district and providing leadership and guidance for perspective and implementation of block level/Panchayat plans, once the PRIS are put in operation, there is a need to strengthen the District Development Boards to function as full fledged institutions;

- District Development Boards should be assisted by Technical Advisory Groups for different sectors consisting of professionals from Govt. academic institutions and Non-Govt. Organizations.
- Sectoral Outlays to be approved by the Planning and Development Department should be adopted on the recommendations of the District Development Boards.
- Keeping in view the availability of resources at the State level Planning and Development Department should fix the targets for opening/ up gradation programmes so that the District Development Board decides the location part as per the local requirement/viability and to ensure balance area development approach.
- The gaps in the developmental process need to be taken into consideration by public representatives while approving the Action Plans in respect of different sectors.
- It should be mandatory for the District Development Boards to conduct Mid term appraisals of the District Plans so as to ensure effective monitoring and achievement of the objectives set for a particular time period as envisaged in the Government Order.

There is lack of planning professionals in the decentralized set-up at the District level. Almost all DDBs and the twin Development Councils Leh/Kargil do not have any access to the specialized experts. This results in short-term thinking on development, resulting in adhoc conceiving of development projects without technical and financial consideration. At the local level, professionals

and experts in Planning are lacking the desirable planning and project formulating capability. Experts in the areas of social development, livelihood, environment and resource management can be engaged to support the planning process in the district. Alternatively, setting up of Multi-Disciplinary teams could also be considered by the Govt. for supporting and strengthening the planning process at the district level. This would necessitate strengthening of district planning cells by providing additional minimum required technical manpower.

During the last fifty years of planning, we have failed to build up good institutions and centres of excellence in academics, research and development with the result an efficient and development oriented base for a sustained economic and technological growth is lacking. More importantly, capacity development of the Planning professionals in the State has remained upto the mark. The State Govt may consider setting up of "Institute of Development Studies-IDS" in the State on the pattern of similar institutes set-up in other States. This will go a long way in providing intellectual and Research support to the planning process at various levels and also in capacity development of the planning experts and development practitioners in the State besides providing timely feed back to the Govt, through operational research in various fields of socio-economic development.

The State Planning Department will have to be thoughtful and rational in making investment choices/decisions at the right ventures. There has to be a clear vision document and an exhaustive perspective to be pursued with commitment. The State must clearly identify its long-term economic pursuits and invest accordingly. These investment decisions could be taken by the Government on the basis of a comprehensive vision document covering all the sectors supported by Techno Economic Survey for the State. Similar exercise shall have to be replicated for the districts subsequently.

Non-Plan outlay earmarked in the State budget for maintenance and purchases of machinery and stocks need to be integrated with the State Plan outlays for carving out a development plan for the State. This would ensure greater transparency in the utilization of available funds and create a more visible impact of the total development effort on the ground.

The concept of Decentralized system of Planning introduced in the Jammu and Kashmir state in the early eighties performed comparatively at the low profile. The main thrust was to associate the knowledgeable persons like Panchayat members and well read individuals of a particular both among government level as well as from the public. Contrary to this idea, a token sum of money is provided with the district level officers with the directions to formulate the district level schemes, the benefit of which must percolate to the common masses. Instead of following the guidelines and norms, Officers at District level formulate the plans without seeking or knowing the priority areas for which investment decisions are to be taken aside

The implementation of district plan is the replica of state plan or of centrally sponsored schemes formulated by Government of India without assessing the ground realities/necessities of a particular area. Investment in the district plan should be based on the feasibility studies conducted by the

subject matters specialists. Possibilities need to be explored in harnessing the hidden wealth of the district in various fields like minerals, fish and fisheries, agriculture, handicrafts/handloom, water resources etc for exploitation in the gain full manner, this will definitely pave the way for creating more employment avenues.

Many efforts have been made by Government of India to Strengthen the decentralized planning process so that the development funds consumed by the plans result in visible and effective outcomes. However, the efforts have not sufficiently fructified in the past for many reasons. Some of them include:

1. Plans are prepared for each scheme separately resulting in lack of convergence of funds and sectoral integration.
2. Planning has traditionally been done at the district level, which is physically removed, from the citizens resulting in plans that do not reflect the needs and aspirations of the people.
3. There is no tight coupling between the planned outlay and the actual expenditure incurred.
4. There is no integration between plans of different local governments.

### ***c) Development Evaluation***

The success of a programme is measured by knowing the extent to which the goals, objectives and planned benefits are realized through programme implementation with reference to inputs used in terms of funds, material and efforts. The whole process of evaluation is based on generation and analysis of information on project inputs and results obtained there from.

#### ***I- Cooked Mid Day Meal Scheme (CMDM)- J&K State (2004-05 to 2007-08)***

The National Programme on Nutritional Support to Primary Education (NP-NSPE) which is popularly known as Mid-Day-Meals Scheme, was launched by the Government of India in 1995 with the objective to boost universalisation of primary education by increasing enrolment, retention and attendance and simultaneously laying impact on nutritional status of students in primary grade. Initially the programme covered students of primary stage studying in Government, local body and Government aided schools. Later on, the scheme was extended in 2002 to cover the children studying in Education Guarantee Scheme (EGS) and Alternative & Innovative Education (AIE) Centres.

In J&K also, Cooked Mid Day Meals Scheme was introduced on pilot basis in November 2004 in respect of 05 schools in each educational zone. The implementation actually took off from April 2005 covering all Government run schools, having Primary Classes and EGS centres as well. The Evaluation study on Mid-day-Meal Scheme has been conducted by the Directorate of Economics and Statistics at the instance of State Level Evaluation Committee (SLEC) for the years 2004-05 to 2007-08.

#### ***Areas of Success***

- The satisfactory utilization of funds (91%) under Cooked Mid Day Meals (CMDM) Scheme is also corroborated by the Sample Zonal Level and Sample School Level information. However, the Sample School level information

brings this fact to the fore that belated releases are made at the school level and school management is forced to utilize school grants available for other components which however, are subsequently reimbursed.

- The utilization of lifted food grains was observed to be almost hundred percent in respect of Kashmir Division while as in Jammu Division, it was 92 percent. In aggregate, the utilization of grains was 96 percent of the lifted food grains for the State in respect of reference period 2004-05 to 2006-07. The Sample Zonal level data and Sample School level data puts it at 95 percent and 97 percent respectively for whole of the State.
- The information provided by the Chief Education Officers of respective districts across the State reveals that during the years 2005-06 and 2006-07, all the schools with Primary classes Education Guarantee Scheme (EGS) Centres were covered under the revised National Programme on Nutritional Support to Pry. Education Scheme (NP-NSPE). During 2005-06, a total of 21281 schools and EGS Centres were covered which increased to 22365 in the year 2006-07. The sample zone level and sample school level verification confirmed the full coverage of schools and EGS Centres under the scheme for the reference period.
- In the Sample Schools, as per the opinion of the Heads of the Schools, 91 percent institutions have shown improvement in the enrolment of students, 91 percent schools recorded reduction in drop-out rate and 82 percent schools reported increase in attendance of enrolled children. This situation is an indication of the positive impact of the CMDM scheme which fulfills the objective of its launch on this specific front to a great extent.
- As per Heads of the School, the Sample Schools in respect of Kashmir division were unanimous that CMDM Scheme has brought about improvement in the health condition of children, but in Jammu division 10 sample schools out of 418 have maintained that no visible improvement was seen in the health profile of the beneficiary children
- Cooked rice with Dal, was most commonly served to 90 percent of the student beneficiaries as reported by them. Cooked rice with vegetables has remained the next popular and mostly consumed dish (75 percent).
- The participation of Village Education Committees (VECs) in the implementation process of CMDM Scheme is reflective from the fact that 96 percent of the enquired VECs reported to have been invited by respective school managements for discussion on the implementation of the scheme. 96 percent of the sample VECs reported to have physically inspected the CMDM Scheme. 92 percent were satisfied with serving of meals under the scheme in the concerned Schools. Thus, it seems that the school management has accepted the role and involvement of VECs in the process and the community representatives have also accepted the assignment for the ultimate interests of the community as a whole.

### ***Areas of Concern***

- Contrary to the views expressed by the Chief Education Officers across the State and seconded by the majority of sample Zonal Education Officers, 18 percent of the schools were not satisfied with the lifting arrangements of

food grains. Similarly 12 percent of the schools have registered complaint about the quality of food grains with the evaluation team and 10 percent schools have reported that the supplies were not in time. This contradictory information suggests that the officers at the controlling and monitoring position rely on paper information and are not physically supervising over the scheme implementation on ground.

- The Cooked Mid Day Meals (CMDM) Scheme is without any specific direction on the score of cooking arrangements both on the manpower and infrastructural front. 14 percent of the sample schools have carried this job through the services of teachers which is straight away misutilisation of time frame stipulated for class room teaching, which is their primary job and the end objective of the CMDM Scheme itself.
- On the infrastructural front 63 percent of the sample schools were getting meals cooked outside the school or outside the school premises, 9 percent have constructed temporary sheds and only 3 percent have appropriate cooking place in the form of separate kitchen. A sizeable quantum comprising 22 percent sample schools, were doing this job in the classrooms which is neither advisable from the educational point of view nor from the hygienic and safety aspects of the enrolled children while as 3 percent Sample Schools supplied the meals in dry form.
- The most striking weakness of CMDM Scheme is the misutilisation of education time. The special observation of the evaluation teams throughout the State was that the time frame within which meals are required to be served in the schools is not possible for school management to adhere to. The cooking of meals, pre-serving preparations, serving and then post-serving management in terms of cleaning of utensils, takes hours together and consequently tantamounts to dispossession of education time. The dispossession of time was acute in those schools where teaching staff was associated with the preparation and serving of meals.
- As per general observations, the limitation of utensils required for cooking and serving of meals is a general problem in the schools. The condition of utensils was generally observed unhygienic. Non-availability of water in some schools was the cause of unhygienic condition of utensils. Replacement of primitive and unhygienic utensils is impossible for schools due to paucity of funds under the scheme.
- The supervision and monitoring system of the scheme has been observed very weak due to over busy schedule of Chief Education Officers (CEOs)/Zonal Education Officers (ZEOs). In such a state of situation, separate monitoring wing at the Zonal level needs to be put in place to ensure intensive supervision of the scheme, especially with regard to quality control. The quality of food grains and hygienic aspects of cooking process must be ensured at all costs as any minor compromise on such things may negate the very purpose of the scheme and could endanger the child health who by nature are vulnerable to morbidity.
- The scheme modalities need to be specific on the manpower and infrastructural provisions of cooking and serving meals. Separate kitchen facility for all the schools and EGS Centres across the State is really hard to



imagine at this juncture. There is no other alternative for the Govt but to provide separate Kitchen facilities to schools in a phased manner, if the scheme has to continue on the current modalities without compromising on the health, hygiene and safety aspects of the minor children.

- In order to do away with the striking weaknesses of the CMDM Scheme in terms of dispossession of education time, the following alternate arrangements need to be put in place;
  - I. Processed eatables/snacks, biscuits, roasted grams and dry fruits could be provided in lieu of cooked meals;
  - II. CMDM Scheme could be integrated with ICDS and the responsibility of nutrition serving be completely handed-over to ICDS Organization. For shouldering such huge additional workload, the Organization has to be strengthened appropriately.
  - III. Cooking and serving of meals in schools be carried-out on contract basis.

Any of these suggestions could be acted-upon with appropriate safeguards and strict and intensive monitoring system in place at the Zonal level. The proposed arrangement is expected to improve CMDM programme in totality without sacrificing the educational aspect of the schools. These suggestions may require modifications in CMDM Scheme by the Human Resource Development Ministry, Govt of India.

### ***Operational Status***

- The per capita fund utilization shows that the funds utilized at State level per child amounted to Rs. 221.69, which declined to Rs. 203.73 at Zonal level. The funds utilization per child shrank further to Rs. 159.60 at School level during the year 2006-07.
- At School (Sample) level, the per capita grains utilized has increased from 11.12 Kgs per child per year during 2005-06 to 12.35 Kgs during the year 2006-07, thereby showing an increase of 11.06 percent over the previous year. Similarly grains lifted per child per year has shown a percentage increase of 13.53 during 2006-07. A gap of 0.570 Kgs per capita has been observed between grains lifted and grains utilized during 2006-07.
- The per capita grain utilization has shown variation at State level, Zonal level and Sample School level with the indicators standing at 10.52 Kgs, 11.59 Kgs and 12.35 Kgs respectively for the year 2006-07.
- As per analysis of the parameter “Operational Days as per Fund Utilization”, on the basis of per capita financial involvement of Rupee One, the data revealed that the scheme was under operation for 91 days during 2005-06 at State level. The finding has been corroborated by Zonal level data which indicates again that the operational period of the scheme was 91 days. At Sample School level the data speaks that the scheme was operational for 114 days during the same period.
- As per analysis of the parameter “Operational Days as per Grain Utilization”, there has been an increase of 1.54 percent (2 days) during 2006-07 over the previous year when compared at State level. The operational days for the year 2006-07 were 105. The Zonal level data exhibited that the operational

days of the scheme as per grains utilization were 117 during 2005-06 and 116 during 2006-07, thereby showing a decrease of 0.86 per cent (1 day).

### ***Lessons Learnt***

The Cooked Mid Day Meals Scheme in J&K State is under operation with a holistic approach towards betterment of school children. Though the scheme is in early stage of its operation, yet the dividends have started emerging with a positive note. A beginning has been made towards ensured Universalization of Primary Education with impetus on nutritional supplementation and behavioral changes towards health/hygiene of the clientele. Still substantial headway are to be made in future for implementation of the scheme in its right perspective.

From the overview of study results some lessons have been learnt which need to be addressed on priority:

- The scheme has been observed to be functional for alternate days in contravention to the norms of the scheme. The intermittent operation of scheme defeats the very purpose of the scheme. Under these circumstances, the nutritional supplement offers little hope for improvement in evoking regular attendance, improvement in enrolment and controlling dropout rate.
- Least attention has been paid towards provision of infrastructure required for implementation of the scheme as per desired objectives. Non-availability of proper cooking place, utensils and manpower for safe preparation, pre/post serving arrangement of meals in the schools, is posing a serious problem in proper delivery of the services to the beneficiaries.
- Instances of involvement of teachers, in preparation and pre/post serving arrangement of meals in the Sample Schools, amounts to dispossession of time stipulated for class room teaching. Besides, this practice is dishonour to dignity and role of teaching faculty, who are not expected to deliver the service to the children in a conducive atmosphere. The practice of teachers involvement in cooking process, defeats the very spirit and sanctity of the scheme.
- A convergence of 'Cooked Mid Day Meals Scheme' with 'Health Checkups' by representative of Health Department is required in order to keep an eye on improvements in health status of beneficiaries during the course of scheme implementation. The joint exercise will be helpful in providing indicators like prevalence/surveillance of various diseases, identification of parameters of malnutrition like weight, height, eye-sight, hearing, general growth, depression and other psychological parameters.
- The ultimate efforts are required to be directed towards maintenance of strong database from grass root level to State level so as to eke out parameters both weak and strong. This would form strong base to arrive at remedial measures to be directed towards slack areas through vigorous monitoring, from top to bottom and vice-versa.

All the objectives under the programme could be achieved in their right earnest on the basis of strong monitoring mechanism and bridging of communication gap existing between various levels of hierarchy viz-a-viz Village Level Community Members.

## **II- Market Intervention Scheme (MIS)- J&K State (2003-04 to 2007-08)**

Market Intervention Scheme (MIS) was introduced in the year 2003-04 for procurement of “C” grade apple in Kashmir Division @ Rs.3/- per kg. In the year 2004-05, the scheme was extended to whole of the state including procurement of Sandy Pear from Jammu Division. During the year 2005-06, the procurement prices were enhanced from Rs.3/- to Rs.4/- per kg for both apple and pear. In 2006-07, the rates were further enhanced from Rs.4/- to Rs.5/- per kg taking into consideration the increasing production costs. Under the scheme, the fruit is procured in different collection centres established by the Horticulture Planning and Marketing Department from growers and is supplied to the public/private processing units @ Rs.0.50 per kg and Rs. 1.00 per kg in respect of C-grade apple and sandy pear respectively. The main intended objectives of the scheme are:-

- 1) To provide support price to the fruit growers for low grade produce at the door steps to cover his production costs.
- 2) To ensure up-gradation of this major horticulture produce by segregating the low grade quality fruit from his possession.
- 3) Proper value addition and processing of the off-grade produce and making the processing industry competitive in the domestic and international markets.

As per the estimates of the Horticulture Department near about 30% of the apple production in the state is considered as “C” grade which means that about 2 to 3 lac MTs of “C” grade apple becomes available in the state annually depending upon the annual production of apple. MIS is targeted to lift 25 thousand MTs of “C” grade Apple/Sandy pear annually. The implementation of the scheme has been stopped by the Government.

### **Areas of Success**

- The Scheme was successful in making its presence felt by creating awareness in growers about pure grading and quality control which can help in maintenance of brand name “Kashmir” in future. The objective of providing support price to growers covered under the scheme could also be expected to some extent. As evident from the field analysis, the MIS is providing better returns to growers than the rates offered by local and export markets.
- 92 percent of the beneficiaries informed that the introduction of the scheme has undoubtedly helped in upgradation of the fruits as the growers who were used to mixing practices have by virtue of MIS dispossessed their low grade in lieu of reasonable rates offered at their door steps. 62 percent of the beneficiaries were satisfied with timely procurement of the fruit.
- The growers were unanimous on the MIS being grower friendly as the “C” grade produce was fetching them Rs.30 to 40 per box of 17 kgs i.e. much below the MIS scheme provided for.

### **Area of concern**

- The physical and financial targets set under the scheme were too limited to expect the scheme to achieve the objective of complete quality control.

Likewise the objective of providing support price to the growers for “C” grade produce could be expected to the maximum of covered beneficiaries only.

- The implementing Department has not been able to utilize the allocated financial resources fully and resultantly the physical targets which were already short of desired quantum, were not achieved and the shortfall was of the order of 56 percent.
- The procurement of fruit reflects imbalance across the districts. Non segregating of targets at the district level was one of the reasons of imbalance in the procurement.
- Only two processing units i.e. M/S FIL Industries Ltd. Srinagar and JKHPMC Srinagar (Pvt/Public) units have claimed 93.76 percent of the procured fruit, though by eligibility under the scheme modalities where distribution pattern on the basis of installed capacity was to be followed. The visible monopolistic character of one unit in fruit processing line of activity, might probably be one of the reasons that in-spite of Govt. providing raw material on subsidized rates of Rs.0.50 per kg, only one new unit has come-up in the sector during the period of MIS implementation.
- Maximum benefits of the scheme have percolated down to traders, pre-harvesting merchants and other non-growers who had provided 53 percent of the fruits procured under MIS.
- Delayed payment was reported by 70 percent of the beneficiaries which was termed as a serious drawback of the scheme. On spot payment was the essence of the beneficiaries/growers viewpoint in view of high and urgent input costs they have to bear to maintain and sustain their orchards, particularly of small and marginal growers.
- 70 percent of the beneficiaries reported untimely/delayed payment which needs to be improved upon. The scheme needs to be operationalised in the beginning of the harvesting season to facilitate the growers who need to be ensured of the scheme implementation, otherwise due to uncertainty they enter into agreements with the traders and merchants on unfavorable trade conditions.
- In some fruit growing pockets of the state like Pulwama, Shopian and Kangan, fruits were provided under MIS by some middlemen after obtaining the same from fruit growers at Rs.40-50 per box, leaving them unaware of the scheme. Thus in such cases, though fruit was provided under MIS but the benefit was reaped by non-deserving traders in contravention to the scheme objectives which provide for benefit to the grower.
- In the given situation where all the fruit growers were enthusiastically ready to provide fruit to the Department under the MIS on rates offered, achievement of just 45 percent on financial front and 43 percent on physical side was enough proof of the Department failing to implement the scheme in a desired manner.
- The average wholesale rate of apple per box after launch of MIS in comparison to the rates which prevailed before have decreased throughout. Putting the rates on price index, the decrease in real/value terms of wholesale rates of Apple per box was phenomenal. This information out-

rightly negates the departmental assertion or the scheme background assumption that introduction of MIS would fetch higher returns to the growers as a result of improvement in grading and quality up gradation.

- Only one unit under the name and style M/S Shah Foods Srinagar has been established after the launch of MIS. It transpires that the element of subsidy on raw material has not been able to pave way for establishment of new units under the sector.
- The employment generation in the processing sector showed marginal increase due to increase in the annual production of the units. This marginal increase has, in fact no conformity with the huge amount of Rs.2275.21 lakhs which the Govt. invested in the form of subsidy element in the processing sector under MIS Scheme.

### ***Lessons Learnt***

- In view of huge availability of “C ”grade produce and limited targets under the scheme, it is advisable to restrict the scheme to the small and marginal growers only. The role of Traders, Contractors or pre-harvesting merchants should be specified. This way it could be ensured that the benefit goes to the most deserving.
- In view of implementing department failing to achieve the set physical and financial targets under MIS, alternate arrangements should have been deliberated upon and experimented.
- On spot payment was the essence of the growers in view of urgent and high input costs they have to bear to maintain and sustain their orchards. In order to meet this justified demand, earmarking of revolving fund at the disposal of the implementing department could be an option.
- In order to avoid the manipulations of middlemen, awareness among the growers about the MIS scheme is necessary. This may preferably be done through print and electronic media.
- The distribution pattern of fruit among the processing units needs to be amended to pave way for smaller units to develop and function at least upto their installed crushing capacity. This would also attract and persuade other entrepreneurs to invest into the processing sector and thus employment generation could take place both for skilled and un-skilled unemployed youth of the state.
- In view of the limited implementing mechanism and ineffective monitoring system, Horticulture Development Department is required to be associated and coordinated actively with the MIS implementation as they have well established mechanism and apparatus all over the state. In addition, being the subject matter specialists their association would be of immense use in the establishment of properly located collection centres and awareness campaign.

### ***III- Revised National Tuberculosis Programme (RNTCP)- J&K State (2007-08)***

Tuberculosis(TB) is one of the most widely known diseases, and has had many dreadful names; for example ‘Consumption’ – the disease that consumes

the body; sukha- the disease that dries up; Tapp diq- the torture fever etc. In the developing nations Tuberculosis is the second fatal disease after AIDS which is the major cause of deaths. In India Tuberculosis is one of the biggest public health problems and kills more people than HIV, STIS, Malaria, Leprosy and tropical diseases combined. This highlights the importance of TB control in India. The Physicians and Policy makers are seriously concerned over the problem and in order to eradicate this disease, a National Tuberculosis Control Programme (NTCP) was launched during 1962.

The operational guidelines of the scheme were revised so that ultimate aim and objective of the scheme is achieved by realizing visible impact on ground in the shortest possible time by ensuring that the benefits accrue to the target group of population regularly, timely and without any interruption.

### ***Main Findings and Suggestions***

- The outlay and expenditure profile of the sample district tuberculosis centers suggests that the major component of the scheme i.e purchase and supply of drugs is still a centralized affair. The funding pattern does not commensurate the revised strategy which provide for augmentation of case finding activities through primary sputum microscopy to detect at least 70% of the estimated cases by establishing a microscopic network. During the entire period of RNTCP implementation from 2004 to 2007, the funds provided to the six sample districts under components, Laboratory material, equipment maintenance and equipment procurement was just of the order of Rs 10.04 Lacs against which an amount of Rs 8.08 Lacs was utilized. By utilizing a meager amount of Rs 8.08 Lacs in six districts during a period of three years of RNTCP implementation, establishment of microscopic network is somewhat hard to imagine.
- Appropriate NGO involvement was stressed in the revised programme, but among the sample districts the funds for such component were provided only to DTC Jammu to the tune of Rs. 0.41 lacs out of which an expenditure of Rs.0.18 lacs was booked. In other 5 sample districts no NGO activities for implementation of RNTCP have been promoted.
- During the first year of RNTCP implementation 2004-05, the identification and registration of TB patients increased by 20% over the pre-revised period of 2003-04, though in district Budgam, Kathua and Poonch, the revised programme was started in 2005-06. The increase over 2005-06 was 80% and in 2006-07 the increase over 2005-06 was 40%. The Sample district-wise data shows that the increase in the registration process was universal as a result of the implementation of the RNTCP.
- The trend of achievements for conducting sputum smear tests during the revised period 2004-05 to 2006-07 was itself demonstrative of the fact that the diagnostic situation has undergone a positive change. The conduct of sputum smear tests has increased by 199% in 2005-06 over the base year of the revised period 2004-05 and in 2006-07 it showed an increase of 144% over the same year. The conduction of chest x-rays has decreased throughout the revised period which, in fact is the result of the RNTCP strategy which stresses more on classical laboratory approach of sputum microscopy

in view of it being cheaper, easier and more reliable than even chest radiography.

- The registration of TB patients done during the period of RNTCP implementation has no doubt shown improvement over the pre-revised period and was increasing year after year. In 2004-05, the first year of RNTCP implementation the registration of TB patients in sample districts has shown an increase of 82% over the last year of the pre-revised period 2003-04. The increase in 2005-06 was of the order of 117% and that of 2006-07 of the magnitude of 204% over the year 2004-05 (pre-revised period). Thus it could be concluded that revised programme has been able to improve the identification and registration process of the TB Patients in the State to a considerable extent.
- During the first year of RNTCP implementation only district Pulwama and Jammu have reported supply of drugs on revised pattern and during the year 2005-06 and 2006-07, the supplies have been reported by five districts as per revised pattern. However, the non fixation of targets by the Department was of serious concern and itself an indication of non-seriousness of the Department in implementing the programme.
- The default of TB patients has occurred even in the revised programme which was an indication of the fact that revised programme having sufficient provisions to arrest the default, has not been implemented properly on ground. The actual magnitude of default could not be ascertained as district Kathua and Kupwara have not precisely provided the information on the subject.
- The deaths of TB patients occurring in the pre-revised programme were just 1% of the registered patients during the year as compared to 2 to 4 % deaths occurring in the revised period of three years. This obviously negates the achievements of the main objectives of the revised TB Control Programme and the objectivity of the components of the revised strategy.
- In the sample districts only one NGO under the address St. Joseph Hospital Barjani Bari Brahmina has extended their co-operation in Jammu district and during the reference period have identified 92 TB cases and referred them for registration in the respective DTC's. They have also helped in the diagnosis, treatment and have acted as observers in the administer of DOTs to those patients. In other five sample districts no NGO has come forward to volunteer itself in the TB Control programme.
- The characteristic of annual family income of sample TB patients brings this fact to the fore, rather seconds the already proven fact that TB is greatly related to poverty. Among the sample TB patients 80% belonged to the below poverty line group having annual family income of less than 40 thousand. 9% patients belonged to income group of Rs. 40-50 thousand which also belongs to poor family group.
- Correlations have also been observed between disease and characteristic of age and sex. The field survey reveals that 61% of the registered patients were men in the sample districts.

- The field enquiry reveals that identification and diagnosis of TB has to a great extent been decentralized and it was now no more a mere DTC affair alone under the revised programme. The identification of 55% of the sample TB patients was done at the nearby medical centers. However the role of NGO's was still to develop in the state.
- Among 246 sample patients under category "On Treatment" 98% reported the availability of drugs free of cost, sufficient, regular and timely. The establishment of DOT centers under the revised programme have facilitated patients to collect drugs in their localities. Availability of sufficient, timely and regular drugs at nearby centers is undoubtedly an achievement under the revised format of the Tuberculosis Control programme. The cause of default in the pre- revised programme was to a great extent due to centralization of the TB control facilities in terms of diagnosis, laboratory facilities and drug distribution.
- The case study of cured patients clearly suggests that if treatment is continued as per RNTCP format, the disease could easily be controlled. It is only the deviations from the stipulated guidelines that the problem of tuberculosis gets de-controlled. The cured patients have managed drugs from DTC and from the nearby DOT centers regularly.
- In case of 72% of the dead registered patients, TB has been the cause of death as reported by family members of deceased patients. 80% reported that the deceased patients were on treatment when they breathed their last. While expressing views on the problems faced by their patients during treatment, 32% reported side effect, 31% complained of ineffective treatment/drug resistance. No family report revealed to have faced any problem with regard to TB medicine supply.
- As per the patient perspective no component of RNTCP claimed full satisfaction and confidence of the patients. In fact the programme in the revised format is well designed and well directed but deficiencies in implementation have rendered the programme ineffective to a great extent with the result the objectives which were associated with the programme remained under-achieved.

#### **IV- River Valley Project-Thein Dam Catchments, Kathua (2007-08)**

Soil Conservation in the catchment of River Valley Project (RVP) is a Centrally Sponsored Scheme shared between Central Government and State Government in the ratio of 90:10 respectively. This scheme was launched during the Third Five Year Plan for mounting concerted efforts for prevention of catchment area deterioration. The work for treatment of the catchment area in J&K State was taken-up in the year 1994-95. The project area in J&K State extends over 87,706 hectares comprising of 43 Micro-watersheds.

#### **Main Findings and Suggestions**

- 356 Drainage line treatment structures were physically checked (under physical verification) in the 40 selected sample closures. 49% of these Structures were in good condition, 38% were partially damaged and other 13% were completely damaged. It needs a mention here that no location-



wise data was available with the Department, which hampered work-wise physical verification of the Evaluation Team.

- As per response of Sample households, the Drainage Line Treatment status under Soil Conservation component reflects dismal position of the works executed, with only 7 percent works found in good condition as against 93 percent works partially/completely damaged (78 percent partially and 15 percent completely damaged) during five year's span.
- All of the 4 ponds selected for Physical verification were not in good condition. These were damaged and did not contain any water. One of the farm ponds was found occupied by one local resident of the area who reported that the authorities had not paid the charges of labour rendered by him in construction of the pond.
- 11 composite nurseries have been also set up, in which 92.32 lac plants were planted with the financial involvement of around One Crore Rupees. Out of eleven nurseries only One nursery at Kharwah in Tc 2d MWS is functioning with reported plantation of One lakh plants spread over an area of One hectare. As per physical verification approximately 0.87 lakh plants were found alive in the said Nursery.

#### ***Quality of Programmes Executed***

- The survival rate of Robinia under Agro-Forestry as per response of Sample households was 49%, thereby exhibiting 51% mortality, which can be attributed to supply of poor quality plant material and lack of a) supervision, b) exchange of knowledge and c) post-plantation care.
- The Survival Rate of Horticulture Plantation as reported by sample households under "scattered plantation" was 37 percent. Orchard plantation was not found anywhere in the sample Micro-watersheds.
- In the sample afforestation closures, Survival Rate of Plantation, on the survey day, was 34%. The project authorities have estimated Plant Mortality Rate of 25% whereas the physical verification has revealed a causality up to 66% which is quite high. Effective remedial measures are required to reduce causality for ensuring better survival. Of those plants found alive on the survey day, only 2% were found to be in a very good condition, 80% in good condition and 18% were below average. Mortality among plants is reported to be mainly caused due to lack of watch /ward rendering the closures open for all type of intervention.
- Only 35% of the knowledgeable persons reported participation of people in planning of the plantation drive and selection of species to be planted. 45% reported that the locals were involved in execution of work. Only 30% reported that they were involved for watch and ward of the closure and 25% reported that local persons were consulted for maintenance of plantation.
- Although farmer's camps were organized within the project area, however, in order to sensitize the farming Community and to instill element of accountability amongst them, the exchange of knowledge programme and farmer's field visit outside the State, could have proved beneficial. During project period no farmer's visits to demonstration areas and to other successful Watershed or Research Institutions within or outside the State,

have been undertaken, which has adversely affected the project output, though there is such provision in the scheme modalities.

- As observed from the data given by the Department, there has been sharp decrease in the run off. During the year 2003, the watershed had 55.2% run off which came down to 32.7% in the year 2005 and to 13.8% in 2007.

### ***Monitoring Mechanism and Adherence to guidelines***

- A complete failure of Monitoring mechanism and accountability in project implementation has come to fore. The project authorities could not provide requisite detailed, Item-wise, Year-wise, Micro-shed-wise secondary data regarding implementation of the schemes which compressed the scope of the instant study. No location-wise data was available with the department.
- Despite clear cut guidelines, barbed wire fencing has been utilized to cover closures which have consumed 32 percent of the total expenditure booked under the project. As envisaged in guidelines, the vegetative cover was to be provided through greening of the area, which would have added to the green wealth of the area thereby enhancing the growth of natural wealth in the region. Fencing was good in case of 38% of the closures and in 62% of the closures it was found damaged mostly by the livestock. This has happened in spite of huge investments made on barbed wire fencing in contravention of programme guidelines.
- As per official data, 74% of the expenditure was spent on forest/waste land development, 25% of the expenditure i.e. 521.38 lakh on miscellaneous purposes viz Corpus fund, wages etc while as only 1% of the total expenditure was provided for the upgradation of Agricultural land which is an evidence of huge imbalance in execution of main activities under the River Valley Project.
- Although Village Committees were framed, State and Central funds were available for maintenance of assets created under various project activities, yet the Committee members were not motivated to contribute beneficiary share in the Corpus Fund.

### ***Production, Productivity and Area Coverage***

- There is nominal increase of 2.20 percent in overall area under various crops. The area under Paddy crop has recorded highest increase (5.10 percent) while as area under Wheat has increased by a minimum of 0.82 percent. Almost all area is sown in Rabi as well as in Kharif season. There is, however, no change in the cropping pattern after the implementation of the programme in the area.
- There has been increase in the yield-rate of Wheat, Maize and Paddy in almost all the sample Micro-watersheds. On an average, the productivity of Wheat has risen by 22%, Maize by 16% and Paddy by 14% during the span of project implementation. The increase in Yield/productivity can not exclusively be attributed to the factors/efforts covered under River Valley Project.

#### **V- Integrated Child Development services scheme(ICDS) (2007-08)**

Under Integrated Child Development Scheme (ICDS) a package of child development services such as Supplementary Nutrition, Immunization, Pre-School Education, Health-care and referral services are delivered in an integrated manner to the children both before and after their birth that too right in their own locality.

#### **Main findings & suggestions**

- The health check-ups of beneficiaries, an important component of the scheme was found inadequate as only 45% of the children beneficiaries had been medically checked. The distribution of medicines and the referral services had remained negligible.
- Accommodation arrangements for Anganwari Centres were found inappropriate and inadequate. The accommodation for 83% of the sample centres was just one room in which they had to perform all the activities which in no way is conducive for the health of the minor children.
- The supervision system of the Anganwari Centres (AWCs) has not remained upto the mark.
- As an administrative measure the vehicles provided to the CDPOs should strictly be dis-allowed to ply outside the project area and any default on this score needs to be seriously dealt with.
- In the post verification check of the field survey, 62% of the Anganwari Centres were found fully functional, 30% partially functional and 8% were found totally non-functional.
- The dissemination of Nutrition and Health Education has not happened in the intended manner.

#### **VI- Sarva Shiksha Abhiyaan(SSA)- J&K State (2007-08)**

Sarva Shiksha Abhyan is an effort to universalize elementary education by community – ownership of the school system. Under SSA, all school-less habitations with atleast 15 children in the age group of 6-14 years are provided with a school. It is a response to the demand for quality based education all over the country. The SSA programme is also an attempt to provide an opportunity for improving human capabilities of all children through provision of community – owned quality education in a mission mode. Further, this is an attempt to improve quality of education through decentralized & context planning. The programme was evaluated during 2007-08. The main findings of the study were as under:

#### **Main findings & suggestions**

- Some sample SSA Schools/EGs centres were found closing at 2 Pm while some others were found closing at 3 Pm. The matter was enquired into and the schools/EGs expressed their un-awareness about any specific instructions in this behalf.
- Though the enrolment of the children in sample schools has increased but their attendance in the schools is not satisfactory.

- Construction programme started for providing additional accommodation to many school buildings was observed to have been taken very casually as most of these constructions were found incomplete and at different stages of construction. Construction Programme under SSA scheme by the education department should necessarily be got physically verified work-wise before making any payment. Accuracy as per type design and timing should be ensured.
- 71 % of the sample schools were not having any toilet facility while as 67% were devoid of the potable drinking water facility.
- The present accommodation was reported in- sufficient by 33% of the respondents. Like wise, 33% of the sample schools were having play ground but without fencing.

### **VII- Prime Ministers Rozgar Yojana (PMRY) (2007-08)**

The PMRY was introduced in the country with the primary objective of providing gainful employment to educated unemployed youth through self employment programmes. The scheme was evaluated during 2007-08 and the main findings of the study are reproduced here under:-

#### **Main Findings and Suggestions**

- The performance of the scheme depends to a large extent on the functioning of the District Industries Centres and the Banks in the district. The coordination between these two is very weak. Close coordination between DICs and the banks is required.
- Non-viability of the projects is the major factor responsible for closure of the units. District Industries Centres should make a survey to identify viable activities under PMRY.
- Only 59 percent of the target cases have been sanctioned during the reference period and banks have disbursed sanctioned loan only to 45% cases targeted to be covered under the scheme. Non-cooperative attitude of banks was reported to be the major reason for shortfall.
- There is no mechanism for follow up survey of the units by the Department. Follow up survey is required to be conducted by District Industries Centres so as to assess the status of the units established and for providing timely advice to the unit holders.

Adherence to the norms laid down for the eligibility of the beneficiaries is the pre-requisite for successful implementation of the programme. 20% of the beneficiaries were having their annual income above permissible limit at the time of availing loan assistance under PMRY which is grave violation of the eligibility criteria.

# Chapter – 4

## **Fiscal Policy and Budgetary Management**

### **Macro situation**

There has been a perceptible improvement in the fiscal situation in India in recent years at both Central and State levels. The consolidated gross fiscal deficit relative to GDP declined steadily from 9.9 percent in 2001-02 to 5.34 per cent in 2006-07 and is budgeted at 4.6 per cent in 2008-09. The aggregate revenue deficit declined from 7 per cent of GDP in 2001-02 to 2 per cent in 2006-07 and is budgeted at 0.5 per cent in 2008-09. The progress in fiscal consolidation shows that both the Central and State governments are likely to overreach the revenue deficit target while the persisting fiscal deficit would remain a matter of concern. Whatever small little improvement witnessed in the fiscal situation, the same is mainly attributable to a significant increase in tax revenues. There are, however, serious fiscal risks arising from growing off-budget liabilities on account of fertilizer, food and oil bonds, along with unbudgeted liabilities arising out of the farm loan waiver, NREGA Schemes and the implementation of the Sixth Central Pay Commission. These liabilities could amount to 5 percent of the GDP in 2008-09, over and above the budgeted central fiscal deficit of 2.5 per cent. In actual terms, thus, the Central Fiscal Deficit would be about 7.5-8% of GDP as against the targeted reduction to 3% (revised to 3.5% in the wake of global economic slowdown) by the end of fiscal 2008-09.

### **State Scene**

Owing to the fact that State Government receives all central transfers under a 90 (Grant) : 10 (Loan) dispensation, J&K is not a revenue deficit state. However, Fiscal Deficit (FD) position is not at all positive. The position with regard to Fiscal Deficit (FD), which is the total borrowing of State Government, is as follows:-

<b>Financial Year</b>	<b>Amount (in Rs. Crore)</b>	<b>Fiscal Deficit as %age of GSDP</b>
2005-06 (A)	2644	10.0
2006-07 (A)	1930	6.6
2007-08 (A)	2666	8.4

A: Actuals

The Fiscal Deficit will further worsen to (-) Rs. 3386 crore in 2008-09 (9.7 percent of GSDP) as against (-) Rs. 2666 crore in 2007-08 (8.4% of GSDP). In order to address the situation of economic slowdown with which states are faced as a consequence of general global recession, Centre has allowed states to access the market for borrowing about Rs. 30,000 crore to maintain the pace of public spending hit by shortfall in revenue collections; affected by slowdown. For this forced economic stimulus measure to ensure that aggregate demand remains high, states have been allowed 0.5% default in Fiscal Deficit correction. In reality, by the year end, our Fiscal Deficit would thus be in the vicinity of 10%.

This level of fiscal deficit is un-sustainable, but corrective action in this behalf can be taken only over the long term and not within 2009-10 or 2010-11. The strategy shall have to be multi-pronged in terms of mobilization of additional resources, greater tax and non-tax collections, cost recovery of user charges, full funding of Plan and expenditure compression, particularly establishment related.

Fiscal Responsibility and Budget Management (FRBM) legislation has since been enacted. Necessary rules have been framed and notified. As per the Act passed by the State Legislature, Fiscal Deficit (FD) is to be brought down to 3% (now, 3.5%) by the end of March, 2010 (and may be we will have to commit even to March 2009 deadline set by the Centre for reaping the benefits of 'Debt Relief' and 'Debt Waiver'). In a recently convened meeting of the Empowerment Committee of State Finance Ministers and meeting of State Finance Ministers with Union Finance Minister, it has been suggested to constitute an expert group to work out realistic fiscal deficit limits in view of global meltdown and recessionary trends.

Cutting the fiscal deficit and bringing it down to a level of 3.5% is well nigh impossible, more particularly when implementation of 6th Central Pay Commission for State employees is staring in face. State Government would, however, be taking following measures in its sincere effort to contain the Fiscal Deficit to the extent possible:-

- a. Take appropriate measures to strengthen the revenue surplus and thereafter build up adequate revenue surplus at a sustainable level to utilize such surplus for discharging the liabilities in excess of the assets as for funding capital expenditure;
- b. Pursue policies to raise non-tax revenue with due regard to cost recovery and equity;
- c. Lay down norms for prioritization of capital expenditure;
- d. Expenditure policies that would provide impetus for economic growth, poverty reduction and improvement in human welfare/standard of life; and
- e. Contain revenue expenditure by bringing moratorium on fresh recruitments and making recruitments against retiral vacancies alone, and that too, where in-escapable. Policies will be announced whereby massive investment proposals get attracted towards our State thus throwing open ample job opportunities for local youth in private sector.

### ***Budget Estimates***

The total receipts for the year 2008-09 have been estimated at Rs. 18443 crore have been revised at Rs. 19077 crore of which Rs. 15812 crore constitute revenue receipts and Rs. 3265 crore as capital receipts. The state is likely to receive an amount of Rs. 2053 crore as share of Central taxes. Further, other central transfers are expected to be of the order of Rs. 9939 crore. The estimate for plan assistance, which includes an amount of Rs. 1013 crore under Prime Minister's Reconstruction Plan, has been kept at Rs. 5416 crore.

As regard total expenditure which was projected at Rs 18443 crore has been revised to Rs 19077 crore for 2008-09. An element of Rs 13039 crore would account for non-plan expenditure while the projected plan expenditure will be of the order of Rs 5288 crore, which includes Rs 1013 crore under PMRP. Under centrally sponsored schemes, the level of expenditure will be Rs 750 crore. In revenue and capital expenditure terms, the expenditure translates into Rs 12630 crore on revenue account and Rs 6447 crore on capital account.

### **Tax performance**

Our tax performance as a result of diversification of state economy and a faster GSDP growth has become much more buoyant aided by the fact that we have very successfully managed our transition to the new VAT regime. This, coupled with continued improvement on security front, is sure to provide an environment conducive for fast paced expansion of 'Services' and 'Industry' sectors with revival of tourism and investments likely to come forth largely in food-processing industry.

As a result of robust growth in VAT collections, overall tax revenue has been estimated at a level of Rs. 2,666 crore for the current financial year. The basic assumptions are as follows:-

- i. GST/VAT is expected to grow at around 15 %.
- ii. The Excise collections are expected to register growth of around 3% only. This is mainly due to the fact that concessions in the shape of Excise Duty and Duty Free Rum are being provided to the armed/ security forces.
- iii. Other taxes are expected to grow marginally.
- iv. Necessary legislative and administrative measures will be put in place so as to enable the department to register a 5% growth in respect of taxes on Goods and Passengers.
- v. Due to global slowdown as also long strikes in the State, the growth rate of Tax Revenues registered a considerable fall during 2008-09 and it may not go beyond a modest 5% increase as compared to a considerably high growth rate of about 42% during 2007-08.

The present own revenues: GSDP ratio stands at 10%. As the State economy is expected to grow at an annual rate of 8% over 11<sup>th</sup> FYP period, it will be our endeavour to increase "Own revenues: GSDP" ratio by 1% over the existing level. In short, "Own revenues: GSDP" ratio is expected to touch 11% by Financial year 2011-12. The State's 'Own Tax' revenue growth during the last five years has been as under:-

(in Rs. crore)

Year	Tax revenue	Percentage increase
2003-04	1174	13.54
2004-05	1351	15.08
2005-06	1628	20.50
2006-07	1799	10.50
2007-08	2559	42.25
2008-09 (RE)	2639	5.24

### **Non-tax performance**

The position with regard to non-tax receipts is as under:-

(in Rs. Crore)

<b>Year</b>	<b>Amount</b>
2002-03	865
2003-04	633
2004-05	641
2005-06	536
2006-07	569
2007-08 (A)	808
2008-09 (RE)	1127

Some tightening measures are proposed to be taken for improving Non-Tax Revenues. Expecting overall improvement in user charges collection during the year 2008-09 and further carrying forward the initiatives already taken during 2007-08 to maximize revenues, the estimates for the current financial year are projected at Rs. 1127 crore.

### **Our concerns**

Revenue Expenditure of the State is likely to grow by 30% during 2009-10 mainly on account of implementation of 6th Central Pay Commission recommendations as also payment of DA. The payment of arrears of 6th Central Pay Commission has been deferred for the time being and the funds requirement for defrayment of these arrears has been projected to 13th Finance Commission for appropriate award. The growing revenue expenditure is mainly on account of Salaries, Pension, Interest payments and Power purchase. In J&K, due to comparatively high base of employees, incremental salary/pension increase on account of Sixth Pay Commission is 4% of projected GSDP (at current prices) for 2009-10.

Public Sector Enterprises have generally been in red for past about two decades. State Government has been providing some budgetary support to supplement the revenue of these corporations for payment of wages. There are pending arrears of wages as well as statutory liabilities. About two years back State Government notified a VRS/GHS for the employees of PSUs and has even provided financial support for its implementation so as to help reduce the wage bill of these corporations.

The private sector, particularly in Kashmir Division, has not shown signs of growth comparable to other States of the Union.

### **Correction path**

Some corrective measures to stabilize position of State Finances could be as under:-

- i. Bring complete moratorium on new creations in Government and PSEs for at least three years. Even where orders for creation stand issued, recruitment against such posts to be kept in abeyance.
- ii. Bring buoyancy in Non-Tax Revenues.
- iii. Expand scope and size of revenue inflows in to the budget.



- iv. Monitor realization of non-tax revenue at the highest level to maximize receipts.
- v. 'Water charges' rates be enhanced and brought to the level of rates as prevalent in neighbouring States.
- vi. Power Purchase from CPSUs be reduced by 10% of the last year's level.
- vii. Revisit policy regarding allotment of telephones and vehicles for bringing the same in line with Central policy.
- viii. Privatize 'Power Revenue' collection to maximize receipts.
- ix. No to all amnesty proposals.
- x. Launch special drive to collect all accumulated arrears of user charges. Current demand be recovered on a month to month basis as it accrues.
- xi. Achieve cent percent metering and regularization of all illegal power connections latest by 31st January 2009.
- xii. Power/electric charges arrears be also computerized and penal interest charged on all accumulated outstandings.
- xiii. Reduce considerably the T&D losses in Power Sector. Do away with all kinds of subsidies.
- xiv. Factor in Rs. 1200 crore worth plan revenue component transferred to non-plan, under Balance from Current Revenues (BCR) for the Scheme of Financing the Plan 2009-10.
- xv. Privatize Roads and Irrigation projects.
- xvi. Close Trading Accounts in Agriculture, Horticulture Sector and elsewhere as they are a perpetual loss making proposition.
- xvii. Explore mineral wealth of the State on a massive scale; Gypsum, Sapphire, marble for instance.
- xviii. Secondary and Higher Education to come with cost, grant-in-aid to colleges and universities to be phased out.
- xix. Health services also to come with cost except for preventive services for all and curative only for the underprivileged.
- xx. Avoid bunching of repayments by disciplining the public debt portfolio.
- xxi. Increase the share of long-term debit in the total public debt portfolio.
- xxii. Take up execution of only such projects as have the potential of generating adequate repayment capacity.
- xxiii. Prefer legitimate taxation over deferred taxation to minimize borrowings.
- xxiv. Pass own Service-Tax legislation without delay in case Central Legislation is not being preferred.
- xxv. Make regulatory environment and legal as well as institutional framework transparent and simple to attract private investors in infrastructure projects.
- xxvi. Bring in schemes that attract massive investment proposals in the State thus throwing open attractive job opportunities for local youth in private sector. Our industrial and services sector should be eagerly looking forward to welcome such investment proposals employing a large number of people.

# Chapter – 5

## State Finance

The fiscal position of the State Government during 2007-08 on actuals in comparison with the actuals of 2006-07 and revised estimates for 2008-09 is given here under:-

**Table 14.1: Summary of Receipts and Disbursements of Jammu and Kashmir for the year 2004-05 to 2008-09 (in Rs. crore)**

S. No	Major Aggregates	2004-05 (A)	2005-06 (A)	2006-07 (A)	2007-08 (A)	2008-09 (RE)
1	2	3	4	5	6	7
<b>A. RECEIPTS</b>						
1	Tax revenue	1351	1628	1799	2559	2693
2	Non tax revenue	641	536	633	808	1127
3	Other receipts	6874	8149	8752	9912	11992
<b>Total receipts (1+2+3)</b>		<b>8866</b>	<b>10315</b>	<b>11184</b>	<b>13279</b>	<b>15812</b>
<b>B. DISBURSEMENTS</b>						
<b>I Non – Plan</b>						
1	On Revenue Account	7239	8725	7994	9231	10580
2	Interest Payments & repayments	1103	1115	1787	2435	1602
3	On Capital Account	92	114	110	76	212
4	On Loans Disbursed	66	53	44	39	34
<b>Total Non- Plan (I)</b>		<b>7397</b>	<b>8892</b>	<b>9935</b>	<b>11781</b>	<b>12428</b>
<b>II Plan</b>						
1	Revenue account	1065	1196	833	523	448
2	Capital account	2088	2906	2346	3641	5590
<b>Total Plan Expenditure (II)</b>		<b>3153</b>	<b>4102</b>	<b>3179</b>	<b>4164</b>	<b>6038</b>
<b>Total (B) Disbursements (I+II)</b>		<b>10550</b>	<b>12994</b>	<b>13114</b>	<b>15945</b>	<b>18466</b>
<b>Fiscal Surplus (+) Deficit (-) (A-B)</b>		<b>(-1665)</b>	<b>(-2644)</b>	<b>(-1930)</b>	<b>(-2666)</b>	<b>(-2654)</b>

A = Actual, RE = Revised Estimates

A cursory glance at the above table would reveal that while expected receipts during 2008-09 as per revised figures increase by 19.08%, an increase of 15.81% is anticipated in the disbursements over previous year. In the receipts for the year 2008-09 (RE), 5.24% increase has been anticipated in tax revenue and non-tax revenue receipts are expected to rise by 39.48%. On the disbursement side, total Non-Plan expenditure as per estimates for 2008-09 would record an increase of only 5.49% over previous year. Disbursement under Non Plan revenue account has shown increase of 14.61%. Interest payments have fallen by 34.21% while as disbursements on non plan capital account would go up by 178.95%.

Disbursements under plan budget as per 2008-09 (RE) would post an overall increase of 45.00% with 14.34% decrease in revenue account and 53.53% increase in capital account. The overall fiscal deficit of Rs. 2666.00 crore has been recorded during 2007-08 while as the fiscal deficit for 2008-09 is expected to be of the order of Rs. 2654 crore.

## Revenue receipts

The revenue receipts of the Government consist of its own tax and non tax revenue, central tax transfers and grant-in-aid from Government of India. The overall revenue receipts and its growth over the years is shown in the following table;-

**Table 14.2: Revenue receipts – basic indicators (in Rs. crore)**

S. No	Revenue Receipt	2004-05 (A)	2005-06 (A)	2006-07 (A)	2007-08 (A)	2008-09 (RE)
1	2	3	4	5	6	7
1	Own Taxes	1351 (15.24)	1628 (15.77)	1799 (16.09)	2559 (19.27)	2693 (17.03)
2	Non-tax Revenue	641 (7.23)	536 (5.20)	633 (5.66)	808 (6.09)	1127 (7.13)
3	Central Tax Transfers	934 (10.53)	1134 (11.00)	1413 (12.64)	1774 (13.36)	2053 (12.98)
4	Grant in Aid	5940 (67.00)	7017 (68.03)	7337 (65.61)	8138 (61.28)	9939 (62.86)
5	Total (1-4)	8866 (100)	10315 (100)	11182 (100)	13279 (100)	15812 (100)
6	Growth ( % )	9.33	16.34	8.41	18.75	19.08

A = Actual, RE = Revised Estimates,  
Figures in brackets indicate percentage share

The above table reveals that there has been a progressive growth in the revenue receipts of the Government over the years 2004-05 to 2008-09 (RE). However the growth during 2007-08 over previous year is much impressive i.e. 18.75% and as per estimates for 2008-09 it is likely to be further up at 19.08%. Share of own taxes for all the years is above 15% while as share of non tax revenue is below 10% for all the years 2004-05 to 2008-09(RE). Share of grant in aid in the revenue receipt is maximum i.e. it is over 60% with 68.03% (highest) for 2005-06. For the years 2007-08 and 2008-09, while 25.36% and 24.16% of revenue receipts have come from States own resources comprising of tax and non tax revenue, the central tax transfers and grant-in-aid from Government of India would together contribute the remaining 74.64% for 2007-08 and 75.84% for 2008-09 of total revenue receipts.

### A. Tax Revenue

The tax collection as a result of diversification of state economy and a faster growth in GSDP, has become more buoyant, added by the fact that the state has very successfully managed the transition to the new VAT regime which was introduced in the financial year 2005-06. The tax revenue has increased by 42.25% from Rs. 1799.00 crore in 2006-07 to Rs 2559.00 crore as per actuals for 2007-08. For the year 2008-09, the tax revenue has been estimated to be Rs. 2693 crore which indicates 5.24% increase over 2007-08 actuals. Below given Table No. 14.3 shows the trend of tax revenue during 2004-05 to 2008-09 (RE).

**Table 14.3: Tax Revenue (in Rs. Crore)**

S.No	Source of Tax Revenue	2004-05 (A)	2005-06 (A)	2006-07 (A)	2007-08 (A)	2008-09 (RE)
1	2	3	4	5	6	7
1	Taxes on sales, trade etc.*	804	1014	1159	1805 (70.54)	1853 (68.80)
2	State excise	272	219	213	244 (9.54)	250 (9.28)
3	Taxes on vehicles	42	49	64	73 (2.85)	78 (2.90)
4	Stamps and registration	39	46	57	66 (2.58)	60 (2.23)
5	Land revenue	11	4	3	10 (0.39)	5 (0.19)
6	Other taxes**	183	296	303	361 (14.10)	447 (16.60)
7	<b>Total</b>	<b>1351</b>	<b>1628</b>	<b>1799</b>	<b>2559</b> <b>(100.00)</b>	<b>2693</b> <b>(100.00)</b>
Increase over respective previous Year ( % )		15.47	20.43	10.57	42.25	5.24

\* Includes service tax also.

\*\* Includes taxes on goods and passengers and other taxes and duties on commodities and services.

A = Actual, RE = Revised Estimates

Figures in brackets indicate percentage share.

The revenue from Sales Tax/VAT not only contributed major share of tax revenue (70.54%) for 2007-08 and 68.80% for 2008-09 (RE) but also increased / would increase by 55.74% and 2.66% during 2007-08 and 2008-09 (RE) over respective previous years. Contribution of State Excise in the receipts for 2007-08 was 9.54% and for 2008-09 it was 9.28%. Land Revenue has the lowest share of less than 1% for 2007-08 and 2008-09. In fact, 'Land Revenue' has been abolished in the State. Receipts from other taxes, which include taxes on goods and passengers and other duties on commodities and services have/would have a share of 14.10% and 16.60% for 2007-08 and 2008-09 (RE) respectively.

#### B. **Non – tax revenue**

The non tax revenue as per State budget for 2008-09 (RE) was estimated at Rs 1127.00 crore as compared to Rs 808.00 crore for 2007-08 registering an increase of 39.48% over 2007-08 and 78.04% over 2006-07 actuals. Non tax revenue constitutes 5.37% of total revenue receipts for 2007-08 and 7.13% of 2008-09 (RE) as against 5.66% of 2006-07 actuals. Non tax revenue has risen by 27.65% in 2007-08 over 2006-07. It is in place to mention that the contribution of tax and non tax revenue put together is 21.75%, 22.37% and 24.16% for the years 2006-07, 2007-08 and 2008-09 (RE) respectively as compared to the total revenue receipts. Revenue receipts under State's tax and non-tax revenue for the years 2006-07 to 2008-09 are given in the Table 14.4 below.

**Table 14.4: Comparative Statement of tax and non-tax revenue (in Rs. crore)**

S. No	Revenue receipts by Source	2004-05 (A)	2005-06 (A)	2006-07 (A)	2007-08 (A)	2008-09 (RE)
1	2	3	4	5	6	7
1	Tax Revenue	1351	1628	1799	2559 (76.00)	2693 (70.50)
2	Non-Tax Revenue	641	536	633	808 (24.00)	1127 (29.50)
3	<b>Total</b>	<b>1992</b>	<b>2154</b>	<b>2432</b>	<b>3367</b>	<b>3820</b>
4	Percentage Increase	10.48	8.08	12.96	38.45	13.45

A = Actual, RE = Revised Estimates

Figures in brackets indicate percentage share.

**C. Central Tax Transfer**

As per the actuals for the year 2007-08, contribution of central tax transfers is 11.79% to the total revenue receipts as against 12.98% for 2008-09 (RE) and 12.64% for 2006-07 actuals with Rs 1774.00 crore, Rs 2053.00 crore and Rs. 1413.00 crore respectively. Central tax transfers have risen by 25.55% and 15.73% during 2007-08 and 2008-09 (RE) over respective previous years.

**D. Grants-in-aid**

Grants-in-aid from Government of India have a contribution of Rs 8138.00 crore and Rs 9939.00 crore in the total receipts for the year 2007-08 and 2008-09 (RE) constituting 61.29% and 62.86% in the total receipts respectively. Grants-in-aid have recorded an increase of 10.92% and 22.13% during 2007-08 and 2008-09 over respective previous years. Grants-in-aid to the State by the Government of India over the years are detailed hereunder in Table 14.5.

**Table 14.5: Grants-in-aid from Government of India (in Rs. crore)**

S. No	Particulars	Magnitude				
		2004-05 (A)	2005-06 (A)	2006-07 (A)	2007-08 (A)	2008-09 (RE)
i	ii	iii	iv	v	vi	vii
1	Grants for State Plan Schemes	3191	3045 (43.40)	3782 (51.55)	4633 (56.93)	5686 (57.21)
2	Non – Plan Grants	2448	3484 (49.65)	3016 (41.10)	3039 (37.34)	3503 (35.24)
3	Grants for Central, Centrally Sponsored Schemes/Projects and Special Plan Schemes	300	488 (6.95)	539 (7.35)	466 (5.73)	750.00 (7.55)
4	<b>Total</b>	<b>5939</b>	<b>7017</b> <b>(100.00)</b>	<b>7337</b> <b>(100.00)</b>	<b>8138</b> <b>(100.00)</b>	<b>9939</b> <b>(100.00)</b>
5	Percentage increase over previous year.	6.22	18.15	4.56	10.92	22.13

A = Actuals, RE = Revised Estimates

Figures in brackets indicates percentage share.

The above table reveals that the share of grants for State Plan Schemes in the total grants – in – aid from the Government of India is 56.93% for 2007-08 and 57.21% as per revised estimates for 2008-09 as against its corresponding share of 51.55% in total actual grants – in – aid for 2006-07. Grants for State Plan Schemes have clocked an increase of 24.20% and 22.50% during 2006-07, 2007-08 and are expected to increase by 22.73% as per 2008-

09 (RE) over the previous year. Non – Plan grants recorded an increase of 0.76% and 15.27% during 2007-08 and 2008-09 (RE) over actuals of 2006-07 and 2007-08. However Non – Plan grants have declined by 13.43% in 2006-07 over 2005-06.

Grants for Central, Centrally Sponsored Schemes/Projects and Special Plan Schemes have a share of 7.35%, 5.73% and 7.55% in the total Grants-in-aid for the year 2006-07, 2007-08 and the estimates for 2008-09 respectively. These grants have risen by 10.45% in 2006-07, decreased by 13.54% in 2007-08 and are likely to increase once again by 60.94% in 2008-09 over 2007-08. Increase of 4.56% in the over all grants-in-aid from Government of India was for 2006-07 and these figures for 2007-08 and 2008-09 were respectively 10.92% and 22.13%.

### **Application of Resources**

In terms of the activities, total expenditure could be considered as being composed of expenditure on general services, interest payments, social and economic services, loans and advances. Relative share of these components in total expenditure i.e. actual expenditure for 2004-05 to 2007-08 and the expected disbursements for 2008-09(E) is indicated in the following table:

**Table 14.6: Components of Expenditure – Relative Share**

S. No	Component	Relative share (in percent)				
		2004-05 (A)	2005-06 (A)	2006-07 (A)	2007-08 (A)	2008-09 (E)
i	ii	iii	iv	v	vi	vii
1	General Services,	31.71	28.78	35.92	35.99	32.85
	of which Interest Payments	10.45	8.58	13.53	15.28	10.58
2	Social Services, of which expd. on:	24.13	25.49	28.29	24.89	28.04
	i. Education, Sports, Art and Culture	9.78	9.11	9.89	8.94	9.86
	ii. Health and Family Welfare	4.73	4.42	5.64	5.07	5.20
	iii. Water supply, Sanitation, Housing and Urban Development	6.86	6.63	7.32	7.78	8.55
	iv. Other social services	2.76	5.33	5.44	3.10	4.41
3	Economic Services, of which expd. on:	43.53	45.32	35.45	39.15	35.79
	i. Agriculture and Allied Activities	6.39	6.08	5.93	4.74	5.46
	ii. Irrigation and Flood Control	2.94	2.28	2.48	2.58	2.51
	iii. Power and Energy	23.76	19.81	16.49	17.85	18.25
	iv. Transport	3.37	3.50	3.85	6.40	0.65
	v. Other Economic Services	7.07	13.65	6.70	7.58	8.92
4	Loans and Advances	0.63	0.41	0.34	0.24	3.31
5	All Components	100.00	100.00	100.00	100.00	100.00

A = Actual, E = Estimates

The movements of relative share of these components of expenditure indicated that all components of expenditure had inter year variations. Expenditure on account of general services and interest payments together accounted for 35.99% in 2007-08 and 32.85% as per estimates for 2008-09. On the other hand expenditure on social and economic services taken together accounted for 63.77% for the year 2007-08 and 63.84% as per estimates for 2008-09. Comparing the percentage expenditure on these services for 2008-09

with 2007-08, expenditure incurred on general services including interest payments decreased by 3.14% while as on social including economic services it has increased by just 0.07%. Expenditure on interest payments has fallen by 4.67% as per estimates for 2008-09 as compared to 2007-08. Expenditure incurred on loans and advances decreased from 0.34% in 2006-07 to 0.24% in 2007-08 and may reach to 3.31% in 2008-09. It is pertinent to mention that expenditure figures of interest payments for the year 2007-08 and 2008-09 include 1.78% (Rs. 309.22 crore) and 1.59% (Rs. 293.11 crore) respectively, incurred on the components termed as “Other Expenditure”.

### **Expenditure on Social Services**

Given the fact that the human development indicators such as access to basic education, health services, drinking water and sanitation have a strong linkage with eradication of poverty and economic progress, it would be prudent to make an assessment with regards to the expansion and efficient provision of these services in the state. The following Table 14.7 summarises in figures the expenditure incurred by the state government in expanding and strengthening the social services in the State during 2004-09.

**Table 14.7: Expenditure on Social Services (in Rs. crore)**

S. No	Social Service	Expenditure incurred				
		2004-05 (A)	2005-06 (A)	2006-07 (A)	2007-08 (A)	2008-09 (E)
1	2	3	4	5	6	7
<b>I Education, Sports, Art and Culture</b>						
a)	Revenue expenditure	939.22	1066.30	1153.91	1270.47	1542.63
b)	Capital expenditure	93.06	117.43	142.81	155.29	276.24
<b>Total</b>		<b>1032.28</b>	<b>1183.73</b>	<b>1296.72</b>	<b>1425.76 (35.93)</b>	<b>1818.87 (35.16)</b>
<b>II Health and Family Welfare</b>						
a)	Revenue expenditure	432.51	487.42	555.29	601.49	721.59
b)	Capital expenditure	66.30	87.11	184.03	205.81	238.00
<b>Total</b>		<b>498.81</b>	<b>574.53</b>	<b>739.32</b>	<b>807.20 (20.34)</b>	<b>959.59 (18.55)</b>
<b>III Water supply, Sanitation, Housing and Urban Development</b>						
a)	Revenue expenditure	359.62	431.46	488.24	614.36	632.03
b)	Capital expenditure	364.28	430.14	472.08	626.48	946.09
<b>Total</b>		<b>723.90</b>	<b>861.60</b>	<b>960.31</b>	<b>1240.84 (31.27)</b>	<b>1578.12 (30.51)</b>
<b>IV Other social services</b>						
a)	Revenue expenditure	264.58	670.76	683.68	360.68	372.79
b)	Capital expenditure	26.83	21.40	30.20	133.42	444.23
<b>Total</b>		<b>291.41</b>	<b>692.16</b>	<b>713.89</b>	<b>494.10 (12.45)</b>	<b>816.02 (15.78)</b>
<b>V Total social services</b>						
a)	Revenue expenditure	1995.93	2655.94	2881.12	2847.00 (71.75)	3269.04 (63.18)
b)	Capital expenditure	550.47	656.08	829.12	1121.00 (28.25)	1904.56 (36.82)
<b>Total</b>		<b>2546.40</b>	<b>3312.02</b>	<b>3710.24</b>	<b>3968.00</b>	<b>5172.60</b>
<b>Percentage increase over Previous year</b>		10.04	30.07	12.02	6.95	30.36

A = Actuals, E = Estimates ,  
percentage share.

Figures in brackets indicate

The above table indicates that expenditure on social sector increased from Rs 2546.40 crore in 2004-05 to Rs 5172.60 crore for the year 2008-09(E). The increased expenditure on this sector indicates the commitment of the government for increasing the social wellbeing of the people. During the year 2007-08, the expenditure figures i.e. disbursement on social services workout to be Rs 3968.00 crore constituting 24.89% of the total expenditure for the same year. The outlay for the year 2008-09 has been placed at Rs 5172.60 crore which is more than previous year's expenditure figures by 30.36%. The outlay for the year 2008-09 comprises of 63.18% revenue part and 36.82% capital part. Out of total expenditure being incurred on this sector during the year 2008-09, 35.16% is proposed to be made on education, sports, art and culture as against 35.93% for 2007-08. Health and Family welfare claims 20.34% for 2007-08 and 18.55% for 2008-09, and these figures for water supply, sanitation, housing and urban development are respectively 31.27% and 30.51%. Other social services claim 12.45% and 15.78% share for 2007-08 and 2008-09 out of the total expenditure under Social Services. The expenditure figures of social services sector for 2007-08 record an increase of 6.95% over the actual expenditure figures for 2006-07.

### ***Expenditure on Economic Services***

The expenditure on economic services includes all such expenditure that promotes directly or indirectly productive capacity within the State's economy. Out of total expenditure of Rs. 15945.00 crore and Rs 18450.00 crore incurred/ being incurred during 2007-08 and 2008-09, 39.15% for 2007-08 and 35.77% for 2008-09 falls in the share of economic services registering an increase of 34.26% during 2007-08 and 5.74% for 2008-09 over respective previous years. It is worth while to mention that there had been a negative increase of -21.05% with -14.06 % revenue and -31.92% capital expenditure during the year 2006-07 over 2005-06. The revenue expenditure constitutes 59.56% for 2007-08 and 56.11% for 2008-09 against the corresponding figures of 66.24% for 2006-07 actual expenditure. While revenue expenditure has increased by 20.74% during 2007-08, it is likely to decrease by 3.87% during 2008-09 as compared to 2007-08. The increase in capital expenditure on this whole sector has been recorded to be 60.79% and 14.76% during 2007-08 and 2008-09 over 2006-07 and 2007-08 respectively.

Expenditure on power and energy consumed major portion; the percentage share on this service sub-sector was 45.60% during 2007-08 and the same would be 50.99% during 2008-09. Another major portion of 19.37% (2007-08) and 24.92% (2008-09) of total expenditure of economic service sector is claimed by other economic services.

The decrease of Rs. 503.90 crore in revenue expenditure during 2006-07 over 2005-06 was mainly due to decrease of Rs. 253.41 crore on account of purchase of Power. Following table gives information about expenditure on economic services during 2004-09:-



**Table 14.8: Expenditure on Economic Services (in Rs. crore)**

S. No	Economic Service	Expenditure incurred				
		2004-05 (A)	2005-06 (A)	2006-07 (A)	2007-08 (A)	2008-09 (E)
1	2	3	4	5	6	7
<b>I Agriculture and Allied Activities</b>						
a)	Revenue expenditure	514.79	575.41	597.55	661.35	728.53
b)	Capital expenditure	159.06	214.43	179.51	95.02	279.05
<b>Total</b>		<b>673.85</b>	<b>789.84</b>	<b>777.06</b>	<b>756.37 (12.12)</b>	<b>1007.58 (15.26)</b>
<b>II Irrigation and Flood Control</b>						
a)	Revenue expenditure	227.37	194.87	211.39	235.59	241.38
b)	Capital expenditure	83.32	102.35	114.04	174.44	222.37
<b>Total</b>		<b>310.69</b>	<b>297.22</b>	<b>325.43</b>	<b>410.03 (6.57)</b>	<b>463.75 (7.03)</b>
<b>III Power and Energy</b>						
a)	Revenue expenditure	1796.83	1875.24	1675.42	2181.32	2212.45
b)	Capital expenditure	709.38	699.21	487.66	665.33	1152.18
<b>Total</b>		<b>2506.21</b>	<b>2574.45</b>	<b>2163.08</b>	<b>2846.65 (45.60)</b>	<b>3364.63 (50.99)</b>
<b>IV Transport</b>						
a)	Revenue expenditure	39.15	36.21	50.47	50.25	43.49
b)	Capital expenditure	316.52	418.02	454.17	969.48	75.54
<b>Total</b>		<b>355.67</b>	<b>454.23</b>	<b>504.64</b>	<b>1019.73 (16.34)</b>	<b>119.03 (1.80)</b>
<b>V Other Economic Services</b>						
a)	Revenue expenditure	443.25	901.57	544.57	589.49	477.75
b)	Capital expenditure	302.38	871.59	334.38	619.75	1167.35
<b>Total</b>		<b>745.63</b>	<b>1773.16</b>	<b>878.95</b>	<b>1209.24 (19.37)</b>	<b>1645.10 (24.92)</b>
<b>VI Total Economic Services</b>						
a)	Revenue expenditure	3021.39	3583.30	3079.40 (66.24)	3718.00 (59.56)	3703.60 (56.11)
b)	Capital expenditure	1570.66	2305.60	1569.76 (33.76)	2524.00 (40.44)	2896.49 (43.89)
<b>Total</b>		<b>4592.05</b>	<b>5888.90</b>	<b>4649.16 (100.00)</b>	<b>6242.00 (100.00)</b>	<b>6600.09 (100.00)</b>
<b>% increase in Revenue exp</b>		18.35	18.60	-14.06	20.74	-3.87
<b>% increase in Capital exp.</b>		18.48	46.79	-31.92	60.79	14.76
<b>% increase over Previous Year</b>		18.40	28.24	-21.05	34.26	5.74

A = Actual, E = Estimates

Figures in brackets indicate percentage share.

### **Debt Position in the State**

The total outstanding debt of the State as on March 31, 2007 stood at Rs. 12511.00 crore. During the year 2007-08, the State raised an amount of Rs. 3194.00 crore as borrowings and during the same period the repayments were of the order of Rs. 697.00 crore. Thus, the total outstanding as on March 31, 2008 stood at Rs. 15008.00 crore.

As per revised estimates, the borrowings during 2008-09 were targeted at Rs. 2525.00 crore, of which an amount of Rs.848.00 crore was to be raised only to discharge the past liability on account of repayments. The actual borrowings, however, remained of the order of only Rs. 2499.00 crore. Thus, the total debt (net of repayments) as on March 31, 2009 stood at Rs. 16659.00 crore.

Apart from the stock of debt as indicated above, the State Government also resorts to Overdraft (OD) from J&K Bank as ways and means (WAM) facility to meet temporary mismatches in liquidity. The position with regard to overdraft for the last twelve years is tabulated below:

**Table 14.9: Overdraft position of the State (in Rs. crore)**

S. No.	Year	OD level	OD as % of total expd. (TE)	S. No.	Year	OD level	OD as % of total expd. (TE)
i	ii	iii	iv	i	ii	iii	iv
1	1997-98	944.92	18.37	7	2003-04	1406.70	14.60
2	1998-99	1008.97	18.13	8	2004-05	1659.05	15.82
3	1999-00	926.08	13.51	9	2005-06	1979.64	17.00
4	2000-01	1043.74	13.93	10	2006-07	2129.90	16.24
5	2001-02	1242.74	15.44	11	2007-08	2055.22	12.89
6	2002-03	1241.29	14.43	12	2008-09	2299.53	12.46

Further, draws from General Provident Fund (GPF) amount to Rs. 4826.00 crore. When this is also taken into account, the overall liabilities, net of overdraft, as of 31st March, 2009 would come to Rs. 21485.00 crore.

Outstanding debt as a percentage of GSDP works out to around 48% as of March 31, 2009. However, operating on GAIL (Gross Accumulated Internal Liabilities), it works out to around 62% of GSDP. This is a considerably high level of debt and the debt-GSDP ratio needs to be brought down to a level of 55% over the next five years or so.

# Chapter- 6

## Banking

Historically, banks have played the role of intermediation between the savers and the investors. Besides transferring resources from savers to investors, these instruments enable allocation of risks and reallocation of capital to more efficient use. Bank credit to productive sectors of the economy has a critical role in sustaining the growth process. Banking structure in Jammu and Kashmir consists of Commercial Banks, Regional Rural Banks and Co-operative Banks. Profile of banking structure by area and by bank group as on December 2008 is sketched below (Table 6.00). However, bank group wise position regarding business performance of All Scheduled Commercial Banks in Jammu and Kashmir viz-a-viz all India is given in table 6.05.

**Table 6.00: Agency-wise number of bank branches by area as on December, 2008**

S. No.	Bank Group	Rural	Semi Urban	Urban / Metropolitan	Total	Percentage share
1	2	3	4	5	6	7
1	State Bank of India and its Associates	61	37	37	135	14.30
2	Regional Rural Banks	211	23	11	245	25.96
3	Nationalized Banks	34	34	96	164	17.37
4	Other Scheduled Commercial Banks	216	82	102	400	42.37
5	All Scheduled Commercial Banks	522	176	246	944	100.00
6	Percentage Share	55.30	18.64	26.06	100.00	

The spread of banking network is a continuous process. An addition of 30 bank branches has been made in the banking network between March 2008 and December 2008 in J&K. At the end of December 2008, there were 944 bank branches of All Scheduled Commercial Banks in Jammu and Kashmir; the corresponding number of banks for India was 77750. Major chunk of 400 bank branches is under the ownership of bank group categorised as “Other Scheduled Commercial Banks” accounting for 42.37%, the agency known by “Regional Rural Banks” claims another 25.96% of banking structure with 245 branches, “Nationalized Banks” have a network of 164 branches sharing 17.37% and only 14.30% share of All Scheduled Commercial Banks goes to “State Bank of India and its Associates” with a number of 135 branches i.e. the lowest number. There is no foreign bank in the State.

The network profile of All Scheduled Commercial Banks further indicates that bank branches located in rural areas account for major share (55.30%) with a count of 522 branches, followed by 246 and 176 branches located in Urban/Metropolitan and Semi Urban areas sharing 26.06% and 18.64% respectively.

With the increase in the bank networking the dependence per bank branch has considerably decreased over the years. When the availability of bank branches is linked with area coverage, the dependence per bank has gone down from 124.25 sq. kms in 2000-01 to 107.40 sq. kms ending December

2008 as against 40.73 sq. kms for the country ending December 2008. However, average population per bank branch is in the neighbourhood of thirteen thousand during the period 2001-02 to 2008-09 (as on December, 2008) as against around fifteen thousand at all India level at the end of December 2008.

The banking development over the years is summarised in figures here under in table No. 6.01:

**Table 6.01: Banking Development**

S.No.	Year	Bank Branches (No)	Area Covered (sq.kms)	Population Covered (No.)	Deposits Rs in Crore	Credits Rs in Crore	Credit Deposit Ratio
1	2	3	4	5	6	7	8
1	March 2001	816	124.25	12198	10105	3874	38.34
2	March 2002	824	123.04	12637	11808	4244	35.94
3	March 2003	829	122.30	12895	13243	5028	37.97
4	March 2004	841	120.56	13049	14879	5831	39.19
5	March 2005	858	118.17	13130	17273	6673	38.63
6	March 2006	856	118.44	13510	19281	8658	44.90
7	March 2007	867	116.94	13693	21956	10377	47.26
8	March 2008	914	110.93	13334	25148	12090	48.08
9	December 2008	944	107.40	13254	25885	12846	49.63

Source: Reserve Bank of India, Mumbai

### ***Business performance of scheduled commercial banks***

The banks have maintained growth momentum in all the important areas of business operations.

#### ***Aggregate Deposits***

Aggregate deposits of All Scheduled Commercial Banks in the State rose 14.54% to Rs. 25148.00 crore as on 31-03-2008, compared with a year ago period as against 24.24% growth at national level during the same period. As on December 2008, the aggregate deposits of All Scheduled Commercial Banks stood at Rs. 25885.00 crore posting an increase of 2.93% over the deposits ending March, 2008. This increase for the country was 10.17%. Average deposits per bank branch workout to be Rs. 27.42 crore as compared to Rs.45.754 crore for the country at the end of December 2008.

#### ***Gross Bank Credit***

The focus on credit growth helped the banks to record an impressive growth of 16.51% during the year 2007-08 over 2006-07 as against much impressive growth of 22.83% for the country during the same period. The total bank credit increased from Rs. 10377 crore in 2006-07 to Rs. 12090.00 crore in March 2008 and Rs. 12846.00 crore as on December 2008 measuring 6.25% rate of growth as on December 2008 over March 2008 as compared to 11.06% growth rate for India during the same period. Average credits per bank work out to be Rs. 13.61 crore. This figure for the country as on December 2008 works out to Rs. 34.21 crore.

Agency wise deposit and credit position of All Scheduled Commercial Banks as on December 2008 indicates that major share of 61.30% with Rs. 15867.00 crore out of Rs.25885.00 crore deposits is claimed by "Other

Scheduled Commercial Banks” followed by 17.83% (Rs.4614.00crore) of “State Bank of India and its Associates”, Bank group “Nationalised Banks” and “Regional Rural Banks” share 15.76% and 5.11% with Rs. 4080.00 crore and Rs. 1324.00 crore respectively. Similarly in the gross bank credit of Rs. 12846.00 crore as on December 2008, “Other Scheduled Commercial Banks” share major contribution of 73.12% (Rs.9393.00 crore) followed by Rs. 1675.00 crore, Rs. 1329.00 crore and Rs. 449.00 crore of bank groups “Nationalised Banks”, “State Bank of India and its Associates” and “Regional Rural Banks” sharing 13.04%, 10.34% and 3.50% respectively.

### **Credit Deposit Ratio**

The business performance of the banks is generally measured in terms of credit deposit ratio (CDR). With credits growing by 16.51% in 2007-08 credit deposit ratio of All Scheduled Commercial Banks was up from 47.26% as on March 2007 to 48.08% ending March 2008 in Jammu and Kashmir State. The credit deposit ratio for the country came down from 75.02% to 74.16% during same period. As on December 2008 the credit deposit ratio was recorded to be 49.63% for Jammu and Kashmir as against 74.76% for the country. Highest credit deposit ratio of 59.20% as on December 2008 has been observed regarding “Other Scheduled Commercial Banks” and lowest i.e. 28.80% in respect of “State Bank of India and its Associates”.

At All India highest Credit Deposit ratio of 85.90% has been observed regarding Foreign Banks, followed by 75.84% in respect of “Nationalised Banks”. The credit deposit ratio below national average of 74.76% has been recorded regarding SBI and its associates (71.53%) much lower i.e. 58.58% in case of Regional Rural Banks.

Agency wise business performance of All Scheduled Commercial Banks as on December 2008 is detailed hereunder in figures in comparison with all India.

**Table 6.02: Deposits, credits and credit deposit ratio of All Scheduled Commercial Banks as on December 2008 (Rs. in Crore)**

S. No	Agency	Jammu and Kashmir			All India		
		Deposits	Credits	Credit deposit ratio	Deposits	Credits	Credit deposit ratio
1	2	3	4	5	6	7	8
1	State Bank India and its Associates	4614 (17.83)	1329 (10.34)	28.80	868391 (24.41)	621162 (23.35)	71.53
2	Nationalised Banks	4080 (15.76)	1675 (13.04)	41.05	1719282 (48.33)	1303908 (49.03)	75.84
3	Regional Rural Banks	1324 (5.11)	449 (3.50)	33.91	104257 (2.93)	61069 (2.30)	58.58
4	Foreign Banks	-	-	-	203702 (5.73)	174920 (6.58)	85.87
5	Other Scheduled Commercial Banks	15867 (61.30)	9393 (73.12)	59.20	661708 (18.60)	498427 (18.74)	75.32
6	All Scheduled Commercial Banks	25885 (100.00)	12846 (100.00)	49.63	3557340 (100.00)	2659486 (100.00)	74.76

Note: Figures in brackets are percentage to total

Source: Reserve Bank of India

### **Business Performance of all Scheduled Commercial Banks by population group**

Looking to the population group-wise position of deposits of all Scheduled Commercial Banks as on December 2008, 49.13% deposits are held by the population group known as Urban/Metropolitan, leaving thereby 50.87% deposits to be shared by Rural (29.02%) and Semi-Urban (21.85%) population groups. These figures for the country are 77.11% for Urban/Metropolitan, 9.38% for Rural and 13.51% for Semi-Urban population groups. Similarly 60.95% bank credit is received by Urban/Metropolitan group and remaining 39.05% by the other two groups with 22.05% Rural. The corresponding figures for all India are 83.36% and 16.64% with 7.36% for Rural India. Following table presents deposits and credits viz-a-viz relative share held by different population groups.

**Table 6.03: Population group-wise business performance of all Scheduled Commercial Banks as on December, 2008 (Amount in crore Rs.)**

	Deposits		Credits		Credit Deposit Ratio	
	J&K	All India	J&K	All India	J&K	All India
1	2	3	4	5	6	7
Rural	7511 (29.02)	333466 (9.38)	2833 (22.05)	195638 (7.36)	37.72	58.67
Semi urban	5656 (21.85)	480597 (13.51)	2183 (17.00)	246865 (9.28)	38.60	51.37
Urban/ Metropolitan	12718 (49.13)	2743277 (77.11)	7830 (60.95)	2216983 (83.36)	61.57	80.82
Total	25885 (100.00)	3557340 (100.00)	12846 (100.00)	2659486 (100.00)	49.63	74.76

Note: Figures in brackets indicate relative share in percent,  
of India

Source: Reserve Bank

As regards population group wise credit deposit ratio of All Scheduled Commercial Banks it can be seen from above table No. 6.03 that urban/metropolitan centres had the highest credit deposit ratio of 61.57% followed distantly by Semi Urban and Rural Centres i.e. 38.60% and 37.72%. These figures for the country are 80.82%, 51.37% and 58.67% respectively.

### **District Profile**

The role of banking service is overwhelmingly recognised in the equitable growth process. In this context, the availability of information on Regional and Sub Regional banking service together with their operational / business performance is a pre-requisite for policy makers. It is, therefore, imperative to highlight the progress of banking services across the different districts of the state.

Districtwise profile of banking structure as on December 2008 reveals that out of 944 All Scheduled Commercial Banks, Jammu district alone accounted for 20.98% with a number of 198 bank branches followed by 15.79% share of Srinagar district with 149 bank branches and Baramulla with 91 branches sharing 9.64% is the third major district. Kishtwar with a small number of 8 banks (0.85%) is the lowest district in the chain of 22 districts. The next two lower districts in the banking network are Kargil with 10 branches (1.06%) and Shopian with 12 banks sharing 1.27% only. As mentioned earlier the total bank credit of All Scheduled Commercial Banks as on December 2008

was Rs. 12846 crore. A careful analysis of the bank credit information depicted in the below given table shows that 44.22% of the entire bank credit is claimed by district Srinagar and 23.70% goes to Jammu district, the left out 32.08% was distributed among the remaining 20 districts. Joint share of Kishtwar, Kargil and Ramban is only around 1% (1.04%) with Rs 135 crore.

In the aggregate deposits of Rs. 25885 crore as on December 2008, lead is performed by district Jammu with Rs 8199 crore and account for 31.67% of entire deposits followed by Srinagar district with almost same share of 25.92% (Rs 6710 crore); With Rs 194 crore in the aggregate deposits district Bandipora has 0.75% share only. The other lower level districts in the contribution of aggregate deposits are Kishtwar (Rs. 244 crore), Kargil (Rs. 258 crore), Ganderbal (Rs. 259 crore) and Shopian (Rs. 260 crore). All these five lower level districts with Rs. 1215 crore have a joint share of 4.69% in the entire deposits of the state as on December 2008. Table No. 6.04 given below provides the information on banking profile with their business position by districts as on December 2008.

**Table 6.04: Districtwise position of scheduled commercial banks ending March 2008 / December 2008**

District	Bank branches (No)			Deposits (Rs. in crores)			Credits (Rs. in crores)			CDR (%)	
	Mar-08	Dec-08		Mar-08	Dec-08		Mar-08	Dec-08		Mar-08	Dec-08
		No	Share %		Deposits	Share		Credits	Share		
1	2	3	4	5	6	7	8	9	10	11	12
Anantnag	58	60	6.36	1147	1120	4.33	458	488	3.80	39.93	43.57
Kulgam	25	26	2.75	294	323	1.25	122	139	1.08	41.50	43.03
Pulwama	32	33	3.50	649	654	2.53	275	297	2.31	42.37	45.41
Shopian	12	12	1.27	239	260	1.00	131	155	1.21	54.81	59.62
Srinagar	146	149	15.79	6731	6710	25.92	5254	5680	44.22	78.06	84.65
Ganderbal	18	18	1.91	255	259	1.00	122	130	1.01	47.84	50.19
Budgam	29	29	3.07	529	540	2.08	234	257	2.00	44.23	47.59
Baramulla	85	91	9.64	1135	1155	4.46	556	611	4.81	48.99	52.90
Bandipora	16	16	1.69	200	194	0.75	100	108	0.84	50.00	55.67
Kupwara	41	43	4.56	473	463	1.79	182	210	1.63	38.48	45.36
Leh	16	16	1.69	531	543	2.10	98	111	0.86	18.46	20.44
Kargil	10	10	1.06	274	258	1.00	32	39	0.30	11.68	15.12
Jammu	190	198	20.98	7812	8199	31.67	2951	3044	23.70	37.78	37.13
Samba	26	27	2.86	605	674	2.60	378	358	2.79	62.48	53.12

<b>Udhampur</b>	38	39	4.13	830	876	3.38	219	218	1.70	26.39	24.89
<b>Reasi</b>	20	22	2.33	402	452	1.75	112	124	0.97	27.86	27.43
<b>Doda</b>	18	19	2.01	441	440	1.70	88	85	0.66	19.95	19.32
<b>Ramban</b>	16	16	1.69	284	299	1.16	65	57	0.44	22.89	19.06
<b>Kishtwar</b>	8	8	0.85	217	244	0.94	39	39	0.30	17.97	15.98
<b>Kathua</b>	51	51	5.40	948	1009	3.90	381	389	3.03	40.19	38.55
<b>Rajouri</b>	39	41	4.34	688	724	2.80	184	188	1.46	26.74	25.97
<b>Poonch</b>	20	20	2.12	464	489	1.89	109	119	0.93	23.49	24.34
<b>Jammu &amp; Kashmir</b>	914	944	100.00	25148	25885	100.00	12090	12846	100.00	48.08	49.63

Mar-08 indicates March, 2008, Dec-08 indicates December 2008

Source: Reserve Bank of India

Bank of India

### **Credit – deposit ratio – districtwise position as on December 2008**

At State level the credit deposit ratio of All Scheduled Commercial Banks as on December 2008 stood at 49.63%. Among the districts the highest credit deposit ratio was observed for Srinagar district with 84.65% followed by Shopian (59.62%). Lowest credit deposit ratio of 15.11% was observed for Kargil district, the next two lower level districts in the credit-deposit ratio are Kishtwar (15.98%) and Ramban (19.06%).

**Table 6.05: Population group-wise / agency-wise position of All Scheduled Commercial Banks - December 2008**

Particulars	Jammu and Kashmir					All India					
	SBI and its Associates	Nationalised Banks	Regional Rural Banks	Other Scheduled Commercial Banks	All Scheduled Commercial Banks	SBI and its Associates	Nationalised Banks	Regional Rural Banks	Scheduled Commercial Banks	Foreign Banks	All Scheduled Commercial Banks
1	2	3	4	5	6	7	8	9	10	11	12
<b>I Bank branches (No)</b>											
a) Rural	61	34	211	216	522	5426	13285	11418	1075	-	31204
b) Semi-Urban	37	34	23	82	176	4702	8392	2673	2560	2	18329
c) Urban / Metropolitan	37	96	11	102	246	5517	16779	722	4932	267	28217
Total	135	164	245	400	944	15645	38456	14813	8567	269	77750
<b>II Aggregate Deposits (Rs. in crore)</b>											
a) Rural	1213	463	1083	4652	7511	81839	172549	63845	15233	-	333466
b) Semi-Urban	1287	751	118	3500	5656	180075	215725	27444	57293	-	480597
c) Urban / Metropolitan	2014	2866	123	7715	12718	606477	1331008	12968	589182	203642	2743277



Total	4614	4080	1324	15867	25885 1	868391	1719282	10425 7	661708	203702	3557340
<b>III Gross Bank Credits (Rs. in crore)</b>											
a) Rural	287	97	347	2102	2833	48307	100606	40356	6369	-	195638
b) Semi-Urban	330	246	53	1554	2183	98346	106505	15383	25641	-	246865
c) Urban / Metropolitan	712	1332	49	5737	7830	474509	1096797	5330	466417	174920	2216983
Total	1329	1675	449	9393	12846	621162	1303908	61069	498427	174920	2659486
<b>IV Credit Deposit Ratio (%)</b>											
a) Rural	23.66	20.95	32.04	45.18	37.72	59.03	58.31	63.21	41.81	-	58.67
b) Semi-Urban	25.64	32.76	44.92	44.40	38.60	54.61	49.37	56.05	44.75	-	51.37
c) Urban / Metropolitan	35.35	46.48	39.84	74.36	61.57	78.24	82.40	41.10	79.16	85.90	80.82
Total	28.80	41.05	33.91	59.20	49.63	71.53	75.84	58.58	75.32	85.90	74.76

SBI = State Bank of India of India

Source : Reserve Bank of India

### Central Co-operative Banks

Under short term credit structure Jammu and Kashmir Central Co-operative bank is the apex bank. There are three District Central Co-operative Banks, 2 in Kashmir region and 1 in Jammu region. These cooperative banks have a network of 204 branches.

As per the data available for the year 2006-07, deposits of the Central Co-operative Banks stood at Rs 1142.73 crore as against Rs 1097.42 crore for the year ending march 2006 registering an increase of 4.13%. However, increase in the advances made by the Central Co-operative Banks was recorded to be 12.40% ending March 2007 over one year ago period. In the aggregate deposits the maximum share of 73.75 % went to District Central Co-operative Banks leaving 26.25% deposits to be shared by the Central Co-operative Bank. In the entire credits (Rs 446.57crore) of Central Co-operative Banks, 83.23% (Rs 371.66 crore) is claimed by District Co-operative Banks. Following table gives the information in figures.

**Table 6.06: Performance of Central Co-operative banks (Rs. in Crore)**

S. No	Bank	Deposits		Credits		Credit Deposit Ratio ending March	
		Ending March		Ending March		ending March	
		2006	2007	2006	2007	2006	2007
1	2	3	4	5	6	7	8
1	State Co-operative Bank	301.14	299.94	70.94	74.91	23.56	24.97
2	Distt. Central Co-operative Banks	796.28	842.79	326.38	371.66	40.99	44.10
a	Anantnag	92.99	94.48	40.66	40.04	43.73	42.38
b	Baramulla	145.79	153.86	87.82	107.35	60.24	69.77
c	Jammu	557.50	594.45	197.90	224.27	35.50	37.73
Total ( 1 + 2 )		1097.42	1142.73 (4.13)	397.32	446.57 (12.40)	36.20	39.08

( - ) Figures in brackets indicate percentage increase over previous year

Credit –deposit ratio of central co-operative banks went up from 36.20% in March 2006 to 39.08% in March 2007. District Central Co-operative Bank Baramulla has the highest credit deposit ratio of 69.77% and lowest credit deposit, ratio of 24.97% was observed for State Co-operative Bank as on March 2007.

## Chapter-7

### **13th Finance Commission**

#### **Recommendations of the State Government under 13th Finance Commission Award (2010-2015)**

A seven member team of the Finance Commission headed by its Chairman, Dr Vijay Kelkar visited valley on July 01, 2009. Pinpointing peculiar situation of Jammu and Kashmir and the sufferings the people have undergone in two decades of turmoil, crippling the normal life and leading to economic losses, the Hon'ble Chief Minister, Jenab Omar Abdullah presented a strong case before the Commission for liberal financial support from the 13th Finance Commission seeking devolution of Rs 46769.23 crore under Non-plan for investment in the state in the following priority areas/sectors of development:-

**Table 7.1: Requirement of Funds from 13<sup>th</sup> Finance Commission (Rs. in Crore)**

<b>S.NO</b>	<b>Sector</b>	<b>Amount</b>
1	Sustainability and Rejuvenation of Power Sector in J&K	18740.27
2	Forest and Environment sector	3480.00
3	Administrative Infrastructure and facilities for effective delivery of public services	876.15
4	Health sector	347.47
5	Strengthening of Rural Development sector	1498.45
6	Agriculture and Allied sectors	545.50
7	Housing and Urban Development	289.00
8	Re-vitalising & Strengthening of District Administration for quality service to public	210.21
9	Revival of Tourism in J&K	649.00
10	Maintenance of assets of Public Works Department (R&B)	1425.52
11	Security Related Expenditure (SRE)	982.50

12	Finance Sector	14321.00
13	Education sector	486.58
14	Creation & Strengthening of infrastructure for judiciary	206.58
<b>Total</b>		<b>44058.23</b>
<b>Supplementary</b>		
1	Requirement of funds for Irrigation & FC Public Health.	517.00
2	Housing & Urban development	1050.00
3	Lakes & Water Bodies	1144.00
Total		2711.00
<b>Grand Total</b>		<b>46769.23</b>

The Hon'ble Chief Minister while seeking financial support under Power Sector, apprised the Commission that Power sector has to be addressed with a sense of urgency as this is perhaps the only sector which has the potential to turn around the fortunes of the State. This sector will not only make sufficient energy available to the State but also to the rest of the country and has a multiplier effect on the growth of industry, tourism and services sector. However, the restrictions under the Indus Water Treaty have hampered the exploitation of this vital resource. With the proposed grant-in-aid under 13<sup>th</sup> Finance Commission the State intends to set up at least 15000 MW capacity power projects during the award period. This creation will convert State into an energy /resource surplus State which in turn will provide regular income to the State which will help in paying off the debts besides generating surplus resources which could be deployed in other core sectors of the economy for development and employment.

Under Rural Development Sector Government intends to construct 2322 Panchayatgarhs, providing financial assistance to 4139 Panchayat Raj Institutions (PRIs), development of e-Panchayats and raising infrastructure for divisional level institutes etc.

In Floriculture segment, establishment of cold stores to support and popularize commercialisation of floriculture, Development of Tulip as all weather garden, Landscape development of Mughal gardens, besides Development of parks and gardens throughout the state are proposed to be taken up. Similarly under agriculture Cold Storage for vegetables, construction of Water Harvesting Tanks, Ropeway project for vegetables in Kishtwar district, Establishment of Fertilizer/Pesticides labs apart from carrying out the other activities are proposed to be undertaken.

People are considered as the biggest resource provided they are healthy and educated. In view of the difficult terrain of the State of J&K, remoteness of many areas and harsh climatic conditions the State need adequate resources for education and health care facilities. To combat and overcome the accommodation problems in the schools for school going children, it has been programmed to construct 4 roomed additional accommodations in 593 upgraded higher secondary schools at a cost of

Rs.177.90 crore. Providing of computer labs in 456 higher secondary schools shall also be covered besides providing science laboratory equipments, 100 hostels are proposed to be constructed in 100 schools at a cost of Rs.200.00 crore. In Health Sector gutted health buildings are intended to be reconstructed in addition to maintenance of the existing buildings and equipment in the health institutions. The Disaster management under the sector shall also be strengthened.

Rs 1144.00 crore have been demanded for the preservation of Lakes & Water Bodies of Dal Lake, Wullar, Tsomoriri and Mansar-Surinsar Lakes. Under Housing and urban Development Sector Rs.1000.00 crore have been demanded as supplementary financial support for upgradation and development of Bus Addas in cities/towns.

For the purpose of giving fillip to the tourism sector which received a serious jolt during the period of militancy and insurgency in the past two decades, the State government has recommended to the 13th Finance Commission for an award of Rs. 289.00 crore for the revival and further development of infrastructure of leisure tourism, pilgrim tourism, heritage and adventure tourism. The recommendations also include the additional financial assistance of Rs. 360.00 crore for 15 newly created Development Authorities and 4 old Development Authorities @ Rs. 20.00 crore and Rs. 15.00 crore each respectively. Like-wise the creation and strengthening of infrastructure for judiciary shall involve a financial implication of Rs. 206.58 lakh.

The grant-in-aid of Rs. 14321.00 crore under Finance sector also includes measures for settlement of payment of arrears of pay and pension etc. to government employees and autonomous bodies (Aided institutions) to the tune of Rs. 12285.00 crore and 161.00 crore respectively on account of implementation of the 6<sup>th</sup> Pay Commission. The financial assistance also includes Rs. 750.00 crore for fiscal reform path and Rs. 500.00 crore for new pension system and Rs. 625.00 crore for re-structuring and revival of PSUs.

For operation and maintenance and restoration of closed water supply schemes under civil works and for utilisation of the potential Rs. 226.00 crore have been demanded under PHE sector. Similarly under irrigation sector for replacement of worn out machinery and equipments of 7 major medium irrigation schemes and 214 minor lift irrigation schemes besides, revamping of canal system and distribution network projections have been made for financial assistance to the 13<sup>th</sup> Finance Commission for an amount of Rs. 517.00 crore.

The Hon'ble Chief Minister requested the Commission for consideration of the submissions in the backdrop of the difficulties and sought their whole hearted support so that the State and its people could move towards self sufficiency, self reliance and economic well being.

The Chairman of the 13<sup>th</sup> Finance Commission showed satisfaction with the successful introduction of VAT in the state by saying that this definitely illustrates the potential that broad-based taxes like VAT have to improve buoyancy and stability of own tax revenue collections. He also complemented the state for exercising control over its expenditure. The Chairman assured the state government that the Commission would give the most careful consideration to the suggestions made by it on its terms of reference as well as to proposals for horizontal devolution, area parameter and minimum essential needs as well as fixing a guaranteed minimum devolution from the centre to the state.

***Terms of References of the Thirteenth Finance Commission***

The Commission shall make recommendations as to the following matters, namely:-

- i. The distribution between the Union and the states of the net proceeds of taxes which are to be, or may be, divided between them under Chapter I Part XII of the Constitution and the allocation between the states of the respective shares of such proceeds,
  - ii. The principals which should govern the grants-in-aid of the revenues of the states out of the Consolidates Fund of India and the sums to be paid to the states which are in need of assistance by way of grants-in-aid of their revenues under article 275 of the Constitution for purposes other than those specified in the provisios to clause (1) of that article; and
  - iii. The measures needed to augment the Consolidated Fund of a State to supplement the resources of the Panchayats and Municipalities in the State on the basis of the recommendations made by the Finance Commission of the State.
2. The Commission shall review the state of the finances of the Union and the states, keeping in view, in particular, the operation of the State's Debt Consolidation and Relief Facility 2005-2010 introduced by the Central Government on the basis of the recommendations of the Twelfth Finance Commission, and suggest measures for maintaining a stable and sustainable fiscal environment consistent with equitable growth.
3. In making its recommendations, the Commission shall have regard, among other considerations, to-
- i. The resources of the Central Government, for five years commencing on 1<sup>st</sup> April 2010, on the basis of levels of taxation and non-tax revenues likely to be reached at the end of 2008-09;
  - ii. The demands on the resources of the Central Government, in particular, on account of the projected Gross Budgetary Support to the Central and State Plan, expenditure on civil administration,

- defence, internal and border security, debt servicing and other committed expenditure and liabilities;
- iii. The resources of the State Governments, for the five years commencing on 1<sup>st</sup> April 2010, on the basis of levels of taxation and non-tax revenues likely to be reached at the end of 2008-09;
  - iv. The objective of not only balancing the receipts and expenditure on revenue account of all the State and Union, but also generating surpluses for Capital investment;
  - v. The taxation efforts of the Central Government and each State government and the potential for additional resource mobilisation to improve the tax-Gross Domestic Product ratio in the case of the Union and Tax-Gross State Domestic Product ratio in the case of the States;
  - vi. The impact of the proposed implementation of Goods and Services Tax with effect from 1<sup>st</sup> April, 2010, including its impact on the country's foreign trade;
  - vii. The need to improve the quality of public expenditure to obtain better outputs and outcomes;
  - viii. The need to manage ecology, environment and climate change consistent with sustainable development;
  - ix. The expenditure on the non-salary component of maintenance and upkeep of capital assets and the non-wage related maintenance expenditure in plan schemes to be completed by 31<sup>st</sup> March, 2010 and the norms on the basis of which specific amounts are recommended for the maintenance of the capital assets and the manner of monitoring such expenditure;
  - x. The need for ensuring the commercial viability for irrigation projects, power projects, departmental undertakings and public sector enterprises through various means, including levy of user charges and adoption of measures to promote efficiency.
4. In making its recommendations of various matters, the Commission shall take the base of population as of 1971, in all such cases where population is a factor for determination of devolution of taxes and duties and grants-in-aids.
5. The Commission may review the present arrangements as regards financing of Disaster Management with reference to the National Calamity Contingency Fund and the Calamity Relief Fund and the funds envisaged in the Disaster Management Act, 2005 (53 of 2005), and make appropriate recommendations thereon.

6. The Commission shall indicate the basis on which it has arrived at its findings and make available the estimates of receipts and expenditure of the Union and each of the States.

7. The Commission shall make its report available by the 31<sup>st</sup> day of October, 2009, covering the period of five years commencing on the 1<sup>st</sup> day of April, 2010.

Additional term of Reference

“8.A. Having regard to the need to bring the liabilities of the Central Government on account of oil, food and fertiliser bonds into the fiscal accounting, and the impact of various other obligations of the Central Government on the deficit targets, the Commission may review the roadmap for fiscal adjustments and suggest a suitably revised roadmap with a view to maintaining the gains of fiscal consolidation through 2010 to 2015.”

## *Chapter – 8 (a)*

### ***Agriculture***

#### ***Introduction***

Agricultural sector has a vital place in the economic development of the state. Although the share of agriculture in both GSDP and employment has declined over the years, however, the pace of decline in its share in employment has been much slower than that in GSDP. The share of agriculture including the allied sectors of forestry and fisheries in GSDP declined from 51.05% in 1980-81 to 31% in 1999-2000 and around 27% in 2007-08 at constant prices with different base. Agriculture despite consistent decline in its contribution to the economy remained mainstay for lakhs of people in the state. Food security and providing gainful employment to the labour force, especially to those engaged in agriculture sector virtually became a cynosure and continue to attract the attention of planners and policy makers both at the national as well as at the state level.

Attention was paid to the loss of dynamism in agriculture, as the sector had to face a number of severe challenges super-imposed on the long term demographics. Therefore, focal issues were addressed for redressal of bridging economic disparities between irrigated and rainfed areas. The slow and uneven development of technology, poor economic returns, lack of adequate incentives and appropriate institutions, degradation of natural resource base, increased vulnerability to commodity price utility, rapid and wide spread decline in ground water tables, increased non-agricultural demand for land and water as a result of urbanisation and aggregation in social distress, has recorded upsurge of gloom in workforce. The hope is not lost and there is no reason for complacency as the shift to cash crops has smoothened the economic scenario of farming community.

With a natural agriculture resource base, out of quantum of 1133935 hectares Gross Area Sown, only 463179 hectares (40.85 per cent) are irrigated during the year 2007-08. The Net Area sown is 734003 hectares, out of which 308044 hectares constituting 41.97 per cent are irrigated. The average holding size is 0.67 hectares as per Agricultural Census 2000-01. The production eked out of agricultural land is 16508 thousand qtls which includes 15707 thousand quintals of food grains and 801 thousand quintals of diversified crops (Oil seeds, Spices, and Vegetables) for the year 2007-08. The fourth advance estimates put the food grains production in the state to be 16275 thousand quintals for the year 2008-09 recording an increase of 3.62% over previous year food grain production figures.

Jammu and Kashmir is basically an agrarian economy. The dependence of rural labour force on agriculture and allied activities is quite substantial as it directly or indirectly, supports about 70 per cent of population. As per Census 2001, 18.38 lakh persons comprising 15.92 lakh cultivators and 2.46 lakhs as agricultural labourers depend directly on Agriculture for their livelihood forming about 49 percent of the total working force (37.54 lakh persons).

Much credit for this success goes to several thousand of farm families, providing strong backup to agriculture. Their hard work, in association with agricultural scientists and policy planners, realised the dream of feeding twelve million bellies. Policy support, production strategies, public investment on infrastructure and research and extension have helped significant increase in agricultural production.

Despite concerted efforts for amelioration of agriculture sector, the State had to import 7.59 lakh tonnes foodgrains during 2007-08 for supplementing the domestic demand.

In order to transform the socio-economic status of farming community, the State has won the distinction of having introduced reform legislation of considerable magnitude by articulation of land reform through vesting of ownership rights of the State land to the farmers. This is second major Agrarian Reform which has an exception of non-payment of compensation for acquisition of surplus land with the condition that the beneficiary under the scheme shall utilise the land for bonafide purposes, underlying the Act popular as Roshni Act. The reform has inbuilt spirit of inclusive growth of agriculture sector aimed at increasing the production and productivity on one hand and removal of poverty, employment generation and self reliance on the other hand.

During 10<sup>th</sup> Plan period sizeable proportion of State's plan outlay, to the tune of Rs. 1507.80 crore was earmarked for Agriculture and Allied sectors



against which an amount of Rs. 1285.47 crore was spent. An amount of Rs 1818.21 crore has been proposed under 11<sup>th</sup> Plan for implementation of the programmes under Agriculture and Allied sectors. The respective annual plan outlay for the year 2008-09 was to the tune of Rs 151.96 crore against which expenditure was Rs. 142.87 crore. Plan outlay for 2009-10 on agriculture and allied activities is Rs. 288.57 crore.

### **Growth in Agriculture**

Deviations in food grains and agricultural output from its long term trend are determined by several factors especially variations of monsoon around the year. Furthermore, the negative impact of excess rainfall on such output appears to be not as high as the adverse impact of deficient rainfall. With this asymmetric response of food grains production to monsoon variability and the repetition of deficient rainfall in the monsoon in 2002, 2004 and 2006 under 10<sup>th</sup> Five year Plan, has led to following after effects;

- (a) abysmal agricultural growth,
- (b) reduction in the share of agriculture in GSDP,
- (c) creation of inflationary pressure in some primary products, and
- (d) reduction in the potential growth of other sectors by dampening demand.

The 10<sup>th</sup> Five Year Plan had set a target of growth of 4 percent per annum in agriculture and allied sectors. However, as per advance estimates for the year 2007-08 the growth rate in agriculture sector has been only 1.79%.

The below given table shows Annual Average Growth Rate at Constant Prices in agriculture and allied sectors for J&K in context to All India.

**Table No. 8.00: Annual Average Growth Rate (at Constant Prices)**

Five Year Plan	Overall growth rate		Agriculture and Allied Sectors	
10 <sup>th</sup> FYP (2002-07)	GDP	GSDP	All India Level	J & K State
1	2	3	4	5
2002-03	4.0	5.13	-5.89	2.50
2003-04	8.6	5.17	9.29	8.86
2004-05	7.3	5.23	0.70	1.32
2005-06	9.8	6.17	5.82	0.90
2006-07 (Q)	9.7	6.25	3.95	2.99
2007-08 (A)	NA	6.28	N.A	1.79

Q= Quick Estimates A=Advance Estimates, NA : Not Available

Source: CSO & DES

It is generally viewed that slow down in growth rate of agriculture and allied sectors besides natural factors, significantly be due to:-

1. Low ratio of seed replacement rate.
2. Yield stagnation from agriculture sector.
3. Lack of irrigation as around 58% the net area sown is rainfed.
4. Small size of land holdings was 94% of the holdings fall in the size class of less than 2 hectare with 81% with less than 1 hectare.

### **Gaps between Targets and Achievements in the 10th Plan**

The gap between demand and supply is increasing at a fast rate than the increase in the production level. Against the annual requirement of 2101.91 thousand tonnes of food grains, the corresponding estimated production during the year 2008-09 was 1627.50 thousand tonnes for feeding population of nearly 125.11 lakh with a percentage deficit of roughly 25 percent in the food grains.

The state has targeted to increase production level of food grains and reduce the present deficit level of 25 percent during the 11<sup>th</sup> plan period. Similarly, in oil seeds the level of production can be increased by 150000 tonnes. However, the state would be in a position to achieve self sufficiency in vegetable production in coming years.

### **Seed Management and Seed Replacement Rate (SRR):**

To sustain continuous growth in productivity seed management plays a vital role. Looking at the present situation in the state the figures are highly unsatisfactory. The national average of seed replacement rate has been above 25 percent while the state of J&K is yet to surpass 10 percent of Seed Replacement Rate (SRR) in case of High Yielding Varieties of major crops. The deficiency is because of limited resources available of breeder and foundation seeds as these should be aerial location specific. Our state is far behind in achievement of desirable Seed Replacement Rates. The desirable SRR without which it is not possible to achieve higher productivity are 25 percent for self pollinated crops, 35% for cross pollinated crops and 100 percent for hybrids. The state agriculture universities are being pursued to evolve short duration high yielding varieties including hybrids, with special emphasis on productivity constraints in rainfed areas. Focus shall have to be laid upon hybrid seed production by involving private sector also.

**Table No. 8.01: Seed Replacement Rate (SRR in percent)**

Season	Crop	2006-07	2007-08	2008-09
Kharief	Maize	5.60	7.51	8.00
	Paddy	6.81	4.49	5.00
	Pulses	0.07	8.29	8.30
	Oilseed	-	0.27	0.27
Rabi	Oilseed	14.80	8.32	8.50
	Wheat	10.70	12.38	12.50
	Pulses	3.07	7.25	7.25
	Fodder	4.29	5.05	6.00

*Source: Agriculture Production Department, J&K*

*Remarks : Seed Replacement Ratio in all crops other than oilseed (kharief) and pulses (rabi) increased during 2008-09 as compared to 200708. For these two crops Seed Replacement Ratio has not undergone any change during 2007-08 and 2008-09.*

### **Land Utilization**

As per the land utilisation statistics for the year 2007-08, the total reporting area of the state is 2416 thousand hectares, out of the total reporting area, net sown area was 734 thousand hectares constituting only 30.38 percent, 27.23 percent is under forest, land not available for cultivation was 582 thousand hectares which is 24.10 percent of the reporting area, other uncultivable land was 348 thousand hectares or 14.42 percent. Fallow lands constitute 3.87 percent of the reporting area with around 93 thousand hectares. During the year 2007-08 the net area sown decreased to 734 thousand hectares from 742 thousand hectares in 2006-07. However, the gross area sown registered an increase of 7529 hectares during 2007-08 as compared to previous year. While land utilisation particulars over the years are given in annexure 3 (a)-(i) however, detailed land use statistics for 2007-08 is given in following table No. 8.02:

**Table No. 8.02: Land use statistics 2007-08**

S. No.	Use	Area (ha)	Percentage of reported area
1	Forest	657803	27.23
2	<b>Not available for cultivation</b>		
a.	Put to non-agricultural uses	292773	12.12
b.	Barren and uncultivable land	289465	11.98
c.	Total (a+b)	582238	24.10
3	<b>Other uncultivated land excluding fallow land</b>		
a.	Permanent pastures and other grazing land	126278	5.23
b.	Land under miscellaneous tree crops and groves not included in net area sown	66042	2.73
c.	Culturable waste land	146822	6.08
d.	Marshy and water logged land	180	0.01
e.	Land under still water	6322	0.26
f.	Social forestry	2804	0.11
	Total 3	348448	14.42
4	<b>Fallow lands</b>		
a.	Fallow lands other than current fallows	26230	1.09
b.	Current fallows	67079	2.78
	Total 4	93309	3.87
5	Net Sown area	734003	30.38
	Total reporting area	2415801	100

Source: Financial Commission (Rev), J&K

### **Land Holdings**

Agriculture production to a large extent depends upon the size of unit of cultivation. Data on land holdings is generated by the quinquennial Agricultural Census which forms part of a broader system of collection of agricultural statistics. It is a large scale statistical operation for collection and derivation of quantitative information about the structural aspects of agriculture in the state. An agricultural operational holding is the ultimate unit for taking decision for development of agriculture at micro level. It is for this reason that an operational holding is taken as the statistical unit for data collection and for describing structure of agriculture. Through agricultural

census it is endeavoured to collect basic data on all the important aspects of agricultural economy for all the operational holdings in the country.

The latest agricultural census 2000-01 has recorded a number of 1442894 operational holdings in the state which have increased by 107115 holdings when compared with land holdings recorded by agricultural census 1995-96.

### **Holding Size**

In the agricultural statistics holding size is a crucial indicator. The agricultural census 2000-01 has determined average holding size for the state to be 0.67 hectares which is 0.09 hectares less than average holdings size of 0.76 hectares revealed by agricultural census 1995-96. At All India level the average holdings size has decreased from 1.41 hectares in 1995-96 to 1.32 hectares as per agricultural census 2000-01, registering a net decrease of 0.09 hectare between the two agricultural censuses. Figures on agricultural holdings are given in annexure 3 (a) (iii) and 3 (a)-(iv) in the appendix.

### **Cropping Pattern and Production**

Maintaining an annual growth rate of over 8 per cent for the State's economy, envisages an average annual growth rate of about 4 to 5 percent in Agriculture Sector. The increasing trend in rice production over the years with the introduction of semi-dwarf, high-yielding rice varieties in early seventies and introduction of modern means of agriculture technology have shown positive results. Still the State is not able to meet its basic requirements to feed its more than one crore mouths.

The area and production of food grains has decreased during 2007-08 as compared to previous year (2006-07) by 0.11per cent and 0.44 per cent respectively. There are limits of increasing production through expansion of cultivable land. Hence, the emphasis has to be laid on increasing productivity levels, besides, diversification towards high value crops. Due to an increasing shift towards commercial crops, the area under food grains has declined when compared to 2000-01 (925.19) to 914.58 thousand hectares during 2007-08. Among the food grains, the main crops are Maize 26.67 percent, Rice 23.21 percent and Wheat 24.54 percent accounting for 74.42 percent of total cropped area. See Annexure 3(a)-(v) and 3(a)-(vi)

**Table No. 8.03: Area and Production of crops**

S. No	Crops	Area (000 hectares)			Production (000 Qtls)			(Yield rate) Production per hectare (qtls)		
		2006-07	2007-08	%age increase or decrease	2006-07	2007-08	%age increase or decrease	2006-07	2007-08	%age increase or decrease
1	2	3	4		5	6		8	9	10
1	Rice	252.52	263.25	4.25	5546	5620	1.33	21.96	21.35	-2.78
2	Maize	323.60	302.44	-6.54	4869	4745	-2.55	15.05	15.69	+4.25
3	Wheat	266.11	278.30	4.58	4983	4959	-0.48	18.73	17.82	-4.86

4	Pulses	29.06	30.15	3.75	141	153	8.51	4.85	5.07	+4.54
5	Other Cereals & Millets	44.26	40.44	-8.63	238	230	-3.36	5.38	5.68	+5.58
6	Total food grains	915.55	914.58	-0.11	15777	15707	-0.44	17.23	17.17	-0.35
7	Oil Seeds	64.30	63.28	-1.58	413	535	29.54	6.42	8.45	+31.62
8	Fruits & Vegetables	83.95	88.37	5.27	N.A	N.A	NA	N.A	N.A	NA
9	Condiments and Spices	2.71	3.07	13.28	24	26	8.33	8.86	8.47	-4.40
	Total	1066.51	1069.31	0.26	16214	16268	0.33	16.50	16.58	+0.48

NA : Not Available  
J&K

Source: Agriculture Production Deptt.,

1. **Rice:** Area under rice has increased by 10.73 thousand hectares i.e. from 252.52 to 263.25 (2007-08) thousand hectares. The production of rice also increased from 5546 thousand quintals to 5620 thousand quintals while as yield rate has decreased by -2.78%.

2. **Maize:** Area under maize has decreased from 323.60 thousand hectares in 2006-07 to 302.45 thousand hectares in 2007-08. The production of maize has also decreased from 4869 thousand quintals in 2006-07 to 4745 thousand quintals in 2007-08. The yield rate of Maize has slightly moved up from 15.05 quintals/hectare in 2006-07 to 15.69 quintals/hectare in 2007-08.

3. **Wheat:** The production of wheat has decreased from 4983 thousand quintals in 2006-07 to 4959 thousand quintals in 2007-08, resulting in percentage decrease of 0.48%. The yield rate of wheat has moved down from 18.73 quintals/hectare in 2006-07 to 17.82 quintals/hectare in 2007-08. However, area under wheat has increased from 266.11 thousand hectares in 2006-07 to 278.30 thousand hectares in 2007-08.

4. **Pulses:** Area under pulses has increased from 29.06 to 30.15 thousand hectares for the year 2006-07 to 2007-08. Production of pulses has also increased from 141 thousand quintals in 2006-07 to 153 thousand quintals in 2007-08. The yield rate has increased by 4.54% during the same period.

5. **Other Cereals:** Production of cereals and millets has come down from 238 thousand quintals in 2006-07 to 230 thousand quintals in 2007-08 with showing decrease of 3.36%.

### **Agriculture Production prospects 2008-09**

As per the fourth advance estimates total production of food grains in the state during 2008-09 is expected to be 16275 thousand quintals, more by 3.62% than the production of 15707 thousand quintals during 2007-08. The production of rice is expected to be 5634 thousand quintals, wheat would be 4802 thousand quintals, while maize production shall be 5332 thousand

quintals only i.e. more by 587 thousand quintals (7.52%) than previous year. Pulses may record decrease of 12 thousand quintals. Production of other cereals and millets is expected to be 366 thousand quintals during 2008-09 showing increase of 59% over 2007-08 level. Details of the food grains production for 2008-09 in comparison to 2007-08 figures is given in following table No. 8.04.

**Table No. 8.04 : Production of food grains (000 quintals)**

S.No.	Crop	2007-08 final forecast	2008-09 (4 <sup>th</sup> Advance Estimates)	Percentage increase(+) decrease (-)
1	2	3	4	5
1.	Rice	5620	5634	0.25
2.	Wheat	4745	4802	+1.20
3.	Maize	4959	5332	+7.52
4.	Other cereals	230	366	+59.13
5.	Pulses	153	141	-7.84
	Total food grains	15707	16275	+3.62

As per the advance estimates for the year 2008-09, 257.63 thousand hectares are covered under rice, 315.81 thousand hectares under maize, 261.49 thousand hectares under wheat, 60.65 thousand hectares under pulses and 71.76 thousand hectares under other cereals and millets making total area 937.34 thousand hectares under food grains for 2008-09.

#### **High Yielding Varieties Programme (HYVP)**

In order to increase the production of food-grains, emphasis is laid on distribution of seeds of high yielding varieties to the farmers. The area brought under high yielding varieties of principal crops viz. rice, wheat and maize for the last seven years is shown in the table below:

**Table No.8.05: Area brought under High Yielding Varieties (Thousand Hectares)**

S.No.	Year	Area under High yielding variety			Total (3+4+5)	Total Area Sown	%age of column 6 over column 7
		Rice	Wheat	Maize			
1	2	3	4	5	6	7	8
1	2001-02	249.80	259.60	326.48	835.88	1106.04	75.57
2	2002-03	236.20	248.60	329.46	814.26	1077.71	75.55
3	2003-04	259.82	254.66	321.19	835.67	1102.14	75.82
4	2004-05	250.04	252.78	322.70	825.52	1101.64	74.94
5	2005-06	259.01	252.83	320.92	832.76	1100.93	75.64
6	2006-07	252.52	266.11	323.60	842.23	1126.41	74.77
7	2007-08	263.25	278.30	302.45	844.00	1133.94	74.43

Source: Agriculture Production Deptt., J&K

Area brought under major crops through introduction of High Yielding varieties aggregates to 844.00 thousand hectares which covers 74.43 per cent of total area sown. A careful analysis indicates that percentage of area under high yielding variety of seeds to total area sown has almost remained constant over the years and also reveals that the whole area under principal crops is brought under HYV of seeds.

### ***Area Irrigated***

Assured irrigation is a prerequisite of Agricultural Development. Development of irrigation potential and ensuring full and proper utilisation thereof, is, therefore, one of the top ranking plan programmes and has claimed around 4% plan outlay during the 10<sup>th</sup> plan period.

Out of total 7.34 lakh hectares of net area sown and 11.34 lakh hectares of gross area sown during the year 2007-08, 3.08 lakh hectares and 4.63 lakh hectares respectively were irrigated making the percentage irrigation of 41.97% and 40.85% under the respective categories. 89.95% of gross irrigated area and 92.77% of net irrigated area falls under the command of canals. The total gross irrigated area has registered a slight increase of 0.044 lakh hectares during 2007-08 over 2006-07. Most of the irrigated area is occupied by rice 2.29 lakh hectares, wheat with 0.77 lakh hectares, oil seed with 0.44 lakh hectares and fruit and vegetables with 0.35 lakh hectares.

Among the districts, maximum area of 102.39 thousand hectares is concentrated in Jammu district, 51.74 thousand hectare in Anantnag district, 39.15 thousand hectares in Kathua, 38.93 thousand hectare in Pulwama, 35.03 thousand hectare in Budgam, 31.31 thousand hectares in Baramulla, 26.29 thousand hectare in Kulgam and a total of 134.34 thousand hectare in other districts of the state (Annexure 4-(a-XI)

### ***Double Cropping***

Lack of irrigation facility in some areas and climatic difficulty in others, limits cropping intensity. Most of the cultivated area in the state, especially in the valley, the Ladakh region and in the hilly districts of Jammu region is put to a single crop. Out of net sown area of 734 thousand hectares 400 thousand hectares (54.50%) is sown more than once. In Jammu, Samba and Kathua districts, area sown more than once as percentage of net area sown is 108.70%, 111.71% and 109.89% respectively. 83.56% in Rajouri, 76.72% in Pulwama, 66.77% in Poonch and 65.46% in Udhampur of the net area was sown more than once. The extent of double cropping in other districts is very small and in Kupwara district double cropping is absolutely absent. see annexure 3(a)- (xii)

### ***Cropping Intensity***

The cropping intensity i.e. the percentage of gross cropped area to net area sown, which was 151.89% during 2006-07 has slightly improved to 154.49% in 2007-08, which is higher than cropping intensity of 135.88% for 2005-06 at National level. Districts of Samba, Kathua and Jammu recorded highest cropping intensity of 211.71%, 209.89% and 208.70% respectively during 2007-08. Annexure 3-(a)-(xiii) in the appendix reveals position in figures.

### ***Kisan Credit Card Scheme***

To provide adequate and timely support from banking system to the farmers for their cultivation needs, including purchase of all inputs in a flexible and cost effective manner a model Kisan Credit Card Scheme (KCC) was introduced. NABARD had advised banks for extensive coverage through expanding its outreach by lending to more farmers including non-wilful defaulters, oral lessees, tenant farmers, share croppers, who may have been

outside the fold of the scheme for whatever reasons as also new farmers. The Co-operative Banks and Regional Rural Banks (RRBs) were advised to cover all farmers under Kisan Credit Card Scheme by end of March 2007 and also to make the renewal process of Kisan Credit Card Scheme more user friendly.

The Kisan Credit Card Scheme made repaid progress with cumulative coverage more than 665.63 lakh Kisan Credit Cards issued up to 31<sup>st</sup> March 2007 in the Country. The scheme has also been extended to the borrowers of the long term co-operative credit structure to address all the loan requirements of borrowers of State Co-operative Agricultural Rural Development Banks (SCARDBs) under Kisan Credit Card Scheme. In J&K state as on 31<sup>st</sup> March 2007 the banks have issued 65350 Kisan Credit Cards. Bankwise profile of Kisan Credit Cards issued upto 31<sup>st</sup> March 2007 in close contrast with All India is given here under for easy comprehension:-

**Table No. 8.06: Number of Kisan Credit Cards issued upto 31-3-2007 (Absolute number)**

<b>S.No.</b>	<b>Bank</b>	<b>J&amp;K</b>	<b>All India</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
1.	Co-operative Banks	48872	32709339
2.	Regional Rural Banks	9878	8284289
3.	Commercial Banks	6600	25569768
	Total	65350	66563396

Source: Registrar Co-operatives, J&K

### ***Apiculture Development***

Apiculture is an important Cottage Industry which provides employment to a number of un-employed youth. The Industry received a great set back due to attack of a deadly parasite varroa mite which has caused large scale damages to the existing colonies during 2005-06 and adversely affected the production of honey in the State. Production of honey during 2008-09 was reported to be 443 tonnes as compared to 277 tonnes for 2007-08 resulting a net increase of 116 tonnes. This measures 60% increase over previous year's production figures.

### ***Mushroom Development***

Mushroom is an another important activity under agriculture sector. Mushroom are rich in protein, vitamins and minerals. Mushroom is produced in both the divisions of the state. Two species of edible mushroom i.e. Agarics bistorts (the European Button Mushroom) and Pleurotus species (the Dhingri mushroom) are cultivated or collected from wild sources for the consumption. The department of Agriculture under the umbrella of Technology Mission is establishing Integrated Mushroom centre at Lal Mandi Srinagar. The department's major activity in this regard is to distribute mushroom trays to the farmers both in the public as well as in private sector. The department is also providing 50% subsidy on distribution of mushroom trays and raw material in the district sector to promote mushroom cultivation. As against 5273 quintals for 2006-07 mushroom production for 2007-08 has reached to



6005 quintals registering 13.88% increase. The mushroom production is reported to be 6156 quintals provisionally for the year 2008-09 i.e. 2.51% more than 2007-08.

### **Vegetable Development**

The Department of Agriculture, Jammu and Kashmir has played a pioneering role to popularize vegetable cultivation among the farmers. The department is making all possible efforts to promote the vegetable production in the State by way of introducing new technology and diversification of cropping system. Cultivation of area specific vegetables and spices is given preference. Establishment of Poly Green Houses, Low Tunnels, Hot Bed Technology, River Bed concept, Plastic Mulching, Organic Farming, use of Bio-Fertilizers and Training Programmes are the essential components of the scheme. With the introduction of these programmes, the Department has been able to boost the production of vegetables in the State. Vegetables are grown all over the state and an area of 51.00 thousand hectares have been reported to be under vegetables during 2008-09 as per the records of revenue department. Production of vegetables during 2008-09 has been of the order of 13.92 lakh tonnes. The surplus stocks are exported now to other parts of the country. In addition to this, concerted efforts are being made to promote vegetable cultivation under Technology Mission by way of expansion of area and adoption of latest technological methods in the field. Attractive incentives are provided to the farmers under area expansion programmes to promote vegetable cultivation to a large extent. It needs mention that during the year 2008-09, 220 thousand tonne off season vegetables are reported to have been exported outside the state generating an amount of Rs. 133.00 crore. Export figures of off season vegetables have recorded 76% increase over 2007-08 figures and 6.4% increase in revenue generation. Information on off season vegetables exported outside state and income generated therein for the year 2005-06 to 2008-09 is given hereunder:-

**Table No. 8.07 : Export of off-season vegetables**

Year	Vegetables exported (000 tonnes)	Income generated (Rs. in crore)
2005-06	75	75
2006-07	100	100
2007-08	125	125
2008-09 (Provisional)	220 (76)	133 (6.4)

Figures in brackets indicate %age increase over previous year

### **Condiments and Spices**

Spices like Ginger, Garlic etc. are produced in the state. Considerable increase of these spices has been reported. The need of the hour is the effective transfer of technology to the progressive farmers. To reduce post harvest losses there is a need to supply quality plant material and other post harvest infrastructure requirements. The production of condiments/spices (Garlic, Ginger etc.) has increased from 1112 metric tonnes in 2006-07 to 1140 tonnes in 2007-08 and for the year 2008-09 the production figures are reported to be 1440 metric tonnes registering 26.32% increase over 2007.08.

### **Agricultural Implements**

Development of agriculture on scientific lines with the adoption of modern techniques is the fundamental principle of the agricultural policy in the State. This aims at increasing productivity and achieving self-sufficiency in food grains, to improve the income level of farming community and to reduce regional imbalances in the State. To boost the agricultural production, various schemes are under implementation, such as use of pesticides, use of chemical fertilizers, popularization of modern, improved and inventive agricultural implements, use of high yielding variety of seeds, promotion of cash crops like saffron, zeera, bee-keeping etc. are being stressed in this direction. These efforts are backed by use of modern Agricultural implements, the details whereof are given in the table below:-

**Table No. 8.08: Agricultural implements in the State**

<i>S.No.</i>	<i>Item</i>	<i>No. of Implements</i>	
		<i>1997</i>	<i>2003</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>
1	Ploughs	760457	825587
2	Chaff cutters	103963	99025
3	Diesel & electric driven pumps	7915	20697
4	Paddy Thrashers	664	697
5	Wheat Thrashers	1061	2302
6	Maize Shellers	149	423
7	All other types of Agri. Implements/machinery	1417974 *	4067038 *

Source: Live Stock Census 1997&2003

\*: Includes all types of agricultural implements and machinery

### **Fertilizer Consumption**

It is an established fact that application of plant nutrient is essential for increasing the productivity of land. Total distribution of fertilizers in the state for 2008-09 was 133 thousand tonnes as against 129.13 thousand tonnes in 2007-08 measuring about 117 kg per hectare of gross area sown for 2008-09.

**Table No.8.09: Distribution of fertilizers**

S.No	Year	Quantity distributed (000 tonnes)				
		N	P	K	Total	Kg per hectare
1	2	3	4	5	6	7
1	2003-04	45.52	20.86	0.14	66.52	60.36
2	2004-05	40.81	19.57	0.18	60.56	54.97
3	2005-06	63.64	27.07	3.19	93.90	85.29
4	2006-07	59.22	33.88	4.17	97.27	86.35
5	2007-08	104.78	18.39	5.96	129.13	113.88
6	2008-09 (P)	-	-	-	133.00	117.29*

P : Provisional Societies, J&K

Source: Registrar Co-operative

\* : Indicates position on gross area sown for 2007-08.

N :Nitrogen, P : Phosphate, K : Potassium

### Saffron Development

Kashmir's agriculture has an international identity. The world's best saffron is grown in the valley and its major intensity is in district Pulwama and Budgam. Nearly 98% of total area in the state under the crop is cultivated in Kashmir Province only. Its cultivation in Jammu division is limited to district Kishtwar only. Saffron is a rainfed crop and the main output of the crop is a dark yellow substance obtained from the flower called the Saffron. Saffron is a Kharif crop and flowers are picked during 3<sup>rd</sup> week of October and latest upto Mid of November. Saffron cultivation has declined by 25% from 4161 hectares in 1998 to 3110 (P) hectares in 2008 for want of adequate irrigation facilities and increasing diversion of agricultural land to urbanisation and industrialisation. It is necessary that replacement of the exiswiting corms, through introduction of a new variety of germ plasm and significant enlargement of the area under saffron cultivation is undertaken on the highest priority basis. The decline in the area and production of Saffron over the years is indicated in the following table:

Table No.8.10: Area and Production of Saffron

S.No.	Year	Area (Hectares)	Production (Qtls)	Yield Rate (Kgs/Hectt.)
1	2	3	4	5
1	1998	4161	NA	NA
2	2002	2880	65.25	2.27
3	2003	2742	51.54	1.88
4	2004	3075	48.34	1.57
5	2005	2989	88.52	2.96
6	2006	2928	48.50	1.66
7	2007	2436	91.31	3.75
8	2008 (P)	3110	50.60	1.63

P : Provisional (Rev), J&K

Source: Financial Commissioner

Yield rate of saffron has been highest 3.75 kg/hectares for 2007. The Saffron Development Scheme is a Centrally Sponsored Scheme under "Macro Management Programme" which includes provision for providing of special training to the cultivators of saffron, seed distribution, demonstration plots and subsidized tools and kits. This scheme was taken up in order to promote the cultivation of saffron crop in Kishtwar district.

### Soil Conservation

Soil erosion is maximum with very little corresponding conservation. In the rainy season, peak intensity run-off, washes away precious top soil and flows through the drainage lines causing sheet erosion of the productive land below. Both arable as well as non-arable lands are subjected to severe erosion resulting in the formation of rills & gullies.

### ***Water Shed Programme***

The Water Shed Management (WSM) Programme consisting of a number of measures like diversion of drains, graded bunds and check dams, are being taken up in arable lands while in the case of non-arable lands, staggered contour trenches were formed for rainwater collection. The watershed management is a single window integrated, participatory and sustainable area development programme. The concept of watershed is an integrated approach to harmonise use of natural resources-land, water vegetation, livestock, fisheries and human resources. The main objective of the WSP is to harvest every drop of rainwater for the purpose of irrigation, plantations including horticulture and floriculture, pasture development and fisheries, so as to create sustainable sources of income for the village community as well as for drinking water supplies. Under the different stages of WSM, special focus is being given towards planning, implementation, monitoring and evaluation as well as appropriate resource conserving technologies. During 11<sup>th</sup> Five Year Plan 11 number of water sheds have been identified under Centrally Sponsored Scheme, National Watershed Development Programme for Rain fed Areas (NWDPA) for treatment of 42000 hectares of land.

### ***Employment Generation through Maize Development***

After rice, maize is considered as second most important crop in Jammu and Kashmir. Over three lakh hectares are reported under this crop. The State expects 16275 thousand quintals food grains production during 2008-09 and out of which 4802 thousand quintals are likely to be contributed by maize crop. The average yield of maize for this State is estimated to be 16.88 Qtls per hectare against the respective National figure of 19.07 Qtls per hectare for 2006-07.

### ***Economic Utility***

In addition to general mode of consumption of maize, its varieties have local potential and Industrial use. The variety wise economics shows that average yield of Pop Corn is 20 qtls./ha which matures in 100-105 days and sells at a premium price @ Rs. 55/kg as raw. Maize is used in the preparation of feed for livestock and fetches good price in the market. Green Cobs are taken as roasted and has good market. Baby corns are utilized in various forms as salad, side dishes etc. which are served in restaurants. It fetches good market as compared to general maize. Maize has its utility in Baking Industry, Paper Industry and Textile Industry.

### ***Highlights***

- Agriculture and Allied Sectors contribute around 27 percent of State Income as per advance estimates for 2007-08.
- State faces massive deficit in food grains roughly 25 percent per annum.
- Net Sown Area (NSA) stands at 7.34 lakh hectares for 2007-08

- Out of 11.34 lakh hectare Gross Area Sown, only 4.63 lakh hectares (40.85 per cent) are irrigated. The Net Area Sown is 7.34 lakh hectares and 3.08 lakh hectares (41.97 per cent) are irrigated.
- 94 percent of farmers are marginal and small land holders.
- Over 89 percent of Total Cropped Area is under food crops.
- Productivity level of all agricultural crops is much lower than National Average particularly in rain fed areas.
- The lack of farm mechanization is one of the bottlenecks in the advancements and modernization of State Agriculture.
- Over 70 percent of the population of 1.25 crore depend on agriculture and allied sectors.
- Average holding size is 0.67 hectares compared to 1.31 hectares at National level as per agriculture census 2000-01.

### Reforms

- Agriculture is being promoted through provision of subsidies for different inputs, machinery and equipment.
- Loan and insurance sectors are being operated in agriculture for assured income to farmers.
- Entrepreneurs are being encouraged to enter into Agriculture.
- Viable size of land holding as model are being identified and surplus manpower is required to be engaged as farm workers in agriculture and allied industries.
- Agriculture Insurance Scheme needs to be decentralized from District to Tehsil level for Rice, Maize and Potato crops. This will ensure coverage in case of natural calamities at a more approachable level.

### Constraints

For growth to be all inclusive, the agriculture strategy must focus on the farmer segment who are marginal and small, besides increasing number of females utilised for most of the preparatory and supportive jobs, who find it difficult to access inputs, credit extension and market support to their output. With the trend of the shrinking facilities and exhibitivie behaviour of rural populace, these farmers may exit from the activity, yet over-whelming majority may continue. Therefore, objective of inclusiveness requires that their needs are attended to and service delivery packages are offered at their farmyard/doorsteps.

The pressing need to accelerate the sectoral growth should not focus only on sustainability of natural resource base but also concentrate on areas of soil and water management. For this purpose, watershed development with integrated sectoral approach in watershed development areas is needed to tap catchments at higher elevations of river basin. In addition, soil erosion, salinity and alkalinity of soils is to be addressed as soils are losing soil carbon and micronutrients due to irrational and unbalanced fertiliser use and specific water logging.

There are certain research gaps also. Therefore, integrated methods of modern biology giving attention both to yield and quality aspects through hybrid development with commercial viability, based on indigenous plant types that inherently possess genes responsible for higher nutritive value. A major

research thrust is warranted in areas of balanced and right specific supply integrated Pest Management and bio-diversity for resistance to biotic and abiotic stresses for improvement in production, productivity and quality of produce.

### ***Initiative 11<sup>th</sup> Plan***

#### ***Organic farming and use of bio-fertilizers***

The Organic farming is a crop production system respecting the rules of nature. In organic farming, the farm is viewed as a holistic unit biologically complete, balanced, living and dynamic which is ecologically stable and sustainable. The objective in Organic farming is to achieve a sustainable farming system that preserves the environment and soil fertility for our future generations. It is now being recognized that “traditional agriculture” is a repository of several indigenous practices in respect of nutrient management and plant protection measures. There is, therefore, an increasing emphasis on promotion of organic farming through use of crop residues, crop rotation management, use of ermin compost, green manuring and adopting ecologically sound plant protection measures. The Organic farming also make use of bio-fertilizers which contain living cells of selected strains of micro organisms mixed with suitable carrier material which are capable of mobilizing nutritionally important elements from non usable to plant useable form through biological process. Some of the important bio-fertilizers are:

- a. Nitrogenous bio-fertilizers
- b. Phosphatic bio-fertilizers
- c. Organic Waste Recycling/decomposing inoculants

It is proposed that the farmers who are adopting the Organic farming would be given assistance @10,000 per hectare. Once the group of farmers are adopting organic farming assistance, 90 percent of the cost limited to Rs. 5.00 lakhs per year would be provided.

#### ***Vermi Composting***

Though earthworms (*Eisinea foetida*) can digest a diverse range of organic residues and yield rich ermin-compost, it is better to use pre-digested organic wastes for the worms to act faster and produce high quality compost. The pre-digested material may be converted into quality ermin-compost in about 30 days.

The composite organic wastes should be degraded, using diluted fresh cow dung slurry, which is to be sprinkled over the several layers of the heap. The heap has to be kept moist by regular irrigation and it will have to be turned two to three times at an interval of ten days. The aerobic composting process generates an internal heat, which reaches up to 70 degree Celsius. The heat kills the pests and pathogens. It also destroys the seeds of weeds that may be found in the organic wastes. The pre-digested waste is an ideal medium for the worms to act on. The ermin-compost can be made using pits and tanks of any convenient size or in open windrows.

To promote balanced and integrated use of manures and fertilizers, 105 vermi compost units have been established in various parts of the State and

during the financial year (2007-08), 90 vermi compost units were established under Technology Mission with a financial assistance of Rs. 24.60 lakhs.

### ***Contract Farming (Way to make Agriculture an Industry)***

Contract farming is a system of production and supply of agricultural/ horticultural produce under forward contracts between producers/ suppliers and buyers. According to the contract, the farmer is required to plant the contractor's crop on his land, and to harvest and deliver to the contractor a quantum of produce, based upon anticipated yield and contracted acreage. This could be at a pre-agreed price.

Contract farming is not totally new to India. When the white Revolution was born in India, contract farming also came into being by the introduction of Operation Flood. Milk Cooperatives of Gujarat under the banner of Amul, the sugar Cooperative of Maharashtra and also in many states, etc. are the examples of contract farming.

### ***Thrust Areas***

1. Consolidation of land holdings by way of legislation and its strict implementation.
2. Transfer of technology of high variety yields of paddy, wheat, and maize.
3. Encouraging organic farming
4. Promotion of integrated nutrient and best Management as per national policy.
5. Credit facilities- Hassle free credit to farmers and insurance for all crops. Emphasis needs to be given on efficient credit flow through Commercial Banks and Rural Banking system at low interest rate.
6. Farm Mechanisation and introduction of power tillers in hilly areas,
7. Agri-business and agri-entrepreneurship.
8. Diversification towards cultivation of cash crops/commercial agriculture
9. Implementation of National Watershed Development Programme for rain-fed areas (NWDPA)
10. Management and development of Natural resources.
11. Creation/strengthening of infrastructural facilities in multiplication farms
12. Expansion of areas under vegetables and off season cultivation
13. Aromatic and medicinal plant cultivation
14. Saffron Development
15. To increase the Seed Replacement rate from the current below 10% to the desired level of 25%
16. Promote dry land farming in Kandi area
17. Strengthening of irrigation infrastructure to reduce dependence on rains
18. Soil and water conservation in rainfed areas through water shed development approach.
19. Increase per unit crop production by introduction of improved cultivars
20. Introduce suitable hybrid varieties of maize for rain fed belts.
21. Introduce paddy and wheat rotations, which will bring down deficit in fruit production.
22. Establishment of modern seed testing and quality control system in agriculture sector.

23. Improve farmer's access to markets by establishing agricultural mandies in all districts, which will promote market demand farming.

### ***Increasing Productivity levels***

9<sup>th</sup> Agricultural Science Congress jointly organised by Sher-i-Kashmir University of Agricultural Sciences and Technology of Kashmir and National Academy of Agricultural Sciences New Delhi on the theme "Technological and Institutional Innovations for enhancing Agricultural Income" held on 22<sup>nd</sup> to 24<sup>th</sup> June 2009, deliberated that the department of Agriculture should focus primarily on the following multi pronged strategic interventions to make agriculture profitable and honourable venture.

4. Enhance investment in agriculture for creation of need based infrastructure.
5. Develop human recourses and effective knowledge management system.
6. Enhance productivity and competitiveness of farm produce, create, processing, product development, value addition opportunities in the actual area of production.
7. Promote farmer-consumer linkages by improving marketing efficiencies to harness emerging opportunities and
8. Provide an enabling policy environment so that farmers could assess input and output markets, reduce cost and receive remunerative prices to ensure agriculture as a profitable and honourable venture.

In this direction, all the resources need to be planned and managed in an integrated manner for maximisation of environmental, social, economic livelihood, equity and to enhance all inclusive benefits. Checking and reserving the trends of land degradation and reclamation of degraded/waste lands, needs a perspective plan for treating degraded lands, judicious land use planning based on the local agro climatic as well as techno economic potentials of each region is essentially required as al types of lands and locations are not equally suitable for profitable, albeit alternative enterprises.

To mitigate the food crisis experienced world over in the recent years which to a limited extent also affected India. The 9<sup>th</sup> Agricultural Science Congress emphasised the need for evolving time bound strategies to resolve the serious challenges of food crises faced by the Indian agriculture, like stagnation yields, decreasing farm lands, poor growth in rural economy, growing indebtedness and suicide by farmers, unstable market processes, salinisation, ground water pollution, nutrient imbalances, emergence of drug resistant strains of pests, degradation of environment etc.

It needs to be recognised that the benefits accruing from the modern agriculture have spread unevenly and have come at a price level which has been borne by small farmers, landless workers, rural communities and the environment. A recent UNESCO report based on collaboration among 400 scientists world over has appealed the countries and other international bodies to revert to the traditional practices of farming like the use of natural fertilisers and traditional seeds as modern practices like the use of genetically modified foods seem to have degraded over 35% of the earth's surface, causing global warming, soil erosion and varied environmental disasters.



## *Chapter – 8 (b)*

### ***Horticulture***

#### **Introduction**

During the first few five year plans priority was assigned to achieve self sufficiency in food grains production, over the years horticulture emerged as an indispensable and growing part of agriculture, offering a wide range of choices to the farmers for crop diversification. It also provides ample opportunities for sustaining large number of agro industries which generate substantial employment opportunities. With agriculture and allied sectors finding alternative ways of increasing productivity of crops, horticulture as a sub-sector is a revelation showing remarkable signs of progress in the state.

J&K is well known of its horticultural produce both in India and abroad. The state offers good scope for cultivation of all types of horticultural crops covering a variety of temperate fruits like apple, pear, peach, plum, apricot, almond, cherry and sub tropical fruits like mango, guava, citrus litchi, phalsa, Berete. Besides, medicinal and aromatic plants, floriculture, mushroom, plantation crops and all types of vegetables are cultivated in the state. Apart from this, well known spices like saffron and black Zeera are cultivated in some pockets of the state. Horticulture is gaining momentum in the state as revealed by its contribution to the State Gross Domestic Product and to its relative share in the agriculture sector as well. Almost 45 percent of economic returns in agriculture sector is accounted for by horticulture showing its growing importance in the state economy. Its contribution to GSDP has been estimated to be 7-8 percent. For the year 2008-09, an amount of Rs. 5796.49 lakh was earmarked on horticulture sector both under Plan and Non-plan budget. The projected amount being spent on this sector during 2009-10 works out to Rs. 7929.18 lakh both under plan and non-plan budget. The horticulture sector provides remunerative means for diversification of land use for improving

productivity and returns. It increases employment opportunities and earns foreign exchange. It also provides nutritional security and raw material for growing agro processing industries.

As a result there is a perceptible change in the concept of horticulture development in the state. In this activity around 5 lakh families comprising of about 30 lakh people in one way or the other way are involved. Horticulture development is one of the thrust areas in the agriculture and number of programmes were implemented in the past resulting in the generation of higher incomes in the rural areas thereby improving the quality of life in villages. As per the data made available by the Horticulture department, income of Rs. 2000.00 crore has been generated from fruit production during 2008-09 which includes an amount of Rs. 300.00 crore from dry fruits.

The growth of horticulture sector can be attributed to the various initiatives towards market interventions like establishment of fruit mandies, provision for support price, technological support, awareness options, extension and research and exploitive market structures.

Specifically speaking Apple is by far the most important fruit. As per last horticulture census 1999-2000 about 55% of the Area is covered under this fruit. It is also important in terms of production and has the maximum marketable surplus. About 30% of A grade, 40% of B grade and 30% of C grade prefalls and culled apples account for about substantial quantum of 50 thousand tonnes which needs to be exploited as raw material for processing industry.

Food processing industry offers tremendous opportunity for commercial exploitation for the State. Appreciable quantum of wide variety of produce is exploited upto 1% only for commercial processing due to lack of post harvesting and processing facilities as well as unscientific packaging. Therefore, vistas is open for exploiting the potential under processing, with individual, joint venture and sponsored efforts

Our State is blessed with vast potential for growing all kinds of fruits. The State has four distinct Agro climatic zones i.e. Sub-tropical, Intermediate (Sub-temperate), Temperate and Cold Arid Zone. Apple, Pear, Peach, Plum, Apricot and Walnut are successfully grown in temperate and cold arid areas while as Olive, Pecan nut and Kiwi offer enormous scope for cultivation in Intermediate zone of the State. Similarly sub-tropical areas offer potential for cultivation of Mango, Citrus, Ber, Aonla, Guava, Litchi and loquat. Besides, cash crops and other high value low volume horticultural crops like strawberry etc having relatively inelastic market demand, can thrive well in both the divisions of the State. Growing of high value cash crops on large scale will not only conserve the natural resources, but will also make our farmers prosperous, which will ultimately result in employment generation. Such an orientation of fruit growing to this varied type of climate formed the corner stone of the strategy for development of horticulture in the State during 10<sup>th</sup> Five Year Plan. The strategy adopted for development of horticulture in the State, therefore, stresses the need for zonalisation of the fruit cultivation.

#### **Area under Fruits**

The area under fruit has increased over the years and during 2008-09 an area of about 3.06 lakh hectares was under fruit cultivation with production of 16.91 lakh metric tonnes, recording an increase of 3.55% and 3.36% respectively in area and production figures over previous year. See Annexure 3(b)-(iv). Increase in area and production of fruits during last seven years in Jammu and Kashmir State is given in the following table:

**Table No.8.11: Area and Production of fruits**

<i>Year</i>	<i>Area (Ha)</i>	<i>Production (MT)</i>
<i>1</i>	<i>2</i>	<i>3</i>
2002-03	231727	1146587
2003-04	242545	1273815
2004-05	258311	1331861
2005-06	267411	1403226
2006-07	283085	1504011
2007-08	295141	1636203
2008-09	305621 (3.55)	1691000 (3.35)

*Source: Directorate of Horticulture (P&M), J&K*

*Figures in brackets indicate %age increase over previous year*

#### Specie wise Area under Horticulture

During the year 2008-09, horticulture department has covered an area of 3.06 lakh hectares out of which Kashmir division accounted for maximum portion viz; 67.18% and 32.82% falls in Jammu division. Fresh fruit category has recorded an increase of 7185 hectares (3.66%) and dry fruit registered increase of 3296 hectares (3.33%) over 2007-08 area figures. Annexure 3 (b)-(iv) supports the details.

Looking to the specie wise details of area figures under fruit for the year 2008-09, it is observed that largest area of 43.55% (133101 hectares) is occupied by apple out of total area under fruit and 65.46% out of fresh fruit area. The analysis of area figures under fruit further indicates that 66.53% is occupied by fresh fruit and 33.47% is claimed by dry fruit. Walnut is the next major fruit occupying 27.67% in the overall area under fruit and 82.66% in the area recorded under dry fruit. As far as district level share of area under fruit for 2007-08 is concerned Budgam district occupies rank first with 10.02% share followed by Anantnag with 9.72% and Baramulla 9.50%. Kargil has a share of only 0.49% and is the lowest district. District wise details of area and production of fruit is revealed in annexure 3 (b)-(iv).

**Table No.8.12: Variety wise area under Fruit(area in 000 hectares)**

<i>Year</i>	<i>Apple</i>	<i>Pear</i>	<i>Apricot</i>	<i>Cherry</i>	<i>Other fresh</i>	<i>Walnut</i>	<i>Almond</i>	<i>Other dry</i>	<i>Total fruits</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>	<i>10</i>
2004-05	107.93	10.54	4.93	2.55	41.62	74.89	15.43	0.42	258.31
2005-06	111.88	11.00	5.16	2.59	43.60	77.22	15.55	0.41	267.41
2006-07	119.04	11.25	5.43	2.75	46.24	81.39	16.37	0.62	283.08
2007-08	127.80	12.10	4.78	3.14	48.32	82.05	16.40	0.55	295.14
2008-09	133.10	12.35	4.92	3.30	49.65	84.56	17.18	0.56	305.62

*Source: Agriculture Production Department, J&K*

## **Production**

The over all production of fruit has been recorded to be 16.36 lakh metric tonnes for the year 2007-08 recording net addition of 1.32 lakh metric tonnes over the production figures of previous year measuring 8.79% rate of growth. In the production figures share of fresh and dry fruit is 90.33% and 9.67% with 14.78 lakh metric tonnes and 1.58 lakh metric tonnes respectively. Apple ranks first with a share of 80.18% followed by walnut with 8.98%. District-wise fruit production figures reveal that Baramulla emerges as the major district with 28.70%, the next major district is Shopian claiming 14.09% placing Kupwara to occupy 3<sup>rd</sup> rank with 10.92%. Reasi and Kargil are the lowest districts with 0.30% and 0.34% contribution respectively. While specie wise production of fruit is given hereunder in table No. 8.13. The district-wise details form annexure 3 (b)-(v).

The production of fruit for 2008-09 was 16.91 lakh metric tonnes with 15.31 lakh metric tonnes fresh and 1.60 lakh metric tonnes dry fruit over an area of 3.06 lakh hectares including over one lakh hectare under dry fruit.

**Table No. 8.13: Production of Fruit during 2004-05 to 2007-08 (000 Mts)**

Year	Fresh Fruits				Dry fruits				Total Fruits
	Apple	Pear	Others	Total	Walnuts	Almonds	Others	Total	
1	2	3	4	5	6	7	8	9	10
2004-05	1093.33	40.25	84.02	1217.60	100.60	13.47	0.19	114.26	1331.86
2005-06	1151.34	42.36	86.73	1280.43	108.27	14.33	0.20	122.80	1403.23
2006-07	1222.18	43.09	108.41	1373.68	114.93	15.18	0.22	130.33	1504.01
2007-08	1311.85	45.86	120.31	1477.92	146.78	11.26	0.24	158.28	1636.20
2008-09 (P)	1332.81	47.38	150.74	1530.94	147.64	12.17	0.25	160.06	1691.00

*P : Provisional,  
(P&M), J&K*

*Source: Directorate of Horticulture*

### **Export of fruit outside the State**

Export of fruit outside State has occupied a prominent place in trade of the State. Export of fruit has shown considerable progress. The total quantity exported has gone up to about nine lakh metric tonnes during 2005-06, while as it has decreased by 14 percent in 2007-08 as compared to previous year (2005-06). During 2003-04, 60.83% of the total fruit production was exported outside the State which increased to 62.61 percent during 2004-05. While as in the year 2005-06 proportion of exports has fallen to 62.01 percent and in the year 2007-08, it has again recorded a fall to 45.84 percent.

For the last one decade, the exports outside the State are almost stagnant and there is no sizeable growth in the volume exported over the years. The total fruit exported during 1999-2000 stood at 7.85 lakh metric tonnes while as during 2007-08 the figure stands at 7.50 lakh metric tonnes. The total production of the Horticulture is increasing in volume year by year while as there is no significant growth in the export of horticulture produce outside the

State. The decline in the export of fruit outside the State is due to the introduction of Market Intervention Scheme (MIS) under which “C” grade apples are procured at a support price of Rs. 6 per kg. for processing into juice concentrates in the locally established juice processing units. Secondly, India is importing fruit from foreign countries as free trade policy is in force at the country level.

**Table No.8.14: Export of fruit outside the State (lakh Metric tonnes)**

S. No.	Year	Production			Exports		
		Fresh	Dry	Total	Fresh	Dry	Total
1	2	3	4	5	6	7	8
1	2003-04	11.65	1.08	12.74	7.63(65.50)	0.13(12.03)	7.76(60.83)
2	2004-05	12.18	1.14	13.32	8.20(67.32)	0.14(12.28)	8.34(62.61)
3	2005-06	12.80	1.23	14.03	8.58(67.03)	0.12(9.76)	8.70(62.01)
4	2006-07	13.74	1.30	15.04	7.35(53.49)	0.15(11.53)	7.50(49.87)
5	2007-08	14.78	1.58	16.36	7.34(49.66)	0.16(10.13)	7.50(45.84)
6	2008-09	15.26	1.65	16.91	11.01(72.15)	0.16(9.70)	11.17(66.06)

Figures in brackets indicate percentage of total production) Source: Dte of Horticulture (P&M)

During the year 2008-09, export of fruit outside the state is provisionally recorded as 11.17 lakh metric tonnes of which 11.01 lakh metric tonnes (98.57%) were fresh fruit. Export of fruit outside has recorded growth rate of 48.93% during 2008-09 over 2007-08 figures.

### Foreign Exchange Earnings

The Government is promoting exports from Jammu and Kashmir State. State’s fruit especially dry fruit goes also to the other countries and in turn earns substantial foreign exchange. The export of dry fruit viz. Almond and Walnut (in shell and kernel) during the year 2007-08 was 6889.11 MTs comprising of 197.11 MTs Almond, 6692 MTs (161 MTs in shell and 6531 Metric tonnes in Kernel) walnut. The foreign exchange earnings were Rs. 115.95 crores during 2005-06 and Rs. 161.44 crore during 2007-08.

**Table No.8.15: Foreign Exchange Earned on Horticulture Produce**

Kind	Quantity Exported (MTs)			Foreign Exchange earned (Rs. in crores)		
	2005-06	2006-07	2007-08	2005-06	2006-07	2007-08
1	2	3	4	5	6	7
Dry Fruit						
a) Almond	296.45	260.88	197.11	1.48	1.82	0.91
b) TotalWalnut	5256.00	5437.00	6692.00	114.47	118.02	160.53
i) in Shell	179.00	376.00	161.00	NA	NA	NA
ii) In Kernal	5077.00	5061.00	6531.00	NA	NA	NA
<b>Total Dry (a+b)</b>	<b>5552.45</b>	<b>5697.88</b>	<b>6889.11</b>	<b>115.95</b>	<b>119.84</b>	<b>161.44</b>

Source: Directorate of Horticulture (P&M), J&K

### Import of Fruits and Vegetables

#### i. Fruit:

Besides producing fruit in a substantial manner the state also imports fruit to supplement the growing demand on this account. Import of fruit over the years (2003-04 to 2008-98) is 11.3 lakh metric tonnes with the highest figure of 2.97 lakh metric tonnes for 2006-07. During the years 2008-09 the import of fruit has declined by 39.06% when compared with 2006-07 level,

however, import of fruit when compared with 2007-08 has recorded increase of 7.74% during 2008-09.

ii. Vegetables:

Vegetables play a vital role to supply adequate quantity of nutrition in human diet. The per capita availability is less than the prescribed requirement of 200 gms per person per day. To increase the availability, vegetables are imported. During the period 2003-04 to 2008-09 highest quantity of 3.28 lakh metric tonne vegetables were imported during 2006-07. However, during 2007-08 and 2008-09 the imports have come down to 1.67 lakh metric tonnes and 1.71 lakh metric tonnes registering 49.09% and 47.86% fall respectively over year 2006-07. Following table depicts the trend in the import of vegetables over the years:-

**Table No. 8.16: Import of fruits and vegetables (lakh metric tonnes)**

Year	Fruits	Vegetables
1	2	3
2003-04	1.80	2.33
2004-05	1.61	1.99
2005-06	1.43	1.98
2006-07	2.97	3.28
2007-08	1.68	1.67
2008-09	1.81	1.71
Total	11.30	12.96

Source: Directorate of Horticulture (P&M)

**Diversification towards High Value Agriculture**

During the last several years diversification of Agriculture in State towards high value commodities, i.e. fruits, vegetables and live stock products has been proceeding at a fast pace and is reflected in the high share of HVCs in agricultural production in a number of districts.

Sustained economic and income growth, urbanisation and globalization are fuelling rapid growth in demand for high value commodities in State. By 2025 demand for fruits, vegetables, milk, meat, fish is expected to double over the current levels. High Value Agriculture has a comparative advantage in production and labour absorption over staples and thus is reckoned as an important strategy for small orchard holders. Equally important, the consumption of High Value Commodities (HVCs) is on rise. In 1999, an urban consumer would spent over 56% of the Food budget on high value commodities as compared to 49% in 1983. In Rural areas too, the share of high value commodities went up from 36% to 46% during this period. At a more disaggregated level, the share of fruits and vegetables increased from about 6% in 1983 to 13.3% in rural areas and from 9.3 to 15.7% in urban areas. The share of milk, which is the most important high value food in rural as well as urban areas also increased, but not as fast as that of fruits and vegetables. Finally evidence shows that by 2025 demand for fruits, vegetables, milk, egg, meat and fish would almost double than that in 2000.

**Development Initiatives**

**1. Market Intervention Scheme (MIS)**

The State Government has introduced Market Intervention Scheme (MIS) during the 10<sup>th</sup> Plan which was started in the year 2003-04, under which the raw material was made available to the processing units at highly subsidized rates. The scheme was launched in both regions of the State with an objective to discourage mixing of different below grade produce with the quality fruit so that the growers get better prices in the competitive market. Under this scheme, “C” grade apples being procured at a support price of Rs. 6 per Kg. for processing into juice concentrates in the locally established Juice Processing Units.

**Table No. 8.17: The brief review of Market Intervention Scheme 2003-04 to 2007-08**

S. No.	Year	Targets		Achievements		No. of beneficiaries
		Physical	Financial	Physical (in MT)	Financial (Rs. in lacs)	
1	2	3	4	5	6	7
1	2003-04	15000	435.00	7950	287.00	3484
2	2004-05 (Apple)	25000	620.00	8857	291.00	10916
	2004-05 (Sandy Peer)	1500		970	29.83	264
3	2005-06 (Apple)	20000		13913.091	486.96	14745
	2005-06 (Sandy Peer)	2200	1048.43	1801.020	109.22	428
4	2006-07 (Apple)	30400	1520.00	3929.026	251.157	4808
	2006-07 (Sandy Peer)	2600	13.00	27.845	1.133	42
5	2007-08 (Apple)	27000	1350.00	17721.24	865.59	12501
	2007-08 (Sandy Peer)	3000	15.00	69.853		85

Source: Directorate of Horticulture (P&M), J&K

Since enforcement of the scheme, the physical achievements recorded during 10<sup>th</sup> Plan were to the tune of 37 thousand Metric tonnes, with financial transaction of Rs. 14.56 crores involving 34687 beneficiaries. During the year 2007-08, the achievements of the scheme were 17791.093 metric tonnes fruit covering 12586 beneficiaries with an involvement of Rs. 865.59 lakh. The scheme however, has been stopped during 2008-09. It is pertinent to mention here that the Directorate of Economics & Statistics, J&K has conducted an Evaluation Study on MIS with reference year 2006-07. The highlights of the study are as under:-

- The Market Intervention Scheme (MIS) targeted to lift 25000 MTs of “C” grade apple/sandy pear annually, on an average during its implementation period, out of annual estimated production of 3 lakh MTs.
- The implementing Department had not been able to utilise the allocated financial resources fully and resultantly the physical targets, which were already short of desired quantum, were not achieved. The achievement on financial side was 45 percent and on physical front it was just 43 percent of the targets.
- During the period of implementation of MIS, 15 processing units were provided the fruit of whom M/S FIL Industries Ltd. Srinagar claimed 64.20 percent of the procured fruit followed by J&K Horticulture

- Planning and Marketing Corporation (JKHPMC), the only public sector getting 29.56 percent share of the procured fruit.
- The growers were unanimous on the MIS being grower friendly. However, 70 percent of the grower beneficiaries were dissatisfied over the delayed payments which hampered the orchard operations, particularly of small and marginal growers, which are to be started right from the harvesting season itself. On-spot payment was the essence of the growers, in view of the urgent and high input costs, they have to bear to maintain and sustain their orchards.
  - In some fruit growing pockets of the state like Pulwama, Shopian and Kangan fruits were provided under MIS by some middlemen after obtaining from fruit growers at Rs. 40 to Rs. 50 per box, leaving them unaware of the scheme.
  - During the survey, not a singly non-beneficiary grower revealed to have withheld his “C” grade produce in spite of his awareness and opportunity to provide. They disclosed that they were normally selling their “C” grade produce at much lower rates than the one offered under MIS.
  - The average wholesale rates of apple have amazingly decreased throughout the implementation period of MIS as compared to period prior to it. Putting the rates on appropriate price index, the decrease in real and value terms was phenomenal. This negates, the departmental assertion and the scheme background assumption that introduction of MIS would fetch higher returns to the growers as a result of improvement in grading and quality up-gradation.
  - The element of subsidy on raw material for processing units has not been able to pave way for establishment of new units under the sector. Only one new unit was established after the introduction of MIS.
  - The annual production of processing units showed increase during the first four years of MIS implementation, but towards the end it even got below the baseline of 2002-03 by 17 percent. The decline was due to the poor performance of MIS during the year.
  - The main suggestions to be acted-upon for improvement in the MIS implementation are restriction of scheme to small and marginal growers, collection of fruit under contract arrangement, amendment in the distribution pattern of fruit among the processing units, awareness especially through print and electronic media, operationalisation of MIS in the beginning of harvesting season and provision in the scheme modalities for specifying the intervention of traders and pre-harvesting merchants in MIS.

## **2. National Bamboo Mission**

A Centrally Sponsored Scheme to harness the potential of bamboo crop in the State has been launched by the Department of Agriculture and Cooperation (DAC) under the aegis of Union Ministry of Agriculture. A sum of Rs. 568.23 crore has been earmarked for the scheme for the 11<sup>th</sup> five year plan, with 100% support from the Central Government. During the year 2008-09 Rs. 50.20 lakh were released to Bamboo Development Agency J&K. Bamboo is a versatile and useful group of plants, capable of providing ecological, economic and livelihood security to people.



### 3. **Technology Mission**

A Centrally Sponsored Scheme on Technology Mission for Integrated Development of Horticulture in North Eastern region including Sikkim was approved with an outlay of Rs. 229.38 crore for the IX Five Year Plan period. The implementation of the scheme has been extended to the States of Jammu and Kashmir, Himachal Pradesh and Uttarakhand during the 10<sup>th</sup> plan with an additional outlay of Rs. 260.00 crore. The scheme aims at establishing convergence and synergy among numerous ongoing governmental programmes through horizontal and vertical integration of these programmes, to ensure adequate, appropriate, timely and concurrent attention to all the links in the production, post harvest and consumption chain. During 2006-07, an amount of Rs. 157.50 crore was released, out of which Rs. 81.86 crore was for North Eastern States and Rs. 75.63 crore for Jammu and Kashmir, Himachal Pradesh and Uttarakhand.

#### Mini Mission-I Technology Development

Mini Mission-III  
Post Harvest Management  
Marketing

Integrated Dev.  
of Horticulture

Mini Mission- IV  
Processing

#### Mini Mission-II Enhancement

This scheme is 100% Centrally Sponsored Scheme and the financial progress achieved under the scheme is given in the following table:

**Table No. 8.18: Financial Performance under CSS (Rs. in lakhs)**

S. No.	Year	Approved Outlay	Funds released	Actual Expenditure
A- 10 <sup>th</sup> FYP				
	2003-04	650.00	200.00	39.00
	2004-05	1450.00	1683.00	914.03
	2005-06	1550.22	932.54	1397.72
	2006-07	3500.48	2625.46	1512.73
	Total	7150.70	5441.00	3863.48
B- 11 <sup>th</sup> FYP				
	2007-08	4700.38	2550.00	4127.520
	2008-09	2800.00	1815.00	1724.486
	Total	7500.38	4365.00	5852.006

Source: Agriculture Production Department, J&K

An amount of Rs. 7150.70 lakh was the approved outlay under the scheme for 10<sup>th</sup> Plan period, out of which an amount of Rs. 3863.48 lakh were spent constituting 54% of the approved outlay. The utilisation of funds has not kept pace with the approved allocation of actual availability. Similarly, an amount of Rs. 7500.38 lakh was earmarked for the scheme during 2007-08 and 2008-09, against which Rs. 5852.00 lakh have been spent ending 03/2009.

The overall analysis of figures reveal that during 10<sup>th</sup> Five Year Plan and first two years of 11<sup>th</sup> Five Year Plan against the earmarked outlay of Rs. 14651.08 lakh an amount of Rs. 9806.00 lakh were released against which expenditure has been registered to the tune of Rs. 9715.49 lakh, which constitutes 99.08% of the released amount.

#### **4. *Post Harvest Management (PHM)***

The horticulture crops like fruit, vegetables and flowers are highly perishable in nature and require special attention in their harvesting, handling, package, storage and processing operations. It is viewed by experts that 10% losses occur at field level, 5% at transport, 2% during packing, 9% at storage and 4% at processing aggregating to 30%. Keeping in view these facts the department is concentrating on development of post harvest infrastructure like cold storage, pack houses etc. and intensive training programme on PHM of horticulture crops.

#### **5. *Plant Protection Machinery***

The scheme is an essential component of all the programmes and is playing a significant role in improving the productivity & quality of fruit. Fruit crop has a high return per hectare compared to the conventional food grain crops. The State Government has been implementing various schemes to promote horticulture. To encourage the fruit growers and to promote trade, toll tax on export of fruit has been abolished from 2002-03. Sprayers and pumps are provided to fruit growers on subsidized rates. During 2006-07, a gross orchard area of 3.65 lakh hectares (3.5 lakh hectares in Kashmir and 0.15 lakh hectares in Jammu) has been treated against various pests and diseases by using different pesticides and using plant protection machinery. The scheme envisages providing of plant protection machinery to the farmers/orchardists on subsidized costs. Upto 2008-09, 1870 power sprays and 6734 manual sprays involving a subsidy component of Rs. 93.75 lakh and 100.10 lakh respectively were provided to the orchardists, under centrally sponsored scheme "Technology Mission". Besides 1004 pumpsets and 208 power tillers with subsidy component of Rs. 90.62 and Rs. 87.75 lakh were also provided to the orchardists under the said scheme.

#### **6. *Development of vegetables***

Vegetables play a vital role in supplying adequate quantity of nutrition in the human diet. The per capita vegetable consumption in the State is higher than the national average as the inhabitants of the State traditionally consume more meat and vegetables. The prices of the vegetables in Jammu region are high in summer due to non availability of local vegetables while as in Kashmir region the prices of vegetables are highest in winter.

The production of vegetables has increased from 38285.30 tonnes in 2006-07 to 41709.10 tonnes in 2007-08 registering an increase of 8.94 percent over the previous year.

**Table No. 8.19: Production of major vegetables (Tonnes)**

S.No.	Crop (Vegetable)	Production (Tonnes)		
		2005-06	2006-07	2007-08
1	2	3	4	5
1	Potatoes	16538.20	20700.80	22589.20
2	Onion	629.40	810.60	1050.50
3	Turnip	284.40	195.00	227.20
4	Radish	240.80	36.20	253.60
5	Green Vegetables	11324.60	15472.60	16631.80
6	Carrot	39.60	8.20	12.70
7	Other Vegetables	1907.60	1061.90	944.10
	Total	30964.60	38285.30	41709.10

Source: Financial Commissioner (Rev), J&K

## **7. Fruit and Vegetable Mandies**

Development of fruit and vegetable mandies was started in Jammu and Kashmir State in the year 1997-98 for developing 19 fruit and vegetable markets in a phased manner with an estimated cost of Rs. 4426.00 lakhs with a view to overcome the marketing challenges for the horticulture produce viz. vegetables and fruit, which has increased many times over the years. In the first phase, fruit markets at Kulgam, Shopian, Handwara and Pulwama have been constructed and made functional, recording the annual business of 36.96 lakh boxes during 2007-08. The growers have been able to sell their produce in these markets to get better returns at their door steps which is the prime objective of the scheme. The fruit and vegetable market at Baramulla, Anantnag, Kupwara and Batingoo are under construction. In the second phase, four satellite markets at Bishnah, Batote, Poonch, Rajouri and Akhnoor are being constructed, for which land stands acquired. Besides, land stands identified for Pariyote Assar in Doda District, Zazna (Ganderbal) and Nonmai Yaripora. In the third phase two terminal markets at Qazigund and Bari-Brahamna will be constructed to build a complete network of markets to facilitate producers to make them transfer their produce to ultimate consumer.

At present three main fruit and vegetable markets are operating with one each at Nowpora-Sopore, Parimpore-Srinagar and Narwal-Jammu. These markets are being developed into main centres for collection and sales of fruit and vegetable in bulk. Terminal Market, Sopore covers the maximum Horticulture (Apple) producing areas of the State spread over 300 Kanals of land is under construction at an estimated cost of Rs. 18.65 crores, against which an amount of Rs. 9.24 crores have been spent as on 31-3-2009. However, the market transacted 56.50 lakh boxes during 2006-07 and 115.00 lakh boxes during 2007-08. The Department has launched a campaign aimed at implementing the APMR Act in every fruit and vegetable market area in consonance with the provision of the Act. The Act stands enforced in the markets of Sopore, Narwal, Shopian, Kulgam, Chararisharief, Baramulla, Kupwara and Handwara, besides, terminal market of Parimpore.

The work to establish 6 fruit and vegetable mandis at Poonch, Rajouri, Akhnoor, Batote, Kathua and Bishnah (Samba) in Jammu Division is in progress.

### **8. Fruit Growers Co-operative Marketing Societies**

The fruit growers of the State are small and marginal farmers having small holdings. The Government has set up Horticulture, Planning and Marketing Organisation which helps the small fruit growers and organizes them into co-operative fold, in order to save them from the exploitation by fruit commission agents and money lenders. These societies promote direct despatch of fruit to the markets within the country and help to regulate the supplies within limits to lessen the chances of glut controversy in the market(s). These societies also help the growers in grading and packing the fruit to save excessive damage of the product.

To provide more efficient delivery of extension services, work related to procurement and distribution of machinery, green houses etc. to the orchardists, has been off loaded from the Directorate of Horticulture and placed with JK HPMC. The growers have widest varieties of machinery and equipment as per their choice from the range of machinery/equipment approved by the Union Ministry of Agriculture.

The number of fruit growers co-operative societies registered with Directorate of Horticulture, P&M up to 2006-07 is 261 with the membership of 19194.

### **Employment opportunities in the Horticulture Sector**

One hectare of land planted with fruit trees provides additional employment for one thousand mandays, thereby generating employment for approximately 9 crores of mandays or over 6 crores mandays additional employment for the 65000 hectares. Some hands assist the farmers in marketing their produce; others help in providing the seeds, the plant material and insecticides and chemicals to the farmers so as to ensure that the plants are protected from disease and pests; others assist in the picking/harvesting of fruit. The cultivation of fruits is labour intensive and requires a significantly higher labour force, starting from the stage of planting the trees, to the point of its marketing. The manpower requirement in the cultivation and marketing of apples as well as field crops is met by employing paid workers and even the support of family members.

As per the trade, around 5 lakh farm families comprising of 30 lakh people in one or the other way are involved in this sector. Each hectare of orchard generates 400 mandays per year (1.30 lakh man per year).

### **Future Strategies**

#### **1. Apple Insurance Scheme**

As a significant measure to reform and promote Horticulture Sector, the Jammu and Kashmir Bank Limited has decided to launch Apple Insurance Scheme. The initiative is first of its kind. For introducing modern pre and post harvest technologies in the Horticulture sector, the Government under public-private tie up with Jammu and Kashmir Bank Ltd. has decided to construct a

chain of compressed AIR (CA) stores in each district of the State to withstand stiff market competition in the liberal trade regime. The Government have devised a well thought strategy to increase productivity from 10 MTs to 20 MTs per hectare during the 11<sup>th</sup> five year plan by way of encouraging public private participation.

## 2. ***Development of Olive Cultivation***

Production of Olive is the most extensively cultivated fruit crop in the world. Its cultivation areas have tripled in the past 44 years, passing from 2.6 to 8.5 million of hectares. In India, Jammu and Kashmir alone can earmark 30,000 hectares of area for Olive production. In Jammu and Kashmir, olives can be grown in Poonch, Rajouri, Doda, Udhampur, Ramban, Reasi and in Kathua districts. If we only take Jammu and Kashmir into account and make an effort to have a yield of about 20 to 25 q/ha from these pockets of Olive cultivation areas, we can produce minimum 600,000 quintals of olives. Roughly 96,000 quintals of Olive oil can be produced from the State of Jammu and Kashmir. During the period 1997-98 to 2005-06, 88919 olive plants at horticulture farm Ramban have been distributed among the beneficiaries for expansion of area under olive cultivation.

## 3. ***Walnut Cultivation in Jammu***

Walnut cultivation plays a significant role in the economic profile of the farmers living in Hilly and Backward areas, where economic condition of the people is extremely fragile.

In order to improve the production and productivity of walnut, one Walnut Nursery is under establishment with the financial assistance from APEDA at Siot Rajouri where all the facilities are being created including installation of Hi-Tech Green Houses for production of quality plant material. This will help the department to produce sufficient budded/grafted planting material for distribution to the farmers of the Division.

## 4. ***Provision of Cold Storage in Valley***

Lack of cold storage in Valley forces growers to sell produce at peanuts. The main reason of mismatch in supply and demand is the lack of cold and conditional atmospheric storages in the valley. Government is trying to provide cold storage facilities to growers. Apple from valley has rich taste and contains high nutrient contents compared to those coming from other States, but the valley does not possess a single cold storage facility for apple preservation. According to the figures available, 400,000 tonnes of apple are ruined by the scab every year. Other diseases like alternaria, red might and powdery mildew also spoil the crop. Cold storage facilities are to be created in all the districts of the State where the fruit could be stored for a longer period.

## ***Issues and Constraints***

- The major constraints for development of horticulture include:
1. fragmented, small and marginal holdings with little or no irrigation facilities.

2. Non-existence of organised and planned irrigation infrastructure for the orchards when 70% orchards are un-irrigated.
3. Lack of mobility facilities for supervision of field activities.
4. Less market accessibility due to poor communication/road links.
5. Hilly terrain and small holding size hinders mechanisation.
6. Lack of organised market and marketing.
7. Lack of value addition and processing facilities.
8. Poor or no public private partnership.

### ***Major benchmarks***

1. Area under fruits by end of 2008-09 is 3.06 lakh hectares in Jammu and Kashmir State as compared to 2.95 lakh hectares in 2007-08.
2. Production of fruit during 2007-08 recorded as 16.36 lakh metric tonnes as against 11.47 lakh metric tonnes for 2002-03. Production of fruit during 2008-09 was of the order of 16.91 lakh metric tonnes.
3. The Annual turnover of fruit Industry is around Rs. 2000 crore in case of Apple and other Fresh fruits and Rs. 300 crore in case of dry fruits.
4. Five lakh families are involved in horticulture activity directly or indirectly involving 30 lakh farmers.
5. Export of dry fruit during 2008-09 recorded 0.16 lakh metric tonnes earned income of Rs. 300 crore.
6. Revenue earned on account of export of cherry has reached to a level of Rs. 120 crore during 2008-09 and is expected to scale the level of Rs. 150 crore by 2012.
7. Potential for production of fruit in the State is about Rs. 3000 crores. This can be achieved through vertical and horizontal expansion.
8. Zonalisation of fruit crops has been planned for future plantation under area expansion programmes
9. There is scope to increase production of fruits from the current level of 16.91 lakh tonnes of fresh and dry fruits to 20 lakh tonnes by 2012.
10. Creation of irrigation infrastructure for Horticulture crops is top priority with the department to increase the productivity.

### ***Horticulture Potential***

1. The diverse Agro-climatic conditions of the State offer great potential for growing a variety of fruits like Apple, Almond, Mango, Litchi, Cherry, Apricot, Plum, Kiwi, Olive, Citrus etc.
2. Potential for production of Apple fruit from present level of 10.27 metric tonnes to 14.00 metric tonnes per hectare through introduction of advanced technologies.
3. Potential for production of fruits from present level of 16.91 lakh metric tonnes to 20 lakh metric tonnes.
4. Potential for bringing additional area under Walnut is enormous. As per preliminary estimates about 0.50 lakh hectares are available on which walnut cultivation can be undertaken successfully. This will help to create green cover in hill areas and conserve soil from erosion, besides, providing high value wood for wood carving industry, as well as walnuts for export purposes.

### ***Thrust Areas***

1. Promotion of dry land horticulture in hilly and backward areas.
2. Area expansion related to economical and consumer oriented diversification, to meet the market challenges for earning better returns.
3. Increase in per unit production of fruit crops (productivity) by scientific management of orchards and by introduction of improved cultivars.
4. Human Resource Development in private as well as public sector.
5. Developing market linkages and value addition.
6. Creation of adequate irrigation infrastructure like Deep Bore Wells, Shallow Wells, Tube Wells, Water storage/Harvesting Tanks in rain fed areas.
7. Encouragement, introduction and cultivation of rare fruit crops viz; olive, peanut, strawberry, grapes, pomegranate and kiwi (diversification and zonalisation).
8. Rejuvenation of old and senile orchards.
9. Standardisation of existing root stocks of apple under normal density plantation.
10. Survey/selection/identification of true to type cultivars of apple for further multiplication.
11. standardisation of vegetative propagation techniques of walnuts.

### ***Floriculture***

Floriculture sector has been identified as the most focussed segment of horticulture. There is much more income to farmers from flower cultivation due to growing demand for flowers in domestic and foreign market besides generating employment. The government has taken several measures to promote this activity. Directorate of Floriculture was established in J&K in May 1969 with a view to maintain and develop parks and gardens i.e Recreational floriculture as the state possess:-

- Favourable and varied climatic conditions for proper growth and development of flowers;
- Availability of wide range of germ plasm both cultivable and wild;
- Vast potential for seeds, bulb and foliage production;
- Existence of wild flora suitable for dehydrated flower market;
- Availability of scenic areas for development as tourist and picnic spots;
- Low production cost;
- Availability of sufficient manpower.

In this regard number of floriculture nurseries have been developed where ornamental and medicinal plants are produced, besides, the seed multiplication programmes of flower seeds. To give boost to this sector, Floriculture department has taken following initiatives:

1. Model Floriculture Centre at Nuner (Ganderbal district) has been developed under Technology Mission Programme with an investment of Rs. 1 crore in the first phase. The centre will have mist chamber glass house, lab equipment genset, tube well, pumping machinery etc. which will help in raising seedlings/plants of high quality and high value ornamental and medicinal plants etc. Liliun Bulbs have been imported from Holland to be propagated at MFC Nuner. The bulbs produced at

the centre are being distributed among commercial growers/interested parties.

2. The department is also providing incentive on area expansion @ Rs. 13000 per hectare, besides providing technical expertise and organising training programmes for the private growers.
3. Floriculture department produces more than 40 lakh seedlings of different kinds of flowers/ornamental plants not only to meet its own requirements but also sells the seedlings to the flower lovers against cash payment and earns revenue of Rs. 8.00 lakh per annum on this account.
4. One of the landmark achievement of the Floriculture Department has been the establishment of Tulip Garden first of its kind at Siraj Bagh Srinagar. Situated on the foot hills of the mighty Zabarwan mountains, The garden with a distinction of being Asia's largest Tulip garden is spread over an area of 35 hectares of land. To lay the garden the department had imported 900000 (approximately) tulip bulbs from Holland and the gardeners worked in three shifts to complete the process by the end of March 2008.

Complete with fountains and other decorations the garden has thrown open for public for the first time on March 29<sup>th</sup>, 2008. The garden possesses 1.2 million tulips of 59 varieties in different colours sown over an area of 5.0 hectares presenting the majestic look attracts large number of visitors. Tourists who visit this garden also enjoy the cold but soothing waves coming from the famous and placid waters of Dal Lake which is just a stones throw away.

During spring season 2008 the garden was in full bloom (last week of March 2008 to last week of April 2008) and about one lakh tourists visited the tulip garden and revenue of Rs. 30.00 lakh was also realised through the sale of entry tickets. The garden is witnessing a high tourist influx.

The efforts of the department taken to set the tulip garden will surely benefit worldwide scholars in their respective pursuits. The State surfaced on the international tulip map by establishing this garden.

**Other achievements in this subsector are summed up hereunder:-**

1. During 2006-07 and 2007-08, 300 and 240 flower growers respectively have been registered and provided incentives for commercial cultivation of lillium, carnation gladiolus and marigold.
2. Hi-tech Green house cultivation of cut flowers has been popularised
3. Un-employed youth (male and female) have been involved in commercial floriculture.
4. Training and exposure visits of the trainers and growers have been popularised.
5. Standardisation of commercial cultivation of tulips.
6. J&K Government Stall got first prize in the 4<sup>th</sup> International Flora Expo held at New Delhi in the month of September, 2008.

**Weaknesses**



- i. Poor infrastructure development like tissue culture facilities to produce good quality germ plasm in bulk.
- ii. Weak and negligible extension agency
- iii. Non-availability of trained human resources at all levels.
- iv. Lack of training and awareness
- v. Lack of post harvest infrastructure, cold storage facilities.
- vi. Lack of market links and tie up
- vii. Poor research support
- viii. Distant market and higher air freight

## *Chapter – 8 (c)*

### ***Livestock***

#### **Introduction**

Historically livestock is treated as a sub sector to agriculture. Livestock is making deep inroads in the rural economy by providing gainful employment to small and marginal farmers. It is a booming yet eco-friendly sector. Besides consuming domestic biodiversity it is a means of producing food in dry lands without depleting ground water resources. Survival of pastoralism is crucial for sustainable land use.

As per 2001 population census, about 75% population of Jammu and Kashmir State live in Rural areas with agriculture as the main occupation. Livestock rearing is the subsidiary occupation of almost all the population associated with agriculture as the two sectors are inter-dependent. Livestock Sector engages sizeable number of working force not only in rearing of animals but also in processing, transportation and sale of the animal products.

As part of the food habit, per capita consumption of meat and poultry items and milk is higher in Jammu and Kashmir State than that of all India level. The State is deficient in meat, poultry meat, eggs and milk thus making State heavily rely on imports from the other States.

In view of implementation of various programmes/schemes, the productivity of the cattle, per capita availability and consumption of milk in the State has increased substantially over the years. Presently the per capita availability of milk is about 341 grams per day. Similarly, egg and meat availability was of the order of 55 nos. and 2260 grams per person/year respectively for the year 2007-08.

During the last several years, diversification of agriculture in India towards high value commodities i.e. fruits, vegetables and livestock products, has been proceeding at a faster pace and finally evidence shows that by 2025 demand for milk, egg, meat and fish would almost double than that in 2000.

An amount of Rs. 18.98 crore has been earmarked on Animal/Sheep Husbandry sector including Sheep Products Development Board during 11<sup>th</sup> Five Year Plan period. Outlay for the annual plan 2009-10 is Rs. 21.00 crore against the expenditure figures of Rs. 11.85 crore for 2008-09.

### **Livestock Population**

The State has different types of livestock, the important being cow, buffalo, goat, rabbit, yak, sheep etc. As per the results of livestock census 2003 total livestock population in Jammu and Kashmir State was 98.993 lakhs, which shows a sharp increase of about 8% over the livestock population of 16<sup>th</sup> livestock census 1997. See Annexure 3 (c)-(i).

As per the Live Stock Census 2003, the density of livestock per sq. km of area of Jammu and Kashmir State was 98 animals against 90 animals recorded by 16<sup>th</sup> Livestock census. In Jammu and Kashmir State, the number of Livestock per 1000 of population as per 2003 census was 926 animals, while as at All India level the number of livestock per 1000 of population as per 2003 Census works out to be only 457 animals. Average livestock per household (2001 census) works out to six animals per household for Jammu and Kashmir State as compared to about three animals per household at All India level. Udhampur District followed by Doda had the highest livestock population while as Kargil and Leh had lowest livestock population as per Census, 2003.

The Government of India, Ministry of Agriculture and Co-operation, sponsored a scheme "Integrated Sample Survey for estimation of livestock and their product", which is being carried out in Jammu and Kashmir State as a part of All India Programme since 1987-88.

The latest report on Integrated Sample Survey on Estimation of Major Livestock Products for the year 2007-08 has been released wherein the indicators like the estimated size of major livestock population and its products have been worked out.

Comparing the specie wise livestock population thrown out by Integrated Sample Survey for 2007-08 with the figures for 2006-07, impressive growth of over 14% has been observed in the number of goats and buffaloes recorded growth of 13% over 2006-07. All other items have also recorded a positive growth as revealed in table No. 10.16.

**Table No. 8.20: Specie-wise Livestock Population**

S.No.	Item	Unit	2006-07	2007-08	%age increase (+)/ decrease (-)
1	2	3	4	5	6
1	Cattle	Lakhs	26.115	29.416	+12.64
2	Buffaloes	Lakhs	5.476	6.192	+13.08
3	Sheep	Lakhs	33.169	37.380	+12.70

4	Goats	Lakhs	11.89	13.559	+14.04
5	Fowls	Lakhs	47.742	55.665	+16.60
6	Ducks	Lakhs	5.067	5.696	+12.41
Number of Milch animals					
1	Cross Cows	Lakhs	8.142	8.525	+4.70
2	Local Cows	Lakhs	8.383	8.496	+1.35
3	Buffaloes	Lakhs	4.737	4.749	+0.25
4	Goats	Lakhs	9.43	9.637	+2.20
5	Total no. of Milch animals	Lakhs	30.992	31.407	+1.34
6	Dependency ratio (No. of persons/ livestock)	No. of persons	3.8	3.9	2.63

Source: ISS (2006-07)/2007-08

While comparing the population of livestock of 2003 census with the corresponding results of ISS for 2007-08 in Jammu and Kashmir State, 4.61% fall is noticed in cattle, 40.43% decline in case of buffaloes and 34.02% fall is noticed in the number of goats. However, livestock specie sheep recorded increase of 9.60% over 2003 census figures. As per the ISS 2007-08 results the total milch animals in the State are 31.407 lakhs showing the dependency ratio of 3.9 persons per live stock.

### **Animal Care Facilities**

The animal health activities play a very important role in the growth of livestock industry. The livestock production programmes will not be successful without providing necessary safeguards against hazards of animal diseases. To improve the quality of animal health services the department has established a network of 1779 veterinary institutions ending March 2008 to take care of animal health upto the village level. These institutions include 244 livestock development centres, 318 veterinary dispensaries, 369 intensive cattle development centres, 39 tehsil units and 809 other institutions.

Livestock production can be achieved only by practice of utilisation of proper bulls of high genetic value. It is, therefore, necessary to develop indigenous breeds and introduction of germ plasm of good milch breeds for enhancement of milk production. Apart from above mentioned categories of veterinary institutions 132 frozen semen centres are functioning where artificial insemination of local non descriptive cows and buffaloes is carried on.

### **Livestock Production**

In terms of livestock production there is a gap between demand and supply. The quantum of livestock products and by products has increased over the years still the output viz-a-viz the number of animals is not sufficient. The quantity of output from the hybrid and new breeds of cows are much more than the local one and as such the Government is taking steps to increase the quantum of such livestock to meet the domestic demand for the livestock products. The main livestock products are milk, meat, eggs, and wool. As per the estimates of Integrated Sample Survey (ISS) of major livestock products, the production of milk for the year 2007-08 was estimated at 1515.29 thousand metric tonnes. Presently the per capita availability of milk is about 341 grams

per day. The per capita egg production is 55 eggs per year while as the per capita meat production is 2260 gms. per year for the State. The cross breed programme of artificial insemination in the State implemented on large scale resulted in increase of milk production of cows.

**Table No. 8.21: Estimated Production of Livestock**

S.No.	Particulars	Units	Magnitude		%age increase (+)/ decrease (-)
			2006-07	2007-08	
1	2	3	4	5	6
1	Milk production	000 Mts	1485.16	1515.29	2.03
2	Wool production	Lakh kgs	68.57	70.83	3.30
3	Egg production	Lakhs	6263.63	6667.74	6.45
4	Total milk consumed	000 Mts	846.54	833.41	-1.55
5	Total milk sold	000 Mts	475.25	500.04	5.22
6	Total milk converted into milk products	000 Mts	163.37	181.84	11.31
7	Total eggs consumed	Lakhs	4697.23	5000.81	6.46
8	Total eggs sold	Lakhs	1566.4	1250.0	-20.20
9	Dung production	000 Tonnes	6138.87	6284.49	2.37
10	Meat Production	Lakh kgs	266.12	275.42	3.49
	i. Red	Lakh kgs	209.3	215.59	3.01
	ii. White	Lakh kgs	56.82	59.830	5.30
11	Per capita milk production	(gm. per day)	343	341	-0.58
12	Per capita egg production	(No.per year)	57	55	-3.51
13	Per Capita Meat Production	(Gms per year)	2412	2260	-6.30
	i. Red		1897	1769	-6.75
	ii. White		515	491	-4.66

Source: ISS (2006-07)/2007-08

## Poultry

Poultry production has assumed great importance in the State and has emerged as one of the agro-based industries which provide:

- b. Part-time/whole-time source of earning to the unemployed youth.
- c. Highly nutritious animal protein in the form of quality poultry meat and eggs.

The main objective in this sub-sector of livestock is to increase poultry meat and egg production by

- i. Encouraging private enterprises with the requisite backup infrastructural facilities and assured market support.
- ii. Providing fast and specific diagnosis of poultry disease in order to reduce risk of loss of farmers.

The last decade has witnessed tremendous growth in the poultry sector, especially in Broiler farming in the country as well as in Jammu region of Jammu and Kashmir State. The poultry farming has come in a big way in Jammu, Kathua and Udhampur districts with large number of educated

unemployed youth taking up poultry farming as means of earning their livelihood. A hatchery at State Poultry Farm Kathua has been established.

As per Integrated Sample Survey (ISS) on Estimation of Production of Major livestock products for the year 2007-08, total poultry of 61.36 lakhs birds consist of 55.66 lakh (90.71%) fowls and 5.70 lakhs (9.29%) ducks were in the state.

### **Poultry Co-operatives**

The number of Poultry Co-operative societies in the State for the year 2007-08 is 450 with the membership of 10500. Out of the above number, 150 poultry cooperatives all over the state have commenced their business with rearing capacity of 17.15 lakh birds per annum. To facilitate the working of poultry cooperatives, NCDC funding has also been arranged. 56 projects were sent to NCDC in the first phase out of which 9 projects have been sanctioned involving a project cost of Rs. 434.40 lakh. Against the sanctioned projects an amount of Rs. 246.87 lakh have been released to the poultry cooperatives upto 31-12-2008. The cooperatives have so far spent an amount of Rs. 230.70 lakh which also includes the owners contribution equivalent to 5% of the total project cost. The cooperatives with a rearing capacity of 1.05 lakh birds per cycle are to start their business very soon. 27 projects have been sanctioned by NCDC in the 2<sup>nd</sup> phase involving a project cost of Rs. 552.69 lakh with a rearing capacity of 9.25 lakh birds per annum. An amount of Rs. 72.00 lakh has also been sanctioned in this regard by NCDC for implementation of the projects. The projects on completion will be meeting the local demand of poultry birds in their respective areas of operation.

### **Poultry Development Scheme**

Poultry farming is fast growing segment of the agriculture sector in J&K. A separate scheme known as Poultry Development Scheme is being executed by Animal Husbandry Department in all districts of the State with a purpose of giving boost to its development. Although there is a great scope available in the district for its development, but it appears that the department is not serious of this aspect, as allocation and expenditures show a declining trend from year to year particularly under provision of Poultry feed etc.

### **Dairy Development**

India ranks first in the world in milk production, which rose from 17 million tonnes in 1950-51 to around 100 million tonnes by 2006-07. The per capita availability of milk has also increased from 112 grams in 1968-69 to 230 grams per day in 2005-06 and about 244 grams per day in 2006-07.

Jammu and Kashmir is ideally suited for dairy development. The State has registered a steady growth in milk production. The State's milk production in 2002 was 12.40 lakh metric tonnes which stood at 15.05 lakh metric tonnes in 2007-08 as per Animal/Sheep Husbandry. The per capita milk consumption is 338 grams per day, which is well above the national average of 244 grams for 2006-07. To promote Dairy Development in J&K following initiatives are of great importance:

- i. Milk Producer's Co-operative Limited has been registered in collaboration with Gujarat Milk Marketing Federation.

ii. Milk Plants of Cheshma Shahi and Satwari made operational by AMUL. Both the plants have been remodelled and each having a milk processing capacity of 25000 litres per day.

The daily processing of milk is 15000 litres in the Milk Plant at Cheshashahi and 10000 litres at Milk Plant at Satwari from 375 village level Milk Co-operatives spread across the state. The immediate impact of the milk cooperatives has been the remunerative price to the milk producers who previously due to non availability of marketing facility resorted to distress sale. During the year 2007-08, JKMPCL has recorded a total business turn over of Rs. 954.27 lakh and has thus earned a net profit of Rs. 4.84 lakh. Establishments of Dairy Co-operative Societies in the state is the strategy to develop this segment.

The milk is being marketed under the brand name of Snow Cap which has become a household name. Establishment of Dairy Cooperative Societies in the state is the strategy to develop this segment.

### **White Revolution in Ladakh**

A white revolution of sort is brewing in the barren landscape of Ladakh, where even a blade of grass is a rare sight in the high altitude desert. This “milk revolution” has been brought about by the Defence Research and Development Organisation (DRDO), known more for developing missiles, tanks and fighters.

DRDO specialists have developed hybrid cows which produce more milk in high altitude area. Scientists at the Leh-based Regional Research Laboratory have cross-bred the region’s famous yaks with high yielding swiss cows to produce a new breed which can withstand extreme high altitudes. These cross-breeds yield a minimum of 18 litres of milk a day. A number of cross-breeds have been so far produced and handed over to villagers in and around Leh, opening new means of livelihood for people.

### ***Implementation of Livestock Insurance Scheme:***

Government of India have sanctioned livestock Insurance Scheme on pilot basis for two district in J&K State i.e. Jammu and Pulwama districts. The scheme was implemented during 2006-07 and covered 1022 animals. This programme was continued during 2007-08 also and 872 animals were covered. This scheme envisages 50% subsidy on insurance premium from central funds in the form of grant-in-aid, payment of honorarium to the veterinary practitioners and publicity. Entire cost of payment of honorarium to the veterinary practitioners and publicity borne is by the government of India, rest 50% premium cost is borne by the beneficiaries.

### ***Fodder Development***

High yielding and nutritious fodder are essential for scientific and economic management of livestock especially cross breed. The Animal husbandry department endeavours to popularise and propagate high yielding

fodder crops within the farmers on available arable and non arable land as it is essential for the scientific feeding of livestock for the increased productivity of milk and mutton.

### **Cattle Development**

The main strategy adopted for Cattle Development Programme includes:

- a. Upgrading of hitherto inferior buffaloes through introduction of superior germ plasm of Murrah breed of buffs.
- b. Cross breeding of local non-descript as well as cross breed cows having low level of genetic inheritance with recognized exotic dairy breeds of Jersey.
- c. Sustaining the cross bred progeny with better immunization and treatments facilities to control contagious as well as non-contagious diseases.

### **Centrally Sponsored Schemes**

In order to bring faster and rapid development the Government of India has been assisting the State Government under various Flagship Centrally Sponsored Schemes viz., ASCAD, Poultry Development, NPCBB, NPRE for the activities detailed below:

#### ***Genetic Improvement***

The department is engaged in genetic transformation of local non descript cattle population through a cross breeding/upgradation programme with exotic dairy breeds viz., the Jersey and Holstein Frisian. The genetic upgradation activity of cattle is being carried out by Veterinary Institutions which include Artificial Insemination Centres using Frozen Semen Technology. It is proposed to concentrate on grassroot level on the development of infrastructural facilities at Frozen Semen Centres by way of undertaking much needed repairs at Veterinary Centres, providing of necessary equipments and proper up keep of liquid nitrogen (LN<sub>2</sub>) plants.

#### ***Poultry Development***

As a major policy change, the department contemplates to introduce Hi-tech Commercial Broiler for distribution among the farmers to increase poultry meat production.

#### ***Health Cover***

Providing of adequate health cover to the livestock shall continue to be the priority for the Department. Emphasis shall be laid not only on widening the base but also on providing animal health coverage to uncovered areas and improving the delivery system for better animal health facilities to the farmers. The investment in this activity will be supplemented with assistance expected to be received from the Government of India under Centrally Sponsored Scheme "ASCAD".

#### ***Para Veterinary Services***

As a policy matter the government has recently sanctioned a new innovative scheme "Para Veterinary Service" to extend veterinary facilities to uncovered areas of the state. Under the scheme one un-employed youth having requisite

qualification shall be selected from the identified village to be covered and subsequently trained for a period of 9 months. The candidate shall be providing veterinary facilities to the farmers on payment. The government has sanctioned 280 centres (20 in each erstwhile districts) under phase-I and 1400 centres in aggregate over a period of 5 years under this scheme. The process for selection of candidates has already been initiated.

### ***Introduction of Dorper***

Dorper Breed of sheep has been introduced to increase mutton production in the state. Embryo Transfer Technology (ETT) has recently been introduced in sheep in Jammu & Kashmir State. 420 Frozen Embryos of rambouillet, Corriedale and Dorper sheep have been implanted in surrogate ewes at Sheep Breeding Farm, Panthal by the expert veterinaries of Canadians Sheep International Canada so as to receive improved quality animals of these breeds and to give boost to mutton and wool production of the state.

### ***Conservation of threatened breeds***

In line with the National Policy, the state continued its efforts to preserve the indigenous breeds, which are on the verge of extinction by providing proper infrastructure and germ plasm. With 100% central assistance, it is proposed to conserve threatened breeds of Ladakh Region such as “Double Humped Camel”, Zanskari Horse and local Ladakh Yak.

### ***Schemes for Employment Generation***

#### *Para-veterinary Service Scheme:*

Educated youth of uncovered areas of the state are to be trained in short term stock Assistant Training course so that they earn their livelihood by providing health cover to livestock in uncovered areas by using their technical skill. It is envisaged to train about 1400 youth in the 11<sup>th</sup> Five Year Plan.

#### *Sheep Shearing Scheme:*

Under this scheme the unemployed youth are being trained in machine shearing skills to earn their livelihood by shearing the sheep during shearing season. 275 persons are to be trained in a span of 5 years. Efforts in this regard are to be taken to procure more shearing machines so that more youth are included under the project.

#### *Concept of grade incentives for establishment of Mini Sheep Farms:*

Under this project, it is envisaged to establish 600 units of 200 ewes each and 1200 units of 50 ewes each on subsidy for unemployment people.

#### *Embryo Transfer Technology:*

This research project has recently been introduced in the state wherein frozen embryos of genetically high producing sheep have been imported and implanted in surrogate mothers. It is envisaged to impart training to the veterinarians of the state, so in the years to come they will introduce this



technology in the private sector as well so that high wool and mutton producing sheep at a larger scale are maintained.

### **11th Plan initiatives & Strategy & Thrust Areas**

#### **A. Policy Decisions**

The Animal Husbandry department is committed to achieve following objectives in this agro based sector:

- Increase in milk production by:
  - a. Average yield of cows from present 1200 litres to 2500 litres per lactation.
  - b. Cross breeding by using frozen semen of progeny tested bulls and natural service in remote and inaccessible areas.
- Increase in draught power of pack animals.
- Employment generation in livestock sector by making livestock rearing commercially viable.
- Minimising cash out flows by reducing dependence on imports in livestock and livestock products.

#### **B. Future Strategy**

To cover 70% of the livestock under cross breeding programme, health coverage and marketing of livestock products the following strategy is made:-

- Artificial insemination to be popularised through Paravet Service Scheme.
- Disease diagnosis shall be done in government institutions and basic prophylactic health cover by the paravets.
- Marketing livestock and livestock products shall be done through Sheep and Sheep Products Development Board, Dairy and Poultry Cooperatives.
- To facilitate training, bank loans and awareness camps to popularise dairy farming, poultry farming and sheep rearing.
- Development of mutton variety of sheep to be reared in house on the pattern of poultry meat production.
- Policy/incentives to encourage production of animal feed and fodder in the J&K State.

#### **C. Priorities**

- To make J&K milk surplus state by 2012
- Genetic transformation of 70% of total low producing local animals into high yielding ones.
- To declare J&K free from following diseases:
  - i. Foot and Mouth Disease (FMD)
  - ii. Hemorrhagic Septicemia (HS)
  - iii. Sheep Pox (SP)
  - iv. Pestis-De-Pestis Ruminants (PPR)
  - v. Black Quarter (BQ)

### **Significant achievements**

### ***Animal Husbandry***

- 21% increase in milk production from 12.40 lakh mts (2002) to 15.05 lakh mts (2008)
- 207% increase in poultry meat production from 140.69 lakh kgs (2002) to 431.7 lakh kgs (2008).
- Six Disease Investigation laboratories upgraded to achieve GLP Standard.
- 244 Dairy Cooperative Societies organised.
- 900 kanals of land brought under Fodder Development with production of 81888 quintals worth Rs. 40.00 lakh.

### ***Poultry***

- Four new Poultry Projects sanctioned for implementation in Udhampur, Doda, Achabal (Sopore) and Duck Breeding Farm Rambirbagh.
- Egg production has increased from 462.05 million (2002) to 566.00 million (2008).
- Poultry meat production has increased from 140.69 lakh kgs to 431.7 lakh kgs.

### ***Sheep Husbandry***

- 19% increase in mutton production from 229 lakh kgs (2002) to 272.00 lakh kgs (2008).
- 26% increase in wool production from 53.41 lakh kgs (2002) to 67.32 lakh kgs (2008).
- 74% increase in distribution of Rams/Bucks for breeding purpose from 5284 (2002) to 9202 (2007).

### ***Wool Board***

- Construction of Modern abattoir at Wanihama, Srinagar under construction.

### ***Bottlenecks***

#### **Animal Husbandry**

- Shortage of fodder
- 90% of green fodder is low quality fodder. Winter requirement could be met by establishment of Fodder Banks.
- Inadequate funds for drugs, medicines.
- Availability of Rs. 6-7 per cattle head as against the requirement of Rs. 25-30 per cattle head.
- Inadequate infrastructure
- Regularisation of the 250 veterinary centres presently running by way of internal adjustment of staff.
- Eviction of security forces from the 10 departmental buildings.
- Shortage of staff- filling up of additional 200 posts of Veterinary Assistant Surgeons.
- Shortage of Departmental buildings- 90% of the veterinary centres are housed in rented buildings.

- Lack of organised poultry processing and marketing- Declaration of poultry as an agricultural industry.

### ***Sheep Husbandry***

- Non-importation of Germ Plasm for the last two years- which has increased inbreeding coefficient resulting in stunted growth, low wool yield, low conception, high mortality and other deformities.
- Sheep Extension Centres need to be regularised.
- Lack of Industrial Sector- Absence of organised sector for raw material- wool, skin hide processing.

## *Chapter – 8 (d)*

### ***Forests***

#### **Introduction**

Severe pressure for meeting growing livelihood, industrial and development needs, critical contribution through the huge potential area of green cover is an indicator of growth. The sector provides integrated livelihood opportunities and pragmatic approach in development process. Ultimate aim of the State Forest management is to achieve optimally productive forests, capable of providing timber and non-timber products apart from the ecological services, without unnatural change in the composition of the natural forest ranges. The forest in the vicinity of habitations are to be managed for livelihood needs of the neighbouring populations as also for widening the production base in order to ensure sustainable use of the land resources. The importance is to be focused on sustainable management approach towards maintenance of environmental stability and diversion of community areas for meeting bio-mass needs.

In the green cover map, the state attracts sizeable position, with natural resources of forests, which are feast for tourist attraction, with non-monotonous range and diverse layout. This green gold has immense economic, ecological and commercial potential, which if tapped in real terms of growth, could yield sizeable dividends towards State's economy. Geographically speaking, the climate and production of our State depends on the gymnospermic range which, weathers a gamble of climate, on which all other interrelated sectors rely upon.

The approach of global environment facility with focus on village eco-development through optimum use of local resources and involvement of local people in conservation of forests, needs to be recognised as priority,

due to the convergence of other sectors like tourism, industry, traditional handloom & handicrafts, horticulture, area specific agriculture products, transport, hotel industry, which are mutually symbiotic on each other. The synergism of these solutions, definitely lead to providing potential employment opportunities, ensure socio-economic upliftment, thereby raising the economic status of local populace as also raise the inclusive growth avenues. With this backdrop the concept of total protected area management needs to be implemented to the optimum level so that aforementioned objectives are realised at grass root level.

Forests play an important role in maintaining the ecological balance by moderating the climate, maintaining the soil mantle, improving soil fertility, minimizing soil erosion, purifying the air, preservation of wild life and in regulating the flow of water in rivers and streams. Forests are also main source of timber, fuel, fodder, medicines and other non timber minor products. Forests ensure good agriculture produce and offer considerable potential for industrial development of the State. The Sector provides grazing facilities for our livestock too.

The intangible benefits provided by forests for supporting human and vegetation life is far more superior to those of tangible benefits. Especially in case of our state where the three major sectors are heavily relying on forests, these form the backbone of Jammu and Kashmir economy. Tourism, Electricity and Horticulture/ Agriculture have genesis in forests which directly make Jammu and Kashmir State a dream destiny for tourism.

Jammu and Kashmir being hilly State has unending chain of coniferous forests. These forests in addition to maintaining the environment, are also meeting the day to day requirements of the people. With the increase in population of both human as well as livestock, the forests are under great pressure due to open grazing, heavy exploitation and excessive biotic dependence. Now the situation has become so alarming that in most of the areas the forests are lacking in natural regeneration and are at different stages of degradation. Therefore, augmentation of natural regeneration and eco-restoration of degraded forests along with increasing their productivity are the major concerns. The State Forest Research Institute is charged with devising strategies for Eco-restoration, accelerated regeneration and introduction of high yielding, economically better suited species, for enrichment of forests and its field. Research on conservation of rare and threatened wildlife and plant species and restoration of wetlands, shall be new challenge in coming years.

The deficit in demand and supply of forest produce (i.e. timber, firewood and fodder) started pinching the State hard by mid seventies. It was observed that part of the forest, degraded beyond repairs, was not able to regenerate/rehabilitate on its own. A need was felt to rehabilitate this degraded forest, besides, making the waste lands available as more productive village common lands, state land along road side, canal side and wet lands.

With the ever increasing population, the demand supply gap continued to get further widened. To bridge this gap, the State Government with the financial support of the World Bank, launched Social Forestry Project during 1981-82, initially for a period of five years. The project was, however, extended upto 1990-91, out of savings of World Bank Aid. Since then the project works have continued as an activity under State Plan funding and is now functioning as an independent department since October, 2004.

### **Forest cover distribution**

Jammu and Kashmir has a total forest cover of 20230 Sq. Kms. or 20.23 lakh hectares accounting for 19.95% of the total Geographical area of 101387 Sq. Kms on this side of line of control. Country level figures indicate a percentage of 24.47% geographical area under forests. Out of this, the area under reserved forest is 2551 Sq. Kms. Protected forest forms 17643 Sq. Kms and the rest 36 Sq. Kms are unclassified. Out of the total forest area, 12066 Sq. Kms are in Jammu division followed by Kashmir Valley 8128 Sq. Kms and Ladakh only 36 Sq. Kms. Kashmir has 40.17%, Jammu Division has 59.64%, while Ladakh has 0.17% area of the respective Geographical area under forest cover. The position of the total Geographical area under forest is as under:

*Table No. 8.22: Division wise forest cover (Area in Sq. Kms)*

<i>S.No.</i>	<i>Division</i>	<i>Total geographical area</i>	<i>Forest area</i>	<i>Percentage of total geographical area</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
1	Kashmir	15948	8128	50.97
2	Jammu	26293	12066	45.89
3	Ladakh	59146	36	0.06
	Total	101387*	20230	19.95

*Source: Digest of Statistics, 2005-06*

*\*: Indicates geographical area on actual line of control, these area figures exclude 120849 Sq. Kms under illegal occupation of China and Pakistan.*

Leh and Kargil have only 0.06 percent area under forest cover, owing to its Geographical position. Excluding Leh and Kargil districts, forest area covers 48 percent of the total Geographical area of the State which is more than the national average of 24.47 percent. It is, however, less than the norm of National Forest Policy 1988 which provides forest cover of one third of total geographical area (20% for plains and 66% for hilly areas). Per capita forest area accounts to 0.17 hectares for Jammu and Kashmir State, against 0.07 hectares for the country. For district wise forest distribution see annexure 3(d)-(i).

### **Specie wise Forest cover**

The specie wise area under forests has remained unchanged during last few years. An area of 1075 Sq. Kms. is under Deodar constituting 5.32% of the total forest area. 1825 Sq. Kms. are under Chir having 9.02% share, 1969 Sq. Kms. are under Kail which accounts for 9.73%, 3401 Sq. Kms. are under Fir representing 16.81%. Largest area of 10075 Sq. Kms. falls under other categories having a share of 49.80%. Thus, 18345 Sq. Kms. are under coniferous (soft wood). Non coniferous (hard wood) covers 1885 Sq. Kms.

claiming 9.32% of total forest area. An area of 1962 Sq. Kms. is covered by Rakhs and wild life reserves.

**Table No. 8.23: Specie-wise Forest Area**

<i>S.No.</i>	<i>Classification</i>	<i>Area sq. kms.</i>	<i>%age of total</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>
(I)	Coniferous		
	a) Deodar	1075	5.32
	b) Chir	1825	9.02
	c) Kail	1969	9.73
	d) Fir	3401	16.81
	e) Others	10075	49.80
	Total Coniferous	18345	90.68
(II)	Non-coniferous un-commercial Reserves	1885	9.32
	Total (I+II)	20230	100.00
	Rakhs & Wildlife reserves	1962	

Source: DFO Forest Statistics Div., J&K

### Out Turn of Forest produce

To maintain ecological balance, the felling of trees is done on limited scale. This has caused decline in the out turn of forest produce. The out turn of timber which was 102.48 thousand cubic metres in 2000-01 has declined to 68.27 (000 m<sup>3</sup>) in 2007-08. The firewood has, however, increased from 4.18 (000 m<sup>3</sup>) in 2000-01 to 32.89 (000 m<sup>3</sup>) in 2007-08. The value of output of timber which was Rs. 8419.09 lakh in 2000-01 has fallen to Rs. 8319.13 lakh in 2007-08. The value of output under minor forest produce which was Rs. 2944.52 lakh in 2000-01 has decreased to Rs. 1029.36 lakh in 2003-04 and went down to Rs. 1029.36 lakh in 2007-08.

**Table No. 8.24: Out Turn viz-a-viz Value of Major and Minor Forest Produce**

<i>S. No.</i>	<i>Year</i>	<i>Total Extraction (000 m<sup>3</sup>)</i>			<i>Value of timber/firewood (Lakh Rs.)</i>	<i>Value of minor forest produce (lakh Rs.)</i>	<i>Revenue realized (lakh Rs.)</i>
		<i>Timber</i>	<i>Fire Wood</i>	<i>Total</i>			
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>
1	2000-01	102.48	4.18	106.66	8419.09	2944.52	4591.62
2	2001-02	152.41	10.28	162.46	14628.42	2384.37	3904.57
3	2002-03	166.47	28.14	194.61	18209.05	1943.41	3616.85
4	2003-04	94.94	25.17	120.11	12798.31	2151.64	4413.43
5	2004-05	96.25	23.70	119.95	15543.02	1061.08	4158.92
6	2005-06	86.40	22.92	109.32	15093.48	1893.03	4391.41
7	2006-07	80.85	20.19	101.04	9852.09	NA	1691.52
8	2007-08	68.27	32.89	101.16	8319.13	1029.36	2266.84

Source: DFO Forest Statistics Division, J&K

### Export of Forest Produce

The export of timber has decreased from 25.10 (000 cubic meters) in 2000-01 to 3.11 (000 cubic meters) in 2006-07 showing net decrease of 87.61%. During 1990-91, the State was exporting timber to the extent of 53.39 (000 cubic meters). The fall in the export of timber is due to less extraction of timber because of preservation and promotion of forests. However, as per the information made available by the Forest department, export of timber for the

year 2007-08 was 30.70 (000 cubic meters) which is 10 times more than export of timber for previous year (2006-07).

**Table No. 8.25: Export of Timber (000 m<sup>3</sup>)**

<i>Year</i>	<i>Deodar</i>	<i>Kail</i>	<i>Fir</i>	<i>Chir</i>	<i>Total</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>
2000-01	5.60	11.65	7.85	-	25.10
2001-02	2.40	8.00	1.06	-	11.46
2002-03	2.86	6.80	1.92	-	11.58
2004-05	0.46	4.29	0.12	-	4.87
2006-07	1.00	1.74	0.37	-	3.11
2007-08 (P)	10.17	3.81	1.37	15.35	30.70

*P: Provisional*

*Source: DFO Forest Statistics Division, J&K*

Minor Forest Produce include Anardana, Bunafosha, Brahmibooti etc. The quantity of Terpene oil is produced in a substantial quantity. Another important item of export of minor forest produce is cricket bats. Export of minor forest produce is depicted in annexure 3(d)- (ii).

### **Government Initiative for Development**

The forests are the precious wealth of the State and are known as Green gold. The forest wealth has depleted due to pressure of population. In view of crucial role of forests in maintaining the ecological balance, minimizing the soil erosion and ensuring adequate rainfall, a policy has been evolved for improvement and conservation of natural forests and bringing more and more areas under afforestation. The Social Forestry Project commenced in Jammu and Kashmir in 1982 with World Bank assistance was converted into a full fledged department with a view to save the forest from the increasing demand for primary forest produce such as fuel wood, timber and fodder. To bridge deficit of wood balance, tree culture has been promoted by the Social Forestry, by way of raising plantation on waste lands also, besides overall afforestation.

The Government is checking the illegal removal of forest produce and smuggling of timber or non timber forest produce through Forest Protection Force. The Forest Protection Force is also to protect the forest from fire, to stop poaching of wild life and illegal trading of wild life. Wild life is a measure of ecological balance and without wildlife eco system cannot sustain. Important Wildlife species include Hangul, Snow leopard, Musk Deer, Ibex, Kiang etc. Protected Bird species include pheasant, Monal, Western Tragopan, Koklas, Cheer and Black necked crane. The State Government is keen to increase the protected area network upto 15 percent. These protected areas are reservoir of biodiversity.

Forest department activities commenced on a really big scale. The programmes of the department involve raising economic plantations and quick growing species.

Schemes under State/District/Centrally Sponsored programmes are:

- i) Rehabilitation of Degraded Forests
- ii) Research Education and Training
- iii) Working Plan and Research
- iv) Consolidation and Demarcation
- v) Development of Minor Forest Produce including Medicinal Plants

- vi) Eco Task Force
- vii) Infrastructure including Guttled Buildings
- viii) Urban Forestry
- ix) Pasture and Fodder Development
- x) Stabilization of slip Areas on National Highway
- xi) CM's participatory Afforestation Scheme
- xii) Forest Protection
- xiii) Monitoring and Evaluation
- xiv) Participatory Grazing Land Development Programme
- xv) Eco-restoration of Degraded catchments
- xvi) River Valley Projects/Flood Prone Area
- xvii) Integrated Forest Protection Scheme

### **Focus Areas**

In order to involve people in the regeneration of degraded forests and increase the tree coverage on vacant lands, the scheme "Chief Minister's Participatory Afforestation Programme" has been launched from the year 2004-05 on trial basis. The objective of the scheme is to make tree plantation on open forest land, vacant lands and other Government lands by giving its full benefits to the beneficiaries involved in the programme. The Forest Department provides the infrastructural support viz. planting materials, fencing materials and expert guidance to the beneficiaries. The operational guidelines of the pilot scheme will be made more effective after proper evaluation of the feed back about the outcomes is achieved.

In order to increase the forest cover of the State and bring it in conformity with National norm of 66% forest cover, a number of development schemes both under the State plans as well as under different Centrally Sponsored Schemes have been taken up for implementation through various wings of the Forest Department.

### **Bench Marks & Initiatives under 10th Plan**

- The State has 4 National Parks, 14 Sanctuaries and 35 Conservation reserves covering an area of 15912 Sq. Kms. Important protected habitats include those for snow Leopard, Chiru, Hangul and Musk Deer etc.
- The outlay on forest sector as a whole for the year 2008-09 was Rs. 24.50 crore against which the expenditure was Rs. 28.50 crores. For the year 2009-10 the plan outlay of Rs. 31.50 crores has been earmarked for this sector.
- Dal lake Conservation Plan, approved at a total cost of Rs. 298.76 crores in September, 2005 with 100% Government of India funding, is going to provide not only a clean and healthy Dal lake but also a sustainable catchment for the lake system. The project will be able to exhibit the resolve of the State Government to maintain the serenity of the environment of the Dal Lake, which is the lifeline of tourism of the State.
- Under National Afforestation Programme of Ministry of Environment & Forests (MOEF) the State has been provided a grant of Rs. 69.29 crore for managing 42797 hectares of degraded forests with people's participation.



- The assistance can be used effectively to nurture the forest areas on which local population are dependent for their needs.
- The 12<sup>th</sup> Finance Commission has provided a grant of Rs. 6.00 crore to the State for maintenance of forests for Annual Plan 2007-08. A work plan identifying activities to be undertaken under the grant has been forwarded to Government of India. As per the guidelines, the thrust areas under the programme are;
    - i) Silvipasture operations
    - ii) Maintenance of old closures
    - iii) Protection and rehabilitation of forest area
    - iv) Demarcation of forests and infrastructure development
  - The proposed outlay for 11<sup>th</sup> Plan under the Forest sector is 0.55% of the total plan of the State, as compared to 1.79% in the 10<sup>th</sup> Plan. Fall in outlay is due to transfer of Revenue component to Non plan.

### **Future Strategy**

- To meet the requirements of fire wood, fodder, Non-timber Produce (NTFP) and other small timber to rural poor on a sustainable basis by extending the plantation activity beyond demarcated forests through Afforestation, tending to reduction of pressure on forests.
- To mobilize community participation through Joint Forest Management in creating, maintaining, protecting and managing the Social Forestry Plantations.
- To help the ecological restoration of degraded forest areas (both demarcated, badly demarcated and un-demarcated) and wastelands/marginal lands situated outside the demarcated forests.
- To carry out the Afforestation works, to meet the requirement of fuel wood, fodder and small timber of the villagers and consequently reduction of pressure on the forests.
- Taking up of Afforestation works in the badly degraded forest areas.
- To take up Afforestation works under strip plantation along the road side, river banks, canals and railway tracks for utilization of the wastelands.
- Taking up of Afforestation works in office premises of different departments and schools.
- Holding awareness camps for sensitization of local public with regard to their responsibility for protection of the forests.

### **New Schemes/Projects to be introduced by Social Forestry Department during 11th Five Year Plan**

The following new project reports as per the local needs/demands are prepared by Social Forestry Department to be implemented during 11<sup>th</sup> Five Year Plan period 2007-12 and submitted to the Ministry of Environment and Forests/Forest Department for approval and funding:-

*Table No. 8.26: Schemes/Projects by Social Forestry Department during 11<sup>th</sup> Five Year Plan*

<i>S. No.</i>	<i>Name of the Scheme/Project</i>	<i>Cost of Project (Rs. in lacs)</i>	<i>Period of Project</i>
---------------	-----------------------------------	--------------------------------------	--------------------------

<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>
1	Greening, Jammu	1171.15	3 years
2	Greening , Srinagar	3356.65	7 years
3	Community Afforestation and Development Project	2371.00	5 years
4	Afforestation at Swaran Vihar and Rajinder Nagar, Jammu	36.60	4 years
5	Establishment of Hi-Tech Nurseries		
	a) Khanmoh, Srinagar	15.00	1 year
	b) Sidhra, Jammu	11.00	1 year
6	Propagation of Jetropha (Bio Fuel plantation)		
7	National Bamboo Mission (Bamboo Plantation)		

Project Reports under preparation

### **Thrust Areas for the 11th Five Year Plan**

During the 11<sup>th</sup> Five Year Plan, the major thrust areas include:

- b) Increasing of Forest productivity
- c) Increasing of Natural regeneration
- d) Bringing more areas under Afforestation
- e) To control soil erosion
- f) Soil and water conservation
- g) Bio diversity conservation
- h) Wetlands conservation
- i) Bringing more areas under protected area network
- j) Meet fodder and fuel wood requirement of the villagers
- k) To generate income for the State
- l) To develop medicinal and herbal industry of the State.
- m) To promote Eco-tourism
- n) To generate sufficient opportunities for rural livelihoods
- o) To promote peoples participation
- p) Institutional strengthening and capacity building
- q) To strengthen research, education and training
- r) To develop pastures and grazing land.

Out of above areas of concern, the main components to be taken up on priority are;

1. Rehabilitation of degraded Forests
2. Village Wood Lot
3. Strip Plantation
4. Silvi Pasture
5. Institutional Plantation
6. Farm Forestry

# Chapter – 8 (e)

## ***Fisheries***

### **Introduction**

Fisheries in Jammu and Kashmir has the potential to grow exponentially as the state is bestowed with a network of cold water streams, perennial rivers, lakes, reservoirs, sars and about 250 high altitude lakes spread over an area of 40 thousand hectares. The state has the scope to promote all types of fisheries in view of its unique agro climatic conditions.

The state comprises of three distinct regions. All the regions offer potential for promotion of different varieties of fisheries, while Kashmir valley the temperature zone offers potential for development of cold water fisheries, the tropical zone Jammu division offers potential for development of warm water fisheries. The areas of Kathua, Udhampur, Doda, Rajouri and Poonch in addition of warm fisheries have the potential for producing trout fisheries also. The Ladakh region is bestowed with the atmosphere suitable for cold water fisheries and for Brackish fisheries. It is, however, pertinent to mention that Brackish fisheries are yet to be exploited.

The state government attaches tremendous importance to the fisheries subsector especially in the backdrop of employment opportunities being offered by it to the fishermen whose occupation is highly prone to the natural calamities. To give boost to this sector of the economy, efforts are afoot, both at central and at state level to strengthen the existing infrastructure through implementation of successful cultural practices.

The total fishermen population in the State as per livestock census 2003 was around 31000. The length of 27781 Km. of rivers/streams facilitate the farming of more than 40 million tonnes of fish. Out of total 27781 Km. of area under fisheries, the State has only 0.07 lakh hectares under reservoir area.

There is a big gap between demand and supply of fish. Fish is a valuable element of diet of the local people throughout the year and there is also a demand for fish from the defence personnel and from tourists, especially during the tourist season.

During the 10<sup>th</sup> Five Year Plan, emphasis was laid on the strengthening of the infrastructure existing in the shape of fish farms, hatcheries and other allied structures. The State has achieved break through in production of cold water fisheries and food fisheries. Fish farming has been successfully introduced in the private sector under the Hon'ble Prime Minister's Package and in this direction fish ponds are constructed to provide employment avenues to the educated unemployed youth.

Against an outlay of Rs. 45.37 crore for 10<sup>th</sup> Plan, Rs. 49.08 crores have been earmarked for 11<sup>th</sup> Plan period on fisheries. Against the outlay of Rs. 7.00 crores for the year 2007-08 expenditure was Rs. 8.58 crore. An outlay of Rs. 7.50 crore was earmarked on fisheries for 2008-09 against which the expenditure was Rs. 8.80 crore. The state government is spending Rs. 9.50 crore on this sub sector during the annual plan 2009-10.

### Production

Due to congenial conditions for development and sustenance of different variety of fisheries, the production is showing an increasing trend. The fish caught which was 184.67 thousand quintals in 2000-01 has reached to 192.70 thousand quintals in 2008-09. The production of famous Kashmiri Trout has increased by 888 quintals between 2000-01 and 2008-09. Of the 192.70 thousand quintals fish production for 2008-09, Kashmir Province accounts for 161.71 thousand quintals while as Jammu Province accounts for 30.99 thousand quintals. This indicates that 84% fish is produced in Kashmir province.

*Table No. 8.27: Fish Caught (Specie wise) (Unit in Quintals)*

S.No	Year	Kashmir Province				Jammu Province	Total State
		Trout	Mirror Carps	Country Fish	Total		
1	2000-01	792	114323	41295	156410	28257	184667
2	2001-02	864	115405	42154	158423	29642	188065
3	2002-03	921	116492	42737	160150	29950	190100
4	2003-04	958	116547	42795	160300	30200	190500
5	2004-05	1350	116587	42380	160317	30240	190557
6	2005-06	1500	116675	42928	161103	30397	191500
7	2006-07	1520	116835	43028	161383	30617	192000
8	2007-08	1625	116942	43035	161602	30898	192500
9	2008-09	1680	116987	43041	161708	30992	192700

*Source: Directorate of Fisheries (J&K)*

The number of fishing licence holders at the end of 03/2009 stood at 13026. For districtwise number of fishing licence holders as on 31-3-2008, see annexure 3(e)-(i).

### Extension

This is one of the major activity of the fisheries department. The department has developed infrastructure for transfer of technology of fish

farming to the private sector under lab to land programme. For this performance the department has established two Regional Fish Farmers Development Agencies one each at Jammu and Srinagar where progressive fish farmers are not only provided technical know how regarding fish farming but also live demonstrations. These agencies also arrange visits of the fish farmers to various fish farming units to keep them abreast with the development of fisheries and its impact on socio-economic development of the state. These fish farmers are being provided quality fish seed under the strict supervision of these agencies. The district level extension units are to monitor the development of fish rearing in these private units besides provide necessary know how and help in marketing of fish as and when required by these farmers.

**Major Achievements of fisheries department are as under:**

1) ***Cold Water Fisheries***

Under this programme the department has already established Mother Trout Unit at Kokernag and 32 subsidiary units through out the state including Leh and Kargil. New trout units were commissioned in Bani (Kahtua), Kalantra (Baramulla) and Kutlari (Kupwara), Kangroosa and Trout Sale Centre at Kulgam. The trout seed production has increased to 21.20 lakh and the trout fish production to 19.27 tonnes per annum during 2008-09.

The department's major success in trout culture is that it has been able to send eyed ova to the neighbouring states like Himachal Pradesh, Sikkim and foreign country like Bhutan. It has achieved high survival rate in different stage of trout fish by the introduction of latest technology of indoor rearing. Trout fish has been made available to the common men and trout fish worth Rs. 111.24 lakh was sold at different rearing units/sale centres during 2008-09. The Fisheries department is propagating trout culture in the private sector by way of establishment of village trout raceway on water mills located in far flung areas. However, feed is the main constraint for which sanction for procurement of additional Trout Feed Mills has been received from the National Fisheries Development Board so that pelleted feed is made available to these units. This will besides, increasing trout fish production provide means of livelihood to gujjars and bakerwals who mostly run these units. The department has set a target to establish 23 trout rearing units especially in newly created districts in the state during the 11<sup>th</sup> five year plan period. In this direction work on trout rearing units at Bheja (Bhaderwah), Aliyapora (Shopian), Chansar (Kulgam) Krechi (Udhampur), Surisyar, Basantwuddar (Budgam), Guzarbal (Bandipora), Dawar (Gurez) etc. is under progress.

The Fisheries Department has achieved success in fish farming under capacity and composite fish culture of commercially important fish species like Rohu, Catla, Mrigal, Grass Carp, Silver Carp and Common Carp is being carried out in Departmental Fish Farming Units including two National Fish Seed Farms at Kathua and Mansabal. The department produces quality fish seed of these fish species for stocking in natural waters, rearing and distribution to the private fish farms. The fish seed production has increased to 160.70 lakh during 2008-09 while as fish production has increased to 19.27 thousand tonnes.

2) ***Private Fish Farming***

The department achieved a major success in propagation of fish culture in private sector successfully. Under Hon'ble Prime Ministers package, 410 units at an estimated cost of Rs. 492 lakh were sanctioned for the state to provide employment avenues to the unemployed educated youth. 481 units have been completed, stocked and most of them harvested the crop. It is pertinent to mention here that growth and survival of fish is different in different zones depending upon the agro climatic conditions. As such the growth could not be uniform through out the state. During the 11<sup>th</sup> Five Year Plan, the department incorporated the scheme of private fish farming in its plan so that more units are established. The department envisages to establish 320 more units under private sector for which sufficient allocation has been earmarked in the plan. This will boost fish farming in the state and provide means of livelihood to the interested fish farmers. During the year 2008-09 some private fish farmers harvested more than 70000 quintals of fish.

3) ***Sport Fisheries***

The department rejuvenated sport fisheries which received a major set back during turmoil as most of the streams were badly affected by way of poaching. New trout streams were established and opened in district Kupwara, Pulwama, Baramulla, Anantnag and Budgam. During the 11<sup>th</sup> Five Year Plan, the department shall lay emphasis on development of sport fisheries in Jammu division where ever possible. Moreover, Ladakh region shall also be taken care of in this regard. In 2008-09, 1484 number of permits were issued for trout angling. It is worth to mention here that during the year 2008-09, the department established a Recreational Park at Sonamarg to facilitate a mature trout fishing especially for tourists. One such park is already functioning at Gulmarg.

4) ***Mahaseer Fisheries***

Steps have been taken to rehabilitate Mahaseer Fisheries in the State with the establishment of Mahaseer Fish Seed Farm at Anji (Reasi, Udhampur) and at Uri. The quality seed of this endangered species is stocked in potential water bodies to promote Mahaseer Sport Fisheries in the State.

5) ***Reservoir Fisheries***

Under this programme, Salal Reservoir and Ranjit Sagar Reservoir have been established. During the year 2008-09, the Ranjit Sagar Reservoir was opened for fishing to the local mahigeers @ Rs. 8000/- per annum per mahigeer on restricted basis. During the year 2008-09, an amount of Rs. 6.25 lacs was realised on account of licence fee from the mahigeers. The Fisheries department shall establish suitable fisheries in the coming up Baghilar reservoir and other such reservoirs in the State.

6) ***Recreational Fisheries***

Recreational fisheries is promoted in the state to provide not only amusement to the public but also enhances knowledge and create awareness among them regarding preservation of biodiversity. In this regard an underground Aquarium cum awareness centre at Baghi Bahu Jammu at an estimated cost of RS. 10.00 crore was established and opened for public in July 2007. This centre has been a source of great attraction for the public as it

houses unique and vast varieties of fish species in caves. During 2008-09, an amount of Rs. 47.70 lakh was realised on account of entry fee. The department is upgrading other such unit at Gagribal Srinagar. The Aquarium at Gagribal is expected to earn huge revenue once the upgradation is complete. The department has already formulated a project in this regard. Moreover, once the recreational fisheries will come up in a big way in the state there arises scope for its privatisation as more and more people are expected to come forward to take up mini aquaria business in the state which has great market potential.

#### 7) **Welfare Schemes**

With the assistance of Central government, the department has two centrally sponsored schemes for welfare of fishermen which are in operation in the state for the last more than 10 years. Under one scheme free insurance cover is provided to the fishermen and Rs. 50000 is paid to the beneficiary in case of death while fishing. So far 205 cases have been settled and an amount of Rs. 65.00 lakh distributed. At present more than 36 cases are pending disposal with the concerned agency. Low cost houses to the houseless fishermen are provided for which the centre and state government provide necessary funds at 50:50 basis. 1480 beneficiaries have been covered under the scheme for construction of low cast houses ending 31-3-2009.

Revenue realised from all sources of fisheries was Rs. 252.11 lakh during 2008-09.

#### **Issues, Constraints and Remedial Measures**

The natural waters of the State are under great stress due to pollution, encroachment, siltation as a result of which the area of these waters has shrunk considerably, thereby affecting the biotic life especially the Fish fauna. Remedial measures by way of removing the encroachments and rid these water resources of the menace of pollution, need to be taken to safeguard not only these waters but also the biotic life from its extinction. The breeding ground of various fish species especially schizothorax have been damaged. The unexpected population explosion in the State has also brought these natural water resources under stress. The natural habitat for other forms of living species has been encroached as a result of which there will be scarcity of animal protein. To compensate the shortage, it is inevitable to strengthen and further upgrade the culture of fisheries in the State by way of establishing more rearing units.

#### **Major Thrust Areas**

During the 11<sup>th</sup> Five Year Plan, the major thrust areas for development of fisheries include:

1. The existing infrastructure will be further strengthened. Emphasis will be laid to increase the hatching and rearing capacity of fish farms and Trout hatcheries.
2. Extensive survey of areas in newly created districts will be conducted for establishment of new fish farming units. It is proposed to establish at least one fish farm in each district and twenty three trout rearing units in different parts of the State.

3. Sport Fisheries will be further strengthened and new trout streams will be established in the State.
4. Development of Recreational Fisheries by way of completion of phase 2<sup>nd</sup> of Aquarium cum Awareness Centre at Bagh-i-Bahu Jammu and also in Srinagar.
5. Development of endemic fish fauna/hill stream fisheries.
6. To provide quality fish seed of commercially important fish species, thereby, promoting fish culture to create avenues of employment to the educated unemployed youth.
7. To establish more fish farming units in private sector.
8. To introduce trout fish culture in private sector on water mills located in backward areas.
9. To increase quality seed production for augmenting natural water resources of the state for sustainable fisheries and achievement of self sufficiency in fish production.
10. To provide better marketing facilities for the fishermen.

## *Chapter – 8 (f)*

### **Cooperation**

#### **Introduction**

The cooperative movement in the country has completed over 100 years of fruitful service to farmers and other weaker sections of the society. The year 2005 was celebrated as 100<sup>th</sup> year of cooperative movement through out the country. Every year cooperative week is being celebrated to highlight the achievements of the cooperatives and to mobilise public opinion in favour of cooperative sector and propagating the ideas and principles of cooperatives through various activities.

India with its agro based economy has been facing the problem of farm credit. The hostile climatic conditions and recurrent famines made it impossible for the farmers to continue the agriculture operations mainly for want of agriculture inputs and implements. The farming community relied upon the avaricious money lenders in the absence of organised credit institutions. The farmers never got themselves redeemed from the loans borrowed as the money lenders under one or the other pretext burdened them with the interest. To address the problem of credit the then government of India deputed a civil servant named Federick Nicholson to Germany to study the working of indigenious groups started by Raiffesion. The civil servant on his return made the precise recommendations “Find & Raiffesion”. The government accepted the recommendations and initiated the process to organise such institutions. The initiatives taken by the government has had its impact on the cooperative movement of India even today.

Cooperative became a state subject under Indian Councils Act of 1919 (Dyarchy), the state government enacted their own laws. During the pre-independence era, the cooperative movement did not make any remarkable progress. In the post independence era importance of cooperative movement was recognised. The government appointed the high level committee to look



into the working of cooperative institutions during post-independence era. The committee known as All India Rural Survey Committee summed up its recommendations very precisely. "Cooperation has failed but must succeed"

legal Frame Work:- Based on the recommendations, the government's partnership in the formation of share capital of cooperative institutions also matured. The legal framework governing cooperatives updated on the recommendations of S.T. Raja Committee.

During the post liberalised era the government has again taken the initiative to revamp the cooperative movement so that it sustains on its own. The Model Act prepared by the committee headed by Choudhary Bharam Prakash lessens the regulatory mechanism over cooperatives. Most of the states on the recommendations of the government of India have changed their laws on cooperatives.

### **Cooperative movement in J&K State**

The cooperative movement in Jammu & Kashmir was first institutionalised in 1913. The legal framework was further updated in 1936, 1960, 1989 and 1999. In conformity with the National Policy, the state government has introduced reforms both legal and structural in the cooperative movement from time to time. To encourage the cooperative movement is a promise under the constitution of the state.

"The cooperative movement in the state has received due attention of the successive governments. In view of the potential of the cooperative movement as an effective agency for socio economic transformation of the society, the cooperative institutions have been termed as the institutions of economic emancipations while panchayats as the institutions for political independence. Despite of the peculiar topography of the state, difficult terrain and hostile climatic conditions, the cooperative movement has played a yeomen's role in the service of their members in particular and the people in general. The state of J&K is one of the front runner states to enact the liberalised piece of Legislation on cooperatives based on the recommendations of Choudhary Bharam Prakash. The Act know as J&K Self Reliant Cooperative Act of 1999, conceives of a Self Reliant, Democratic, Vibrant Cooperative Movement in the state. The present state government has initiated pragmatic steps to revive the cooperative movement, besides, diversifying the business port folio of the cooperative institutions. The silver lining has definitely made us optimistic that in the days to come cooperative movement shall be playing a vital role in the economy of the state, besides offering greater employment avenues.

### **Rural Credit Cooperatives:**

The Rural Credit Cooperative structure at present is 3 tier with State Cooperative Bank at the apex level, District Cooperative Banks at the district level and Primary Agricultural Credit Cooperatives at the village level. The cooperative banks as on 31-3-2008 have made business of Rs. 2242.60 crore of which deposits account for 70.58% with an amount of Rs. 1582.72 crore and loan outstanding was Rs. 659.88 crore. Cost of management was Rs. 32.91

crore. Total number of bank braches under the fold of cooperative was 204 as on 31-3-2008, employing 1673 persons. Profile of cooperative banks as on 31-3-2008 is given hereunder:

**Table No. 8.28: Profile of Cooperative Banks (Amount in lakh Rs.)**

Head	State Coop. Bank	JCCB	BCCB	ACCB	Devika Urban Bank	Anantnag Urban Bank	Citizen Coop Bank	KAMCO Bank Sopore	SCA RDB	Total
1	2	3	4	5	6	7	8	9	10	11
Deposits	36444.42	69377.35	17847.79	11294.65	955.62	1164.42	19593.88	1483.39	110.28	158271.80
Loan outstanding	8772.58	24388.65	13913.98	4319.62	579.86	814.34	11210.00	795.66	1193.54	65988.23
Total business	45217.00	93766.00	31761.77	15614.27	1535.48	1978.76	30803.88	2279.05	1303.82	224260.03
Cost of management	572.47	1600.00	430.53	339.36	13.18	38.00	7.62	3.21	286.63	3291.00
Number of employees	176	631	165	208	11	16	272	34	160	1673
Number of branches	18	65	34	26	1	2	11	2	45	204

Source: Registrar Cooperative Societies, J&K

### **Growth in Cooperative Societies:**

In J&K from 2001-02 to 2008-09, 1558 new cooperative societies were registered. The areas mostly include poultry, Dairy and the specialised sectors like Engineers Cooperative, Floriculture, Women Empowerment, Micro Credit etc. The cooperatives have a membership of 40000 individuals mostly the unemployed youth. The societies also include formation of Agriculture Graduates Cooperative Discipline-wise registration of cooperatives under J&K Self Reliant Act 1999 is given hereunder:-

**Table No. 8.29: Year-wise/Discipline wise registration of Cooperatives under J&K Self Reliant Act 1999**

Year	Agriculture	Housing	Poultry	Dairy	Floriculture	Women credit coops	Others	Total
1	2	3	4	5	6	7	8	9
2001-02	14	9	1	1	-	-	21	46
2002-03	32	2	1	1	2	-	40	78
2003-04	92	11	290	77	4	-	50	524
2004-05	63	7	106	108	2	-	37	323
2005-06	134	15	8	104	4	-	21	286
2006-07	36	6	4	20	-	2	6	74
2007-08	5	3	5	5	2	13	6	39
2008-09	62	7	35	50	1	18	15	188
Total	438	60	450	366	15	33	196	1558

Source: Registrar Cooperatives, J&K

### Marketing Cooperative Societies:

There are 109 District Cooperative Marketing Societies in the state which undertake procurement of agricultural produce to enable the agriculturists to get the minimum administered prices for their produce. They also supply fertiliser/pesticides and consumer goods to farmers. Membership of the societies is recorded to be 32 thousand individuals. Districtwise profile of these marketing cooperative societies is presented in following table No. 8.30.

**Table No. 8.30 : Division/District wise marketing societies (Amount in lakh Rs.)**

S.No.	District	No. of Societies	Membership (in lakh)	Own funds	Working Capital
1	2	3	4	5	6
Kashmir Division					
1	Srinagar	2	0.010	0.15	9.62
2	Budgam	10	0.030	3.65	32.10
3	Anantnag	13	0.040	30.25	82.67
4	Pulwama	8	0.020	37.11	43.53
5	Baramulla	13	0.020	24.69	76.31
6	Kupwara	5	0.020	4.00	19.42
7	Leh	5	0.020	0.84	14.00
8	Kargil	4	0.040	0.29	2.20
	Total	60	0.20	100.98	279.85
Jammu Division					
1	Jammu	9	0.040	50.65	50.65
2	Kathua	3	0.010	10.57	144.57
3	Udhampur	11	0.020	13.43	74.42
4	Doda	11	0.020	3.82	96.55
5	Rajouri	7	0.010	2.50	25.00
6	Poonch	5	0.010	9.65	134.20
7	CAD Jammu	3	0.020	0	970.10
	Total	49	0.130	90.62	1495.49
	Grand total	109	0.320	191.60	1775.50

Source : Registrar Cooperative Societies, J&K

Highest number of 13 societies are located each in erstwhile Anantnag and Baramulla districts. Financial position of the cooperative societies indicates that own funds account for only 11% of working capital.

#### Audit:

Every society is responsible for maintaining its accounts and is also required to get the accounts audited every year. The audit of registered cooperatives is the responsibility of the "Management" under S.R. Cooperative Act of 1999. So far as audit position of registered cooperatives is concerned out of 1450 cooperative societies due for audit, audit of 980 societies has been conducted ending 31-12-2008.

#### Disposal of Arbitration Cases:

The cooperatives in their own interest have been advised to pursue the arbitration cases more vigorously, so that the amount retained by different individuals/institutions is restored to them through the inbuilt mechanism of arbitration proceedings provided under the Cooperative Societies Act of 1989.

Circular instructions in this regard have been issued vide No. RCS/SS/J-24/2881-89 dated 31-12-2008.

Financial Support:

During the current financial year 2008-09 an amount of Rs. 15.00 lakh and Rs. 20.00 lakh was earmarked in the state plan of the department under head “Managerial Subsidy” and “Special Assistance” for reorganised PACS. The financial assistance is performance oriented. A committee comprising of Dy. Registrar, District Audit Officer and the concerned District Manager Bank of the concerned district identifies the bonafide and genuine cooperatives for the financial assistance.

**Primary Agriculture Credit Societies (PACS)- Focus on doubling of Agriculture Credit:**

After a gap of more than 15 years, Primary Agricultural Credit Societies have been made eligible for financing. Out of 765 such cooperatives, 215 have been revived and made credit worthy. During the year 2007-08, PACS have advanced a loan of Rs. 1300.00 lakh to their members.

The MPCS Payeen Breng in the small hamlet of Kokernag area has been a success story. All the records of the society have been computerised with the emerging facility of accepting deposits from its members with the additional facility of SMS Banking.

**Task Force on Revival of Short Term Credit Structure:**

The State signed the MoU on 7-4-2008 with the Government of India/NABARD on implementation of the Revival Package as recommended by the Task Force headed by Prof. A.Vaidyanathan. In the first instance 155 PACS and all the 4 banks in Short Term Credit Structure shall be benefited to the extent shown as under:

**Table No. 8.31 : Position as on 30-6-2004 (amount in lakh Rs.)**

S.No.	Category	Total erosion	Reserves available to meet the losses	Net requirement
1	2	3	4	5
1	PACS	3598.80	275.55	3324.12
2	Central Coop Banks	24819.78	4011.75	20808.03
3	State Coop Bank	1693.58	1239.70	453.88
	Grand Total	30112.16	5527.00	24586.03

Source : Registrar Cooperatives, J&K

It is revealed that in the net requirement of Rs. 245.86 crore central cooperative banks account for the highest amount of Rs. 208.08 crore and the PAC’s requirement is Rs. 33.24 crore whileas state cooperative bank accounts for Rs. 4.54 crore.

**Implications of the eligibility criteria on PACS:**

The total erosion under PACS category is Rs. 35.99 crore against which reserves available to meet the losses is Rs. 2.75 crore. The net requirement of this works out to Rs. 33.24 crore as on 30-6-2004. The PACS in both the

divisions have been categorised on the basis of their recovery position as on 30-6-2004 which is further indicated as under:

**Table No. 8.32: Recovery scenario of PACS by Division) as on 30-6-2004 (Amount in lakh)**

Division	0%		1% to 10%		11% to 20%		21% to 29%		30% and above		Total	
	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.
Kashmir	106	270.48	26	391.68	9	228.76	5	40.28	85	641.56	231	1572.68
Jammu	-	-	259	1514.31	18	72.79	12	34.28	70	138.05	359	1751.37
Total	106	270.48	285	1905.99	27	301.55	17	74.56	155	779.61	590	3324.05
%age share	17.97	8.14	48.30	57.34	4.58	9.07	2.88	2.24	26.27	23.21	100.00	100.00

No. : Number , Amt. : Amount  
Cooperatives, J&K

Source: Registrar

The recovery scenario of PACS revealed that as on 30-6-2004, a total of 590 PACS were to recover Rs. 3324.05 lakh with 359 (60.85%) PACS in Jammu division and 231 (39.15%) PACS in Kashmir division. 106 PACS accounting for 17.97 of total 590 PACS with zero % recovery are located in Kashmir division. 285 PACS (259 in Jammu division) fall in the recovery range of 1% to 10%, these constitute 48.30% of the total PACS. 27, 17 and 155 PACS fall in the recovery category of 11% to 20%, 21% to 29% and 30% and above respectively.

An amount of Rs. 1400 lakh was earmarked in the 2007-08 years plan budget as the state share for implementation of the package.

Immediate impact of the implementation of the package:

- 155 PACS alongwith the three Central Coopeative Banks viz., Anantnag, Baramulla and Jammu, besides, the State Cooperative Bank shall get financial assistance of Rs. 22576.66 lakh excluding the Institutional share. This would help them to emerge with a reasonable level of financial health for completing in the present environment with the other banks.
- The recapitalisation would also help in giving further impetus to the loaning under Horticulture and Agriculture sectors.
- All the three DCCBs viz., Anantnag, Baramulla and Jammu shall come out of the Section 11 (1) of the B.R. Act 1949 (specifying Capital Adequacy Norms).
- All the above three banks shall be eligible for re-finance through NABARD.
- The flow of credit as a result of re-finance especially from NABARD shall be hassle free and conforming to the interest rates specified by RBI from time to time.
- The punitive action if any initiated under B.R. Act 1949 against the banks for not complying with the Capital Adequacy Norms shall be put on hold by the RBI.

- The re-structuring of the Banks presently in offing before the State government would materialise as the re-capitalisation would culminate in wiping out of all eroded assets.
- The recovery process to be intensified as recommended by the Task Force shall result in restoration of the loss assets and improvement in liquidity position.
- Meanwhile, the state has also furnished its response to the GoI/NABARD on implementation of the recommendations for the Revival of the Long Term Credit Structure (Vaidaynathan II). An amount of Rs. 43.00 crore has been found as the amount requiring recapitalisation.

### **Integrated Cooperative Development Projects (ICDP):**

These projects are aimed at superior economic development of the region and employment generation through cooperatives. These projects for Anantnag and Kathua districts have been sanctioned by NCDC involving project cost of Rs. 1936.66 lakh. An amount of Rs. 92.56 lakh and Rs. 65.72 lakh stand released in Anantnag and Kathua districts respectively for implementation of project activities.

In the 2<sup>nd</sup> phase district Baramulla and Doda have been selected for ICDP. The district project reports with the focus to generate more employment avenues and tapping of local available potential were prepared.

### **Women Credit Cooperatives:**

Two Women Credit Cooperatives one each for Jammu and Kashmir division have been registered. The two credit cooperatives have enrolled about 1200 women members and have mobilised individual share capital of about Rs. 12.00 lakh. Kashmir women credit cooperative has commenced lending among the women members besides accepting Micro deposits.

### **Housing Cooperatives:**

In recognition of the excellent work being done by the Building Material, Centre Sidhra of J&K Housing Corporation has been awarded as best working cooperative building centre from the north Zone at the 14<sup>th</sup> National Congress of the Housing Cooperatives held recently at New Delhi.

The JKCHC has so far developed 14 housing colonies on its own and the affiliated Primary House Building Cooperatives with about 6000 dwelling units.

The Housing Cooperatives registered under self Reliant Act 1999 have also been supplementing in the efforts of the government to provide shelter for the houseless. The cooperatives have established 6 colonies so far in the prime locations at Humhama near Airport, Mujgund Baramuall.

### **Poultry Cooperatives:**

In the area of poultry development 450 cooperatives were registered with a membership of 10500 individuals, out of which 150 cooperatives have started their business with rearing capacity of 17.15 lakh birds per annum.

### **Central Level Cooperative/Marketing Societies:**

Central Level Cooperatives registered under Self Reliant Cooperative Act of 1999 have been partners in materialising another green revolution. The

cooperatives have handled a record fertiliser business during the last three years as given below:

**Table No. 8.33: Fertiliser business of Central level cooperative/Marketing societies**

Year	Total quantity of fertilisers handled (Quantity in tonnes)			Total
	JAKFED	AIDCL	Marketing societies/ Central level Cooperatives	
1	2	3	4	5
2005-06	47874	24955	46518	119347
2006-07	28413	26836	101302	156551
2007-08	33821	22500	100195	156516

Source: Registrar Cooperatives, J&K

**Other important achievements of the cooperatives:**

- Central Level Marketing Cooperative Societies have recorded a business turn over of Rs. 150.00 crore during the year 2007-08.
- Two units, for Solar Drying of apricots under hygienic conditions, in Leh and Kargil have been set up with financial assistance under macro management scheme.
- Energy Cooperative in Bandipora district has been registered. The Cooperative has commenced its working, supplying uninterrupted power to the residents of Mantrigam Bandipora.
- The cooperative department has launched the official website [www.jkcooperatives.org](http://www.jkcooperatives.org) J&K on 28-11-2006, as part of transparency and Modernisation.
- NCDC during 2008, has agreed to come up with massive financial assistance/support for Revival of Cooperative Institutions like Marketing Societies, Consumer Cooperatives, Dairy Cooperatives and Primary Agriculture Cooperatives.
- An amount of Rs. 349 lakh has been placed at the disposal of liquidator CONFED for meeting the expenditure on implementation of Golden Handshake Scheme for the employees of erstwhile CONFED presently under liquidation. 15 employees have been paid the benefits accrued under the Golden Handshake Scheme. 10 employees have also been adjusted in Cooperative department. The case of remaining 98 employees is subjudice.

**Tulumula Milk Cooperative Society selected for NCDC excellence award:**

- This society was started 24 years back at a small scale and over the period has been able to associate with a large number of farmers raising its daily milk collection level to 3000 litres per day.
- The society has a milk collection point at Tulumula and farmers from far off places gather, pool the milk in the morning, which the society receives against cash payments after which they sell it to consumers. The society has been steadily growing in membership and business and is running in profit. Experts of GCMMF termed the Tulumula Milk Cooperative as the Mini Anand of Kashmir.
- The Tulumula Dairy Cooperative Society was selected for NCDC excellence award of Rs. 0.50 lakh during 2007-08.

**Ladakh Cooperatives:**

The achievements of Ladakh cooperatives during 2007-08 are indicated hereunder:

	Amount in lakh Rs.
Value of essential commodities sold	Rs. 956.11
Value of agriculture produce marketed	Rs. 501.03
Value of fertiliser sold	Rs. 85.00
Value of handicraft goods sold	Rs. 15.00
Income to local transporters	Rs. 1195.33
Value of seabuckthron fruit pulp sold	Rs. 54.28

**Grower’s Cooperative Marketing Society, Leh:**

- The Society set up in early 1980s comprises of members who characteristically are nomads all round the year.
- They rear sheep, goats and yaks and obtain raw pashmina wool from them.
- The Society has received a revolving fund of Rs. 80.00 lakh from the government. Besides individuals, it has 19 Multipurpose Cooperative Societies as its members. It is presently managed by the Nominated Board headed by the local Sub-Divisional Magistrate.

**Bami Dunya Cooperative Consumer Store Ltd. Leh (Ladakh):**

- This cooperative was registered in the year 1958.
- It is a federation of 46 Cooperative Societies and is run by an elected managing committees.
- This store is the distributor of Gujarat Cooperative Milk Marketing Federation Ltd., Mother Dairy, Food Processing Ltd., Seminis Vegetable Seeds India Ltd., Philips India Ltd., for institutional sale of Compact Florescent Lamps (CFL).
- The Society was Awarded National Cooperative Excellence Award in the year 2002-03.



## *Chapter – 8 (g)*

### ***Irrigation***

#### ***Introduction***

Irrigation is an essential input of agriculture and is practiced in all parts of the world where rainfall does not provide enough ground moisture. In areas of irregular rainfall, irrigation is used during dry spells to ensure harvests and to increase crop yields. Irrigation has greatly expanded the amount of arable land and the production of food throughout the world. India, with 101.7 million hectares of land under irrigation at the end of Tenth Plan has made impressive gains in the last 30 years, increasing its irrigated land by more than 50 percent. The potential utilized is about 84 percent.

At the central level the Union Ministry of Water Resources is responsible for development, conservation and management of water as a national resource, i.e., for the general policy on water resources development and for technical assistance to the states on irrigation, multipurpose projects, ground water exploration and exploitation, command area development, drainage, flood control, water logging, sea erosion problems, dam safety and hydraulic structures for navigation and hydropower. It also oversees the regulation and development of inter-State rivers.

Water being a State subject, the State Governments have primary responsibility for use and control of this resource. In J&K, the administrative control and responsibility for development of water rests with various State Departments and Corporations. Major/ Medium and Minor irrigation is handled by the Irrigation Department, water supply is the responsibility of PHE Department and exploitation of hydropower potential is the assigned to the Power Development Department and the Power Development Corporation.

#### ***Development of Irrigation Potential in J&K***

Since the modern farming technology has been successful in irrigated areas and that J&K is also deficient in rainfall, development of irrigation potential in the state becomes necessary for reducing the dependence on import of food grains and other agricultural items. A major constraint to the development of agriculture in J&K is the fact that only 50% of the Ultimate Irrigation Potential of the state has been harnessed. The ultimate irrigation potential in J&K has been assessed at 1358 thousand hectares, which includes 250 thousand hectares to be developed through major and medium Irrigation and 1108 thousand hectares through minor irrigation. However, till the end of the 10<sup>th</sup> Plan, the state has been able to create a total potential of 677.66 thousand hectares only and out of which 580.61 thousand hectares of potential is being utilized.

**Table 8.35: Irrigation Potential (thousand hectare) in J&K**

Mode of Irrigation	Ultimate Irrigation Potential	Irrigation Potential at the end of 9 <sup>th</sup> Plan		Irrigation Potential added in the 10 <sup>th</sup> Plan		Irrigation Potential at the end of 10 <sup>th</sup> Plan	
		Created	Utilized	Created	Utilized	Created	Utilized
Major/Medium Irrigation	250	179.69	168.75	43.30	15.35	222.99	<b>184.1</b>
Minor Irrigation	1108	382.45	366.77	72.22	29.74	454.67	<b>396.51</b>
<b>TOTAL</b>	1358	562.14	535.52	115.52	45.09	677.66	<b>580.61</b>

Source: Planning Commission, Govt

In the 10<sup>th</sup> Plan (2002-07) irrigation potential of 115.52 thousand hectares was created whereas 45.09 thousand hectares potential was utilised. With this addition in the potential created and potential utilised in the state, the respective figures have reached 677.66 thousand hectares and 580.61 thousand hectares. Against the potential of 250 thousand hectares in the MMI sector, 222.99 thousand hectare potential (89.2%) has been developed, but in the MI sector only 454.67 thousand hectares (41%) have been created against the potential of 1108 thousand hectares.

The outlay for the irrigation sector (major/medium and minor irrigation, including Ravi-Tawi Irrigation scheme) during the year 2008-09 was 17578 lakh, a step up of 50% over 2007-08. A total amount of Rs 547.67 crore was spent during the 10<sup>th</sup> plan period against an outlay of Rs 628.99 crore (at 2001-02 prices) on irrigation sector, whereas an outlay of Rs 596.4 crore will be spent during 11<sup>th</sup> five year plan. The year-wise allocation and expenditure for the 10<sup>th</sup> Five Year Plan is given in the adjacent table. The table reveals that only 87% of the projected outlay under the sector was utilised during the 10<sup>th</sup> Five Year Plan.

**Table 8.36: Plan Allocation (Rs. lakh) of Irrigation Sector**

Year	Allocation	Expenditure	Percentage of Expenditure
2002-03	8985.58	7656.80	85.21
2003-04	13700.00	12582.85	91.84
2004-05	13851.00	11180.14	80.71
2005-06	14472.39	14060.28	97.15

2006-07	11890.00	9286.53	78.10
Tenth Plan	62898.97	54766.60	87.07
2007-08	11713.00	14421.28	123.12
2008-09	17578.00	22199.51	126.29

*Source: State Plan Documents*

Data on area sown and area irrigated in the state is also generated by the Office of the Financial Commissioner (Revenue) on an annual basis, but the figures about use of irrigation potential is grossly underestimated. As per this source, the net area sown in the state during 2007-08 was 734 thousand hectares whereas the gross area sown (total area sown under different crops) was 1134 thousand hectares. The mode of irrigating the crops mainly used is the canals. About 93 per cent of the net area irrigated is irrigated through canals while tanks, tube wells and other means are also used. The net area irrigated through different means for the years 2004-05 to 2007-08 is given in the following table.

**Table 8.37: Area Irrigated (thousand hectares) by Source**

Source	Net Area Irrigated			
	2004-05	2005-06	2006-07	2007-08
Canals	286 (91.96)	289.3 (92.7)	286.64 (92.6)	285.78 (92.78)
Tanks	4 (1.29)	4.2 (1.35)	4.24 (1.36)	4.21 (1.37)
Wells	1 (0.32)	1.0 (0.32)	1.04 (0.34)	0.99 (0.32)
Other sources	20 (6.43)	17.6 (5.63)	17.52 (5.70)	17.05 (5.53)
TOTAL	311	312.1	309.4	308.04

*(Figures in brackets indicate percentage)* *Source: FC*  
*(Revenue), J&K*

A slight decline was witnessed, during the year 2007-08, in the net area irrigated as it fell from 309.4 thousand hectares in 2006-07 to 308.0 thousand hectares. However, when the net area irrigated for the year 2007-08 is compared with the figures for 1974-75, one observes an increase of 17 thousand hectares only in the irrigation potential utilized over this period of three decades. The gross area irrigated in the state in 2007-08 was 463.2 thousand hectares. The figures of gross area irrigated since 1990-91 have increased by around 25 thousand hectares only.

The inter district position shows that the net as well as gross sown area in Leh and Kargil are cent percent irrigated. Among the districts with large Gross Area Irrigated, Jammu has 60.43 per cent, Anantnag has 71.82 per cent, and Kathua has 30.58 per cent. Districts with very low percentage of gross area irrigated are Udhampur (5.20%), Ramban (5.83%), Reasi (6.11%), Rajouri (8.44%), Doda (9.91%), Kishtwar (13.50%) and Poonch (14.18%). District-wise details of Net Area Sown, Net Area Irrigated, Gross Area Sown and Gross Area Irrigated for the year 2007-08 are given in annexure 3 (g).

### **Crops Irrigated**

The crops which are provided irrigation are rice, wheat, maize, oil seeds and fruits & vegetables. Among these crops, rice, which needs to be kept covered with shallow water, claimed maximum percentage of area under irrigation. In fact, 87 per cent of the area under rice was irrigated in 2007-08. 16.7 per cent area under wheat and 4.72 per cent under maize was also

irrigated during the same year. The details of area under different crops and area irrigated under these crops during 2007-08 are given below.

**Table 8.39: Area (in hectares) under Crops and Area Irrigated (2007-08)**

S. No	Crop	Area under the crop	Area irrigated under the crop	Area irrigated under the crop as %age to area sown under the same crop	Area irrigated under the crop as %age of total area irrigated under all crops
1	Rice	263246	229201	87.07	49.48
2	Wheat	278301	77358	27.80	16.70
3	Maize	302445	21852	7.23	4.72
4	Oil Seeds	63275	44130	69.74	9.53
5	Fruit &Vegetables	88367	34748	39.32	7.50
6	Others	138301	55890	40.41	12.07
	<b>Total</b>	<b>1133935</b>	<b>463179</b>	<b>40.85</b>	<b>100.00</b>

Source: Financial Commissioner (Revenue), J&K

Nearly 49.5 per cent of the total irrigated area during 2007-08 was sown paddy. Similarly, wheat had a share of 16.7 per cent, maize 4.7 per cent and other crops had 29.1 per cent share in the total irrigated cropped area of the state during the year 2007-08.

#### **Major/ Medium and Minor Irrigation projects**

The irrigation projects are classified into three categories viz major, medium and minor. Projects which have a Cultivable Command Area (CCA) of more than 10,000 hectare are termed as major projects, those which have a CCA of less than 10,000 hectare but more than 2,000 hectare are termed as medium projects and those which have a CCA of 2,000 hectare or less are known as minor projects. Minor irrigation projects have both surface and ground water as their source, while major and medium projects mostly exploit surface water resources.

As already stated, the ultimate irrigation potential of the State has been worked out at 1358 thousand hectares which is almost double the net area sown, which stands at 734 thousand hectares. The potential created through major/medium and minor schemes in the State is 677.66 thousand hectares which is about 92 per cent of the net cropped area. On the potential utilization side, 580.61 thousand hectares, i.e. 85.68 per cent of the potential created is being utilised, which points towards better utilisation of this key input for agriculture production and yield productivity.

In our state, irrigation potential is created under funding through Accelerated Irrigation Benefit Programme (AIBP), Border Area Development Programme (BADP) and State Sector/District Sector schemes (including NABARD loan assistance). 25 major/medium irrigation schemes are under implementation in the state during 2009-10, 13 of which are funded under AIBP, 7 in the state sector and remaining 5 under loan raised from NABARD. The total estimated cost of these schemes is Rs 793.00 crore, against which a cumulative expenditure of Rs 433.00 crore has been incurred ending March 2009.

**Table 8.40: Expenditure (in Rs. Lakh) on Major Medium Irrigation Schemes in J&K**

Programme	No of Schemes taken up	Estimated Cost	Cumulative Expenditure Ending March, 08	Funds Available (2008-09)		Expenditure during 2008-09	Cumulative Expenditure Ending March, 09
				CA/Loan	SS		
AIBP	13	68014.43	30274.32	10667.00	607.00	8511.50	38785.82
NABARD	5	5487.50	2070.66	505.00	120.00	618.09	2688.75
State Sector	7	5811.13	1818.13	0.00	153.00	153.00	1971.13
<b>TOTAL</b>	<b>25</b>	<b>79313.06</b>	<b>34063.11</b>	<b>12972.00</b>	<b>880.00</b>	<b>9282.59</b>	<b>43345.70</b>

Source: PHE, Irrigation & FC Department, J&K

Main projects undertaken include modernisation of Ranbir Canal, modernisation of New Pratap Canal, Martand Canal, Rajpora LIS, Rafiabab LIS, etc. 04 new Major/Medium Irrigation projects namely Babul Canal Tangmarg, Ahaji Canal Budgam, Kandi Canal Baderwah and Perkachik Canal estimated to cost Rs. 12.34 crore, Rs. 20.51 crore, Rs. 53.70 crore and Rs. 35.44 crore respectively were sanctioned by the Central Water Commission, GoI during 2008-09. 04 Major/Medium Irrigation projects namely Kathua Canal, Lethpora LIS, Awantipora Canal and Marval LIS have been recently completed.

There are 522 AIBP funded minor irrigation schemes under implementation in the state at an estimated cost of Rs 938.75 crore. 132 new MI schemes for Kashmir province estimated to cost Rs 425.39 crore, 151 new MI projects for Jammu division at an estimated cost of Rs 194.5 crore and 50 schemes for Ladakh region at an estimated cost of Rs 46.84 crore where sanctioned by the Central Water Commission, Ministry of Water Resources, GoI under AIBP during 2008-09. 58 schemes under NABARD, 1 scheme under State Sector and 70 schemes under District Sector are also under implementation in the state. Ending December 2008, 126 Minor Irrigation schemes have been completed in the state.

**Table 8.41: Expenditure (in Rs. Lakh) on Minor Irrigation Schemes in J&K**

Programme	No of Schemes taken up	Estimated Cost	Cumulative Expenditure Ending March, 08	Funds Available (2008-09)		Schemes Completed ending 12/2008
				CA/Loan	SS	
AIBP	522	93874.93	28267.61	10782.00	114.36	77
NABARD	58	8775.93	5885.76	709.32	74.62	29
State Sector	1	3163.94	1609.27	0.00	44.00	-
District Sector	70	3120.00	1336.00	0.00	740.00	-
<b>TOTAL</b>	<b>577</b>	<b>108934.80</b>	<b>37098.64</b>	<b>11491.32</b>	<b>972.98</b>	<b>126</b>

Source: PHE, Irrigation & FC Department

### Water Rates

Water rates in the state were last revised in 2000. The prevailing water rates for flow irrigation in few States as compared to J&K are as under:

**Table 8.42: Prevailing water rates (Rs/Hectare) for flow irrigation in various states**

State (year)	Rice	Wheat	Sugarcane
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Jammu & Kashmir (2000)	49.40	24.7	49.4
Andhra Pradesh (1997)	247-494	247-494	247-494
Rajasthan (1999)	49.4-197	64.22-148.20	103.74-287.52
Maharashtra (2005)	288	576	7620.80

*Source: Pricing of Water in Public System in India. Published by Central water Commission in May, 2004.*

The above table indicates that the water rates for flow irrigation are far less when compared to the rates in States like Maharashtra, Andhra Pradesh and Rajasthan.

### **Ground Water Atlas**

The Ground water Atlas of a region provides a summary of the most important information available for each principal aquifer, a rock unit that will yield usable quantities of water to the wells in that region. It compiles data pertaining to the ground water resources and also describes the location, extent and geologic and hydrologic characteristic of all the important aquifers in that region. In all the states/UTs of the country the preparation of Ground Water Atlas has been taken up with 14 states already having prepared, printed and released the Atlas. The preparation of Atlas in 12 states/ UTs is under progress but no such project has been taken up in J&K state.

### **Command Area Development & Water Management Programme (CADWMP)**

The Centrally sponsored Command Area Development Programme (CADP), started with an objective to bridge the gap between the irrigation potential created and its utilization to optimise the agriculture productivity/ production through an integrated and coordinated approach for efficient land and farm management in the irrigated commands, was initially taken up in the state to develop the command area of Ravi-Tawi canal system and later extended to a number of command areas of various canals in both the divisions of the State. The programme, which was restructured in April 2004 and renamed as Command Area Development and Water Management Programme (CADWMP), has been very successful as indicated by the fact that the yield rates of all the crops in the command areas are much higher than the average yield rates in the State. However, a major bottleneck in the implementation of the CADWMP has been the non-availability of adequate funds. The annual outlay for the programme, including the central and state share has been of the order of only Rs. 9.23 crore for 2008-09. As a result of this scant funding the gap between irrigation potential created and the actual irrigated area continues to exist. The State Government has submitted a number of projects to the Government of India for sanction and necessary funding.

In Kashmir division there are 12 projects under implementation which include 2 under state funding (Lower Jehlum and Sind Catchment) and 10 centrally sponsored (Igophey, Martand, Rafiaband, Zaingeer, Ahrabal, Bringi, Dehgam-Verinag, Dachnipora-Rajpora, Arin-Bandipora and Kehmil-Kupwara). The department has already covered 23959 hectares of land through its completed projects. 6 projects (3 each of Kashmir and Jammu division) have been submitted to the Government of India for approval. 25 new projects are proposed to be taken up during the 11<sup>th</sup> Plan besides a new vegetable

development project and regeneration of degraded/waste land development project in Command Area Development Jammu.

In the Jammu division major CAD projects under implementation include Kashmir Kathua Canal CAD, Ranbir Canal CAD, Doda/Rajouri/Gool Sangaldan Canal CAD, Bani CAD project, besides 08 ongoing NABARD aided projects. Kashmir Kathua Canal CAD project is likely to be completed during the current financial year, where as Poonch Canal CAD project was completed during 2007-08.

### ***Rawi Tawi Irrigation Complex (RTIC)***

The Rawi Tawi Irrigation Complex is a conglomerate of two canals namely the Ravi Canal and the Tawi Lift Canal. The Ravi canal was envisaged for construction in early 1970s to draw J&K state's share of 1150 cusecs water of river Ravi through gravity to irrigate the arid Kandi lands of Kathua and Jammu districts. In the beginning, the canal was to take off from the right bank of Thein Dam (now called Rangit Sagar Dam), but because of a subsequent agreement reached between the states of Punjab and J&K, it had to take off from the right bank of Shahpur Kandi Barrage. This Barrage, which was to be constructed by Punjab government, still has not been taken up in full swing despite the lapse of around 30 years of signing of the said agreement.

Out of the projected length of 81 kms of the main canal, the work on which was taken up in 1975-76, 79 kms length of the canal has been completed and also, out of 20 distributaries, 17 have also been completed with part construction of minors and sub minors and Khals (field channels). Due to absence of Shahpur Kandi Barrage, the state has not been able to get the full share of water from river Ravi. In order to utilize the constructed portion of Ravi canal system, the RTIC has set up two lift stations, one at Basantpur (1993) for lifting 500 cusecs of water directly from river Ravi and the other at Lakhanpur (1984) for lifting 200 cusecs through the Kashmir/Kathua canal. This is an expensive venture. With this arrangement, the RTIC has created an annual irrigation potential of 40,000 hectares out of the project potential of 53,900 hectares and utilization of the created potential is of the order of 11,000 hectares. The full potential of the canal has not been achieved due to certain contributing factors, the prominent among them being very old pumping machinery, low and interrupted power supplies, bad condition of the canal and its distribution system, and poor maintenance of the canal due to inadequate yearly funding over the years.

The work on Tawi Lift Canal, the other component of RTIC, was started in 1970 to irrigate annually an area of 12,880 hectares of Kandi lands of parts of Jammu district along the National Highway 1A and was completed in 1977. The utilization has been of the order of 6,000 hectares. This 28 km long lined canal is fed by lifting 300 cusecs of Tawi water through 6 pumping units of 60 cusecs capacity each (one unit being standby). The canal has a distribution network of 172 km length. The reasons for low utilization of the potential of this system are similar to those for Ravi canal.

**Box 8.43: Dispute with the Punjab Government over Non Construction of Shahpurkandi Dam by it**

As per the inter-state Agreement of 29th January 1955, the Jammu and Kashmir State is entitled to 0.69 MAF of supplies from the river Ravi which includes pre-partition utilization of 0.04 MAF. Out of 0.69 MAF, 0.215 MAF is being utilized through Kathua Canal, Kerian Gandial Canal and Old Basantpur Canal and balance 0.475 MAF was proposed to be utilized through Ravi Canal. Accordingly, a project was formulated in May 1972 whereunder Ravi Canal was envisaged to be constructed up to Village Chak Salarian in Vijaypur. This project for the construction of 82 Kms long Ravi Canal to be taken off from the right bank of River Ravi from Tail Race of Ranjit Sagar Dam up to its tail at Chak Salarian (Vijaypur) along with the allied works was formulated at an estimated cost of Rs. 29.84 crore. It was approved by the Planning Commission, Government of India vide No. II 2(25)/75 dated 29-05-1973.

The construction of Ravi Canal was started in the year 1975 to utilize the agreed share of the State. In the meantime, another bilateral agreement between the States of J&K and Punjab was arrived at in Delhi on 20th January 1979 wherein it was mutually agreed that the J&K State shall now take off the Ravi Canal from the proposed Shahpurkandi Dam to be constructed by the Punjab Government 12 Kms downstream of Ranjit Sagar Dam (Thein Dam) which shall be started at the first technically feasible opportunity without loss of command as envisaged earlier from the downstream of tail race of Ranjit Sagar Dam by raising the heights of the Shahpurkandi Dam to the required level. It was also mutually agreed that the J&K State shall contribute towards the cost of the aforesaid Dam an amount equal to the difference in cost of taking off the Ravi Canal from Shahpurkandi Dam and that from the downstream of Ranjit Sagar Dam. The mutually agreed estimates on the basis of price index of 1979-80 work out to the tune of Rs. 14.98 crore and the same were vetted by the Central Water Commission. The J&K Government has since approved the amount for payments vide Government Order No. I&PHE-318 of 1988 dated 19-04-1988. The amount is fixed one. Consequently, the J&K State restricted the construction of the main Ravi Canal upto Basantpur which is about 2.30 Kms downstream of the proposed Shahpurkandi Dam. The link of 2.30 Km of Main Ravi Canal with the Shahpurkandi Dam was proposed to be constructed as soon as the work on Shahpurkandi Dam was started and full share of water became available.

As of now, an expenditure of Rs. 134 crore has been incurred in raising the infrastructure of Ravi Irrigation Project by constructing 79.50 Kms of Main Ravi Canal with distribution network of 475 Kms but infrastructure so built could not be optimally utilized due to non availability of the agreed share of water from Shahpurkandi Dam.

The year of start of construction of the proposed Shahpurkandi Dam by Punjab Government was expected by the J&K State as 1981-82 and was supposed to be completed finally in about 10 years time. This would have enabled J&K State to draw its full share of water by 1991-92. As on date, only preliminary works on Shahpurkandi Dam have been taken up and the Punjab Government is not in a position to commit any firm date of its being taken up in full swing and subsequent completion. The abnormal delay caused in starting the construction of Shahpurkandi Dam has resulted in non-availability of full share of water viz 0.475 MAF from Shahpurkandi Dam.

As per the latest communication received from the Chief Secretary of Punjab State vide his D.G No. 9112/08-PJ (S)/ 1265 dated 17-07-2008, the Punjab Government is claiming Rs. 150 crore as 10% of total



cost incurred on Ranjit Sagar Dam Project which is attributable to irrigation portion and is alleged to be payable by the J&K Government to the Punjab Government as per the inter-state agreement of 20th January 1979. Since the Punjab Government has not honoured its part of the agreement in the past nor is it going to do so in future, thereby causing huge losses to J&K State, it has no moral right to claim Rs. 150 crore at this stage.

It is relevant to point out here that the ultimate irrigation potential to be created by the Ravi Canal would be 1.33 lakh acres against which potential created is roughly of the order of 1.0 lakh acres as of now. At present about 27,500 acres is covered by irrigation through interim measures by way of construction of two lift stations, one at Lakhanpur (200 cusecs capacity) and the other at Basantpur (500 cusecs capacity) in the years 1984 & 1989 respectively to feed water into the completed portion of the Ravi Canal. Thus about 72,500 acre of cultivable area in J&K has been deprived of irrigation facilities over the years by the Punjab Government As per data collected from the Agriculture Department (Command Area) regarding average yields and the market rate of crops, the average production of wheat in this area is 9.16 quintals per acre and the market rate is around Rs. 1100.00 per quintal. Similarly, the average production of Basmati is around 12 quintals per acre and price per quintal of paddy is Rs. 2000 approximately.

If we consider the losses suffered in terms of production of food grains in the remaining 72,500 acres, for which irrigation has been deprived of due to non-construction of Shahpurkandi Dam by the Punjab Government, the same work out to Rs. 248 crore approximately per annum at the current price level. The total losses which the State has suffered due to non-construction of Shahpurkandi Dam by the Punjab Government over the years is of the order of Rs. 1550 crore approximately.

There has been protracted correspondence and umpteen number of meetings with the Punjab Government from time to time on the subject with hardly any result & the State of J&K continued to suffer losses. During the course of discussion in the 46th meeting of the Standing Committee on Ranjit Sagar Dam Construction Board held at Chandigarh on 19-02-2009 wherein Chief Engineer RTIC, J&K also participated, it was apprised to the Committee Members by the Ranjit Sagar Dam Project authorities that the cost of Shahpurkandi Dam has been revised to Rs. 2339 crore and the project has been declared as a National Project by the Ministry of Water Resources, Government of India. Checking appraisal of the revised project estimates of civil components have been finalized but the other part of the project i.e. Electro-Mechanical part is under consideration of the Government of India and the matter is being pursued by the Punjab Government. However, the Punjab Government remained non-committal about the likely date of completion of Shahpurkandi Dam.

## **Chapter – 9 (a)**

### **Industry**

Industrialization has come to be regarded as synonymous with economic development. It is of course true that the available empirical evidence makes us believe the thesis that no country could have developed and reached its current state of economic development without an easy access to a sound agricultural base. Those countries which had an underdeveloped agricultural sector could afford to make use of agricultural resources in some other dependant country; in all other countries, agriculture served as the “leading sector” of growth. But it is also true at the same time that fast economic development every where has been made possible essentially due to rapid industrialization. There is hardly a country in the world (with the possible exception of New Zealand) that could reach the level of per capita income of industrially developed countries of the west, drawing mainly upon its agriculture and processing of its products. As a matter of fact, the essential criteria that are being used to distinguish a developed economy from an underdeveloped one relate to the proportion of workforce engaged in industrial activity, the proportion of national output originating in the industrial sector, etc. No wonder that not much distinction is made between the two terms industrialization and economic development and both are used interchangeably. The two important factors which favour rapid industrialization as a means to fast economic growth are; higher productivity of labour than in agriculture, more easy availability of industrial surplus for investment than surpluses in agriculture sector. The industrial sector, which possesses a relatively high marginal propensity to save and invest, contributes significantly to the achievement of a self sustaining economy with continued higher levels of investment, rapid rate of increase in income and employment.

Unfortunately, J&K has not been able to attract investments in this sector and remained an industrially backward state due to its unique economic disadvantages arising out of remoteness and poor connectivity, hilly and often inhospitable terrain, weak resource base, poor infrastructure, sparse population density, shallow markets and most importantly the political uncertainty. Moreover the natural factors are more conducive for handicrafts, village and Small Scale Industries and less to large and heavy industries. Nevertheless, despite all odds and limitations the Jammu & Kashmir State is on the path of industrialisation in a modest way. Many small and medium-scale industries have come up basically in the traditional sectors along with some new areas like food processing, agro-based units and metallic and non metallic products. Besides, due to saturation of employment opportunities in the government/traditional non-governmental sectors like Agriculture, Industrial sector has been declared as the main vehicle for accelerating economic tempo besides providing employment to the educated unemployed youth in the State.

Industrial development always remains a thrust area in the Government agenda. Government’s endeavour is to provide efficient and cost effective infrastructure, skilled human resources, stable environment and good governance which are the pre-requisites for creating a proper investment environment for sustainable industrial growth. Dispersal of industries to the underdeveloped areas in the state through creation of necessary infrastructure and providing financial /fiscal incentives is focussed.

In the perspective of industrial growth, Industries and Commerce Department has been established with a well knit system for carrying its

activities effectively. The Industries and Commerce Department is concentrating to attract investment in the State for developing world class infrastructure to achieve objectives like:

1. To explore available resources in the State.
2. To create conducive industrial employment.
3. To promote labour intensive industries to lessen the pressure on unemployment market in the State.
4. To improve industrial performance by providing necessary inputs so as to reduce the dependence of the State on imports.

The department is focussing on key sectors like food processing, pharmaceuticals, biotechnology, textiles, sports goods, information technology etc. to accelerate industrial growth in the State.

### ***Industrial Policy 2004***

To usher in new era of industrialization Govt. has come up with a new and comprehensive industrial policy which came into being in 2004 and will last till 2015 under which planned incentives are being taken to raise J & K which is predominantly known as consumer State for most of its requirements to a level of self sufficiency and in the near future to a producer State. The Industrial Policy 2004 is designed to promote rapid industrialization. The policy is elaborate and touches all the important aspects of industrial growth of the state on sustained basis, besides explaining advantages of setting up of Industrial ventures in this part of country, it also explains objectives, approaches and strategy of the government both at central and state level. The policy has evoked a great deal of interest in the private investment. The policy has a slew of incentives in the form of subsidies for all sorts of industries particularly for small scale to make them capable to compete in the present competitive environment. The investor friendly industrial policy focuses on private sector investment in bringing about world class infrastructure development, industrialization in backward blocks of the State and modernisation of the existing units. Efforts have been made to ensure that the incentives provided in the policy reach genuine industrialists without loss of time. The incentives provided in the policy are ahead of other States of the country. The State has the distinction of having two set of incentives one from the Centre and the other from the State.

#### ***I State Package***

##### ***Fiscal Incentives***

- 100 percent subsidy on purchase of new Diesel Generating sets.
- 100 percent subsidy on project report and quality testing equipment.
- 75 percent subsidy on Research and development.
- 3 percent interest subsidy on working capital.
- 5 percent rebate on interest on term loan for technocrats.
- Special incentive for brand promotion and modernisation
- Land and Power at concessional rates.
- 30 percent capital investment subsidy on land, building and plant and machinery.

##### ***Tax Incentives***

- Toll tax exemption on import of raw material and export of finished products.
- CST exemption
- VAT remission
- Stamp duty exemption

## **II Central Package**

### **Fiscal Incentives**

- 15 percent subsidy on capital investment on plant and machinery.
- 3 percent interest subsidy on working capital.
- 100 percent insurance cover to Industrial units.
- 90 percent Transport subsidy

### **Tax Incentives**

- 100 percent excise refund
- Total income tax exemption

The State Government vide Govt. Order No. 242- IND of 2007 dated: 12-12-2007 followed by the corrigendum dated: July 2 2008, accorded sanction to the revision of time frame for implementation of the condition of 90% local employment for purpose of providing incentives under the State Industrial Policy, 2004 as under:

- i. Time frame for achieving the target of 90% local employment for new industrial units, which have gone into production w.e.f 1-02-2004 to 30-06-2005 shall be as under:
  - 50% by 31<sup>st</sup> March 2006;
  - 70% by 31.12.2007; and
  - 90% by 31.12.2008
  
- ii. The time frame for achieving target of 90% local employment in respect of industrial units as have gone into or shall go into trial/commercial production after 30.6.2005:
  - 50% within first 9 months of going into trial/commercial production;
  - 70% within first 30 months of going into trial/commercial production;
  - 90% within 42 months of going into trial/commercial production;
  
- iii. Time frame for achieving target of 90% local Employment in respect of industrial units going for substantial expansion:
  - 50% within first 9 months of going into trial /commercial production;
  - 70% within 30 months of going into trial /commercial production;
  - 90% within 54 months of going into trial /commercial production
- iv. In case of the existing industrial units having undergone substantial expansion between 01.02.2004 to 30.06.2005 or after 30-6-2005, the relevant provisions as mentioned above for the new industrial units shall be applicable mutatis mutandis to such units.

The incentives under the State Industrial Policy are available only to the industrial units subject to fulfilment of the conditions and time frame stipulated above.

### **Industrial Infrastructure**

Infrastructure development serves as an engine for industrial development and calls for continuous attention of the Government. Planning and development of Industrial Estates / Infrastructure in the perspective of industrial growth is the major function of the Directorate of Industries and Commerce. The department of Industries and Commerce has 51 existing Industrial estates in the State under the control of Directorate of Industries and Commerce and SIDCO/SICOP. These Industrial Estates are spread over an area of 27718 Kanals of land. Profile of these Industrial estates is as under:

**Table 9 (a) 1: Existing Industrial Estates in the State**

<i>Managing agency</i>	<i>Industrial Estates (No)</i>	<i>Area (Kanals)</i>	<i>Units set up (No)</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>
Directorate of Industries & Commerce	30	2139	555
J&K SIDCO	13	22090	1168
J&K SICOP	8	3489	1041
Total	51	27718	2764

*Source: Industries and Commerce Department (J&K)*

In addition to above industrial estates 17 new Industrial Estates/expansion of the existing ones, spread over an area of 11187 kanals of land are being developed which are at various stages of development/implementation.

To promote industrialization in the remote and backward areas of the State the Industries and Commerce Department is developing Industrial Estates in the rural and industrially backward areas which are at various stages of development/implementation.

**Table 9(a) 2:**

<i>New Industrial Estates under development /acquisition at present in rural areas</i>	<i>Area (in kanals)</i>
I/E lamebri, Rajouri	119
I/E Surankote, Poonch	142
I/E Beoli , Doda	62
I/E Bidda , Reasi	700
I/E Marta Brahmna, Udhampur	262
I/E Bandi Bhaderwah	54
I/E Vessu Anantnag.	257

I/E Chotipora Handwara	105
I/E Utikoo, Pattan	74
I/E Dooru, Anantnag	50
I/E Granmorah, Reasi	25
I/E Sangram Batha Kishtwar	42
I/E Khurbathang, Kargil	32
I/E Drugmulla, Kupwara	155

*Source: Industries & Commerce Deptt (J&K)*

### **Construction of Udyog Bhawan**

Eight storied complex “Jawaharlal Nehru Udyog Bhawan” at Rail Head Jammu at an area of 1.10 lakh sq. feet costing Rs. 14.71 crore has been completed.. The department has identified land for constructing Udyog Bhawan at Srinagar with a projected cost of Rs. 30 crore. JKPCC has been nominated as the executing agency.

### **Industrial Growth Centres**

Government of India with a view to attract industries in backward districts/areas approved Growth Centres to provide best infrastructural facilities available in the country in respect of power, water, telecommunications etc. Government of India has sanctioned 2 Growth centres to J&K State, which are under implementation. These growth centres are Industrial Growth centre Samba, Jammu and Industrial Growth Centre Lassipora in district Pulwama, Kashmir. J&K SIDCO is the implementing agency for the establishment of Growth centres. An amount of Rs. 100.00 lakh and Rs. 49.79 lakh has been incurred by the State Government respectively on Industrial Growth Centre Samba and Lassipora during the year 2006-07 under Centrally Sponsored Schemes/Projects. Approved outlay for these Growth centres was Rs. 120.00 lakhs (Samba) and Rs. 200.00 lakh (Lassipora) for the year 2008-09.

The development of infrastructure and the provision of incentives in itself can not achieve the cherished goal of industrialisation unless and until there is a prospective entrepreneur class, who are risk-lovers, bear uncertainties, can see the unforeseen and are technically equipped to face the challenges of the competitive and global world. In realisation of this fact an ENTREPRENEURSHIP DEVELOPMENT INSTITUTE was constituted in our state in the year 2004.

### **Jammu and Kashmir Entrepreneurship Development Institute (JEKDI)**

Jammu and Kashmir Entrepreneurship Development Institute (JKEDI) strives to develop entrepreneurship and entrepreneurship culture in the state of Jammu and Kashmir through awareness generation, entrepreneurship education, skill up gradation, knowledge dissemination, attitudinal modification, consult services and developing linkages with National and International Organizations to make entrepreneurship the most important component of State Economy. The Institute is committed to self sustenance,

positive and health work environment, team work, quality improvement, excellence and professionalism in all aspect of its working. In tune with its vision and mission the institute endeavours to:

- a) Inculcate entrepreneurial values amongst the educated youth and motivate them of entrepreneurship as a viable career option;
- b) Get the entrepreneurship courses introduced in the education system to wean away the youth from job seeking motivate them to become entrepreneurs and create jobs for others;
- c) Create a conducive support environment for entrepreneurship by orienting bankers and other officials of the support system;
- d) Institutionalize entrepreneurship development through cadre of competent trainer-motivators.
- e) Institutionalize entrepreneurship development through a cadre of competent trainer-motivators.

The institute started its regular activities in February 2004, with the appointment of a full time Director and other core staff members and had established three Regional Centres at Jammu, Kashmir and Ladakh. In Jammu, the Institute has established its office in the ground floor of Jawahar Lal Nehru Udyog Bhawan at Rail Head Complex. In Kashmir the Institute operates from the premises of Jammu and Kashmir Institute of Management, Public Administration and Rural Development (J & K IMPA). However, the institute's office in Kashmir will be soon shifted to its newly constructed campus at Pampore. In Ladakh, the Institute is operating from the accommodation provided by Ladakh Autonomous Hill Development Council (LAHDC) at Government Institute Estate, Leh to take care of the two districts of Leh and Kargil.

As a strategy, the Institute has been focusing mainly on those areas, which have a local resource marketing channels. Therefore, the subjects which are being emphasized in various Entrepreneurship Development Programmes (EDP's) include:

- a) Food Processing;
- b) Medicinal and Aromatic Plants;
- c) Export Business;
- d) Tourism Management ;
- e) Manufacturing of Textiles;
- f) Manufacturing of Leather Goods and Garments;
- g) Commercial Floriculture;
- h) Handicrafts;
- i) Information Technology Enabled Services etc.

In pursuance to this policy, the Institute has taken a gigantic leap in its training activities as is revealed from the following figures:

**Table 9(a) 3: Profile of Training activities under JKEDI**

Year	EAPs		EDPs		EOPs	
	No. of	Participants	No. of	Participants	No. of	Participants

	<b>Programmes</b>	<b>Covered</b>	<b>programmes</b>	<b>Covered</b>	<b>Programmes</b>	<b>Covered</b>
2003-04	-	-	1	21	3	150
2004-05	38	2170	-	-	18	644
2005-06	50	5012	17	445	24	693
2006-07	64	4258	19	441	27	616
2007-08	32	2093	47	1422	35	950
2008-09	32	3110	30	1242	13	584
Total:	216	16643	113	3550	120	3637

Source: JKEDI

The institute has added yet another dimension to the strategy, which concerns the follow-up and monitoring. At follow up meetings, an endeavour is made to look into the reasons for shortcomings of the previously organized programmes and make necessary correction in the process of selection of areas of training, selection of entrepreneurs to be trained, managed, managerial and technical inputs to be delivered and other related issues. This year the Institute made appointments of professionals in the fields of Research and project management to give a fillip to the selection of thrust areas and give proper direction to the work being done by the Institute.

In view of the response of entrepreneurs to some specific areas, the Institute is now laying more emphasis on Commercial Floriculture, Medicinal Aromatic Plants, Tourism and Information Technology enabled Services, which have yielded encouraging results.

The Institute had prepared its Perspective Plan in 2005-06 for a period of 10 years from 2005-06 to 2014 to 2015, which was approved by Planning and Development Department. As per this Plan, an amount of Rs.740.00 lacs was approved under Capital Component and Rs.702.30 lacs under Revenue Component. No provision for purchase of land was kept for Srinagar as in terms of Government Order No:219-Ind of 2001 dated:28.08.2001, the State Government had allotted land at Rajbagh for building the Institute's Campus at Srinagar. For the construction of office complex, a provision of Rs.350.00 lacs was kept as per the cost index at the relevant point of time. In Jammu, a provision of Rs.1500.00 lacs was kept for purchase of land and Rs.350.00 lacs for construction of office building.

However, in pursuance of the decision of the Governing Body taken in its 10<sup>th</sup> meeting held on May 23, 2007 read with its decision taken by circulation, in Kashmir the campus of the Institute was shifted to Pampore for which land was purchased from JKI at the cost of Rs.600.00 lacs. The Planning & Dev Department, however agreed to release an amount of Rs.600.00 lacs as the cost of land raising the approved outlay under Capital Component to Rs.1340.00 lacs.

However, as against the estimated cost of Rs.350.00 lacs, the cost of Institute's complex has gone up to Rs.1168.00 lacs. Moreover, the cost of land for Jammu campus has gone up to Rs.725.00 lacs against the estimated cost of Rs.150.00 lacs. The cost of the construction of Hostel building and Faculty House in Srinagar and the cost of Office Complex and Faculty House in Jammu will also go up substantially as against the projected cost in the perspective Plan.



With regard to training activities, the Institute proposes to organize training activities as per the following details:

- |  |   |    |
|--|---|----|
| 1. Entrepreneurship Awareness Programme (EAP's)  | = | 45 |
| 2. Entrepreneurship Development Programme (EDPs)<br>(these include about 10 programme of six months duration and 6 programme of 3 months duration) | = | 25 |
| 3. Entrepreneurship Orientation Programmes (EOPs)  | = | 35 |

### ***Development of Clusters under Small Industry Cluster Development Programme (SI-CDP)***

Following two clusters are being developed in the State under SSI – Government of India's Small Industry Cluster Development Programme.

- 1) Common Facility Centre for Cricket Bat Industry at Sethar, Anantnag in Collaboration with Process cum Production Development Centre, Meerut where Wood Seasoning Plant is under fabrication.
- 2) Common Facility Centre for Wooden furniture/Joinery Clusters at Srinagar.

Action Plan for both clusters is approved by the Government of India. The CFC for Cricket Bat Industry at Sethar, Anantnag has been approved by the Government of India at an estimated cost of Rs. 572.71 lakh out of which the Central Share is Rs. 246.46 lakh.

The State Government has so far provided Rs.362.00 lakh to the implementing agency and Government of India provided Rs.28.00 lakh through PCC, Meerut. Activities like market development, technical up gradation, capacity building of cluster, items of office automation are under development for accord of approval.

Detailed Project Report on setting up of common facility Centre for Wooden furniture / Joinery Cluster at Srinagar sent to Government of India.

The designed industrial infrastructure created / being created will go a long way in propping up of developmental activities in the State, therefore, should be taken as strength of this sector.

### ***Industrial scenario in J&K***

#### **Large and Medium Sector**

The large and medium industries are mostly in the State Public Sector with a few units under the Central Government also. After the announcement of Central package during 2002 and State Industrial Policy 2004 around 139 Industrial Units have been set up as on 31-03-2009 in the large and medium sector with an investment of Rs. 3405.00 crore providing employment to 27286 persons.

Among the existing industries Chenab Textile Mill Kathua which started its operations in 1978 is a leading one. The mill employs more than 5000 workers and is equipped with the state of the art textile machinery. It is currently expanding its capacity. The Chinab Textile Mill an ISO 9002 company has been selected for a special award for its contribution towards generation of employment in the State and contribution to the States revenue. Among the

other leading ones are, Flex Industries, Neel kamal Industrial Crafts, Jai Beverages, and Suraya Health Care Limited.

### ***Prestigious projects in pipe line***

- c) One steel processing mill with a production of 40000 Tonnes of TMT Bar Mill/ annum and 60000 Tonnes of GC sheets /annum is being set up at Industrial Growth Centre Lassipora, Pulwama, by Steel Authority of India Ltd. at a cost of Rs.200 crores. The unit will provide direct employment to 242 persons. 200 Kanals of land have been provided to SAIL for the said purpose by SIDCO and the company is in the process of implementation of the said project.
- d) A proposal has been received from M/S Essar Group for establishment of two call centres with a capacity of 3000 seats, one to be set up at Industrial complex Khunmoh and another at EPIP Kartholi Jammu. The total investment in these call centres would be to the tune of Rs. 135 crores. The employment opportunities to at least 9000 computer literate/ professionals is envisaged to be created in these call centres.

### ***Annual Survey of Industries (ASI)***

Annual Survey of Industries is the principal source of Industries Statistics. The Annual Survey of Industries is conducted across the country by the National Sample Survey Organisation (NSSO) Government of India. It is conducted once in a year to collect the data from the organised manufacturing units registered under section 2m (i) and 2m (ii) of the Factories Act of 1948 which respectively refer to the factories employing 10 or more and using power and those employing 20 or more workers but not using power on any day of the preceding 12 months. It also covers bidi and cigar manufacturing establishments registered under Bidi and Cigar workers Act 1966. It also covers Electricity undertakings, certain services like cold storage, water supply, repairs of motor vehicles etc.

342 registered factories in J&K were covered under Annual Survey of Industries during the year 2003-04. The ASI results reveal that average investment on fixed capital per registered factory in the State was Rs.111.70 lakh. At All-India level it was Rs. 366.71 lakh. Average net and gross value added per factory in the State was Rs.54.97 lakhs and Rs.67.54 lakhs respectively. The generation of employment per factory in the State was for 79 persons. The gross value added and other characteristics based on Annual Survey of Industries for the years 1999-00, 2000-01, 2001-02 and 2003-04 are given in table no. 9(a)(1) of the statistical supplement.

### ***Small Scale Industries Sector***

For speedy growth of Small Scale Industry sector in the state the Government has brought about simplification in the registration procedure. One District Industries Centre has been set up in each district of the state. The primary objective of the District Industries Centres is to provide all services to the entrepreneur under one roof. They serve as the nodal agency in the District for the orderly development of the industries. The District Industries Centres have been entrusted with the responsibility of providing all approvals/clearances needed for setting up an industry. The SSI Units

are initially given the provisional registration and after commencement of production they are given formal registration. The District Industries Centres are also arranging required credit facilities. The total number of permanently registered SSI units at the end of March 2009 stood at 51443 generating 235918 employment opportunities. Out of these formally registered SSI units 971 units were registered during the year 2008-09 providing employment to 5366 persons. Rate of growth in the number of units and employment generation was 1.92% and 2.32% respectively over previous year. The slow growth rate during the year was mainly due to the political disturbances that affected severely the entire economic life during the year. The District Industries Centres are also the implementing agencies for the “Prime Minister Rozgar Yojana” programme for the educated unemployed youth. Growth in the number of SSI Units registered and employment generated thereof is shown in below given table;

**Table 9(a) 4: Growth in Small Scale Industrial Units**

<i>Year (As on March)</i>	<i>No. of SSI units registered</i>	<i>Employment Generated (No.)</i>	<i>%age Increase in</i>	
			<i>SSI units</i>	<i>Employment</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
2001-02	43689	193285	-	-
2002-03	44701	197578	2.31	2.22
2003-04	45672	203428	2.17	2.96
2004-05	46818	209322	2.50	2.89
2005-06	48224	219127	3.00	4.68
2006-07	49426	225963	2.49	3.11
2007-08	50472	230552	2.12	2.03
2008-09	51443	235918	1.92	2.32

*Source: Directorate of Industries & Commerce (J&K)*

### **District Profile**

District profile of registered SSI units indicates that bulk of units is registered in Jammu district i.e. 10098 as on 31-03-2009 forming 19.74% of total registered units, followed by Srinagar district sharing 18.77%. District profile of SSI registered units is given in annexure 4 (a)- (i) in sectoral statistical supplement.

### **Status of SSI Units in the State**

As per Third All India census report-2001 the total number of functional units in the State was 15253 generating employment for 50643 persons. The annual turnover of these functional SSI units was estimated to be Rs. 2062.27 crore with an investment of Rs. 937.56 crore. Functional SSI units identified by the census plus the year to year registered units from 2001-02 to 2008-09 will give present status of SSI units in the State. As per this indicator, a total of 23908 SSI units are functioning in the State providing employment opportunities to 99031 persons as on March 2009. On an average 4 persons are working in each SSI industry. Features of these SSI units are shown here under.

**Table 9(a) 6: Status of SSI Sector in the State (Rs. in Crore)**

<i>Year</i>	<i>No of Functional Units</i>	<i>Employment Generated (No)</i>	<i>Investment</i>	<i>Annual Turnover</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
I As per 3 <sup>rd</sup> All India Census- 2001	15253	50643	937.56	2062.27
II- 1. 2001-02	973	5485	198.54	231.52
2. 2002-03	1012	5053	466.47	496.25
3. 2003-04	971	5090	247.79	321.96
4. 2004-05	1146	5894	381.71	1319.50
5. 2005-06	1406	9805	128.29	180.27
6. 2006-07	1202	6836	101.81	1493.64
7. 2007-08	1046	4859	82.53	-
8. 2008-09	971	5366	145.01	-
<i>Total</i>	<i>23908</i>	<i>99031</i>	<i>2689.71</i>	<i>-</i>

*Source: Directorate of Industries & Commerce(J&K)*

### **Industrial Sickness**

Although the number of SSI units in the State has gone up, there are cases of sickness of units. Some of them being non-functional and untraceable. Industrial Census of SSIs in Jammu and Kashmir (1998) showed that out of 36,510 units surveyed, 15145 units (41.48 percent) were functional, 4840 units (13.26 percent) were closed where as 306 units (0.84 percent) were sick and 16219 units or 44.42 percent were untraceable as shown in the below given table. Most of these untraceable units are those that are registered on paper only in order to take advantage of the incentives given to the SSI. Some others left the state due to disturbances.

**Table 9(a) 7: Classification of Units according to Census 1998**

<i>Type of Industrial Units</i>	<i>Total</i>	<i>Percentage</i>
Units Surveyed	36510	100.00
Functional Units	15145	41.48
Sick Units	306	0.84
Closed Units	4840	13.26
Untraceable Units	16219	44.42

*Source: Industrial Statistics, J&K 2000-01 (State Development Report September, 2003)*

The Entrepreneur Development Institute (EDI), Ahmedabad, conducted a survey in 1996-97 to determine the reasons for the sickness of the industrial units in Jammu and Kashmir. The results showed that 32.71 percent of the units became sick due to financial crunch, 30.55 percent due to law and order and other problems, 19.40 percent due to marketing problems, 9.24 percent due to raw material unavailability and 8.10 percent due to migration.

Ministry of MSME, GOI, conducted the 4<sup>TH</sup> All India Census during the year 2008. The survey is at present at the processing stage and the results are expected very soon. The survey will give us a complete picture of the present status of the Micro, Small and Medium Establishments of the state.

### **Rehabilitation of Sick SSI units.**

As per the Reserve Bank of India, the number of sick units in the State is 3151 which constitutes 16.06 percent of the total 19621 SSI units financed by Banks and financial Institutes so far. For rehabilitation of sick units, the State

Govt has accepted to provide soft loan to the extent of 30% of total requirement to potentially viable Sick units for their revival under Rehabilitation Policy. The number of such units has been identified to be 359. Out of these units, 32 units have been provided soft loan of Rs. 386.68 lakh by the State Level Rehabilitation Committee and an amount of Rs.519.12 lacs stands sanctioned in favour of 36 units as approved by SLRC.

**Table 9(a) 8: District wise position of sick units and soft loan sanctioned/disbursed**

S. No	District	No.of units identified sick	No. of units approved by SLRC for soft loan		No.of units soft loan disbursed	
			No.	Amount.	No.	Amount.
1	Srinagar	116	41	492.39	14	130.11
2	Budgam	19	4	93.12	2	39.31
3	Pulwama	13	4	76.06	2	48.60
4	Anantnag	16	3	23.11	0	0
5	Baramulla	20	4	63.00	3	33.00
6	Kupwara	6	3	59.66	2	37.20
7	Jammu	96	9	98.46	9	98.46
8	Udhampur	44	0	0	0	0
9	Kathua	19	0	0	0	0
10	Doda	2	0	0	0	0
11	Rajouri	3	0	0	0	0
12	Poonch	5	0	0	0	0
	Total	359	68	905.80	32	386.68

***Incentives Paid to Industrial units under State Package***

The Directorate of Industries and Commerce (J&K) which is the nodal agency at State level for implementation of central and state packages of incentives to Industrial units has provided various incentives amounting to Rs. 57.66 crores to 2438 industrial units during the period 2003-04 to 2008-09. The incentives are:

- 1. Capital Investment Subsidy:** Put together from 2003-04 to 2008-09 total number of Industrial units paid capital investment subsidy was 378 involving Rs. 17.35 crore, out of which 17 units were paid capital investment subsidy of Rs. 51.48 crore during 2008-09.
- 2. Interest subsidy:** Interest subsidy of Rs.14.00 crore was paid to 1189 industrial units including an amount of Rs.0.60 crore paid during 2009-09 to 24 units.
- 3. DGS Subsidy: 626** units were paid Rs.16.87 crore as DGS subsidy from 2003-04 to 2008-09.

Similarly 165, 51, 9 and 20 industrial units were provided Rs.7.10 crore, Rs. 0.15 crore, Rs. 1.83 crore and Rs. 0.35 crore on account of Testing Equipment Subsidy, Project Report Subsidy, Total Tax Re-imburement(SICOP) and ISI/ISO 9000 Mark Fee Subsidy during the last 6years period(2003-04 to

2008-09). Year wise details of incentives paid to industries under State package are given in the table below.

**Table 9(a) 9: Incentives paid to Industrial units from 2002-03 to 2008-09 under state package**

Incentive	2003-04		2004-05		2005-06		2006-07		2007-08		2008-09		Total	
	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.
100% Sub. On DG set	87	203.18	71	154.70	71	159.25	128	354.11	120	342.34	149	473.52	626	1687.10
30% Capital Inv. Subsidy	133	638.46	77	341.98	93	445.55	33	122.79	25	134.31	17	51.48	378	1734.57
5%-3% intt. Sub. On working capital	419	486.56	370	417.84	259	254.71	77	125.35	40	57.35	24	58.04	1189	1399.85
100% Project Report Subsidy	10	1.30	17	3.28	8	2.48	11	6.67	4	1.00	1	0.15	51	14.88
ISO 9000/ISI Marks Free Sub.	7	13.46	10	16.84	3	4.51	0	0	0	0	0	0	20	34.81
100% Testing Equip. Subsidy	32	75.12	37	162.46	25	102.57	26	128.56	22	89.59	23	152.52	165	710.82
Toll Tax Sub. (SICOP)	1	10.21	1	54.15	1	14.24	2	58.96	3	36.92	1	9.26	9	183.74
<b>Total</b>	<b>689</b>	<b>1428.29</b>	<b>583</b>	<b>1151.25</b>	<b>460</b>	<b>983.31</b>	<b>277</b>	<b>796.44</b>	<b>214</b>	<b>661.51</b>	<b>215</b>	<b>744.97</b>	<b>2438</b>	<b>5765.77</b>

Amt = Amount in Rs. Lakhs

Source: Directorate of Industries and Commerce J&K

### **Prime Minister Rozgar Yojana (PMRY)**

To address the educated un-employed problem in the country Prime Minister Rozgar Yojana was introduced. The Jammu and Kashmir was pioneer in implementing the programme. The programme in the state was implemented through Directorate of Industries and commerce in collaboration with all the concerned line departments. The scheme was under implementation till 2007-08 and the achievements under the scheme are given in the table below.

**Table 9(a) 10: Physical / Financial Achievements of PMRY (Rs. In Lakh)**

S.No	Year	Cases/Amount Sponsored		Cases/Amount Sanctioned		Cases/Amount Disbursed	
		Number	Amount	Number	Amount	Number	Amount
1	2	3	4	5	6	7	8
1	2002-03	4720	2271.50	1730	1641.17	1402	1187.06
2	2003-04	4727	3055.37	1584	1518.68	1341	1251.07
3	2004-05	4348	4992.00	1853	1955.97	1623	1499.54
4	2005-06	4790	5697.38	1863	1956.04	1616	1475.35
5	2006-07	5048	6059.98	2042	2377.87	1743	1812.15

6	2007-08	4944	6902.22	2079	2993.13	1833	2622.51
	Total	28577	28978.45	11151	12442.86	9558	9847.68

Source: Directorate of Industries/Commerce (J&K)

### **Cases/Amount Sponsored**

Under PMRY total cases sponsored from 2002-03 to 2007-08 were 28577 involving an amount of Rs.28978.45 lakhs.

### **Cases/Amount Sanctioned**

An amount of Rs.12442.86 lakhs was sanctioned in favour of 11151 cases from 2002-03 to 2007-08.

### **Cases/Amount Disbursed**

An amount of Rs.9847.68 lakhs was disbursed in favour of 9558 cases from 2002-03 to 2007-08. By and large increasing trend has been noticed regarding cases sponsored, cases sanctioned and cases disbursed together with amount for all the years.

### **Prime Minister's Employment Generation Programme (PMEGP)**

The Government of India, Ministry of MSME, New Delhi has launched a new Credit Linked Subsidy Scheme called Prime Minister's Employment Generation Programme (PMEGP) on 61<sup>st</sup> anniversary of India Independence Day by merging the two schemes that were in operation till 31.03.2008 namely Prime Minister's Rojgar Yojana (PMRY) and Rural Employment Generation Programme (REGP) for generation of employment opportunities through establishments of Micro establishments in Rural as well as in Urban areas. The scheme will be implemented by KVIC. A statutory organization under the administrative control of the Ministry of MSME as the single nodal agency at the national level. This scheme is to be implemented by three agencies viz KVIB and KVIC in Rural areas and DIC's in Urban and Rural Areas. The implementation of the scheme commenced from December 2008.

**Table 9(a) 11: Action Plan/Achievements under PMEGP for the year 2008-09 (Rs. in lacs)**

<i>Agency</i>	<i>Target</i>			<i>Achievements</i>		
	<i>No. of projects</i>	<i>Margin money</i>	<i>Emp.</i>	<i>Cases sanctioned</i>	<i>Margin money sanctioned</i>	<i>Employment envisaged</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>
KVIC	112	134.66	1124	59	122.10	265
KVIB	262	314.22	2620	1530	1077.90	9862
DIC	250	299.26	2494	191	187.28	807
Total	624	748.14	6328	1780	1387.28	10934

During the year 2008-09, against the target of 624 projects/units involving a margin money of Rs.748.14 lacs allocated by Ministry of MSME, 1780 cases have been sanctioned by the banks/financial institutions against the cases sponsored by the different concerned executing agencies involving a margin money of Rs.1387.28 lacs thereby envisaging employment opportunities 10934 persons.

However, because of its late commencement, December-2008, the progress regarding the No. of cases disbursed by the banks and the actual

number of projects that will be commissioned and the actual employment so generated will be known only at a later stage.

### ***Findings of the 5<sup>th</sup> Economic Census***

#### ***Establishments***

As per the results of 5<sup>th</sup> Economic Census conducted by the Central Statistical organisation in 2005 in-collaboration with the Directorate of Economics and Statistics, Jammu and Kashmir, there were 324908 establishments in the State engaged in different economic activities (other than crop production and plantation), as compared to 215600 establishments recorded by 4<sup>th</sup> Economic Census 1998, out of which 183118 establishments (56.36%) are in rural areas and 141790 establishments (43.64%) are in Urban areas. 322323 (99.20%) establishments are engaged in non-agricultural activities and the remaining 2585 (0.80%) in agricultural activities (other than crop production and plantation), the corresponding number of non-agricultural and agricultural establishments posted by 4<sup>th</sup> Economic Census was 213645 and 1955 with rural/urban divide of 108761 & 104884 and 1769 & 186 respectively. A number of 5980 establishments employed 10 workers or more accounting 1.84% of total establishments, the corresponding number of establishments employing 10 or more employees as per 4<sup>th</sup> Economic Census was 5676.

#### ***Employment***

751532 persons were engaged in these establishments out of which 367051 persons were in rural establishments and 384481 persons in Urban Establishments. The relative number of persons engaged in the establishments as per 4<sup>th</sup> Economic Census 1998 was 473640 with rural, urban divide of 217415 and 256225 respectively.

Annual average growth of 6.03% was recorded in the number of establishments and 6.82% in employment during 1998--2005. Salient features of 5<sup>th</sup> Economic Census in comparison with 4<sup>th</sup> Economic Census are given in the table No 9(a)(4) in the Statistical Supplement.



## *Chapter – 9 (6)*

### ***Public Sector Undertakings***

Public Sector Undertakings were set up in the State, in view of the Industrial development for which private investment was not available. Public Sector Undertaking's' (PSUs) contribution towards State Domestic Product has not been great so far. As reported by Bureau of Public Sector Undertakings (PSUs) there are 19 public sector undertakings under the administrative control of various Ministries/Departments as on March, 2008. Most of these PSUs are running into losses with exception of few. Seven PSUs are being provided budgetary support by the State Govt. to meet their wage bills and other day to day activities. The State Govt. has also signed a MOU with Govt. of India to gradually phase out budgetary support. Out of these 19 PSUs, seven PSUs are managed and controlled by Industries and Commerce Department. The authorized capital of these seven PSUs is Rs.81.00 crores and their paid up capital is Rs. 71.13 crores.

**Jammu and Kashmir State Industrial Development Corporation (J&K SIDCO)**

Jammu & Kashmir State Industrial Development Corporation Ltd. (SIDCO) was incorporated as a fully owned Government Company under the Companies Act, 1956 with an authorized Share Capital of Rs.20.00 Crores in the year 1969. The Paid-up capital of the company as on date is Rs.17.64 crores.

**The following activities are being undertaken by SIDCO at present.**

**1. Acts as Nodal Agency for:**

- i. Promotion of Medium & Large Scale Industries.
- ii. Assistance to States for Development of Export Infrastructure & Allied Activities (ASIDE) Scheme of Ministry of Commerce & Industry (G.O.!).
- iii. Ministry of Food Processing Industries, Govt. of India.
- iv. Agricultural and Processed Food Products Export Development Authority (APED A) Dept. of Commerce Ministry of Commerce & Industry Govt. of India.

**2. Development of Industrial Infrastructure.**

**3. i) Term financing of Industrial Projects & Refinancing Schemes of IDBI/SIDBI.**

**ii) Disbursement of Soft Loans on behalf of State Govt.**

**STATUS OF VARIOUS ACTIVITIES OF THE CORPORATION**

**1. Large, Medium, & Small Scale Industry:**

1163 Nos. of units in Large, Medium, and SSI sector have so far been set up in various industrial complexes managed by J&K SIDCO in the state. Out of these 139 units are in Medium and Large scale. The total investment mobilization in all these units is to the tune of approximately Rs. 4288 Crores and total employment generated is 52784 persons. The category-wise investment and employment in Medium, Large and small scale sectors are given hereunder:

**Table 9(b) 1:**

Particulars	Medium and Large units			Small Scale unit		
	in production	Under Implementation	Total	in production	under Implementation	Total
No. of units	81Nos.	58 Nos	139Nos.	458 Nos.	566 Nos.	1024 Nos.
Investment Rs. in crores	2218	1187	3405	355	528	883
Employment generated (numbers)	18709	8577	27286	11309	14189	25498

**Prestigious Projects in Pipe line in Kashmir Region.**

**a. Steel Authority of India Ltd. (SAIL)**

One Steel Processing mill is being set up at Industrial Growth Centre, Lassipora, Pulwama, by Steel Authority of India Ltd. at a cost of Rs. 200 Crores. 200 Kanals of land has been provided to SAIL for the said

purpose by SIDCO and the company is in the process of implementation of the said project.

**b. Establishment of Call Centres by MIs Essar Group.**

A proposal has been received from M/ s Essar Group for establishment of Two call Centres with a capacity of 3000 seats, one to be set up at Industrial Complex Khunmoh and another at EPIP Kartholi, Jammu. 32 Kanals of land stands allotted at Khunmoh and 26 kanals of land has been earmarked in EPIP Kartholi for setting up of these Call Centres.

The total investment in these Call Centres would be to the tune of Rs. 135 Crores. The employment opportunities to at least 9000 computer literate/ IT professional are envisaged to be created in these Call Centres.

**2. Assistance to State for Development of Export Infrastructure & Allied Activities (ASIDE):**

J&K SIDCO has been designated as a Nodal Agency by Ministry of Commerce and Industry, Govt. of India for disbursement and regulating of various funds received for development of Export related infrastructure in the state. A State Level Export Promotion Committee (SLEPC) headed by Chief Secretary, J&K govt. approves the projects and monitors its implementation. The Corporation has so far transferred an amount of Rs. 2952.99 lacs to various agencies for executing the projects related to the Export Oriented Infrastructure in the State. The detailed utilization of funds by various agencies is given here-under:

**Table 9(b) 2:**

S. No	Name of Project	Implementation Agency	Amount released so far (Rs. In lacs)	Present status
1.	Common facility Centre at Baghi-Ali-Mardan, Srinagar	J&K Handicraf (S&E) Corpn.	124.90	Project implemented
2.	Inland Container Depot. Jammu.	J&K SIDCO	329.40	-do-
3.	Software Technology Park Jammu	J&K SIDCO	468.00	-do-
4.	Export Dev. Centre Srinagar	Directorate of Handicrafts	701.57	-do-
5.	Inland Container Depot. Rangreth	J&K SIDCO	798.76	Under Implementation
6	Export Oriented Handloom Dev. Project, Samba	Handloom Dev. Corpn.	530.36	Under Implementation
	<b>Total</b>		<b>2952.99</b>	

**3. Status of cases referred to Ministry of Food Processing Industries (MOFPI), Govt. of India.**

J&K SIDCO in its capacity as State Nodal Agency forwards cases of grant in aid to the Ministry of Food Processing Industries Govt. of India. This grant is released directly to the beneficiaries by GOI. So far the grant-in-aid to the extent of Rs. 9.87 Crores has been sanctioned in respect of 27 units by MFPI which includes 15 units from Jammu, 10 from Srinagar and two from Ladakh region. Against the sanctioned amount of Rs. 9.87 Crores an amount of Rs. 7.90 Crores has been released in favour of the above mentioned units.

Under MFPI, SIDCO also develops Food Parks to create infrastructure for food processing industry. So far two Food Parks have been developed as under:

**a. Industrial Food Park Khunmoh**

The Corporation has established a Food Processing Industrial park at Khunmoh with the financial assistance from Ministry of Food Processing Industries Government of India. The said park has fully been established and the land provided to 44 Industrial units. 15 industrial units are in production, the rest of the units are at various stages of implementation.

**B. Industrial Food Park. Doabegah Sopore.**

After successful completion of the Food Park, Khunmoh project, a similar type of Food Park is being established at Doabgah, Sopore at a project of Rs. 948.44 lacs with the financial assistance of Ministry of Food Processing Industries, govt. of India. The present status of various developmental works in the said park is given hereunder:-

- Proposal for establishment of one Controlled Atmosphere Cold Storage facility of 1000 metric Ton capacity under consideration.
- Water Treatment Plant
- Land earmarked to 23 Industrial Units.

**4. DEVELOPMENT OF INDUSTRIAL INFRASTRUCTURE:**

The Corporation has so far developed 18605 kanals of land in 10 Industrial Estates and 9934 kanals of land have been allotted in favour of Medium, Large and small scale units in both regions of the state as per details given below :

**Table 9(b) 3:**

S.No	Name of the Industrial Complexes	Total Land (in kanals)	Area under plots	Land Allotted (in kanals)
1.	I. C. Bari- Brahmna	6152	4515	4515
2.	EPIP Kartholi	1000	554	554
3.	ICC Samba	3494	2504	2504
4.	Industrial Estate Kathua.	209	157	157
5.	I.G.c. Lassipora	6193	4424	533
6.	I.E. Rangreth	1147	754	754
7.	I. E. Khunmoh	Phase I - 535K Phase II - 436K Phase III - 1000 K	765	Phase I & II 765 32 Kanals
8.	Food Park Khunmoh	160	85	81
9.	I. E. Shalteng	94	70	70
10.	Food Park Doabgah, sopore	202	83	39+109 with HPMC

**New Areas:**

The Corporation is in the process of establishing the industrial estates at following places for which the land is already in possession of the Corporation:

**a. Industrial Estate Ompora, Budgam:**

The Corporation could not develop the said industrial estates due to the court cases filed by some land owners. Now the matter stand settled between the district administration and land owners. As such the necessary steps are

being taken for development of 1000 kanals of land at Ompora as an industrial estate.

**b. Industrial Estate, Ghatti, Kathua:**

About 3500 Kanals of land have been transferred to J&K SIDCO for establishing an industrial estate at Ghatti in Kathua district. The necessary developmental plans have been chalked out and the works on the project are being started immediately. There is a pending demand for allotment of 1019 kanals of land from 17 industrial houses which have already been cleared by the Apex Projects Clearance Committee of the state.

**c. Industrial Estates, Khunmoh, Phase -III:**

About 1000 kanals of land have already been handed over to SIDCO last year, however, the development work of said industrial estate could not be taken up for execution as the payment of some of the land owners had not been made by the Revenue Authorities as the result of which the owners of the land did not allow any works to be executed on the project. The said issues have now been settled and the corporation is in the process of framing of developmental plan for the project. There is a pending demand for 900 kanals of land from 325 entrepreneurs for allotment of land at Industrial Estate Khunmoh Phase- III.

**Development Banking**

The Corporation used to provide term loan assistance to industrial units under refinance scheme of IDBI/SIDBI. Due to the prevalent situation in the state, most of the units went in to default. As on date an amount of Rs. 19.47 Crores on account of principal alongwith interest of Rs. 233.18 Crores is recoverable from 47 number of units.

The Corporation has announced One Time settlement scheme for the defaulters which is closing on 31st Jan. 2009. So far 7 number of units involving a principal amount of Rs. 382 lacs have approached the corporation to settle their cases.

**J&K Small Scale Industries Development Corporation Limited (SICOP)**

The J&K SICOP limited was established in November 1975 with an authorised share capital of Rs 500.00 lac and paid up capital of Rs. 311.85 lac as a fully owned J&K Government Undertaking to aid, assist and promote SSI sector in the state. The undertaking has to provide facilities to Small Scale and Tiny Industrial units by way of development of industrial areas, arrangement of raw material, financial assistance for purchase of raw material, to meet Government orders for manufactured goods etc. The main activities of SICOP in the perspective of development of industries sector of the state are as under:

- To develop infrastructural facilities by way of establishing industrial areas.
- To procure and sell industrial raw material to the SSI units.
- To extend marketing support to the SSI units.
- To provide testing facilities to the industry.

<b>Table 9(b) 4: Salient Features of the Industrial Estates managed by J&amp;K SICOP (Area in Kanals)</b>				
<i>Name of Industrial Estate</i>	<i>Total Area</i>	<i>No of units allotted land</i>	<i>Investment made by units (Rs. in lacs)</i>	<i>Employment Generated</i>

<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
Industrial Estate Gangyal	988	336	9614	7000
Industrial Estate Birpur	306	156	4375	850
Industrial Estate Kathua	522	120	9780	2200
IID Centre Udampur	1051	187	425	574
Industrial Estate Zainakote	525	190	629	750
Industrial Estate Zakura	128	57	330	191
Sports Goods Complex, Bejbehara	206	Under occupation of Security forces		
<b>Total</b>	<b>3726</b>	<b>1046</b>	<b>25153</b>	<b>11565</b>

Source: Industries and Commerce Department (J&K)

In addition, the projects under implementation of J&K SICOP with assistance from Government of India are:

1. Silk Tech Park at Zakura, Sriagar
2. Integrated Infrastructure Development (IID) Centre, Govindsar, Kathua

The infrastructure created and being created will provide strength to the developmental activities of this sector.

#### **Yearly Turn over of SICOP:**

Yearly turnover of SICOP for the last 6 years in succession is showing impressive growth rate. During the financial year 2008-09 the total returns of the company were valuing Rs.393.43 crore a little lower as compared to the previous year. However this is an achievement in itself as these returns have been achieved despite loss of about 60 working days due to disturbance in the state that adversely effected working of the organisation. Yearly turn over of the company is given hereunder:-

**Table 9(b) 5:Yearly Turnover of SICOP (Rs. in Crore)**

<i>Year</i>	<i>Raw-Material</i>	<i>Marketing</i>	<i>Others</i>	<i>Total</i>	<i>%age increase</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>
2001-02	53.17	31.50	3.96	88.63	-
2002-03	40.29	41.45	5.20	86.94	-1.91
2003-04	69.43	57.64	3.04	130.11	49.65
2004-05	87.48	85.46	4.30	177.24	36.22
2005-06	174.60	88.61	3.14	266.35	50.28
2006-07	242.72	76.82	2.98	322.52	21.09
2007-08	361.75	70.50	7.78	440.00	36.42
2008-09	296.27	93.47	3.69	393.43	-11.83

Source: Industries & Commerce Deptt(J&K)

#### **Financial results of SICOP**

Financial results of the undertaking have recorded net negative results of Rs. 1.02 crore and Rs.0.12 crore for the years 2001-02 and 2002-03. Thereafter, the company has shown positive results and is providing surplus generation. During the year 2008-09, the undertaking have achieved a composite turnover of Rs.393.43 crore that generated total income of Rs.10.19 crore. After accounting for the total expenses of Rs. 8.05 crores during this

period the net cash surplus generation comes to Rs.2.14 crore. Yearly financial results of the Company are given hereunder:-

**Table 9(b) 6: Financial results of SICOP (Rs. in Crore)**

<i>Year</i>	<i>Turn Over</i>	<i>Income</i>	<i>Expenditure</i>	<i>Net Results</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
2001-02	70.63	4.32	5.34	-1.02
220-03	86.94	5.34	5.46	-0.12
2003-04	130.11	6.85	5.99	0.86
2004-05	177.24	8.68	6.28	2.40
2005-06	266.35	8.61	7.23	1.38
2006-07	322.52	8.04	7.21	0.83
2007-08	440.00	9.40	7.53	2.44
2008-09	393.43	10.19	8.05	2.14

*Source: Industries & Commerce Deptt(J&K)*

### **J&K State Handloom Development Corporation**

J&K State Handloom Development Corporation was incorporated in the year 1981-82 with an authorized share capital of Rs. 500.00 lakh and paid up share capital of Rs. 343.50 lakh. In the 55<sup>th</sup> Board of Director's Meeting the Board has been pleased to increase the Share Capital from 5 to 10 crores. The main activities of the corporation are to assist handloom weavers, handloom societies and SSI units in the handloom sector. Supply of handlooms and other accessories, arrangement of raw-material and technical support for production and marketing of end products produced by weavers are the other significant functions of Handloom Development Corporation.

The Handloom Development Corporation has developed following infrastructure:

- Wool and woollen design development centre at Rambagh Srinagar.
- Common facility centres at Pulwama, Anantnag, Bandipora. Leh, Udhampur, Rajouri, Poonch, Kathua and Doda.
- Export oriented handloom project at Samba.
- Sale outlets outside State at Delhi, Kolkata, Jaipur, Khanpur and Kullu (H.P) in addition to the outlets in J&K State.
- Design Development Centre Srinagar of the corporation is first of its kind having following facilities.
  1. Testing laboratory for research & development and quality certification.
  2. Computer aided design.
  3. Fully automatic warping machine.
  4. A sample development.

In addition to above infrastructure the corporation is developing a project for development of export oriented cotton fabrics at a cost of Rs. 6.10 crore at Samba in Jammu.

The Corporation has revised hand spinning/weaving in Pashmina and produced antique master pieces retrieved from international museums and private collections which were sold in special events organized for craft promotion in Delhi and Jaipur. The Corporation has organized buyer seller meets at Ludhiana, Chandigarh and Delhi.

## Sales Performance of the Corporation

Sales performance of the Corporation has maintained upward trend since 2003-04. Which is quite obvious from the details mentioned hereunder:-

**Table 9(b) 7: Sales Performance**

<i>Year</i>	<i>Sales Turnover (Lakh Rs.)</i>
<i>1</i>	<i>2</i>
2003-04	407.02
2004-05	528.62
2005-06	543.00
2006-07	560.00
2007-08	402.00
2008-09	350.00

*Source: J&K Handloom Development Corporation*

As on 31-3-2009, the handloom development corporation has provided employment to 700 weavers/others.

Shortage of marketing infrastructure and working capital for production and marketing activities are the main problems of the corporation, which need to be addressed for exploitation of traditional craft for employment and revenue generation.

## Handicraft (S&E) Corporation Limited

J&K Handicraft(S&E) Corporation was established in 1970 to organize trade on scientific lines, set up chain of marketing outlets, hold expos and exhibitions, focus exclusively on marketing skills and fineness of craft persons in the State. The corporation has 22 showrooms out of which 13 are outside State. Urban Haats have already been developed in Jammu and Srinagar to promote marketing facilities for handicraft and handloom products. The Haat envisages provision of basic facilities and stalls for display and demonstration of products. The Jammu and Kashmir Government has decided to setup emporia in all the major cities across the country for marketing of handicrafts, handloom and other artifacts of the State. Three such emporia are being setup at Delhi, Katra and Srinagar. Similarly the pristine glory of exhibition ground at Srinagar has been restored. The State is also participating in expos and exhibitions. Sales Outlet position of the corporation is given here under:-

Total outlets	=	22
I Showrooms in J&K	=	9
a. Kashmir	=	4
b. Jammu	=	3
c. Leh	=	2
II. Outside State	=	13
a. In Metro cities	=	6 (Delhi, Mumbai, Kolkata & Chennai)
b. Other States	=	7

## Sales Performance of the Corporation



The Corporation maintained constant growth in its performance in the past, the disturbed circumstances in the State from 1989 adversely affected the turnover of this corporation. However, the corporation has revived its performance over the years. During the last 3 years 2006-07,2007-08 to 2008-09, the corporation's domestic sales maintained upward trend. The corporation posted sale turnover of Rs. 950 lakh and Rs. 965 lakh respectively for 2007-08 and 2008-09 measuring a growth rate of 3.70% and 1.57 lakh respectively for 2007-08 and 2008-09 with a growth rate of 3.70% and 1.57% respectively. The corporation is likely to achieve its set sales target of Rs.1100 lakh at the end of the year 2009-10.

**Table 9(b) 8:**

<i>Year</i>	<i>Salient Features of Handicraft (S&amp;E) Corporation</i>			
	<i>(Rs. in lakh)</i>			
	<i>Production</i>	<i>Purchases</i>	<i>Exports</i>	<i>Domestic Sales</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
2002-03	26.12	104.54	107.10	659.20
2003-04	25.69	111.06	85.05	741.85
2004-05	26.80	374.94	73.76	698.85
2005-06	-	615.27	74.34	842.09
2006-07	-	-	113.38	897.00
2007-08	-	-	-	950.00
2008-09				965.00

*Source: Handicraft (S&E) corporation*

### **Jammu and Kashmir Industries Limited:**

Jammu and Kashmir Industries Limited was incorporated in October, 1963 as Government undertaking with an authorised share capital of Rs. 20.00 Crore and paid up Share Capital of Rs. 16.27 crore. As far as profile of the undertaking is concerned, it started its activities on 15 industrial units transferred to it in 1963. 5 units were established by the company and 5 units were transferred to other organisations leaving 15 units with the undertaking. These units were engaged in manufacturing of Textiles, Resin, Leather goods, woollen fabrics, wooden goods etc. The Industrial units of the undertaking provide employment to more than 2000 persons.

### **Performance of the Undertaking**

#### **a. Production**

Highest production of Rs.3185.16 lakh has been posted by the company in 2002-03, there after it has dwindled year by year and reached to only Rs.1069.29 lakh in 2006-07. However it again showed an upward trend registering a production of 1551.93 lakh in 2008-09.

## **b. Sales**

The corporation has made highest sales valuing Rs. 1768.45 lakhs during 2001-02, the sales since then have dipped to the extent that the sales for the year 2007-08 have drastically gone down to as low as Rs.457.52 lakhs. However last fiscal has witnessed a sharp and dramatic rise in sales of Rs.1354.99 lakhs thereby resulting in the fall of losses by almost 200.00 lakhs.

## **Financial Status**

Financial status of the company reveals that it is running in loss. Continuous loss has been experienced by the undertaking from 2000-01 to 2005-06. However, the trend reveals that losses have come down from Rs. 2681.40 lakh in 2001-02 to Rs. 1887.20 in 2005-06.

**Table 9(b) 9: Financial status of JKI limited (Rs. In lakh)**

<i>Year</i>	<i>Paid up Capital</i>	<i>Production</i>	<i>Sales</i>	<i>Loss</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
2000-01	1626.64	1675.01	739.94	2518.95
2001-02	1626.64	3030.77	1768.45	2681.40
2002-03	1626.64	3185.16	1692.67	2724.57
2003-04	1626.64	2249.53	1273.93	1957.31
2004-05	1626.64	1683.09	1206.51	1948.48
2005-06	1626.64	1163.60	664.77	1887.20
2006-07	1626.64	1069.29	549.20	1679.98
2007-08	1624.64	1191.62	457.52	1650.00
2008-09	1624.64	1551.93	1354.99	1410.33

*Source: J&K Industries Limited*

## **Re-Structuring of the Company**

The financial erosion for the last so many years calls for re-structuring of the company. The corrective measures suggested by the Industries and Commerce Department are as under:

### **Physical Restructuring**

#### **A Units proposed to be closed**

1. Shoddy spinning mills Solina Rambagh.
2. Ply board Industries Pampora Srinagar
3. Pharmaceutical factory Baramulla.
4. Rosin & turpentine factory Rajouri.
5. Sole leather plant Muthi Jammu.
6. Rosin & turpentine factory Sundarbani.

#### **B Units Needing Downsizing**

- 1) Silk weaving factory Rajbagh.
- 2) Joinery Mills Pampore.
- 3) Joinery Mills Bari Brahmina Jammu.
- 4) Woollen Mills Bemina Srinagar.
- 5) Modern Rosin and turpentine factory Miran Sahib Jammu.
- 6) Knitting Factory ,Jammu.

#### **C Units Proposed for Private Sector/Joint venture**

- 1) Spinning Mills Nowshera Srinagar.
- 2) Kashmir Filature Srinagar.
- 3) Silk Factory Jammu.

**D Technical Restructuring/Modernisation of functional units**

Modernisation of functional units at Rs.6.05 crore as per following break up:-

1)	Rosin Sector	= Rs 0.41 crore
2)	Wood Sector	= Rs 0.80 crore
3)	Silk Sector	= Rs 3.60 crore
4)	Wool Sector	= <u>Rs 2.25 crore</u>
	Total	<u>Rs 6.05 crore</u>

Besides following suggestions have been made by the Industries and Commerce department for immediate revival:-

- 1) Forest and Excise Departments should provide 10% rebate on purchase of bulk resin/timber or 120 days credit facility for said purchases.
- 2) As per Supreme Court order the forest department shall have to supply the resin to Jammu and Kashmir Industries Limited on fixed quota basis as per the installed capital of the Resin Sector.
- 3) Directions to all the Govt. Departments for procurement of furniture and joinery, uniform and knitwear from units of JKI.
- 4) Release of funds for physical and technical restructuring/modernisation of the potentially viable units.
- 5) Induction of fresh capital to meet the requirements of Golden Hand Shake/ VRS to employees.

**J&K Minerals Limited**

JK Minerals limited is a fully owned Govt. Company within the meaning of section 619 of the Indian companies Act 1956. The company was incorporated in 1960 as the first public sector undertaking of the State. The business of the company is to exploit the mineral resources and to establish mineral based industries in the State.

In the area of exploitation of mineral resources, projects in hand are as under.

1. Coal Mines Kalakote (Rajouri)
2. Gypsum mines Assar (Doda)
3. Cement factory wuyan (Pulwama)
4. Precast concrete factory Wuyan (Pulwama)
5. Precast concrete factory Bari-Brahmana (Jammu)
6. Marbal Project Kupwara (Kupwara)
7. Sapphire Mines Paddar (Kishtwar)
8. Gypsum Mine Parlanka

The company is manufacturing cement, concrete poles and pipes and exploitation of minerals. The company during the year 2007-08 has produced, 17215.80 MTS of coal, 1809.400 MTS of Cement and 31538.860 MTS of Gypsum and realized revenue of Rs.879.99 lakh. The returns of the company both in terms of production and revenue realisation have increased when compared with previous year. While revenue realisation has increased by

22.35%, production of coal and gypsum has increased by 23.49% in 2007-08 when compared with previous year. During the year 2008-09 the company has realised revenue of Rs.771.53 lacs by producing 15326.402, 422.000 MTS and 21415.005 MT coal, cement and gypsum respectively. Achievements of J&K Minerals over the years are given here under:-

**Table 9(b) 10: Achievements of J & K Minerals Limited**

Year	Production (MTS/GRMs)			
	Coal	Cement	Gypsum	Corundum GMs
1	2	3	4	5
2002- 03	25418.15	6405.00	26006.74	1392.05
2003-04	19127.50	5704.08	28431.00	3294.00
2004-05	23287.02	5042.40	34428.00	3215.00
2005-06	19282.20	3204.70	32638.00	4433.00
2006-07	15585.68	2545.00	23895.00	3325.00
2007-08	17215.80	1809.40	31538.86	1723.00
2008-09	15326.40	422.000	21415.00	5005.00

Source: J&K Minerals Limited

### **Sales/Revenue**

**Table 9(b) 11:**

Year	Revenue Realised (Lakh Rs)				Total
	Coal	Cement	Gypsum	Corundum	
1	2	3	4	5	6
2002- 03	498.38	154.73	132.98	Nil	786.09
2003-04	747.31	195.24	156.48	Nil	1099.03
2004-05	641.90	147.57	218.32	Nil	1007.79
2005-06	613.13	129.48	245.24	Nil	987.85
2006-07	446.95	106.95	165.34	Nil	719.24
2007-08	581.75	85.84	212.40	131.96	879.99
2008-09	579.19	26.63	165.71	Nil	771.53

The short fall on account of production of coal and gypsum against the fixed targets during the year 2008-09 is mainly attributed to the disturbing conditions arising out of Shri Amarnath Land dispute lasting for 2 month i.e June/ July thereby, causing both production and sale loss. Besides scarcity/non-availability of timber with SFC has also affected the production of Coal. Nonetheless, the Board of Directors of the corporation in its meeting held on 6.12.2008 approved closer of Cement Factory (Wuyan) and two Pre-cast Concrete Cement Factories one each at Wuyun, Kashmir and Bari-Brahamana Jammu. The said decision was taken owing to the fact that the operation of these units had become un-economical due to age old Plant and Machinery coupled with stiff completion from PCC factories setup in the Pvt. SSI sector.

Hon'ble Minister (I&C Department), J&K Government in the review meeting of Industries Department taken by him on 15.1.09 at Udhog Bhawan Jammu has desired that the corporation should explore possibility of revival of Pre-cast concrete cement factories through diversification/ modernisation. In this regard a proposal has been submitted to the Administrative department for providing necessary financial assistance to ITCO for preparing detailed Techno Economic Feasibility report.

### ***J&K Cements Limited***

Jammu and Kashmir cements limited was incorporated as a fully owned Government Company in December 1974. Installation of the cement plant located at Khrew in Pulwama district having installed capacity to produce 600 tons per day (TPD) was completed in 1981, also trial runs were started in 1981. The cement plant Khrew listed as heavy sector industry started commercial production in April, 1982. The cement plant is situated near rich deposits of high quality lime stone suited for production of good quality cement. The cement plant has to:

1. Exploit the abundant deposits available near the plant site.
2. Make the quality cement available to the consumers at reasonable rates.
3. Fill up the gap between demand and supply.

Initially the factory was manufacturing Ordinary Portland Cement (OPC) 33 and Pozzoland Portland Cement (PPC) under "Jhelum Brand" with Bureau of Indian Standards Certification. However, manufacturing of OPC 43 and PPC was discontinued by the factory due to less demand in the market. The factory has obtained licence for manufacturing Fly Ash based blended cement from Bureau of Indian standards (BIS).

### ***Environmental Issues***

Since the factory is an environment polluter, the company is making all out efforts in making the environment eco-friendly. The Company brought all sections under pollution control by installing the Electro Stating Precipitators(ESPs)/ Gas conditioning Towers (GCTs) on its kilns and Reverse Pulse Jet (RPJ) System of antipollution devices on rest of the sections. With these systems, the company reduced emission below 50mg/Nm<sup>3</sup> which is much lower then the permissible level of 100mg/NM<sup>3</sup>. The company also applied natural process by planting around 50,000 poplar trees to increase green belts to make the atmosphere eco-friendly.

The JKCL is one of the largest employer in the State providing employment to more than one thousand semi skilled, skilled, specialized and super specialized people directly or indirectly. In addition to this about 200 distributors and sub-dealers are engaged in the sale promotion of the cement. The company plays a significant role in the economic development of State by contributing towards the construction of major projects like Hydel Power Projects, Water treatment plants, Bridges, Canals etc. It supplies cement to Leh, Kargil, Defence Services, State PWD, Power Development Corporation. Its Jehlum Brand Cement has been approved by IRCON for construction of Railway line in Kashmir Valley. Its manufactured cement has been used for construction of fly over near new Secretariat Srinagar and flats under self financing scheme.

The JKCL sells cement at three levels.

- 1) To Government and Semi-Government agencies within state.
- 2) To DGS&D through an Annual Rate contract for central Government offices within the State, Defence agencies and Boarder Roads Organisation.
- 3) To general public through its network of 70 distributors spread in the State.

### ***Humans Resources Development***

In the field of human resources development the company conducts refresher training courses for its employees to enhance their skills. It has enhanced yearly ex-gratia of employees by Rs.500/- since 2006-07.

### ***Achievements - Cement Production***

The company has maintained throughout upward trend in cement production from 2002-03 to 2005-06. Highest cement production in last 16 years was recorded during the year 2005-06, i.e. the company produced 159341.50 Metric tones and achieved 79.67% of installed capacity of producing 200000 MT for the year. Since the year 2005-06 cement manufactured has fallen and reached to a 5 year low of 140470.00 MTs during the year 2008-09.

However sales turn over of the company has been encouraging over the years which has increased from Rs.4007 lakh in 2002-03 to Rs.8136 lakh in 2007-08 and a slightly lower sale value of Rs.7772 lakh during 2008-09. The

JKCL has earned huge profits during the years and registering a profit of 356 lakh during the year 2008-09.

Achievements of Jammu and Kashmir cements limited from 2002-03 to 2008-09 are shown in table No. 5.27 given hereunder:-

**Table 9(b) 12: Achievements of JKCL Unit MT/Lakh Rs.**

<i>Year</i>	<i>Installed Capacity</i>	<i>Cement Production</i>	<i>% age of Installed Capacity</i>	<i>Cement Sold</i>	<i>Sale Value</i>	<i>Profit</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>
2002-03	200000	113832.50	56.91	114561.61	4007.00	225.47
2003-04	- do -	119166.00	59.58	119332.59	4221.00	241.79
2004-05	- do -	140563.00	70.28	140370.55	5405.00	429.94
2005-06	- do -	159341.50	79.67	160042.75	6800.00	422.53
2006-07	- do -	154462.00	77.23	151753.64	7428.00	500.00
2007-08	-do-	155300.00	77.65	154145.45	8136.05	338.45
2008-09	-do-	140470.00	70.23	142305.70	7772.50	356.00
%age Increase over 2005-06	-	-9.55	-	-4.47	5.19	-9.55

So far as the financial achievements are concerned the company has liquidated loan of all the financial institutions and is now debt free. As a result of huge profit earned during the years JKCL has been in a position to make payments as dividend on its equity share capital to the Government as per the following details.

2001-02	Rs.45 lakh @ 3%
2002-03	Rs 45 lakh @ 3.3%
2003-04	Rs.50 lakh @ 4%
2004-05	Rs.60 lakh @ 4 %
2005-06	RS.60 lakh @4%
2006-07	Rs.60 lakh @ 4%

### ***Future Plans and Expansion***

To bridge the gap between the demand and supply of cement in the state, the company obtained Administrative Approval of the State cabinet for installation of additional 600 TPD production line at the existing Cement Plant at Khrew at a cost of Rs.64.16 crore comprising of Rs.22.91 crore as contribution of State Government towards company's share capital and Rs. 41.25 crore to be raised as loan from financial institutions. The unit has gone into trial production since January 2009 registering a production of more than 8000 MTs. In addition to this J&K Cements limited has acquired land for installing a 300 TPD clinker grinding unit at Samba at an estimated cost of Rs.12.00 crore. Efforts are being made to make the JKCL production oriented and employment generating corporation for the overall development of the State.

**Jammu and Kashmir Projects Construction Corporation Limited (JKPCC).**

Jammu and Kashmir Projects Construction Corporation is a Govt. owned organisation. The activity profile of the corporation is the construction of projects. The corporation is executing the projects of the Govt. departments allotted to it. The corporation is presently undertaking construction work of more than 400 Projects of the State Government and other agencies which are at different stages of execution. The corporation is the leading construction agency in the State. During the past few years it has completed execution of a number of government works, most prominent projects are given below:-

- 1) Fly over at Srinagar near Civil Secretariat.
- 2) Budshah Bridge, Srinagar.
- 3) Dental College, Srinagar.
- 4) Women Polytechnic, Bemina Srinagar
- 5) G. B. Panth Hospital.
- 6) OPD J.L.N.M. Hospital Rainawari
- 7) IPD District Hospital Budgam
- 8) Balole Nallah Bridge, R.S. Pora
- 9) District Court Complex Janipur, Jammu
- 10) Govt. Engg. & Technology College, Jammu Phase-I
- 11) Haj House Bemina, Srinagar.
- 12) New Assembly Complex, Srinagar

The corporation is one of the largest employer in the State. It has 1096 employees on its rolls. The corporation meets its expenditure including salary of the employees out of its own resources.

The turnover of the undertaking indicates that it is performing in a healthy pace and is earning profit over Rs. one crore yearly as revealed here under:-

**Table 9(b) 13: (Rs. in Lakh)**

<i>Year</i>	<i>Turn over achieved</i>	<i>Profits Declared</i>
<i>1</i>	<i>2</i>	<i>3</i>
2003-04	10895.53	115.58
2004-05	12144.73	134.78



2005-06	13635.46	115.00
2006-07	14095.63	103.95
2007-08	20248.58	205.50
2008-09*	30000.00	800.00

\*indicates tentative figure

Source: JKPC

As is revealed by the table the profits earned by the corporation are on an upswing and more interestingly the profits have gone up by almost four fold during the year 2008-09 as compared to the previous years profits of the corporation.

### **Jammu and Kashmir State Road Transport Corporation (J&K SRTC)**

The erstwhile Government undertaking was converted into JKSRTC on 1<sup>st</sup> September, 1976 under section (3) of the All India Road Transport Act. In terms of Section 23 (1) of the Road Transport Act 1950, the corporation has to provide adequate, economical and co-ordinated transport facilities to the public. For developing its infrastructure by way of fleet and other fixed assets the State and Central Government are providing capital contribution in the ratio of 67:33. However, the central Govt. has stopped its funding after 1986-87.

The JKSRTC is the largest Transport agency of the State forming part of its transport system. The corporation caters the transport needs of the public in both rural and urban areas.

The State Road Transport Corporation is reeling under heavy losses. During the year 2008-09, the Corporation has incurred a net loss of Rs.3310.50 lacs and the losses have accumulated to Rs.37519.62 lacs. The Corporation has a fleet of 667 buses out of which 250 buses have crossed the prescribed age limit of 10 years and 70 buses have crossed the age limit of 15. There is a total number of 436 trucks out of which 158 have crossed the age limit of 10 years and 278 have crossed 15 years. The age profile of the vehicles is give as under:-

**Table 9(b) 14: Age profile as on 31-10-2008**

Age in years	Number of vehicles
01-05	90
06-10	263
11-15	397
16-20	156
Above 20 years	217
Total	1113

Due to inconsistent and inadequate fleet replacement, %age of over aged fleet has increased to 69% as against the All India average of 22%. Due to over-aged fleet, the operational level of the fleet has declined considerably resulting in coverage of less kilometerage and increase in maintenance cost per kilometre. It has affected revenue earning and widened the gap between income and expenditure. An amount of Rs.22.57 crore and Rs.6.73 crore was provided by the State Government as Plan assistance for acquisition of fleet during the

9<sup>th</sup> and 10<sup>th</sup> Five Year Plan respectively. The budgetary support/plan assistance did not meet the requirements of the corporation. Consequently, its liabilities increased year after year on account of bank loans and statutory liabilities like contributory and general Provision Fund. Even the salaries could not be paid on regular basis because of poor financial condition of the corporation.

As a result, Market Share of Private transport has increased and JKSRTC Market Share has decreased. The following table shows the increasing and decreasing trend of Private Transport and SRTC ending 2005.

**Table 9(b) 15:**

Vehicle Type	1971	1980	1985	1190	1995	2000	2005
% Pvt Buses	67%	75%	84%	90%	93%	96%	97%
%SRTC Buses	33%	25%	16%	10%	7%	4%	3%
%Pvt Trucks	72%	91%	94%	96%	97%	98%	98%
%SRTC Trucks	28%	9%	6%	4%	3%	2%	2%

The corporation was provided a financial assistance of Rs.5.00 crores under state plan for replacement of vehicles during 2007-08 but the said assistance was not utilised for the purpose. The amount was utilised for payment of unpaid salary of Corporation employees on the recommendation of its BOD. The approved allocation for the year 2008-09, Rs.19.00 crores was provided to the JKSRTC under state plan as per the details hereunder:-

- |  |          |
|--|----------|
| 1. Interest free loan as budgetary support                         | 11.00 cr |
| 2. Grant –in – Aid for purchase of vehicles                        | 6.00 cr  |
| 3. Improvement in Infrastructure                                   | 1.00 cr  |
| 4. For purchase of small buses Doda/Rajouri<br>Kishtwar deployment | 1.00 cr  |

Against the allocation of Rs.19.00 crores, an expenditure of Rs.18.00 crores is reported ending 3/2009. Rs.16.00 crores had been disbursed as salary and Rs.2.00 crores utilised for purchase of small wheel base buses for deployment in Doda Kishtwar and Rajouri Districts.

### ***New Proposals***

For restructuring the Transport Corporation Government constituted a committee headed by the Shri S.L. Bhat Financial Commissioner, Planning & Development Department including Commissioner/Secretary Finance/Transport and MD JKSRTC members for suggesting measures for its restructuring. The committee has suggested the following measures:-

1. Exclusive operation of the Corporation:

Buses on the notified routes/truck routes like Jammu Poonch, Jammu Rajouri, Jammu Doda Jammu Katra, Srinagar Jammu highway and inter state route. If Government is of the view that private operators need to be allowed on notified routes, they should be allowed only as Subsidiaries of JKSRTC and payment of commission to the corporation.

2. Replacement of over-aged fleet to reduce the maintenance cost, frequent breakdowns, improve the load factor and kilometrage/per litre. Augmentation of fleet for inter –state services and Cargo services to increase the productivity and to earn more revenue, as the Cargo services has proved productive with assured business on contract basis for JKSRTC.
3. Transparent and need based system of recruitment to be evolved/ institutionalized to prevent backdoor entries and irregular appointments.
4. Public private partnership shall be financially a feasible option for providing safe, comfortable and efficient transport system without additional cost /liabilities for the JKSRTC by way of extending the contract carriage system in the passenger transport system, under the over all supervision of JKSRTC especially for notified routes as in prevalent in Andhra Pradesh.
5. The possession of General Bus stand at Srinagar /Jammu is required to be restored to the SRTC.
6. The corporation should introduce Computerised/e-ticketing to facilitate travelling public at the earliest as its cost implementation being minimal.
7. JKSRTC should be compensated for plying on the unproductive and unremunerative services being operated in accordance with the government commitment.
8. Corporation is in need of trained staff for specialized accounting which shall have to be provided.
9. Rationalisation of Staff is very important as the corporation is over staffed and the staff vehicle ratio on the operative fleet is 1:6:9, while as the productivity of each vehicle Km/Veh/Day is not more than 130 Kms. The vehicle staff ratio is suggested to be brought down to around 1:4:02 to reduce the fixed cost on account of wages by way of dispensing with the services of surplus/idle staff by offering them VRS/GHS.
10. The committee has proposed a vehicle staff ratio for a fleet of 1000.

**Table 9(b) 16:**

As on 31.1.2008	Existing	Proposed
Fleet held	1113	1000
Fleet Operative	655	900
Employees	4485	3619
<b>Staff Ratio</b>		
a) Fleet held	4.03	3.62
b) Fleet operated	6.85	4.02

VRS/GHS has been introduced in the Corporation. Ending 3/2009, 262 employees have retired voluntarily against a target of 272 employees. An expenditure of Rs.12.64 crores has been incurred under the scheme during the last financial year. The Board of Directors has recommended for continuation of these schemes till the optimal size in the Corporation is achieved.

The proposed restructuring has financial implications of the order of the order of Rs.305.48 crores.

**State Financial Corporation (SFC)**

J&K State Financial Corporation is one of the major sources of Institutional Finance in the State. The corporation grants loan to business sectors like, industry, trade etc. Business performance is assessed by the loan sanctioned, disbursed and recoveries made thereof by the State Financial Corporation.

### **Loan Sanctioned**

During the year 2008-09 loan sanctioned by the corporation was Rs.601.22 lakh in favour of 123 parties. The State Financial Corporation recorded a net decline of 36.01% in loan sanctioned compared to previous year. Since the inception of the corporation in the State- upto 3/2009 it has sanctioned an amount of Rs. 48283.15 lakh in favour of 22362 parties, out of which 44.80% loans has been sanctioned in favour of 10068 parties belonging to Industries, Transport with an amount of Rs. 22822.55 lakh claims 47.26% share followed by Hotels/houseboats with 7.93%.

### **Loan Disbursed**

Like loan sanctioned, loan disbursed by the State Financial Corporation has declined by 29.39% during 2008-09 compared to the previous year. State Financial Corporation has posted disbursement of Rs.40806.80 lakh since its inception up to 3/2009 in favour of 21012 parties, out of which 52.65% loan was disbursed in favour of 1158 parties in the transport segment, followed by Industries and hotels & houseboats claiming 40.02% and 7.33% of total loan disbursement. Loan disbursed as percentage of loan sanctioned works out to be 91.86% for 2006-07, 86.75% for 2007-08 and 95.73% for 2008-09. Since the State Financial Corporation came in existence loan disbursement has been 84.52% of the total loan sanctioned up to 3/2009.

### **Loan Recovered**

The corporation posted recovery of Rs.1699.88 lakh and Rs.1470.41 lakh and 987.17 lakh respectively for the year 2006-07, 2007-08 and 2008-09. The corporation is optimistic to recover Rs. 4515.51 lakh during the current financial year. Financial profile of State Financial Corporation for the year 2006-07, 2007-08 and 2008-09 together with the details since its inception is give hereunder:

**Table 9(b) 17: State Financial Corporation Loan business (Amount Rs. Lakh)**

Category	Loan Sanctioned				Loan Disbursed			
	2006-07	2007-08	2008-09	Since inception up to 3/2009	2006-07	2007-08	2008-09	Since inception upto 3/2009
1	2	3	4	5	6	7	8	9
<b>I. Industries</b>								
a. No. of parties	5	3	2	10068	21	1	5	9410
b. Amount	53.13 6.79	42.40 4.51	29.00 4.82	21632.94 44.80	93.69 13.04	14.61 1.79	57.58 10.00	16334.95 40.02

<b>II. Transport</b>								
a. No. of parties	149	158	121	11677	145	151	118	11058
b. Amount	699.17 89.38	897.22 95.48	572.22 95.17	22822.55 47.26	617.33 85.90	785.90 96.42	513.79 89.26	21483.38 52.65
<b>III. Hotel/Houseboats</b>								
a. No. of parties	2	-	-	617	2	-	-	544
b. Amount	29.99 3.83	-	-	3827.66 7.93	7.62 1.06	14.61 1.79	4.20 0.73	2988.47 7.33
<b>Total I+II+III</b>								
a. No. of parties	156	161	123	22362	168	152	123	21012
b. Amount	782.29 100.00	939.62 100.00	601.22 100.00 36.01*	48283.15 100.00	718.64 100.00	815.12 100.00	575.57 100.00 29.39*	40806.80 100.00
<b>IV. Recovery of loan</b>					1699.88	1470.41	987.17	
<b>V. Loan disbursed as %age of loans sanctioned</b>					91.86	86.75	95.73	84.52

\* = Indicates decline in %age

Source: State Financial Corporation

@ = Indicates loan recovered during 2007-08 up to June 2007

Figures in bold font indicate %age share.

## Chapter – 9 (c)

### **Handicrafts**

Handicraft activities occupy an important position in the economic structure of J&K State. All the handicraft activities environment friendly are best suited to the state as these activities are more labour intensive and less capital intensive in nature, therefore, having scope for employment generation opportunities at large scale. J&K handicraft products have won world wide fame for their attractive designs, functional utility, and high quality craftsmanship. In absence of large scale industries in the State, handicrafts remained a key economic activity from the time immemorial. The nimbleness and dexterity of local artisans coupled with their artistic imagination reflected through a wide

range of products has delighted the connoisseurs the world over for centuries. Crafts like embroidery, shawls, crewel, namda, chain stitch, wood carving, papier machie, costume, jewellery, kanishawls and carpets hold a significant share in the overall production and export of the State. Silken carpets in particular constitute a speciality having no parallel in quality and design at National level and, therefore, occupy an important position in the international market. The handicraft sector of the State has great contribution towards foreign exchange earnings to the State and country in particular.

J&K State has a well established Directorate of Handicrafts working under the State Industries and Commerce Department for promoting handicraft activities by way of forming co-operative societies to get the artisans gainfully absorbed. As on 31-3-2009, there were 2045 handicraft societies registered with a membership of 9430. Managerial subsidy on tapering basis @ 100% 1st year, 66% 2<sup>nd</sup> year and 33% 3<sup>rd</sup> year to the pass out trainees is paid for formation of co-operative societies.

The Department also promotes sale of handicraft goods by organizing expos/ exhibition/craft bazaars within and outside the State. It also organizes exhibition at international level annually. During the year 2008-09 the department expects to organize 10 craft bazaars/exhibitions within and outside the state.

Another important area of activity of the Department is that handicraft skills are imparted to about 8500 trainees annually for which it has a structure of 553 training centres (including 55 centres of massive carpet scheme) in the State. During 2008-09, 6671 persons were trained in various crafts like Sozni, Staple, Crewel, Paper Mashi, Phoolkari, Zari, Chain stitching etc.

### ***Production of Handicraft Goods***

Production of handicraft goods for the year 2007-08 stood at Rs. 1614.59 crore The production figures for the year 2008-09 tentatively estimated Rs.1100.00 crore. The actual figures are being collected from the concerned quarters. The Department is optimistic to achieve its target of producing handicraft goods worth Rs. 1150.00 crore during 2009-10.

### ***Export of Handicraft Items***

Exports of handicrafts have also maintained upward trend. From Rs. 785.00 crore during 2006-07 the export figures of handicraft goods were estimated at 1200.47 crore for 2007-08 recording an increase of about 53% between 2006-07 and 2007-08. Carpet again has the largest share of 54% followed by woollen shawls with 25.84% leaving a share of 20.16% for all other items in the export basket in 2007-08. The export figure of handicraft goods worth Rs. 705.50 crore during 2008-09 is low as compared to previous years due to global recession in the worlds market. The department is taking necessary steps to boost the exports of handicraft goods in the state.

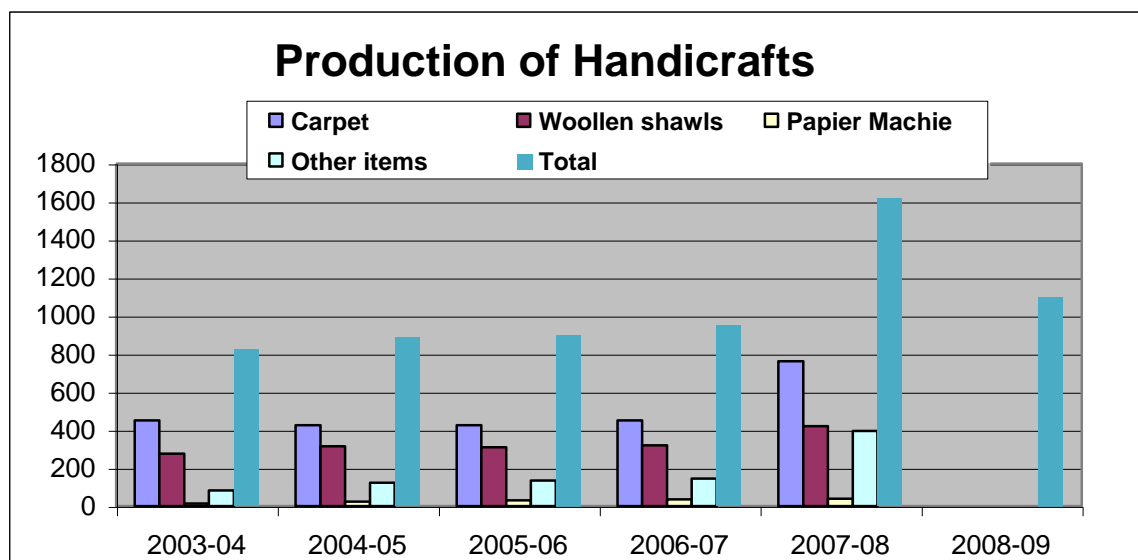
*Table 9(c) 1: Production and Export of Handicraft Goods (Rs in crore)*

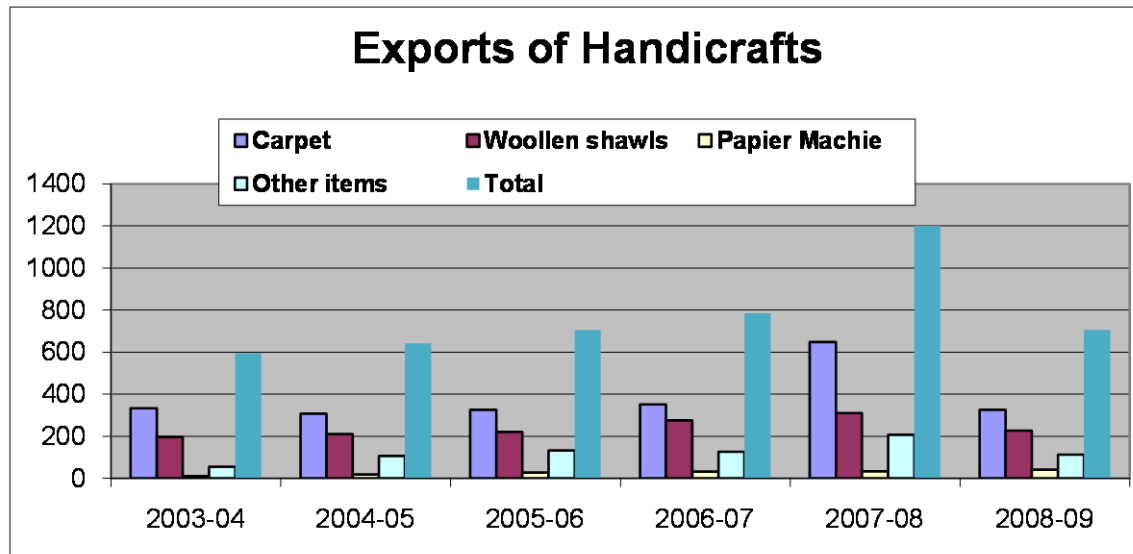
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<i>Year</i>	<i>Carpet</i>	<i>Woollen shawls</i>	<i>Papier Machie</i>	<i>Other items</i>	<i>Total</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>
<b>Production</b>					
2003-04	450.53	275.00	13.50	82.50	821.53
2004-05	425.00	315.00	24.00	123.00	887.50
2005-06	425.00	310.00	30.00	135.00	900.00
2006-07	450.50	320.00	35.00	144.50	950.00
2007-08	761.27	420.58	37.92	394.82	1614.50
2008-09	NA	NA	NA	NA	1100.00
2009-10					1150.00*
<b>Exports</b>					
2003-04	334.00	196.00	10.50	54.50	595.00
2004-05	307.50	210.00	17.50	107.00	642.00
2005-06	325.00	220.00	27.50	132.50	705.00
2006-07	351.50	275.00	31.50	127.00	785.00
2007-08	649.02	310.29	33.65	207.51	1200.47
2008-09	326.00	226.50	41.00	112.00	705.50

Source: Directorate of Handicrafts

\* Indicates targets for the year,





The handicraft sector makes considerable contribution in sustaining export trade of the State. This sector engages approximately 3.50 lakh artisans in the manufacturing of handicraft products in the State. The handicraft activities are especially carried in Kashmir valley which is called the home of handicraft goods.

Since the welfare of thousands of people is linked to this activity directly or indirectly the government should nurture and help the sector to grow in an organised and scientific manner, utilising modern techniques to open new employment opportunities and economic avenues for youth. Preservation of rare handicrafts designs and use of new innovative techniques to make the products more saleable in order to boost the exports is the need of hour. The *CRAFT DEVELOPMENT INSTITUTE*, Srinagar needs to be supported strengthened and developed on modern lines for the revival of the handicrafts sector and the like institutions need to be developed at the district level also.

#### ***Self Employment to individual artisans***

This scheme aims at to provide easy and soft credit facilities to the artisans, weavers, members of co-operative societies and craftsmen engaged in handicraft activities to start their independent venture. The scheme envisages financial assistance in the form of loan from various banks and financial institutions. The department provides interest subsidy @ 5% on these loans. The department has covered 672 artisans under this scheme with interest subsidy of Rs.23.83 lacs during 2008-09. The department has enforced Quality Control Act 1978 to maintain quality of Kashmiri handicrafts.

#### ***ITC Pampore***

Keeping in view the importance of Handicrafts, Handlooms and other related traditional sectors in the state economy the state Government is going to develop the International Trade Centre (ITC) in order to promote trade facilities and to boost the exports of these export oriented sectors. The centre coming up at Pampore, at a cost of Rs.115.84 crore will provide state-of-the-art facility for holding national, international trade fairs, buyer-seller meets, transaction of



national and international business and place from where the exports of the state could have an interface with the overseas markets.

The ITC Pampore is coming up at a cost of Rs 115.84 cr., against which revised estimate for the first phase of Rs. 51.52 cr. has been formulated and Rs 5 cr. released recently for initiating work for the first phase. About 371 Kanals of land has been acquired for the purpose, for which Rs 30 cr. will be provided by the central Government. The ITC will go a long way in creating a brand name for states handicraft products.

## *Chapter – 9 (d)*

### **Handlooms**

Handloom industry also occupies a premier position in the State's economy. It is also a labour intensive cottage industry having considerable potential for generation of employment opportunities next to Agriculture, Tourism and Handicraft sector. This industry is centuries old known for specialized weaving for Pashmina Shawls, Raffal Shawls, Silk Saries, Kishtwari Blankets, Loies, Chashme Bulbul Blankets in hilly areas of the State, Cotton Check Bed sheets and long cloth in Jammu and Kathua districts, Block Printed bed sheets and Masnads of Samba are famous from time immemorial. The production of these textile goods having great demand in the national and international markets is estimated to be worth Rs. 35.00 crore annually. Given the geographical set up and the socio economic conditions of the State handloom weaving offers un-limited potential for further development.

To give boost to this industry the State Govt is laying focus on product design and diversification, providing credit facilities, enhancing weavers' productivity through up gradation of skills and use of efficient looms, Market

access to handloom products is being extended through marketing incentives and wide publicity.

### **Handloom Co-operative Societies**

The department has a structure of 464 registered handloom cooperative societies with a membership of 14916 weavers in the organized sector and about 22000 in un-organised sector. In the handloom sector following performance has been achieved during the year 2008-09.

- 1) Approximately there are 37000 handlooms in the State, Kashmir Valley having a share of about 70%.
- 2) In the cooperative sector during the year 2008-09 approximately 7.045 million meters of handloom fabrics valuing Rs.36.61 crore was produced.

### **Training Centres**

The department runs 100 training centres to impart training in readymade garments making, handloom weaving, Pashmina spinning and Pashmina weaving and Kani shawls weaving. Around 500 trainees are annually imparted technical skills in these centres. During the year 2008-09, 802 trainees were provided training. Candidates are also being sponsored for undergoing diploma course in handloom technology at the Indian Institute of Handloom Technology Varanasi. A 100% central sector Plan Scheme Integrated Handloom Project imparting comprehensive training to handloom weavers and workers in technical managerial, co-operative marketing skill and providing them with equipment to enable them to produce market high value and diversified quality products in keeping with the trend in the domestic and international markets is also under implementation by the department. Trade-wise training centres run by the Directorate of Handlooms are detailed here under:-

*Table 9(d) 1: Number of Centres 2006-07*

<i>S.No</i>	<i>Trade</i>	<i>Jammu</i>	<i>Kashmir</i>	<i>Leh/Kargil</i>	<i>Total</i>
	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
1	Ready made Garments	10	12	-	22
2	Handloom Weaving Centre	28	29	5	62
3	Pashmina Weaving/Spining Centre	1	2	-	3
4	Kani Shawl Centre	-	4	-	4
5	Common Facility center	1	-	-	1
6	Knitting/tailoring/weaving/Spining Centre	-	-	6	6
7	Drugget weaving centre.	2	-	-	2
	Total	42	47	11	100

*Source: Directorate of Handlooms Jammu*

For promoting handloom sector in the state following other achievements were made during 2008-09:.

- i) Loan / Subsidy of Rs.15.45 lakh on 50:50 basis was provided for modernization / renovation of looms and purchase of 319 looms @ 9.25%.
- ii) Loans (@9.25% of Rs.0.60 lakhs were provided for purchase of sewing machines.
- iii) 654(222+432) weavers were provided insurance cover under Mahatma Gandhi Banker Yojana / Health Insurance Scheme.
- iv) Under Education Scheme 358 girl students of handloom weavers were given stipend of Rs.1.13 lakhs.
- v) Stall rent charges for an amount of Rs.16.09 lakhs were reimbursed to handloom societies participating in National/Special expos out side state.
- vi) An amount of Rs. 14.39 lakhs (Central Share) was provided to 06 Primary Handloom Cooperative societies for re-imburement of one time rebate @ 10% given by handloom agencies on sale of handloom cloth during the year 2003-04 and 2004-05.

During the 11<sup>th</sup> Five Year Plan GOI has introduced a Integrated Handloom Development Scheme (IHDS), a centrally sponsored scheme by merging components of the four schemes namely; 1.Workshed-cum-Housing scheme 2. Deen Dayal Hatkarga Prothsan Yojna 3.Integrated Handloom Cluster Dev. Scheme and 4.Integrated Handloom Training Programme. IHDS is an attempt to facilitate the sustainable development of handloom weavers located in and outside identified handloom cluster into a cohesive , self managing and competitive socio economic units. During the year 2007-08 Department of Handloom has submitted 10 Cluster Project Proposals to GOI for sanction, against which, 08 Handloom Clusters namely Nadihal Bandipora, Billawar, Kathua, Inder, Pulwama, Wagoora, Budgam, Saidapora, Srinagar, Eid-Gah, Srinagar, Samba, Distt. Samba & Bugam, Kulgam districts have been sanctioned by the GOI, Ministry of Textiles, New Delhi. An amount of Rs. 142.64 lacs as 1st instalment (central share) stand also released by the GOI against which, an expenditure of Rs.15.94 lacs has been incurred during the year 2008-09. Less expenditure is attributed to late receipt of approval as well as funds from the Administrative / Finance Department, J&K Government.

The handloom sector adversely affected by the machine made fabrics and trade liberalisation is facing multifaceted challenge from the textile sector. Poor productivity of weavers increased cost of production of handloom cloth, cheaper synthetic substitutes in textile sector and changing consumer tastes has given a serious blow to the handloom sector.

Multi pronged strategy is to rejuvenate the handloom sector. Introduction of new designs and product diversification needs to be carried out. Secondly productivity of the weavers needs to be improved through enhancement of skills, use of more efficient looms and other related equipment. Thirdly, market access needs to be expanded through publicity and incentives.

### ***Handloom Units***

As on 31-3-2009, handloom department has recorded a number of 598 handloom units in the State (excluding Leh & Kargil) providing employment to 2334 persons. Of these handloom units 59% (355 units) are in Jammu Province

and 243 or 41% units in Kashmir Valley. The manufacturing line of these handloom units is loies, puttos, tweed, blankets, raffal, pashmina and dusoti khadi. Pashmina activity is carried by most of the units numbering 171 with 28.60% share and lowest number of 1 units sharing 0.17% are making putto. 33.28 % units all with raffal activity are in Srinagar. Kupwara has the lowest number of only 5 units. 36.04% employment generated in handloom units is claimed by Doda district alone. District-wise details are given in annexure no.4(d) in the statistical supplement.

## *Chapter – 9 (e)*

### ***Khadi and Village Industries***

The J&K Khadi and Village Industries Board established in 1962 is playing a vital role in generating employment opportunities for rural and down trodden artisans of the state by providing financial and technical assistance for setting up small industrial units under various schemes which come under the purview of All India Khadi and Village Industries Commission, Government of India.

The main functions of the KVIB are to organise, develop and expand activities of Khadi and Village Industries (KVI) in the State. The Board provides financial assistance to individuals, registered institutions. It also provides technical assistance and training to individual beneficiaries and makes arrangement in marketing of products of village industries.

The Board has established two Rural Industries Consultancy Service (RICS) Centres one each at Srinagar and Jammu, fully equipped with modern facilities for preparation of projects, liaison with Banks and other agencies for

guidance and support to implement projects etc. assists in providing knowledge on procurement of raw material, machinery etc.

The Board has also initiated imparting training under Bee keeping at district/tehsil level so that more people are trained for setting up units. The Board is also organising EDP training programmes, awareness camps, workshops and conducts District/State level exhibitions.

The KVIB under the old direct funding pattern of the “Consortium banking Credit Scheme” under implementation from 1995-96 has financed a total of 28363 individual units, 1214 co-operative Societies and 4 Khadi Institutions so far. This has resulted in the creation of direct/indirect/full time/part time employment opportunities for 72227 persons. The annual production of the said units touched Rs 104.80 crore as on ending 1996-97. The operation of this scheme was stopped and a new scheme known by “Special Employment Scheme” was introduced. The special employment programme taken up in 1997-98 in two districts viz; Anantnag and Jammu and Reasi Block of the then Udhampur District was extended to all the districts of the State under Rural Employment Generation Programme in the year 1998-99. The programme involves direct bank financing on individual project basis. The job of the Board is to motivate, guide and sponsor cases to various banks. Once the bank sanctions the case for assistance, the Board releases 25 percent of total project cost as margin money subsidy in favour of the beneficiary, 30 % in case of women / reserved categories (Minorities) in the form of Fixed Deposit Receipts for a period of 2 years in favour of the loanee. The Board financed 9949 units till the end of March 2008 generating employment for 113333 persons on full time / part time basis.

**Financial assistance provided under REGP since its inception is shown below.**

**Table 9(e) 1: Performance of KVIB under REGP (Rs. Lakh)**

<i>Year</i>	<i>No of Units</i>	<i>Bank Loan</i>	<i>Margin Money</i>	<i>Employment Generation (No)</i>
<i>1</i>	<i>2</i>	<i>4</i>	<i>5</i>	<i>6</i>
1997-98	15	31.31	9.46	175
1998-99	323	465.60	134.72	2823
1999-00	436	549.99	166.35	3037
2000-01	270	462.53	144.63	1396
2001-02	654	1000.13	309.62	3365
2002-03	500	657.64	203.79	2523
2003-04	775	1187.73	363.17	5343
2004-05	899	1845.34	547.66	9843
2005-06	1384	2769.49	803.42	18034

2006-07	1694	3647.76	1052.95	22929
2007-08	2999	6081.39	1753.54	43865
<b>Total</b>	9949	18699.91	5487.264	113333

Source KVIB (J&K)

Prominent activities under KVIB's Rural Employment Programme are Cane and Bamboo, Pottery, Textiles, Hosiery, Fibre, Fruit and Vegetable preservation, Bee Keeping, Gur and khandsari, Stone and Lime etc.

**Table 9(e) 2: Turn over of KVIB (REGP) (Rs Lakhs)**

<i>Year</i>	<i>Production</i>	<i>%age increase</i>	<i>Sales</i>	<i>%age increase</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
2001-02	1965.26	-	2604.17	-
2002-03	2145.02	9.14	2888.20	10.90
2003-04	4038.78	88.28	3899.20	35.00
2004-05	6976.28	72.73	7573.20	94.22
2005-06	10602.03	51.97	11579.21	52.89
2006-07	18464.83	74.16	22107.57	90.92
2007-08	28169.68	52.55	33233.44	50.32
2008-09	28201.51	0.11	33265.25	0.10

Source: KVIB (J&K)

### **Khadi Industry**

Promotion of Khadi industries is the main activity profile of KVIB. The Board has recorded a production value of Rs 290.00 lakh of Khadi Industries items during the year 2008-09 as against Rs. 251.89 lakh for 2007-08 showing an increase of 15.12 %. Similarly the sales have shown an increase of 8.72% during the period. The industry has been able to provide employment to 168 persons during 2008-09 taking to total number to 1494 ending 3/2009 as is clear from the following table:-

S.No	Year	Production	% increase	Sales	% increase	Employment
1	2004-05	139.45	-	144.56	-	1098
2	2005-06	140.34	0.63	151.80	5.00	995
3	2006-07	173.81	23.84	183.98	16.58	945
4	2007-08	251.89	44.92	266.39	44.79	1326
5	2008-09	290.00	15.12	289.62	8.72	1494

**Prime Minister's Employment Generation Programme (PMEGP)**

As regards the progress for the year 2008-09, the Ministry of Micro Small and Medium Enterprises (MSME) has launched a new credit linked subsidy programme called PMEGP by merging the two schemes viz Prime Minister's Rojgar Yojana (PMRY) and Rural employment Generation Programme (REGP) for Generation of Employment opportunities through establishment of micro enterprises through KVIC / DIC's / KVIB. The scheme stands launched by Prime Minister on 15-08-2008 and the detailed guidelines of the programme were circulated in October 4008.

**Table 9(e) 4: The financial assistance pattern under PMEGP is as under**

Categories of beneficiaries under PMEGP	Beneficiary's contribution (of project cost)	Rate of Subsidy (of project cost)	
Area (location of project/unit)		Urban	Rural
General Category	10%	15%	25%
Special (including SC / ST / OBC/Minorities/Women, Ex-servicemen, Physically handicapped, NER, Hill and Border areas etc.	05%	25%	35%

Note:

1. The maximum cost of the project/unit admissible under manufacturing sector is Rs. 25.00 lakh.
2. The maximum cost of the project/unit admissible under business/service sector is Rs. 10.00 lakh.
3. The balance amount of the total project cost will be provided by Banks as term loan.

As per guidelines of PMEGP, KVIC (Ministry of MSME ) allocated a target of 262 units involving margin money component of Rs.314.22 lacs for KVIB for the financial year 2008-09. Keeping in view the tremendous response by the rural un-employed youth and artisans to the awareness/ sensitization campaigns launched by KVIB, the issue of enhancement of targets was taken up with KVIC, Ministry of MSME, GoI. Against the approved allocated targets banks have sanctioned 1530 cases in response to the cases sponsored by KVIB involving project cost of Rs.3140.68 lacs, Bank loan of Rs.2968.04 lacs, margin money of Rs. 1077.97 lacs thereby envisaging employment opportunities for 9862 number of persons.

The performance of the Board under PMEGP for the year 2008-09 is indicated below:-

**Table 9(e) 5: Group wise/Industry wise for the year 2008-09 under PMEGP ( Rs. in lacs)**

S.No	Group Industry	No of units Sanctioned	Total Project cost	Bank Loan	Margin money involved	Employment envisaged
1	Mineral Based	60	240.57	228.39	83.90	698
2	Based	17	39.50	36.75	12.28	.102
3	Agro/Food Based	181	368.10	347.05	123.83	1317

4	Polymers & Chemical	6	21.72	20.76	7.59	63
5	Handmade Paper & Fibre	17	21.14	20.08	7.40	61
6	Rural Engg. & Bio Tech.	130	362.87	342.51	122.96	1024
7	Service & Textile	1119	2086.78	1972.50	720.01	6597
	<b>Total</b>	<b>1530</b>	<b>3140.68</b>	<b>2968.04</b>	<b>1077.97</b>	<b>9862</b>

## Chapter – 9 (f)

### Geology and Mining

Jammu and Kashmir's varied geology has rich and wide variety minerals for many mineral specific Industries. The State is a home of 18 different minerals like Limestone, Gypsum, Marble, Granite, Bauxite, Coal, Magnestite, Slates, Sapphire, Quartzite, Dolomite, Borex, China Clay, Bentonite Clay, Quartz Sillica Sand, Diaspore and Graphite. These minerals are found in various districts providing base for forming various mineral based industries in the State. Estimated available mineral reserves with occurrence and use are shown in Table No.11.22 given below:-

**Table 9(f) 1: Available Resources for Mineral Industries**

<i>Minerals</i>	<i>Reserves</i>	<i>Occurrence</i>	<i>Uses</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>
Limestone	5000 Million tonnes	All districts except	Manufacture of cement, calcium



		Jammu, Doda & Poonch	carbide, Iron & steel industry etc.
Gypsum	162 Million tonnes	Baramulla-Uri & Doda	Manufacture of cement, fertilizer, filler in paper, paint and rubber industry
Marble	405 Million Cubic Meters	Kupwara	Decorative building stone.
Granite	8355 sq. kms (Aerial extension)	Kargil, Leh	Decorative building stone.
Bauxite	07 Million tonnes	Udhampur & Poonch	Manufacture of Aluminium
Coal	9.50 Million tonnes	Kalakot, Moghla in distt. Rajouri, Kotla Brehyal in district Udhampur	As fuel
Magnetite	4 Million tonnes	Udhampur, Panthal Reasi	Refractory bricks for furnaces.
Slates	1.50 Million Cubic Meters	Doda & Baramulla	Building material
Sapphire	-	Doda Paddar	Precious stone.
Quartzite	2 Million tonnes	Anantnag, Kupwara	Glass & I.T Industries
Dolomite	4.37 Million tonnes	Udhampur and Rajouri districts	Refractory material
Borex	0.742 Million tonnes	Pogo Valley Leh	Borosil Glass, Enamels Ceramics, Glazing smelling of copper, casting of Brass and Bronze and refining of Gold, Silver etc.
China Clay	28 Million tonnes	Distt. Udhampur	Ceramics, Pottery, Paper, textiles, Rubber & Paints
Bentonite Clay	0.122 Million tonnes	Distt. Jammu	Drilling mud, refining of oils & fats.
Quartz & Silica Sand	3.1 Million tonnes	Anantnag, Doda & Udhampur	Abrasive Glass, Ferro-Silicon Ceramics & Pottery, Foundry & moulding.
Diaspore	1188 tonnes	Rajouri, Udhampur	High Alumina refractories, filler in pesticides industries.
Graphite	62 million tones	Baramulla	Crucible Foundry, Refractory, Paints & Lubricant Industries

The mineral sector is receiving attention for its promotion by way of exploring and exploiting the mineral potential of the state with the constructive co-operation of both the public and private sector. For this purpose the Department of Geology and Mining has allotted Mining Leases/ Licences in favour of 114 private and public sector agencies.

### **Functioning Structure**

For the exploitation of mineral and natural resources, Directorate of Geology & Mining was established in the State in 1960. J&K Cements Limited and J&K Minerals Limited are its corporate agencies. The Directorate of Geology and Mining is looking after the technical aspects and grant of leases. The entire task of mineral regulatory work and collection of mineral revenue for both minor and major minerals comes under the purview of Directorate of Geology and Mining. To exploit the mineral resources the Directorate of Geology and Mining undertakes Geological investigation/ surveys/ drilling. Geological mapping, sample collection and their analysis are also the activities of the department. The two Chemical Mineral Testing Laboratories one each at

Srinagar and Jammu for analysing the mineral samples besides a huge fleet of drilling of rigs constitute the basic infrastructure of the Geology and Mining Directorate.

The activities of the Department of Geology and Mining are purely of scientific nature limited to the extent of exploration only leaving the commercial exploitation for the private sector through Industries Department and public sector through J&K Cements and J&K Minerals.

Below is the detail of achievements of the activities of the Department for the last three years:-

**Table 9(f) 2:**

Particulars	Units	2006-07	2007-08	2008-09
Drilling	Meters	2428.40	847.78	833.25
Geological Mapping (Detailed)	Million Sq.m	0.668	0.40	0.566
Geological Mapping (Recy)	SqKms	25.00	194.00	129
Pitting & Trenching	Cu. Meters	245.00	444.00	312
Sample analysed	No's	567	639	457
Sample Observed	No's	425	619	648

**Geo-Technical Guidance:-**

The Department provides geo-technical guidance to various organisations like Engineering department, Seismology department regarding sub-surface Engineering properties of the rocks and foundation testing. Post disaster management after earth quakes and subsistence, land sliding are also taken care of by the Geology Division of the Department.

**Royalty:-**

Geology and Mining Department is authorised to receive Royalty on extraction of Major as well as Minor Minerals in the state at the rates fixed by the Government. The revenue collected during the year 2008-09 is Rs 1445.94 lacs. The detail of division-wise collection for last three years is as under:-

**Table 9(f) 3: Revenue collected through minor/major mining of mineral in J&K state (Rs in Lakhs)**

Jammu Division			Kashmir Division			Total J & K	
Year	Minor	Major	Total	Minor	Major	Total	(Minor+Major)
2006-07	425.373	7.028	432.401	298.278	239.249	535.527	967.928
2007-08	772.996	40.579	813.575	305.213	494.838	800.051	1613.626
2008-09	703.740	20.939	724.679	427.719	293.541	721.260	1445.939

The revenue realisation by the department has been impressive and encouraging as is evident from the table given above. As compared to 2006-07 the revenue has increased by around 40% during 2007-08. However there has been slight decline in the revenues generation during 2008-09 compared to 2007-08. It is pertinent to mention that J&K Minerals is not paying any royalty on the extraction of coal from Kalakote. There is scope for enhancement of revenue for which certain steps like calling of tenders for Minor Mineral Blocks, strengthening of staff etc are required to be taken.

**Value of Minor/ Major Minerals Extracted**

During the year 208-09 the value of extracted Minor/ Major Minerals was to the tune of Rs 4973.29 Lacs. The value of minerals extracted from Jammu division was Rs 1766.46 lacs and Rs 3206.83 lacs from Kashmir division.

### ***Ground Water Exploration***

Drilling being one of the activities of the department associated with mineral exploration, the department has been exploring the ground water and constructing/installing Tube wells both for drinking water as well as irrigation. PHE used to be one of the requisitions Department for such activities. Around 350 Tube Wells for drinking and irrigation purposes have been constructed besides the department has generated explanatory data from ground water investigation conducted in the state which can be useful for planning development of ground water resources.

Department of Geology and Mining has sufficient manpower and machinery to undertake the construction of Tube wells in the state. This work is presently being entrusted by the PHE and other departments to private agencies while as the fact is that the Geology and Mining Department can easily undertake the activity with the availability of the men and machinery. The Department can generate revenue for the government on this activity with slight addition in the machinery and opening of a deposit head account.

The department is not meant for any kind of development work involving huge expenditure. It is simply carrying exploratory work of minerals establishing them with a limited budget. Shortage of Geological staff, latest machinery and availability of limited budget has been a hurdle in improving the cost and time efficiency in respect of exploration of minerals. With improvement in this field the department can contribute much better to the state economy.

## *Chapter – 9 (g)*

### ***Sericulture***

Sericulture is an agro based cottage industry with a high capacity of employment generation in the rural areas and is useful in upliftment of cultivator's income. Sericulture activity covers plantation of mulberry trees, culturing of silkworms, production of cocoons and raw silk. One of the features of this farm based economic enterprise is the involvement of women. While cultivation of mulberry and harvesting of leaf is carried out by male members, silk worm rearing is done mostly by women. The rearing of silk worms is done in rural areas, and the reeling and weaving is confined mostly to urban areas.

The strategy in this sector is to promote sericulture as a poverty alleviation programme as it is an industry being carried out by small and marginal farmers. To encourage post cocoon sector back and forth linkages

have been developed under catalytic development programme and Prime Minister's package. Initiatives like setting up of cocoon banks, providing working capital to reelers for purchase of cocoons, incentives on production of silk yarn, setting up of exchanges have been taken by the Government to sustain the private sector and motivate unemployed youth to the post cocoon sector.

The Indian silk industry of late suffered a major setback due to low priced Chinese silk yarn and its dumping in Indian Silk markets, as a result silkworm rearers were offered low price for their produce, they started uprooting the mulberry. To safeguard the interests of silkworm rears the Central Silk Board granted an incentive of Rs. 10/Kg. The Govt. of India imposed anti-dumping duties on the Chinese silk fabrics to stabilize the silk market. The measures taken by the GoI and the efforts of the department gave a boost to cocoon and silk production in the State. To promote sericulture industry J&K Government has initiated a new concept of exporting seed cocoons to other States like West Bengal and Karnataka. The salubrious climatic conditions of the State are ideally suited for production of quality seed cocoons. The J&K for the first time during 2007-08 supplied live seed cocoons to licensed seed producers of West Bengal who appreciated the quality of seeds. The State Govt. plans to supply seed cocoons to west Bengal and Karnataka in the month of March & April from Jammu Division and in the month of May & June from Kashmir Division.

### **Status of Sericulture in Jammu and Kashmir**

The data available for the year 2008-09 reveals that Sericulture activities are carried out in 2421 villages (35%) of the total villages in the State. About 20,000 families are engaged in this pursuit. The number of mulberry trees has increased to 81.00 lakh numbers during 2008-09 from 74.40 lakh numbers since 2004-05 showing an increase of around 10%. The production of cocoons has been recorded as 7.38 lack kilograms during the year 2008-09 resulting in an income generation of Rs.522 Lac as against the income of Rs.475 lakh during 2004-05. The target for the year 2009-10 has been fixed at 9.00 L. Kgs. Seeds produced and seeds imported were 23 (thousand ozs) and 6060 ozs. Production of raw silk was recorded as 82.00 (MTs) showing an increase of 57 MTs as compared to the production of 25 MTs during the year 2004-05. The number of reeling units has gone upto 31 nos. During the year 2008-09, 25 cocoon markets were organised throughout the state in order to provide better returns to the rearing farmers. The profile of the activities under sericulture sector over the year is given hereunder:-

**Table 9(g) 1: Profile of the activities under sericulture**

S. No.	Item	Unit	2004-05		2005-06		2006-07		2007-08		2008-09		2009-10	
			Trg	Ach	Trg	Ach	Trg	Ach	Trg	Ach	Trg	Ach	Trg	Ach
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1	Nursery Plantation	L. Nos.	115.00	112.26	120.00	114.56	120.00	119.10	120.00	99.68	120.00	115.92	120.00	
2	Production of P1 seed	Ozs	1300	1114	1300	930	1000	1391.5	1000	1148	1000	1225.8	1000	
3	Production of F1 seed	Ozs	22000	19211	22000	18218	23000	22836	23000	23564	23000	23000	23000	
4	Seed procured from CSB	Ozs	5000	5000	5000	5000	5000	5500	6000	6000	6060	6060	6000	

5	Silkworm seed distributed	Ozs	22000	22507	23000	22907	23000	23391	23000	24808	23000	24729	23000	
6	Production of cocoons	L. kgs	7.50	7.16	9.50	7.62	9.00	8.338	9.00	803	9.00	7.38	9.00	
7	Income generation of cocoons	Lac Rs.		475		526		726		500		522		
8	No. of cocoon markets Org.	Nos.		17		20		20		25		25		
9	Silkworm rearers (rearing families)	Nos.		20129		20190		20263		20055		19730		
10	Rearing villages	Nos.		2144		2146		2207		2373		2421		
11	Raw silk prod..(estimated)	MT		25		80		90		89		82		
12	Reeling units	Nos.		26		26		27		30		31		
13	Existing mulberry trees	Lac No.		74.40		76.50		78.20		80.15		81.00		

Source: Directorate of Sericulture, J&K

### **Initiatives taken:**

#### **1.Implementation of scheme "Health Insurance for women"**

The concept is a new one. The scheme aims at providing insurance cover to the women engaged in rearing of the silk. Under the scheme 2500 women rearers have been identified for the year 2008-09 who were vulnerable to many health related problems in Sericulture Industry. The annual limit has been fixed at Rs.15000/ per family comprising of 4 members and premium for a single insurance policy was RS.767.28 lac with beneficiary contribution of just Rs.55.66;

#### **2. Implementation of scheme "Marketing Support to Cocoon Growers"**

About an amount of Rs.32.10 Lacs has been paid to cocoon growers of the state as marketing Support on account of low prices fetched by them during 2007-08;

#### **3. Implementation of scheme "Support for Raising Mulberry Tree Plantation" in Cluster form**

The concept is a new one. Under the scheme 7 lac mulberry plants were distributed among the farmers of the State to plant in their private holdings in cluster mode with a minimum of 300 plants /cluster to augment area under mulberry plantation. The farmer gets Rs.2600/ (Rupees two thousand six hundred only) for purchase of chemical fertilizers/FYM and irrigation and transportation charges. An amount of Rs. 52.50 lacs was incurred under the scheme so far. The payment to the farmers who conducted such plantation was made in the form of cheques to adopt greater transparency;

#### **4 Implementation of scheme "Cluster Development of Mulberry Plantation on State/Departmental Land"**

The scheme is implemented by utilization of vacant State/ Departmental land mainly to benefit landless, economically backward farmers to develop rich mulberry reserves which after attaining full production capacity will be utilized

by them for conducting silkworm rearing to earn their livelihood. Under the Scheme 3.78 lac Mulberry Plants in Cluster mode were planted on State / Departmental land in the State. So far an amount of Rs.16.66 lacs was incurred under the scheme;

#### **5 Implementation of Scheme "Supply of Rearing Appliances"**

Earlier Rearing Appliance @ unit cost of Rs.7500/ was provided to farmers which could include only a few items to be provided under the scheme. Now onwards Rearing Appliance @ unit cost of Rs.20000/ shall be provided to the farmers that could enable them to further improve their rearing conditions/accommodation.

#### **6 Implementation of "Cluster Promotion Programme"**

The sericulture industry needs many backward and forward linkages, common facilities and integrated approach for sustained development. It is often observed that there is no proper co-ordination among the developmental agencies supporting sericulture. The Cluster development in sericulture ensures that all schemes of Govt. of India and State government for development of Sericulture and silk industry reaches to the beneficiaries in the identified clusters. Under the Cluster Promotion Programme approved for implementation in the State, the technical innovations could be disseminated in a systematic way to improve production, productivity and quality. The cluster development creates interest among the farmers to take up sericulture mainly due to the reason that the farmers shall get constant support/guidance from the implementing agency from the stage of commencement of host plant development till post-cocoon activities. The cluster programme brings in awareness among the sericulturists about the latest technologies developed and the kind of assistance available to improve sericulture. Cluster Promotion Programme is a strategic intervention to promote and develop sericulture on a sound footing in a limited geographical area. The Cluster Promotion Programme will be closely monitored by Central Silk Board (CSB) and Department of Sericulture. As a beginning Cluster promotion programme in two identified clusters of Nowshera, Jammu and Tral, Kashmir have been approved by central silk board at a unit cost of Rs.12.68 lacs and Rs.13.084 lacs respectively for the year 2008-09 and are presently under implementation. 100 rearers have been identified to be covered under the scheme.

#### **7. Enhancement in Floor Price of Cocoons**

The floor price of "A" Grade Silkworm Cocoons has been enhanced from the present rate of Rs.180/kg dry to Rs.210/kg. The enhancement in floor price of Silkworm cocoons has been made after a gap of about 13 years.

All these steps taken so far, for short, medium and long term development of Sericulture in the state has begun to show positive signs. The number of silkworm rearers has increased in the state which in turn will definitely increase the cocoon crop production during 2009-10 subject to climatic conditions remain conducive.

#### **Some major /prominent achievements made under Prime Minister's Special Financial Package during 10<sup>TH</sup>Five Year Plan**

- Establishment of 7 Ware House/Cocoon storage godowns:

- Establishment of one *Hot Air Dyer* at Udhampur.
- Establishment of two *Silk Exchanges*, one in Jammu and another in Srinagar.
- Setting of 100 *Chowki Rearing Centres*:
- Creation of Revolving Fund of Rs.100 lac for working capital assistance to realers (*Cocoon Bank*)

***Achievements made under Catalytic Development Programme during 10<sup>th</sup> Plan***

- 6000 Rearing kits supplied to rearers.
- 2750 Rearing houses constructed.
- 2 entrepreneurs from Kashmir Division provided with Multi end Reeling Machines and 3 entrepreneurs from Jammu Division established 3 cottage basin units.

Four Basic Seed Stations and ten F1-Grainiages were strengthened during the 10<sup>th</sup> plan thereby achieving the targets in full.

## *Chapter – 9 (h)*

### ***Information Technology***

Information Technology (IT) is emerging as an important sector in transforming the socio-economic lives of the people. Realizing the importance of this fast and quickest means of service the Government of Jammu and Kashmir has decided to accord industry status to Information Technology in the state in a big way. The aim is to promote the use of Information Technology to make all the Government Services accessible to the citizens and to ensure efficiency, transparency and stability to meet the basic needs of the common man. Having recognized Information Technology sector as a major tool of fostering state's economy Government is taking various measures to facilitate establishment of Information Technology and Information Technology Enabled Services (ITES) units in the state to strengthen the sector. It was in this direction that the State Government in 1996 categorized Information Technology sector as a thrust area in the Industrial policy of the State. To give boost to the Information Technology

sector the state Govt. established a separate Information Technology Department in 2002 which is looking after all the Technological related issues of the industry.

### **Infrastructure created**

An Electronic Industrial Park has been set up at Rajbagh in Srinaga and a Software Technological Park (STP) has been established at Rangreth. The first phase of this park was commissioned in March 2001. The Government has announced various incentives under its industrial policy to encourage investors to setup units in Technology Park. The STP offers facilities like;-

- High speed data communication
- Microwave linkages of units located outside the complex to integrate them with international gateway through Local Area Network (LAN)
- Flexible Bandwidth as per customer's need.
- Central computing/conferencing facilities to member units.
- Uninterrupted Power Supply.

Local Area Network (LAN) has been provided in the Civil Secretariat, major part of which has been completed and implementation of smartgov is going on. The smartgov project entails the electronic movement of files (e-files) in the Secretariat. The Information Technology Department keeps on expanding in the Secretariat and is a continuous phenomenon in view the expansion of work in various departments.

Video conferencing (VC) is available in Secretariat at Srinagar and Jammu. Video Conferencing facilities are also provided in 6 districts on a dedicated 64 mbps link. These Video Conferencing centres are interconnected and also connected to New Delhi and the North Eastern States. Other districts of the State are in pipeline for similar connectivity. A band width of 2mbps is provided to Secretariat by NIC for internal access.

The Information Technology Department has so far established 135 community Information Centres at block level. The CIC Programme assess Information Communication Techniques (ICT) to the common people in rural areas and help in reducing the digital divide at grass root level.

All most all the departments started computerization process below down to block level. Most of the Administrative departments/Heads of departments and District offices have developed the facility of website.

Though Information Technology industry is not so well developed in the State, it has great potential for contributing to the expanding market. The un - employment market has a large strength of qualified and skilled personnel so essential to the development of the Information Technology industry. The state offers a vast potential for growth of Information Technology industry as large talented human resource pool is available. On the other hand Information Technology can also contribute in eliminating various problems ailing the state economy, like weak industrial base, poor accessibility, small market etc. Given the importance of Information Technology in the development, the State Government is making concerted efforts for the promotion of this industry.

### **New initiatives of the Department**



Information Technology Department is committed to provide the structured cabling in General Administration Department halls both at Srinagar and Jammu. The expansion is of 80 nodes. Besides, the Network in Secretariat at Srinagar is being expanded to a 510 nodes LAN and similarly in Jammu Secretariat to 650 nodes LAN.

Alternate connectivity to Civil Secretariat is being provided as redundancy in terms of band width and internet connectivity. Information Technology Policy is being redrafted to accommodate more incentives for information Technology related Industry in the State on the recommendation of HCM as the promotion of information Technology based industries need regular implementation.

Local Area Network to various departments provided in view of expansion of LAN and e-governance besides implementation of Technology projects by the Information Technology Department. Construction of Information Technology Enclaves in Srinagar Secretariat for accommodating Information Technology persons to facilitate organization of trainings as a regular feature.

Information Technology Department is setting up a Directorate of Information Technology to implement the National e-governance plans as per the guidelines of Government of India. Draft Project Reports of Key departments are being prepared through consultants for creating roadmap of NEGP. High tech state of art Information Technology training Institute being setup by the Department in consultation with Private players and Govt. of India.

To increase, efficiency, responsiveness and transparency in the day to day functioning of the Govt.; focus is given on increased use of Information Technology. Departments of Finance, Health, Education, Power Development Department, P.W.D (R&B), Rural Development Department and Consumer Affairs and Public Distribution Departments in particular and all the Departments in general are focusing in the area of e-governance.

### **Human Resource Development**

The Information Technology service sector in the state is growing at a healthy pace. The information Technology department strives very hard to develop human resources to expand the Information Technology industry in the state as technology is a key to deliver the customized services. It aims at improving the quality of education through imparting suitable skills. Imparting trainings on Information Technology related topics has become a regular feature of the Department. The department organizes both short term and long term courses and topics related to information technology such as MS Office Package with emphasis on MS Access, visual Fox Pro, website Design and Management etc. are covered.

The Information Technology department has introduced a scheme in 2006 to provide Information Technology education to the students of BPL families through 100% scholarship. Under this scheme 'O' Level, 'A' Level and 'B' Level courses are provided by the DOEACC and fee of the students is reimbursed by the government. During the year 2006-07,184 students were

given training and fee charges amounting Rs.19.97 lakhs has been re-imbursed to DOEACC. For the benefit of down-trodden students IT department is continuing the scheme.

## *Chapter -10*

### ***Tourism***

Tourism has no doubt remained an instrument of economic growth in the state of Jammu & Kashmir and has contributed a lot in developing the economy, particularly in Kashmir valley and Ladakh. Tourism is the most important industry of 21<sup>st</sup> century. This sector has given jobs to a large number of people and generated economic activities especially in the tertiary sectors. Its impact is visible in service industry of the state such as transport, hospitality, horticulture and small scale industry sectors.

The tourism activities at a particular place are directly related to the arrival of tourists at that place. The more the arrival, the more economic activities get generated and make impact on the related sectors accordingly. So it is imperative that while studying the impact of the tourism sector on the economy of the particular regions, trends in tourist traffic needs to be analysed viz-a-viz the spending by the tourists. Tourist expenditure generates multiple

effects on the service sector such as agriculture, horticulture, poultry and handicrafts.

Jammu & Kashmir is an important tourist destination and has been a place of attraction for tourists since centuries. The lush green forests, sweet springs, perennial rivers, picturesque alpine scenery and pleasant climate of Kashmir valley-the paradise on earth has remained an internationally acclaimed tourist destination, whereas Jammu region- the land of temples is attracting a large number of pilgrim tourists and the important destination has been the Shri Mata Vaishno Devi Shrine. Ladakh region, the moon land has been a much sought-after destination especially for the foreign tourists and is famous for adventure tourism. The tourism tag has placed always the state of J&K in the limelight at the national level as well as at the international level.

Besides two Directorates of Tourism one for the Jammu division and other for Kashmir division, 19 Tourism Development Authorities as main tourist destinations, J&K Tourism Development Corporation (JKTDC), Sher-i-Kashmir International Convention Centre (SKICC), J&K State Cable Car Corporation (JKCCC) and Royal Springs Golf Course, Srinagar are functioning for the promotion of the Tourism Sector in the state.

The Directorate of Tourism Kashmir looks after the tourism activities in Kashmir valley and Ladakh region and also regulates the tourist inflow and coordinates with the other related departments. The Directorate of Tourism Jammu takes care of the tourism of Jammu region and mainly regulates the pilgrim tourism arrivals in the region. JKTDC undertakes commercial activities like construction of accommodation facilities, running of cafeterias, restaurants and organisation of the food festivals and tour and travel activities in and outside the state. J&K Cable Car Corporation is responsible for construction of passenger rope ways and chairlifts in the state. Prestigious project (Gulmarg Gandolah) is run by the Cable Car Corporation and has proved a good earner to the state exchequer. The responsibility of the Royal Springs Golf Course Society is to maintain the world famous Royal Spring Golf Course located in the foot hills of Zabarwan and banks of the Dal Lake. Golf course attracts golfers from all over the world.

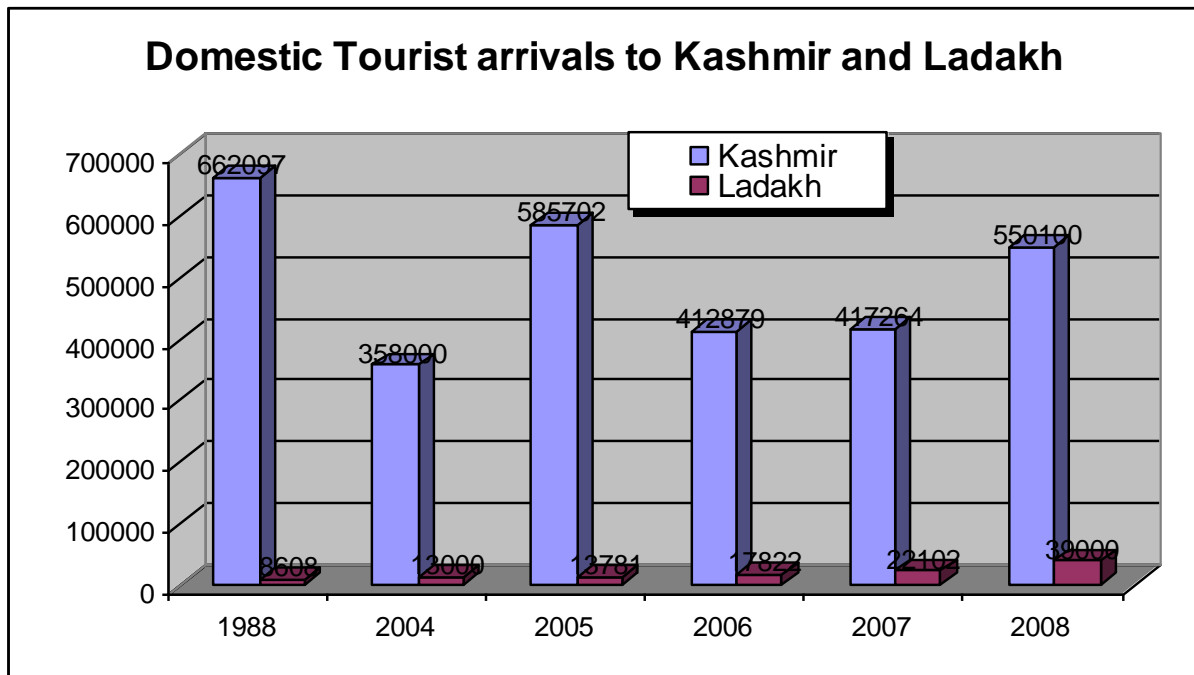
It is a stark reality that till late 1980s the state of J&K would attract huge number of national as well as foreign tourists, but the tourism sector received a serious jolt with the out breaking of militancy in the year 1989. The tourism influx declined considerably upto 2002 during which period the state heavily suffered in this sector due to the effect of the militancy and insurgency. The tourist rush in the year 1988 was recorded as the highest. The infrastructure created over the years suffered colossal damage besides the destruction to the gardens and parks. With the improvement in the security scenario the government made all possible efforts and took all possible steps for the revival of the tourism sector by raising the requisite infrastructure for restoration of the pristine glory of the places of the tourist attraction. The average flow of tourists between 1990 and 1996 was just around 10000 per annum. The flow of tourists registered a considerable increase in the past few years which is evident from the figures given below:-

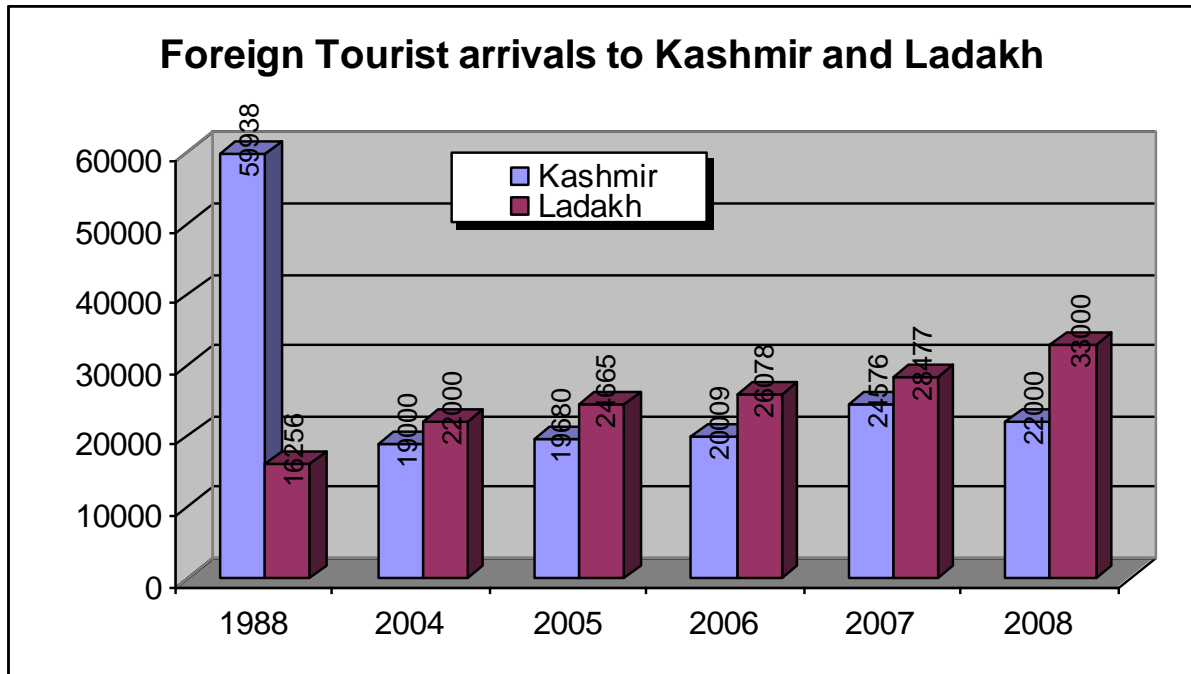
**Table 10.01: Tourists arrival from 2004 to ending June 2009**

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Year	Kashmir Valley				Jammu (Mata Vaishno Devi Ji)	Ladakh			Grand total
	Amarnathji	Domestic	Foreign	Total		Domestic	Foreign	Total	
1988	96055	662097	59938	818090	1992595	8608	16256	24864	2835549
2004	400000	358000	19000	777000	6100000	13000	22000	35000	6912000
2005	388000	585702	19680	993382	6251998	13781	24665	38446	7283826
2006	265000	412879	20009	697888	6950573	17822	26078	43900	7692361
2007	213565	417264	24576	655405	7222318	22102	28477	50579	7928302
2008	498075	550100	22000	1070175	6576000	39000	33000	72000	7718175
2009	32000*	190514	807	223321	3025075@	906#	130#	1036	3249432

\*: Figures are upto 21<sup>st</sup> June 2009, # : Indicates figures upto June 2009, @ : Indicates figures May 2009





Tourist inflow to J&K has continuously been increasing steadily from 6912000 in 2004 to 7718175 in 2008, which indicates an increase of 11.66%. The percentage increase in respect of the pilgrim visitors to Amarnath Ji has been to the extent of 24.51%, Mata Vaishno Devi Ji by 7.80%, domestic tourists by 58.79% and foreign tourist by 34.15% for the same period. During 2009, 32.49 lakh tourists visited J&K ending June 2009. In the perspective of overall tourist inflow to all the three regions of the state the percentage has increased during the years 1988 to 2008 by 172.19%. It may be in place to mention here that flow of foreign tourists has certainly diverted to Ladakh region because of turmoil which erupted in the state of Jammu & Kashmir in late 1980s and the prevailing security scenario. The number of foreign tourists to Kashmir valley has drastically dwindled from the figure of 59938 to 22000 during the years 1988 to 2008 registering a decrease of 63.30%. Contrary to this the number of foreign tourists to Ladakh has increased over the same period of time from 16256 in 1988 to 33000 in 2008 showing an increase of 103%. The main cause of decrease in foreign tourists to Kashmir valley is due to the advisories issued by different governments overseas.

#### **Accommodation Facilities**

Accommodation is basic requirement for tourists. The existing accommodation is not sufficient to accommodate all the tourists. During the peak season, the problem gets compounded. About 1820 Hotels, Houseboats, Huts, Guest Houses, Tourist Bungalow, (excluding Dharamshallas, Hotels and Bhawans) having a bed capacity of 33979 individuals is available at present at prominent tourist destinations like Srinagar, Gulmarg, Pahalgam, Patnitop, Katra and Jammu city in J&K State. Therefore, there is an urgent need for enhancing the accommodation for accommodating more and more tourists keeping in view the increasing trend in the tourist influx. However, the efforts are afoot at the government level for enhancing the accommodation facilities at

the tourist places by way of construction of the tourist bungalows, guest houses, huts etc.

### **Tourism as economic activity**

Tourism generates employment, though it is difficult to measure or calculate the employment generation as these jobs are scattered across many sectors and can not be identified without a proper survey. The government is contemplating to conduct the survey to ascertain the employment generation under tourism sector. Further 65th round of NSS which envisages to cover the subject of Domestic Tourism has been taken up by the NSSO in all the states and UT's as well which would provide data for devising suitable policies for upgrading Tourism sector. However, it is roughly estimated that 20% of the people get direct and indirect employment from Tourism sector. Employment in Hotels and Restaurants is about 13,785 of which 9869 are employed in urban areas and 3916 are employed in rural areas.

### **Income from Revenue earnings**

The Tourism sector generates sufficient revenue which has shown significant increase over the years. The revenue generation is expected to increase manifold provided the situation remains normal and the tourist influx increases in a desired manner. The state has sufficient potential to exploit for more and more revenue generation. Revenue earnings made under the public sector during last 4 years is about 103.62 crore and the details are summarized as under:-

**Table 10.02:**

S. No	Name of the department/ Organization	Revenue earned during last four years (Rs. in lakhs)				
		2004-05	2005-06	2006-07	2007-08	Total
01.	Director Tourism Kashmir/ Jammu (DGT)	11.46	14.83	35.25	62.06	123.60
02.	SKICC	46.00	49.34	52.00	64.00	211.34
03.	Gulmarg Dev. Authority.	19.70	21.86	32.46	48.50	122.52
04.	Pahalgam Dev. Authority	5.12	9.16	9.95	19.00	43.23
05.	Sonamarg Dev. Authority	0.00	13.78	36.35	32.50	82.63
06.	Patnitop Dev. Authority	11.00	10.15	15.62	79.00	115.77
07.	Royal Spring Golf Course	57.26	35.09	34.73	50.06	177.14
08.	Cable Car Corporation	289.00	754.41	676.00	798.81	2518.22
09.	J&K TDC.	1642.41	1796.44	1765.39	1763.00	6967.24
	<b>Total</b>	<b>2081.95</b>	<b>2705.06</b>	<b>2657.75</b>	<b>2916.93</b>	<b>10361.69</b>

There has been substantial increase in the earnings during the last four years from Rs. 2081.95 lakh during 2004-05 to Rs. 2916.93 lakh during 2007-08. The percentage of earnings has been more by 40.11% during 2007-08 when put in comparison to the figures of 2004-05. However, the percentage

increase has been to the tune of 9.75% for the year 2007-08 as compared to 2006-07.

### ***New Initiatives***

Many new initiatives have been taken for making the sector more viable and purposeful. The initiatives are briefly summarised as under:-

- 19 high powered Tourism Development Authorities created for integrated and focused development of identified areas in all three regions of the state viz; Gulmarg, Phalgam, Sonamarg, Yousmarg, Doodpathri, Veerinag, Kokernag, Leh, Kargil, Patnitop, Lakhepur-Sarthal, Aharbal, Wullar-Mansbal, Zanskar, Rajouri, Poonch, Baderwah, Kisthwar and Surinsar-Mansar.
- **Master plans of the tourist destinations such as Gulmarg, Sonamarg and Baderwah under preparation.**
- **Stress has been laid for creation of tourist accommodation at new destinations and schemes accordingly formulated and implemented.**
- **Infrastructure plans formulated both in the state plan and CSS through outstanding Architects/Consulting Agencies.**
- **Areas like Gurez, Bungus Valley, Baramulla, Uri and Botapathri having good potential for tourism development are also being developed outside the jurisdiction of development authorities.**
- **Major investments made on up-gradation of existing Golf Courses at Pahalgam and Gulmarg and construction of a new Golf Course at Sidhra Jammu.**
- **Thrust on Marketing and Publicity.**
- **Extension of loan facilities to Tour and Travel operators as well as Taxi Operators.**
- **Assistance provided to unemployed youth for conversion of residential type accommodation into Paying Guest accommodation, which has not only created employment avenues to unemployed youth but has also resulted in the enhancement of accommodation for the tourists.**
- **Emphasis on external Infrastructure for various destinations such as power supply, Road Connectivity and Drinking water supply.**
- **Schemes prepared to develop Rural Tourism to show case rural life, art, culture and Heritage at various Tourist villages.**
- **Focus on maintenance and restoration of heritage sites etc.**

A systematic approach was followed over the last three years and institutionalized the working of the department in a manner that new initiatives started may not get derailed in the course of time, which has yielded the better results.

### ***Adventure Tourism***

The adventure tourism as a sustainable activity has recently been introduced in our plans and much success has been achieved. However, there is lot of scope for diversification of Adventure Tourism based on land, air and water. The restrictions on large number of peaks in Ladakh are a great resistance in this regard, in case the restriction on trek routes, peaks and visits to inner lines, if removed would go a long way for making the state as a destination for trekking and other adventure related activities on the similar pattern as it exists in Nepal. The government has already taken up matter with Ministry of Tourism, GoI and Ministry of Defence for relaxing of restrictions in case of inner line areas in Ladakh. Also permission to conduct the Mansrovar pilgrimage via Ladakh will prove SPA for the state to attract pilgrimage tourist deep into Ladakh. This issue has also been taken up with the concerned authorities in the GoI for permitting the pilgrimage to Mansrovar via Ladakh route. For the accessibility of tourists to nearest stations for conducting treks, paragliding, skiing, rafting and other similar activities, the state has few small air ports/helipads in the remote areas like Gulmarg, Pahalgam, Kisthwar, Baderwah, Doda, Patnitop, Kargil and Zaskar. The accessibility to these airports/helipads needs to be improved so that the smooth pre-adventure arrangements are kept in place.

### ***Heritage tourism***

The Tourism Department has an ambitious plan for Heritage Tourism. Maharaja's Palace at Gulmarg is being taken up for conservation and conversion into a Convention Complex. The plan for conservation of Mubarak Mandi Jammu as a Heritage Site has been formulated and restoration works have been taken up. Aali Masjid and Dara Shikow Hamam at Srinagar have been conserved. The restoration work on various historical forts such as Poonch Fort, Bhaderwah Fort and Reasi Fort also has been taken up. More heritage sites are being brought under the Conservation plan. Few of them are restoration of ancient Monasteries in Ladakh Region, Forts at Hiranagar and Lakhanpur, Mughal Sarais along Mughal Road between Hirapore Shopian and Rajouri-Poonch. Nagar-Nagar, the site of Mughal Residency in old city of Srinagar is being preserved and a mega project is being conceptualised for the purpose. Various other sites are taken up for conservation. Statues of Buddha's the only existing statue in the world after the destruction of Bamyian Statues on Srinagar-Leh National Highway near Kargil has also been preserved.

### ***Investment Plans***

The Investment for up-gradation and creation of infrastructure facilities mainly come from State plan, Centrally Sponsored Schemes, Prime Minister's Reconstruction Plan and Finance Commission Awards. The funds for Centrally Sponsored Schemes are provided by the Ministry of Tourism under Destination Development and Development of Rural Tourism Villages and Circuit Development Programmes etc. However, the projects approved/sanctioned under the PMRP and CSS are also supplemented by the state plan as well to provide coverage to the creation of additional infrastructure being taken up beyond the scope of approved projects for the purpose. 36 projects taken up at a total project cost of 74.02 crore under various Centrally Sponsored Schemes related to development/promotion of of leisure, pilgrim, adventure and heritage have registered an expenditure of Rs. 30.36 crore as against the availability of



49.34 crore during the years 2003-04 to 2008-09. The year-wise details indicating the project cost of schemes, funds availability and the funds utilized under Central Assistance are detailed here under:

**Table** **10.03:**  
**Rs. in lakh**

Year	No. of Projects Sanctioned	Project Cost	Funds released	Funds utilized
2003-04	9	892.30	892.30	883.42
2004-05	8	1316.04	1054.46	1074.75
2005-06	4	933.51	746.80	406.62
2006-07	1	437.00	300.00	100.00
2007-08	10	2356.93	1699.76	567.21
2008-09	4	1466.41	240.45	0.00
Total	36	7402.19	4933.77	3032.00

The scope of these projects taken up with the central assistance was extended by identification of some more items of infrastructure which are being supplemented under state plan. The expenditure on this account has been to the tune of Rs. 582.13 lakh from 2004-05 to 2008-09 under state plan.

The total expenditure incurred under state plan is to the extent of Rs. 94.53 crore during 2008-09 registering a growth of almost 16% over previous year figures of Rs. 81.71 crore under Capital Component for development of the places of tourist attraction throughout the state.

#### **Prime Minister's Reconstruction Plan**

The government in an effort to give fillip to the tourism sector took many initiatives by way of development of various places as places of tourist attraction. A step in this direction is the establishment of the Tourism Development Authorities across the state. 19 TDAs stand established of which 8 TDA have been created in Kashmir region, 8 in Jammu region and 3 in Ladakh region. The main functions of these Tourism Development Authorities (TDAs) is to create infrastructure in new untapped areas and upgrading and maintaining the tourist assets at the prime tourist destinations. The objective of these TDA is also to exert for increase and to regulate the tourist inflow in their respective areas besides promotion of local traditions, art forms, crafts and culture. These TDAs will also ensure local participation of the people in the tourism activities especially in establishing eco-tourism projects besides providing incentives to local stake holders and conduct capacity building programmes for the local service providers. Out of the 19 TDA, 12 TDA are implementing programmes under PMRP with envisaged funding of RS. 20 crore per Development Authority. These Authorities are Gulmarg, Pahalgam, Kokernag, Sonamarg, Leh, Kargil, Patnitop, Rojouri, Poonch, Baderwah, Kishtwar and Lakanpur-Sarthal. Against the total allocation of Rs. 240.00 crore @ 20.00 crore per Development Authority, 236 schemes have been sanctioned during 2005-06, 2006-07, 2007-08 and 2008-09 at a cost of RS. 115.72 crore. An amount of Rs. 61.15 crore has been utilised against the releases of Rs. 83.75 crore. The following table indicates the details about the sanctioned cost, amount released and the funds utilised as on June 15, 2009 in respect of these 12 TDAs:-

**Table 10.04: Development Authority-wise Sanctioned/Released amount with expenditure ( Rs. in lakh)**

S.No.	Authority	Amount sanctioned	Amount released	Expdt. 15 <sup>th</sup> June 2009
1	2	3	4	5
1	Pahalgam	1665.26	882.79	882.79
2	Sonamarg	976.41	781.25	676.65
3	Gulmarg	1517.02	1175	1096.81
4	Kokernag	1400.1	1177.08	262.23
5	Kargil	1198.49	771.21	415.08
6	Leh	458.7	366.95	224.05
7	Patnitop	1113.43	669.46	555.03
8	Rajouri	857.56	710.25	620.09
9	Bhadewah	876.07	657.87	518.11
10	Poonch	693.52	560	446.7
11	Kisthwar	551.96	424	330.85
12	Lakhanpur-Sarthal	264.1	200	86.92
	Total	11572.62	8375.86	6115.31

In addition to expenditure of Rs. 6115.31 lakh under central assistance the state government has supplemented with an amount Rs. 2058.55 lakh on the development of these TDAs from the year 2005-06 to 2008-09.

The 2 Tourist Development Authorities viz; Wullar-Mansbal and Verinag Development Authorities are funded with the central assistance under Destination Development Programme. The left over 5 TDAs are funded exclusively by debit to state plan.

### ***Circuit Development Programme***

The government in a bid to make access of the tourists to the places having good tourism potential for development has brought many places under Circuit Development Programme. These Tourist Circuits are Jammu-Lakhanput-Basholi-Bani-Sarthal Circuit, Baderwah-Kisthwar-Simthan-Srinagar circuit and Jammu-Rajouri-Poonch circuit. Necessary infrastructure by way of providing wayside facilities such as restaurants, tourist complexes, art development centres, cafeterias, public convenience etc. and likewise facilities are being created for these tourist circuits. An amount of Rs. 886.78 lakh stands expended against the allocation of Rs. 1741.00 lakh. The projects/schemes for these 3 tourist circuits have been taken up at the sanctioned cost of Rs. 2178.83 lakh.

The works under the programme are executed through CPWD and some of the works completed include Baderwah Resort, Site development of Vasuki Nag Temple, Yatri Niwas at Mangli Devi Rajouri, Glen Cafeteria at Doda and Development Centre Basholi etc.

### ***Rural Tourism***

50 villages in the rural areas have been identified to be brought on the tourist map having good potential for their development as tourist places under Rural Village Tourism Programme. 17 villages have been sanctioned for development at an approved cost of Rs. 10.26 crore. Funds to the extent of Rs.

7.98 crore stand already released as against approved cost against which the expenditure has been of the order of Rs. 5.50 crore ending April 2009. The works taken up for development in 6 villages at Gagangir Sonamarg, Phalgam Anantnag,, Drung Gulmarg, Jhiri Jammu, Surinsar Jammu and Dori-Degair Jammu stand completed. 80% works also completed in respect of 8 tourist villages.

Mega projects have been conceived for execution in future for giving boost to the tourism sector. These projects are Development of infrastructure for Spiritual Tourism in Ladakh, Development of Mantalli, Jammu with all infrastructure including road connectivity and Preservation of Heritage and development of Naagar Nagar, Srinagar.

### **12th Finance Commission**

Under 12th Finance Commission an amount of Rs. 100.00 crore has been earmarked for the state, out of which Rs. 90.00 crore are earmarked for need specific projects and Rs. 10.00 crore for heritage preservation. The funds were received for the year 2006-07 and 2007-08 to the extent of Rs. 50.00 crore representing Rs. 45.00 crore for need specific projects and Rs. 5.00 crore for heritage preservation. The expenditure against the availability of Rs. 50.00 core has been of the order of Rs. 46.11 crore and left over amount of the award of Rs. 50.00 crore against the earmarked amount of Rs. 100.00 crore, is expected to be released by the GoI during the financial year, 2009-10.

The department of Tourism has initiated steps in many ways to attract more and more tourists by way of providing and creating various types of facilities and tourism infrastructure particularly in the field of adventure tourism. To mention some of them are detailed hereunder:-

1. Ice Staking Rink at Gulmarg.
2. Convention Complex/Club facilities at Pahalgam
3. International Youth Hostel for Adventure Sports at Sonamarg
4. Construction of Yatri Niwas at Jammu.
5. Central Asian Museum and Cultural Complex at Leh.
6. Base station for Aero Sports at Kargil.

The state has a sufficient potential for the development of Golfing facilities. The Royal Springs Golf Course is rated one of the best Golfing Courses in Asia. The Golf Course of Pahalgam and Gulmarg has been upgraded and a New Golf Course at Sidhra Jammu is being developed at a cost of Rs. 24.00 crore.

The State government has recently made recommendations to the 13th Finance Commission during their visit to state of J&K for release of an amount of Rs. 289.00 crore for further development of infrastructure and allied services in leisure tourism, pilgrim tourism, heritage and adventure tourism. The recommendation also include the additional financial assistance of Rs. 360.00 crore for 15 new Development Authorities and 4 old Development Authorities @ Rs. 20.00 crore and Rs. 15.00 crore each respectively. The major requirement of the tourism envisaged to be met under 13th Finance Commission Award are as under:-

- Development of wayside amenities.

- Creation of facilities for pilgrim tourism
- Development of Eco parks
- Up-gradation of existing tourist infrastructure facilities
- Construction of tourist bungalows/TRCs/Tourist Huts
- Conduct of event/festivals
- Development of eco tourism projects
- Extension of Sidhra Golf Course and up gradation of Royal spring golf course Srinagar
- Developing new Golf Courses at Sonamarg and Leh
- Providing of infrastructure such as water supply, electricity, connectivity and tourist transport facilities.
- Restoration of heritage sites and historical buildings
- Services like solid waste management and sanitation of resorts
- Promotion of adventure tourism by creating proper infrastructure like adventure sports centres, development of tracks, up gradation of water sports facilities, purchase of machinery and equipment
- Providing of convention facilities
- Providing of passenger ropeways; and
- Maintenance of tourist establishments

### ***Strategies Adopted***

- Focus on Marketing- Hon'ble Chief Minister, J&K personally leading the campaign in the country and abroad.
- De-linking of tourism from law and order situation
- Tourism projected as a normal economic activity
- Home and national media impressed not to hype the security situation
- Increased participation in International Tourism fairs; Revitalisation of Brand Kashmir
- Focus on expanding the domestic market- promotional campaign in non-Metros like Indore, Baroda, Nagpur Pune etc.
- Involvement of private tourism players in Fairs and festivals
- Publicity in all media
- State publicity grants increased for 2008-09

The major achievements made under the Annual Plan 2007-08 are as under:

- Zabarwan Park has been developed on the bank of Dal Lake in the foot hills of Zabarwan at a cost of Rs. 210.00 lakh under the scheme "Integrated Development of Tourism in Srinagar"
- An amount of Rs. 2.50 crore has been utilized on development of Golf course Sidra Jammu.
- An amount of Rs. 75.00 lakh as state share has been utilized on the "Gateway of Kashmir" at Lavidora Qazigund.
- A whopping amount of Rs. 254.00 lakh has been utilized on pilgrim spots for creation of various facilities for the pilgrims like illumination, approach road, landscaping, fencing, PCs etc.
- Balance work of Khanqah-e-Faiz Pannah Trail has been completed with an amount of Rs 150.00 lakh during the year 2007-08.

- Work on construction of a new Integrated Tourist Reception Centre at Nowgam By- pass Srinagar has been started and an amount of Rs 30.00 lakh utilized on it during 2007-08
- A TRC Complex at Kupwara has been constructed and an amount of Rs. 74.00 lakh has been incurred during the year 2007-08.
- TRC Basoli has been constructed by incurring an expenditure of Rs. 110.00 lakh during the year 2007-08.
- An amount of Rs. 125.00 lakh has been paid as incentive to the beneficiaries for conversion of residential houses into Paying Guest type accommodations during 2007-08 as per the new guidelines to fulfil the commitments of the government.
- A major event “5<sup>th</sup> National Winter Games at Gulmarg” was conducted at Gulmarg during 2007-08 successfully with an expenditure of Rs. 310.50 lakh.
- Adventure sports/events were conducted at Nigeen Lake, Manasbal Lake, Dal Lake and Pahalgam with an expenditure of Rs. 50.00 lakh during the year 2007-08,
- An amount of Rs. 39.50 lakh has been utilized on developmet of Dera Baba Banda during the year 2007-08.

### ***Conservation of Lakes and Water Bodies***

#### ***Dal Lake***

The conservation of Dal Lake has been approved at Rs. 298.76 crore under Reconstruction Plan. An amount of Rs. 101.66 crore has been released by the Ministry of Environment & Forest, Government of India for Dal Lake and Nigeen Lake, under NLCP in 3 instalments during 2005-06, 2006-07 and 2007-08. An expenditure of Rs. 87.00 crore has been made by March, 2008.

#### ***Mansar Lake***

The integrated management plan for Mansar Lake for conservation and development of Surinsar Mansar Sanctuary, Eco-tourism Plan and Research Programme for wetlands has been submitted to the Ministry of Forests and Environment. The part I and part II Plan at Rs. 5.74 crore and Rs. 3.28 crore have already been submitted to Ministry of Forests and Environment, GoI for sanction and release of funds

#### ***Wular Lake***

Wular Lake is the largest lake in Asia. The conservation measures for this biggest water body could not be made in view of the turbulent situations that prevailed in the valley for the past so many years. The detailed project report for conservation of this lake has been prepared at a cost of Rs 386.69 crores and has been forwarded to the Ministry of Environment and Forest, Government of India for approval and release of funds.

### ***Tsomoriri Lake***

This is one of the largest blackish water bodies located in Ladakh Plateau at an altitude of about 4,500 meters spread over an area of 12,000 hectares. A DPR for Rs. 9.18 crores has been prepared in consultation with WWF-India and submitted to Ministry of Environment & Forests, Government of India for approval.

### ***Issues and Concerns***

The most important challenge for J&K on the tourism front is to inspire the confidence of potential tourists as a safe and secure destination and the most urgent task is to prepare a tourism vision document. The State authorities need support from the central agencies and trade associations for restoring this confidence.

The State's rich cultural heritage can be exploited alongwith modern allurements like shopping, food courts, multiplexes and music festivals. With India poised to receive more international conferences and conventions, Srinagar could stake its own claim by upgrading Sher-i-Kashmir complex with State of art facilities. Waste Management is essential for maintaining hygiene and attracting Tourism.

Connectivity is also crucial for major growth of tourism in the State. It has been achieved by modernization of airport and fast track completion of road and rail projects in the valley.

## *Chapter - 11*

### ***Health***

Human capital, as characterized by good education and good health, is an important determinant of economic growth. Health finds predominant place in three of the eight goals, eight of the sixteen targets and eighteen of the forty-eight indicators of the "Millennium Development Goals of the UN". Health is the most important social service sector having direct correlation with the welfare of the human being. This sector assumes focus for reaping the demographic dividend having healthy productive workforce and general welfare.

In J & K, "Health care services" is important not only for human resource development but also for restoring the faith of the people in the institutions of governance, for service delivery in the areas of preventive, promotive, rehabilitative health care services at primary, secondary and tertiary levels. Primitive Health care system inherited from the independence period has undergone enormous changes in establishing advanced network of Health Delivery system of the State.

Access to health care is well recognized as a basic right of the people. Realizing the importance of health care, the State has been providing necessary policy frame work, up-scaling health institutions, engaging additional manpower and allocating resources for medical equipments for improving the delivery of public health care services. Over the years, there has been a

remarkable expansion of health institutions with focus on infrastructure development. The Government institutions are providing health care services in various specialized and super speciality disciplines at low or negligible fee for service. Free medicines are being provided as per availability of the budget. Referral transport system has also expanded considerably. The result of this has been that the health indicators in the State have improved and are relatively better than the national average.

The number of Health Institutions has made a remarkable expansion from 124 Health Institutions in 1951 to 4804 Health Institutions (3400 Govt.+1102 Pvt.+302 Area Specific Health Care Services) as on 31st March, 2009. The Health Institutions run by the Government has increased from 124 to 3400, thereby gaining about 30 times increase. Still Government institutions are overloaded as 91% in patients are dependent on Public Sector Institutions against 41.7% at national level.

At Tertiary level, the State has One Institute of Medical Sciences (Deemed University), 4 Medical Colleges having 12 Associated Hospitals (including One each in private sector), One Ayurvedic Hospital and three Dental Colleges (One Pvt). Moreover, the State has a wide network of health institutions spread throughout its length and breadth. At Secondary level, the State has 22 district Hospitals (14 old+ 8 new) and 78 (1 Pvt.) Sub-District Hospitals/CHCs (excluding 8 SDHs under up-gradation as District Hospitals). However, Primary Health Care Services are being provided by 375 PHCs, 238 Allopathic Dispensaries, 2253 Sub Centres/MACs, and 417 ISM dispensaries. 1098 Registered Clinics/Nursing Homes are also providing services to the people in the Private Sector. Besides, 302 institutions are delivering area specific health care services which include STD/VD Clinics, TB Centres, Leprosy Sub Centres/Control Units and Trachoma units/Amchi and other units.

**Table 9.9: Number of Health Institutions at different tiers as on 31<sup>st</sup> March, 2009**

S.No.	Health Institutions	Govt. Institutions	Pvt. Institutions	Govt.+Pvt. Institutions
<b>A- At Tertiary Level</b>		<b>18</b>	<b>3</b>	<b>21</b>
1	Institute of Medical Sciences	1	-	1
2	Medical Colleges	3	1	4
3	Associated Hospitals with Med. Colleges	11	1	12
4	Ayurvedic Hospital	1	-	1
5	Dental Colleges	2	1	3
<b>B-At Secondary Level</b>		<b>99</b>	<b>1</b>	<b>100</b>
6	District Hospitals	22	-	22
7	Community Health Centre/Sub-District Hospitals	77	1	78
<b>C-At Primary Level</b>		<b>3283</b>	<b>1098</b>	<b>4381</b>
8	Primary Health Centres	375	-	375
9	Allopathic Dispensaries	238	-	238
10	Sub Centres	1907	-	1907
11	Medical Aid Centres	346	-	346
12	ISM Dispensaries	417	-	417
13	Registered Clinics/ Nursing Homes	-	1098	1098
<b>Total (Tertiary+ Secondary+ Primary)</b>		<b>3400</b>	<b>1102</b>	<b>4502</b>

<b>D- Area Specific Health Services</b>		<b>302</b>	<b>-</b>	<b>302</b>
14	STD/VD Clinics, TB Centres, Leprosy Sub Centres/Trachoma Units/Amichi/Others	302	-	302
<b>Grand Total</b>		<b>3702</b>	<b>1102</b>	<b>4804</b>

Source : Health and Medical Education Department

The Health Department has also shown remarkable expansion in Bed strength and medical manpower. The strength of doctors has enhanced from 184 doctors to 5841 doctors and the bed strength has grown from 100 beds to 11840 beds from 1951 to 2008-09. About 35000 personnel comprising doctors, paramedical staff and other ministerial staff are borne on the establishment of these institutions. 483 Ambulances attached with health institutions at Primary, Secondary and Tertiary levels are on job for transportation of patients. These institutions provide Bed Strength of 1046, 6977 and 4863 in respect of Private, Secondary/Primary care and Tertiary sector respectively.

**Table 9.10: Bed strength in J&K State as on 31<sup>st</sup> March, 2009**

S.No.	Name of the Health Institutions	Bed strength (Nos)
<b>A- Bed Strength in Government Sector</b>		<b>11840</b>
1	SMHS Hospital, Srinagar	750
2	LD Hospital, Srinagar	500
3	CD Hospital, Srinagar	350
4	Nursing/Maternity Home, Srinagar	35
5	Children Hospital/G.B. Pant Hospital, Srinagar	200
6	B&J Hospital, Srinagar	150
7	Medical College Hospital, Jammu	850
8	SMGS Hospital, Jammu	550
9	CD Hospital, Jammu	250
10	Psychiatric Hospital, Jammu/Srinagar	175
11	Institute of Medical/JVC, Srinagar	1013
12	Chittranjan Das Mobile Hospital, Srinagar	30
13	Dental Hospital Srinagar/Jammu	10
<b>Sub-Total</b>		<b>4863</b>
1	District/Sub-District Hospital, Jammu Region	2764
2	District/Sub-District Hospital, Kashmir Region	3654
3	JLNM Hospital, Srinagar	110
4	Leper Hospital	219
5	TB Isolation Beds	10
6	Mobile Medical cum Ophthalmic Unit J&K	20
7	TB Hospital, Kargil	15
8	Ayurvedic/Unani Hospital, Jammu	25
9	Gandhi Memorial Hospital, Jammu	160
<b>Sub Total</b>		<b>6977</b>
<b>B- Bed Strength in Private Sector</b>		<b>1046</b>
Aided/Non-Aided Hospitals (Beds in Private sector)		1046
<b>Grand Total (Govt.+Pvt.)</b>		<b>12886</b>

Under teaching institutions, the two Medical Colleges have intake capacity of 100 seats each for MBBS course. The intake capacity of PG Degree (MD/MS) in Government Medical College, Srinagar is 64 and that of GMC, Jammu is 68. Besides, 22 PG Diploma seats are provided under GMC, Srinagar. Similarly, 34 PG Diploma and 2 DNB seats are provided under GMC, Jammu. The intake capacity of Government Dental College, Srinagar is 54 with a break



up of 50 BDS Seats and 4 seats for PG Degree Course. Government Dental College, Jammu has intake capacity of 50 seats. PG Courses (MD/Diploma) in critical categories of Gynae/obstetrics, Anaesthesia and Paediatrics is provided under GMC Jammu/Srinagar, ASCOMS and SKIMS, Soura Srinagar.

At Primary level, 1753 institutions are housed in rented buildings and 615 institutions have insufficient accommodation, for which infrastructure development is to be ensured.

### **Patient load**

The patient load on the government health institutions continues to be very high where the inpatients and outpatients are provided various facilities at these centres.

<b>Patient Load*</b>		(lakh Nos.)				
Facilities Provided						
S. No.	IPD	OPD	Major Surgeries	Minor Surgeries	Institutional Deliveries	Immunization (DPT III dose)
1	6.76	164.61	0.62	2.26	1.52	2.75

\* = excluding SKIMS

### **Health Indicators**

J&K State, in its endeavour to strive for good health to all, has succeeded to a great extent in improving the health scenario as exhibited by the health indicators of the State in Table below:

**Table 9.1: Differentials in Health Indicators among the States - 2005**

S. No	State	Sex ratio	Crude* Birth Rate (CBR)	Crude* Death Rate (CDR)	Infant* Mortality Rate (IMR)	Total Fertility Rate (TFR)	Institutional Births (%)	Full immunization (%)	Couple Protection Rate (CPR)%
1	2	3	4	5	6	7	8	9	10
1	All India	933	23.8 (23.5)	7.6 (7.5)	58 (57)	2.9 (2.9)	40.7 (40.7)	43.5 (43.5)	46.6 (46.6)
2	J&K	892	18.9 (18.7)	5.5 (5.9)	50 (51)	2.4 (2.4)	54.3 (54.3)	66.7 (66.7)	15.9 (15.9)
3	Delhi	821	18.6	4.6	35	2.1	60.7	63.2	24.9
4	Punjab	876	18.1	6.7	44	2.1	52.5	60.1	56.5
5	Himachal Pradesh	968	20.0	6.9	49	2.2	45.3	74.2	50.5
6	Haryana	861	24.3	6.7	60	2.8	39.4	65.3	43.3
7	Leading State/UT	1058 (Kerala)	14.7 (Manipur)	3.8 (Nagaland)	14 (Kerala)	1.7 (Kerala & TN)	99.5 (Kerala)	80.8 TN	75.6 Pondicherry

\* per 1000  
2006.

Source: i) Family Welfare Statistics in India-

TN = Tamil Nadu,

Figures for J&K & All India in brackets indicate data for 2007 SRS

While comparing the indicators of prime importance for the year 2005 (Family Welfare Statistics in India 2006) and SRS Estimates 2007, it can be inferred that vital indicators i.e. CBR, CDR and IMR have come down at All

India level nominally, while as J&K State has followed the same trend except CDR, where the indicator has nominally gone up from 5.5 to 5.9 for the State.

**Table 9.2: Change in the Important Health Indicators (2007-SRS)**

S.No.		CBR	CDR	SMR	Child Sex Ratio (2001 C)	Antenatal checkups (DLHS 2004)	Life expectancy at birth
1	All India	23.5	7.5	57	933	73.4	65.8 (M) 68.1 (F)
2	J&K	18.7	5.9	51	941	87.7	65.0 (M) 67.0 (F)

Source: Presentation collected from H&ME Sectt

These aggregate indicators reflect a satisfactory picture of the health status of J & K State as compared to the national level figures except for the sex ratio which conveys an imbalance in the population of males and females in the State and the Couple Protection Rate (CPR). The sex ratio of 892 shown by the Census 2001 was not acceptable to the J&K State Govt. and was further subjected to verification by way of carrying out a Sample Survey on Sex Ratio in the State during the year 2005-06 through the Directorate of Economics and Statistics J & K.

**Table 9.3: Sex Ratio in Jammu and Kashmir State**

S. No	Source	Sex Ratio in J&K		
		Rural	Urban	Combined
1	Census- 2001	917	819	892
2	National Sample Survey 60 <sup>th</sup> round J&K State (Jan-June 2004)	925	919	923
3	Sex-Ratio Survey, 2006 (Conducted by Directorate of Economics and Statistics)	925	929	925

The survey has indicated the sex ratio of 925. This figure has further been corroborated by the data reflected by 60th round of NSS survey Jan - June, 2004 which works out this ratio at 923. The Sex ratio of 923 and 925, as shown by the results of 60th round of NSS and Sex Ratio Survey 2006-07 respectively, reflect a visible and gradual improvement in the Sex-Ratio of the State as compared to the figure of Census 2001.

Merely depending on these indicators, it can not be assumed that the public health delivery system of J&K is a well functioning machinery. Practically, on every parameter J&K lags behind the best performing States.

Even J&K's position, on Health Parameters compared to some of its neighbouring States is also not satisfactory. J & K compares poorly with Delhi with respect to almost all the Health indicators except the sex ratio and full immunization. Himachal Pradesh leads J&K in some of the parameters reflective of 'public good' health care but as compared to Haryana, J & K is at better position.

### Goals

**Table 9.4:**

WHERE	WHERE TO GO
IMR-50/1000	IMR- <30 by 2010
MMR (Not available)	MMR- <100 by 2010

TFR-2.4	TFR- 2.1 by 2010
Immunization-67%	100% by 2010
Institutional/Safe Deliveries-54%	Institutional/Safe Deliveries-80% by 2010
Improve Contraceptive Prevalence Rate (CPR) from 53%	Improve Contraceptive Prevalence Rate(CPR) to 65% in 2010

As has already been discussed, IMR stands at 51 per thousand and TFR at 2.4 during the year 2007. Immunization level has been achieved upto 67 percent. The institutional deliveries have been ensured for 54 percent pregnant women. Still, the ultimate aim is to achieve IMR at the level of 30, MMR at <30 and TFR at 2.1 by the end of 2010. Besides, efforts will be concentrated on Universal Immunisation through 100 percent coverage of eligible children. Institutional delivery coverage is aimed at 80 percent by the year 2010. Improvement in Contraceptive Prevalence Rate shall be improved from 52 percent to 65 percent during 2010 which will be instrumental in bringing down Couple Protection Rate (CPR) through birth avertions during fertility span of eligible couples.

### **Health Care Infrastructure**

Though there has been a steady increase in health care infrastructure available since independence period, the infrastructure in the shape of buildings, machinery and equipments, has not been able to keep pace with the expansion in the recent plans due to topographical constraints. The health infrastructure in J&K State at all levels suffers from shortages that are both qualitative and quantitative in nature. Even though some investment was made in Capital Infrastructure of Primary Health Care Institutions through an externally aided Indian Population Project-VII in the early nineties followed by RCH & NHRM, there is need for major investment for building infrastructure. Trends in the health care infrastructure are reflected in table below:

**Table 9.5: Trends in Health Care Infrastructure(Government Institutions)**

<i>S.No.</i>	<i>Item</i>	<i>1950-51</i>	<i>1980-81</i>	<i>2002-03</i>	<i>2008-09</i>
1	Health Institutions	124	1816	3692	3400*
2	Average population covered per institution.	26240	3297	2903	3678
3	Bed strength	100	5422	12177	11840
4	Bed strength per lakh population	3	91	113	94
5	Doctors/Vaids/ Hakims	184	2192	5171	5841
6	Doctors/Vaids/ Hakims available per lakh of population.	6	37	48	47
7.	Population per Doctor	17683	3491	2169	2142

\* The figure does not include 302 area specific Health Care Institution

Source: Health Department, J&K

As per above indicators (2008-09), the Average population covered per Institution is 3678, Bed Strength per lakh population is 94 and population per Doctor has been worked out as 2142 persons.

**Table 9.6: Network of Allopathic System (2008-09)**

<b>Health Sector</b>	<b>Institutions</b>	<b>Bed strength</b>	<b>Doctors/vaids/ Hakims</b>	<b>Medics/Para Medical</b>
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i) Primary Health (Govt.)	3283	4863		
ii) Secondary Health (Govt.)	99	6977		
iii) Tertiary Health (Govt.)	18			
iv) Others (Area specific.)(Govt.)	302			
v) Regd. Pvt. Sector	1102	1046		
Total	4804	12886	5841	35000

In absolute terms, there has been substantial increase in number of Health institutions over the First Plan period by 30 times, Bed strength has risen by 128 times and Doctors/Vaids /Hakims by 30 times. These figures are though far from adequate by any acceptable standard, yet seem to be much better than the corresponding figures for the First Plan period. As per the Bulletin of Rural Health Statistics 2006, the number of health centres in the State is in surplus as against the existing norms. However, in view of the low density of population in some of the districts especially, Leh, Kargil and Doda district, difficult terrain, militancy etc. which make accessibility to health care facilities more difficult, the State Govt. has projected the additional requirement of 1288 institutions of various categories under 11th Plan. The details of existing and required physical infrastructure have been provided in the following table.

**Table 9.7: Shortfall in Health Infrastructure at the inception of 11<sup>th</sup> F.Y.P**

<i>S.No</i>	<i>Health Care Level</i>	<i>Required</i>	<i>Existing</i>	<i>Shortfall</i>
1	Sub Centre	3360	2211	1149
2	PHC	503	410	93
3	CHC	126	80	46
	<i>Total</i>	<i>3989</i>	<i>2701</i>	<i>1288</i>

*Source: Draft 11<sup>th</sup> Five Year Plan Document, Planning and Dev. Department*

### **Infrastructure Gaps as estimated by Administrative Department**

On the basis of norms adopted by the State Government and projected population worked out at 30% decadal growth rate with respect to population of 2001, the State should have 112 SDHs / CHCs as compared to the existing number of 85. Similarly there should be 3940 Sub Centres/Medical Aid Centres while as only 2253 are sanctioned. There is no shortfall in respect of PHCs as the State has 238 Allopathic Dispensaries also. The Infrastructure gaps are required to be met and phased out with reference to availability of resources. However, the details are given as under:-

#### **Existing and projected requirement of Health Institutions**

Population (lakh Nos) @		126.02 (2007-08)	130.40 (2008-09)	134.31 (2009-10)	138.34 (2010-11)	142.49 (2011-12)
Facility	Existing 2007-08	Requirement for 2007-08	Projected requirement			
			2008-09	2009-10	2010-11	2011-12
District Hospitals	22	22	22	22	22	22
SDH/CHC	85	104	108	112	116	120
PHC	375*	383	392	403	415	428
Sub Centre/ MAC	2253**	3692	3825	3940	4058	4180
<b>Total</b>	<b>2735</b>	<b>4201</b>	<b>4347</b>	<b>4477</b>	<b>4611</b>	<b>4750</b>

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@Calculated decadal growth rate of 30 as per the Population of 2001

\* In addition, there are 238 ADs in the State.

\*\* SC 1907 and MACs 346

*The requirement for opening of new health institutions for each category has been calculated after reducing the number of health institutions above that particular category. For instance CHCs have been worked out after reducing the number of District Hospitals. Similarly, for PHCs, the number has been arrived at after reducing the number of DHs /CHCs and so on.*

**The salient features/strengths of public health systems in the State are as follows:-**

1. Substantial network of health institutions
2. Large number of service providers (personnel) recruited
3. Infrastructure development is a priority
4. Provision of services free or at low/negligible fee
5. Provision of free medicines as per availability of budget
6. More than 91% patients IPD treated in Govt Institutions
7. Considerable volume of equipment being procured annually
8. Expansion of referral transport system
9. Availability of specialized services and super specialty facilities in various disciplines
10. Health indicators better than national average

**Some of the Important Achievements during 2008-09 in Health Sector are:**

- OPD Block of GN Hosp., DH Doda & DH Kishtwar, IPD DH Handwara, 1st Phase of DH Kulgam & SDH Sopore, SDH Keeri besides 8 PHCs in Kmr. Div. commissioned/made functional.
- Blood Banks established in all district HQs of Jammu Division, DH Anantnag, Baramulla, Pulwama, Budgam, JLNH Hosp., SDH Uri, Bijbehara, Pampore & Tangmarg.
- M.O's qtrs. at Sunderbani, Nowshera, Mendher, Banihal, Kalantra, Uri, Khaitangan & PHC Managam completed.
- Bed Side Cardiac Monitors provided in DH Udampur, Kathua, Rajouri, Poonch, G.N. Hosp. & at SDH Darhal, Mendhar, Bhaderwah, Sunderbani & R. S. Pura
- DG Sets 15-40 KVA capacity and Blood Storage Refrigerators provided to 43 and 32 health institutions respectively in Jammu Div.
- 09 ECG machines, 4 each of USGs & Defibrillators & 07 X-Ray plants provided to various health institutions in Kashmir Division.
- 2nd CT Scan Machine installed in Emergency at GMC Jammu
- Funds provided for Critical Care Ambulances one each at GMC Jammu and GMC Srinagar.
- Closed Circuit TV in Emergency, OPD, Control room & Adm. Block installed. Besides Air conditioning of Library and Orthopedic ICU completed at GMC Jammu.
- Oncology Block of SMHS hospital complete. Cobalt, TPS/HDR procured. Procurement of Simulator in process.
- Work on new 200 bedded additional block at Lalla Ded Hospital started. Rs. 5 Cr. released against the project cost of Rs.16 Cr.
- Cardiac Pacemaker facilities and Haemo-dialysis for renal failure patients started in SMHS hospital.

- Knee replacement started in B&J Hospital Srinagar besides Rs. One Cr. provided for procurement of equipments for Emergency OT.
- MD Transfusion Medicine started in GMC Jammu (only third institution in the country).
- MD Anesthesiology & Pathology, and MS Orthopedics recognized by MCI besides starting of DNB Family Medicine at GMC Srinagar.
- Thalessemia day care centre at SMGS Hospital and intermediate Reference Laboratory (Tuberculosis Bacteriological Laboratory) at C.D. Hospital Jammu established.
- 03 each of Digital Radiography Unit and Imaging Software provided at Dental College Jammu.
- MDS in Periodontia along with Diploma in Dental Hygienist Course with intake capacity of 02 and 05 started at Dental College Srinagar.
- Male Sterilization by NSV technique gaining popularity and increased from 567 in 2006 to 1797 in 2008.
- Hep. B vaccination to infants for all the districts included in Immunization Programme from 2008.
- Janani Suraksha Yojna again started in the State from Jan. 2009.

### ***Prime Minister's Reconstruction Plan***

#### ***A Pradhan Mantri's Swasthya Suraksha Yojana (PMSSY)***

Under PMSSY, Govt Medical College Jammu and Srinagar have been taken up for upgradation to AIIMS level each at the cost of Rs. 120.00 crore with State equity of Rs. 20.00 crore. The central equity is being released directly by MOH&FW, GOI to CPWD and other agencies.

#### ***Government Medical College, Jammu***

Under PMSSY, 15 Super Specialties are being created at GMC Jammu. These are - Neuro Surgery, Cardio Vascular Thoracic Surgery, Urology, Neurology, Cardiology, Nephrology (in new Super Speciality Block) and Gastro-Intestinal Surgery, Plastic Surgery, Paediatric Surgery, Surgical Oncology, Gastroenterology, Endocrinology, Pulmonary Medicine, Clinical Haematology and Medical Oncology (in existing departments)

***State Equity:*** An amount of Rs. 20.00 Crore has been provided as state share which includes Rs 8.00 crore for machinery / equipment, Rs. 2.40 Crore for construction of 30 bedded Paediatric ward in SMGS Hospital and Rs. 6.10 Crore for construction of Additional Emergency Block at GMC Jammu and Rs. 3.50 Crore for major repair/renovations.

Land for construction of Super Specialty Block for the College stands already acquired at Rs. 22.50 crore out of state plan, which is outside the project cost. It is, however, imperative to mention here that the Additional Emergency Block and 30-bedded Paediatric Surgery ward at SMGS Hospital (part of 200-bedded Additional Children's Block SMGS Hospital) are almost complete. However, repairs and renovations works of existing Medical College Complex related to ICU, Sub-Station and augmentation of Gas Plant Room have been taken up for execution.

***Central Equity:*** CPWD has taken up construction of 6-stroyed 220-bedded Super Specialty Hospital Block in Feb.2008 under Central Equity. 52% of the

work on main building has been completed. The target date for completion of work is Nov. 2009.

**Government Medical College, Srinagar**

In GMC Srinagar, Institute of Traumatology is being established under the project with 9 allied Super Specialities. The specialities being created are- Neuro Surgery, Cardio Vascular Thoracic Surgery, Plastic Surgery, Paediatric Surgery, Urology, Neurology, Cardiology, Gastroenterology and Nephrology.

**State Equity:** The Nursing College is coming up under state equity at the total cost of Rs. 12.00 crore. The funds have been fully provided alongwith Rs.8.00 crore for purchase of machinery and equipment. The building for Nursing College stands completed.

**Central Equity:** The CPWD is constructing 4-storeyed Institute of Traumatology and allied super specialities at Shreen bagh Srinagar under central equity. 19% work on main building has been completed. However, due to law & order problems in the valley during the month of August & September 2008, the work was held up as the migrant labourers fled to other states. Efforts are being made to accelerate the pace of work at the site. The work is likely to be completed by June 2010.

**B National Rural Health Mission**

The National Rural Health Mission was started in the State in December 2005. The basic objective of NRHM is to carry out architectural corrections in the basic health care delivery system with a view to improving the quality of life of people especially the poor. It also seeks to reduce IMR and MMR, which are the prime objectives of the mission, followed by Universal Access to public health services in an integrated manner.

Programme Implementation Plan (PIP) has been prepared at Rs. 4010.00 crore (2005-12 projected). GOI has released Rs. 251.14 Crore against which Rs. 144.96 Crore stand utilized ending March 2009. The year-wise release of funds and expenditure incurred is given as under:-

Rs. in Crore				
Year	Opening Balance	Funds released by GOI	Expdt. Incurred	Balance
2005-06	0.00	27.00	1.44	25.56
2006-07	25.56	39.47	9.54	55.49
2007-08	55.49	135.25 *	49.11	141.63
2008-09	141.63	49.42**	84.87	106.18
<b>Total</b>		<b>251.14</b>	<b>144.96</b>	

In the initial two years, NRHM was 100% funded by GOI. From the year 2007-08, funding pattern is 85:15 between Centre and State. Accordingly an amount of Rs. 506.00 lacs and Rs. 740.00 lacs have been provided to the J&K State Health Society as State Share to NRHM during the year 2007-08 and 2008-09 respectively.

*NB:Rs. 116.25 Crore received by the J&K State Health Society in the month of Jan 2008.*

*\*\* Rs. 37.06 Crore received by the J&K Health Society in the month of March 2009. The total unspent balance of Rs. 118.64 Crore as on 1-4-2009 (including State Share of Rs. 12.46 Crore), Rs 54.71 crore are with SHS, Rs. 31.33 Crore with DHS and Rs. 32.60 Crore with implementing agencies.*

***The progress under National Rural Health Mission is given as under: -***

- 1) 9764 Voluntary Female Accredited Social Health Activists (ASHA) in place in all the villages of the State who have been trained in Module I (9500) and Module II (9000)
- 2) Integrated District Health Action Plans have been prepared during 2007-08 for all the 22 districts.
- 3) 1907 Sub-Centres have been strengthened by provision of Untied Funds @ Rs. 10,000 per annum.
- 4) 375 PHCs have been strengthened by provision of Untied Funds @ Rs. 25,000/- per annum, annual maintenance grant of Rs. 50,000/- per annum to 268 PHCs.
- 5) 96 PHCs have been made functional on 24x7 basis.
- 6) 14 DHS and 39 CHCs have been made functional as FRUs. Out of 70 CHC selected for upgradation to IPHS, upgradation process started in 69 CHCs and 18 CHC upgraded to IPHS.
- 7) All the societies have been merged both at district and state level to ensure integration of vertical health and family welfare programmes and societies under NRHM.
- 8) Professional from the field of Management, Finance, Accounting and Information Technology have been engaged at all the levels (block, district and State) to strengthen Programme Management Capacities in the health sector.
- 9) 474 Rogi Kalyan Samitis stands registered with a view to promote management by community.
- 10) 6788 Village Health & Sanitation Committees have been constituted.
- 11) 123656 VHND (Village Health and Nutrition Days) have been organized at various AWCs (Angan Wari Centres) in the State upto March 2009.
- 12) 10491 ASHAs were provided incentive during 2008-09 for early registration of pregnant women in the first trimester.
- 13) 27362 ASHAs benefited under JSY during 2008-09
- 14) The number of institutional deliveries and deliveries conducted by skilled birth attendants during 2008-08 is 151783

***C Health Infrastructure Development***

The Project report for Rs. 1051.57 Cr. for development of Health Infrastructure was submitted to MOH & FW for seeking external assistance in July 2005. It envisaged Rs. 933.18 crore for civil work and Rs. 118.39 Crore for machinery / equipment. The Ministry of Health & FW and also the Planning Commission cleared the projects and forwarded the same to Department of Economic Affairs, Ministry of Finance, GoI for approval.

In a meeting Chaired by the Hon'ble Union Home Minister at SKICC Srinagar on 30th June 2007, the Hon'ble Chief Minister observed that the submission of the project report to World Bank for funding may take a long time and therefore, it may be a non-starter in the State. Hon'ble Chief Minister desired that the project be funded under PM's Re-construction Plan instead of posing it to the World Bank for funding. Accordingly, a meeting was held on 18/09/2007 in the office chamber of Addl Secy (Economic Affairs), Ministry of Finance, GOI in which Commr./ Secy to Government, Finance & H&ME (J&K)



departments also participated. It was decided that the State Govt and the Ministry of Health & Family Welfare will discuss the possibility of meeting the additional requirements of the State for upgrading its health infrastructure under the ongoing NRHM programme, with relaxation of some of the requirements, if necessary. If this may not be possible, funding for the project under the PM's Re-construction Plan can be explored by the Planning Commission.

In the NRHM PIP 2008-09, the Ministry of Health and Family Welfare has approved infrastructure development plan for strengthening 10 District Hospitals to IPHS, Upgradation of 7 SDHs/10 CHCs and upgradation of existing health facilities at selected Tehsil headquarters to 50-bedded hospitals with an allocation of Rs. 37.50 Crore. The GOI convened a meeting in the matter on 22/09/2008 in which the State Govt submitted modified Infrastructure Development Plan. The plan was discussed in the Ministry and the State was asked to re-look the HIDP in light of their observations and resubmit the proposal. The Infrastructure Development Plan has been re-formulated, as per the observations of GOI and submitted to MOH&FW GOI. Total Central funding required for HIDP is Rs. 2027.38 Crore (Phase-I Rs. 1105.42 Crore and Phase-II Rs. 921.96 Crore) which include provision for completion of on-going works, construction of new District Hospitals, construction of buildings presently housed in rented accommodation, construction of staff quarters and equipments. In the NRHM PIP 2009-10, the GOI has approved Rs. 40 Crore for infrastructure development. The MOH&FW has recommended the funding of the project to Planning Commission. The State Planning Department is also recommending the same to Planning Commission.

### ***Mental Health Programme***

- Like other parts of the country, J&K does not have adequate trained Psychiatrics.
- 10 Assistant Surgeons trained from National Institute of Mental Health and Neuro Sciences (NIMHANS), Bangalore.
- As an innovation, 3- months training programme with the help of NIMHANS, Bangalore conducted in Psychiatry Hospital Jammu/Srinagar.
- 23 doctors trained and posted as programme officers/trained doctors for operating Psychiatry, OPD in District Hospitals. Each of them tasked to train 5 Asstt. Surgeons every month through 3 days training programme as prescribed by NIMHANS. Psychiatric Services Started at District Hospitals, being extended to blocks.
- Srinagar, Psychiatry Hospital, being upgraded. MOH&FW released Rs. 2.50 crore. For GMC Jammu Rs. 43 lakhs released by GOI.
- Drug De-addiction Centre made functional in Psychiatry Diseases Hospital Srinagar/Jammu.
- Modified Convulsive Therapy (ECT) and Behaviour Therapy Services started at Psychiatric Diseases Hospital Jammu
- Psychiatric OPD started in SMHS on daily basis.
- GOI likely to sanction "Institute of Mental Health" for GMC Srinagar.
- NIMHANS approached to organize more training programmes in Psychiatry State doctors.

### ***National AIDS Control Programme***

- 52000 clients provided free counseling & testing.
- 49024 Blood Units collected and tested for HIV
- 90 Voluntary Blood Donation Camps have been organized and VBD raised from 17% in 2007 to 45% in 2008-09.
- 474 patients including 33 children receiving free Anti-Retroviral treatment
- One Community Care Centre for HIV/AIDS people approved. The CCC established through an NGO at Jammu.
- Under Sentinel Surveillance Round -2008, 7100 samples collected and tested over three months. 4 samples 02 each from Jammu and Kashmir Divisions found positive.

### ***Trauma Centres on National Highways***

- Trauma Centres at Margund (Kangan) & Ramban were completed.
- Trauma Centres at Leh, Kargil, Gund, Qazigund, Mahanpur (Kathua) and Thathri (Doda) sanctioned during Oct. 2006
- Rs. 8.73 Crore provided for completion, Rs. 4.60 Crore spent. Main building of Qazigund Trauma Centre and Ramban Trauma Centre completed.
- For rest of the Trauma Centres, the work is under progress.
- MoU signed with GOI for establishment /upgradation of 07 Trauma Centres each at GMC Srinagar/ Jammu, DH Anantnag, Udhampur, Ramban, Accidental Hospital, Batote & Emergency Hospital, Banihal. During the current year upgradation of trauma facilities at district hospital Anantnag and Udhampur being taken up.

### ***AYUSH Central Schemes***

- Work on ISM DTL accelerated and likely to be taken over.
- ISM Pharmacy building at the cost of Rs. 42 lakhs completed and taken over
- 93 doctors and 20 para-medics imparted Orientation Training in Panchkarma, Kshar-Sutra, Regimental Therapy and Yoga.
- 374 ISM&H contractual doctors and 374 Pharmacists appointed
- ISM unit started at SMHS/JLNM Hospital and DH Anantnag.
- Regimental Massage Centre started at Golf Course Srinagar.
- Action Plan for Medicinal Plants Board prepared.

### ***Family Welfare***

Family Welfare Programme is in operation in the State since 1957-58. The main objective of the programme is to provide better health services and to check the rapid growth of population especially in rural and semi urban areas. Different policies and decisions were framed to upgrade the programme. The family planning activities in J&K State are presently carried by 91 Family Planning Centres and 2017 Family Welfare Sub Centres. A total of 19281 beneficiaries were benefited under sterilizations operation.

### ***Indian System of Medicines (ISM)***

An attempt is underway to complete the ongoing works of Ayurvedic/Unani System (ISM), which have a spill over content of more than Rs.6 crore. Besides, machinery and equipment to equip the health units of ISM

will be provided for in the 11th Plan. Emergency Unit started at Ayurvedic Hospital Jammu.

### **Drug and Food Control**

The Drug and Food control Organisation of J&K State is collecting samples from the market for inspection in order to determine standard of the samples and take necessary action where ever required. There is also provision of prosecution under the act for not maintaining the standards. Licenses are also granted by this department.

#### **Drug & Food Control Organization**

SNo.	Particulars	2008-09
1	Inspections conducted	58166
2	Samples Tested	2594
3	No of samples found sub standard	300
4	Prosecutions	233
5	Licenses Granted	6217

#### **Achievements under "100 DAYS" Action Plan**

SNo	Item	Target	Achievement
1	Completion of buildings for various health institutions	21	20 works completed
2	Procurement of Ambulances under NRHM	125	Implemented
3	Janani Suraksha Yojna (JSY)	To Resume JSY	Implemented
4	Upgradation of Telemedicine facility	6 Nodes	5 telemedicine Nodes upgraded with latest equipments viz: at Kupwara, Kathua, Poonch, Kargil and Leh.

#### **Investment on Health Care Services**

The emphasis on Health care services is also reflected in the increasing trend of expenditure on social services by the Govt. on State Plan. Expenditure on health sector as proportion of total expenditure (State Plan) increased from 3.13 percent in 1st Plan period to 6.80 percent in 10th Plan period. During 10th Plan period it rose from 6.23 percent in the year 2002-03 to 8.89 per cent in 2006-07. The outlay for the year 2008-09 has been estimated at 3.69 percent which has further reduced to 3.63 percent only. It shall be further supplemented by the Central assistance under NRHM and other Centrally Sponsored Schemes. The corresponding percentage share of health expenditure in the Social Sector increased from 20.22 percent to 24.00 percent during 10th Plan Period. The percentage expenditure increased from 22.49 percent (2002-03) to 30.77 percent (2006-07), respectively. During 2007-08 the expenditure had a slip to 17.78% which has further decreased to 17.33 percent in 2008-09.

#### **Proposed outlay for 10th & 11th Five Year Plan under Health Sector**

Against an allocation of Rs. 796.66 crore under Health Sector in the 10th Five Year Plan (2002-07), 966.11 crore stands utilized (121.27%). During the 11<sup>th</sup> Plan Period Health sector shall again form as a priority sector for the government and efforts will be to enhance the Plan size substantially. During the year 2007-08 an expenditure of Rs. 198.16 crore was made against an

outlay of Rs. 272.98 crore. The expenditure for the year 2008-09 stands at Rs. 174.18 crore out of total outlay of Rs. 203.40 crore, thereby registering an expenditure of 85.63%. The expenditure on Health Sector during 10<sup>th</sup> Plan period (including PMRP) and first two years of 11<sup>th</sup> Five Year Plan is roughly about 5% of the Total Plan Outlay of the State. The sector-wise details of financial progress during the 10<sup>th</sup> Five Year Plan and 2007-08 to 2008-09 is presented in the following table:

**Table No. Review of Financial Progress of Health Sector (Rs. in Crore)**

S. No	Sector	10 <sup>th</sup> Plan Outlay (2002-07)	10 <sup>th</sup> Plan Expdt. (2002-07)	11 <sup>th</sup> Plan Outlay (2007-12)	Outlay, 2007-08	Expdt. 2007-08	Outlay, 2008-09	Expdt. 2008-09	Outlay 2009-10 (P)
<b>A-</b>									
1	Health, Jmu	254.02	308.14	409.75	96.87	50.46	49.00	23.64	42.46
2	Health, Kmr	268.85	376.62	519.01	103.76	67.19	56.00	45.74	68.80
3	Associated Hospital, Jmu	23.75	22.49	22.19	12.23	12.28	10.11	13.97	15.70
4	Associated Hospital, Kmr	24.63	39.22	35.33	4.75	7.79	10.68	16.36	11.92
5	Institute of Medical Sciences	60.18	44.80	146.18	12.00	11.01	21.00	26.50	87.49
6	Jehlum Valley Medical College	60.80	44.28	51.22	8.00	4.84	10.00	5.74	15.33
7	Medical College, Jmu	52.56	68.38	56.34	5.11	11.08	7.00	14.32	23.30
8	Medical College, Sgr	24.82	28.63	54.98	17.82	21.81	9.10	9.12	21.05
9	Dental College, Jammu	0.00	9.09	22.54	5.30	5.24	7.50	5.70	8.98
10	Dental College, Srinagar	11.73	12.28	13.66	4.20	4.58	8.62	10.14	12.05
11	Indian System of Medicines	10.25	7.43	8.20	1.50	1.35	12.89	2.00	13.91
12	Drug & Food Control	5.09	4.74	13.77	1.45	0.54	1.50	0.95	3.24
	<b>Total (1 to 13)</b>	<b>796.66</b>	<b>966.11</b>	<b>1353.15</b>	<b>272.98</b>	<b>198.16</b>	<b>203.40</b>	<b>174.18</b>	<b>324.03</b>
13	Total Plan Allocation and Expenditure	14500.00	14217.17 (98.05%)	25834.00	4850.00	4403.31 (90.79%)	5512.97	4773.34 (86.58%)	8917.62
14	Percentage of Health Sector to Total Plan Allocation	5.49	6.80	5.24	5.63	4.51	3.69	3.65	3.63
15	Allocation to Social Sector		4026.34	6501.40	1196.62	1114.17	1189.15	1004.89	2128.34
16	Percentage of Health to Social Sectors		24.00%	20.81%	22.81%	17.78%	17.11%	17.33%	15.22%
17	Per Capita allocation	671.04	813.77	113.97	229.99	166.91	166.89	142.92	258.99

***The areas requiring attention for improvement of public health services in J&K are as follows***

***I Rapidly increasing demand for services***

- 1) Underserved areas
- 2) Demand for up gradation of services/facilities
- 3) Overburdened facilities especially in Tertiary sector requiring augmentation
- 4) Due to unfinished agenda of communicable diseases, MCH services
- 5) Premature burden of Life Style Diseases & emerging, re-emerging diseases
- 6) Aging Population

***II Shortage of human resources***

- 1) Shortages of doctors particularly Specialists and Nurses
- 2) Unwillingness to serve in rural and remote areas
- 3) Shortages of faculty in Medical/Dental Colleges
- 4) Quality issues related to training of Nurses and paramedics

***III Underutilized capacities in number of institutions***

- 1) Patient load/workload varies enormously between institutions
- 2) Referral system not functioning properly – patients approaching tertiary institutions for illnesses that can be cured at lower levels

***IV Dearth of building infrastructure & equipments***

- 1) 19% CHCs, 59% PHCs, 74% ADs having insufficient accommodation
- 2) Large number of institutions without staff quarters

***V Escalating cost of providing services***

- 1) More than 70% expenditure on health is out of pocket which is a huge burden on people
- 2) Very limited social health insurance system or any of its equivalents  
Issues of access and equity

***VI Difficulties in ensuring Timely availability of drugs as per consumption.***

***Initiatives being taken are:-***

1. Efforts to improve availability of human resources
  - a) Additional manpower being recruited on contractual basis
  - b) Higher remuneration
  - c) Special incentives for serving in difficult areas
  - d) Improvement of conditions of service
  - e) Streamlining cadre management
  - f) Capacity building and training
2. Increasing investments are being made under State Plan & NRHM for infrastructure, equipments, referral transport and drugs
3. Up gradation of GMCs Jammu /Srinagar to AIIMS level. These projects are in progress.

4. Flexibility of operations in health institutions being provided.

Hospital Development Committees have been set up with following provisions:-

- (a) Retention of user fee by hospitals
- (b) Untied funds
- (c) Corpus funds
- (d) Annual Maintenance Grant

5. State Drug Policy is being formulated which would include

The Health & Medical Education Department initiated the exercise for formulation of State Specific Drug Policy in June 2008. Experts from “Delhi Society for Rational Use of Drugs” were invited by H&ME Department to give a presentation. On the basis of discussions held with the experts and departmental officers, a tentative draft was prepared and circulated to various Heads of the Department for their comments.

During the review meeting held under the Chairmanship of the HCM on 22/01/2009, the issue came up for discussion and it was desired that H&ME Department should take immediate steps to formulate State Specific Drug Policy.

Subsequently a two day consultative workshop on “Formulation of State Drug Policy” was organized at Jammu on 25th and 26th March, 2009. Eminent experts in the field from outside the State and all concerned HODs of Health/Medical Education participated in the workshop. Two Working Groups one each for Jammu and Kashmir Division were constituted under the Chairmanship of the respective Principal Medical Colleges vide Govt. Order No: 120-HME of 2009 dated: 09-03-2009 to prepare draft Drug Policy. The Working Groups finalized draft drug policy and submitted the same to the Administrative Department. The recommendations of the Divisional Working Groups have been taken into consideration and a revised draft drug policy has been prepared and circulated among all members of the State Level Committee (constituted to finalise the draft drug policy) for seeking their comments/suggestions. The meeting of the SLC is likely to be held very shortly and it is expected that the Draft Drug Policy shall be finalised and submitted to the competent authority for approval.

## Chapter - 12

### **Education**

The role of education in facilitating social and economic progress is well recognized. It opens up opportunities leading to both individual and group entitlements. Education in its broadest sense of development of youth is the most crucial input for empowering people with skills and knowledge and giving them access to productive employment in future. Improvements in education are not only expected to enhance efficiency but also augment the overall quality of life. At the international level, India has committed to the “Millennium Development Goals” and “Education For All”. At the National Level there is the commitment under National Common Minimum Programme (NCMP) for increasing public expenditure on education to 6% of GDP and for universalizing the elementary education. There is also an obligation, under the Constitution’s 86th Amendment, for making available free and compulsory education to all children in the age group of 06-14 years.

#### ***Impact of State Investment in Education***

During Tenth Five Year Plan (2002-2007), 10.48 percent (Rs 1519.60 crores) of the total plan outlay of the State was earmarked for Education Sector while as for the 11th Five Year Plan only 8.36 percent (Rs 2160.37 Crores) of total plan outlay has been earmarked for development of this vital sector. At

National Level the Education Sector allocation stands as 19.14 percent during 11th Five Year Plan.

At National level there is the commitment under National Common Minimum Programme (NCMP) for increasing public expenditure on education to 6 percent of GDP for universalisation of Elementary Education but the State has been only able to allocate only 1.57 percent plan outlay of the State GSDP during 10th Five Year Plan Period.

The State of Jammu and Kashmir has a peculiar topography which is a hindrance in achieving the desired goal of complete literacy or universalisation of literacy. The network of schools is spread sparsely/thinly and the majority of populace lives in far flung and inaccessible areas, countenance many problems like easy access to institutions, lack of infrastructure, weather vagaries and the like. The level of literacy was very low in J&K State leading it to amongst the bottom four States of India.

Literacy Rate of Urban areas has not shown satisfactory growth while as Rural literacy Rate has grown reasonably thereby exhibiting an encouraging and increasing trend. The higher growth of Rural Literacy can be attributed mainly to increasing number of Educational institutions which have almost doubled from 1980-81 to 2005-06 in the State.

In order to enhance the level of literacy a basket of initiatives in the form of interventions were introduced to develop this core indicator of Human Development. With the help of these target oriented interventions, the number of Educational Institutions was increased which resulted in maximum area coverage and decreased the average area per school covered. Besides showing a phenomenal decrease in Average Area per school from 9.87 sq. km in 1980-81 to 3.90 km in 2008-09 the State still lags behind All India average of area coverage of 2.88 sq. km of 2001-02. The penetration of educational institutions was almost three fourth of that of the All India level during 2001-02.

With the mushrooming of educational institutions under 10th Five Year Plan, the State has been able to maintain the advantageous position of population coverage per school. The indicator has almost remained uniform from 1980-81 to 2001-02 within the range of 587 souls to 623 souls but it has shown a decrease to 469 souls during 2008-09 which is a healthy indication. The indicator stood at 967 souls at all India level during 2001-02. The healthiness of the indicator is neutralized by the area coverage and students per lakh of population.

At State level the students per lakh of population has increased from 14602 students in 1980-81 to 15836 students in 2008-09 which indirectly indicates that the people's participation in education has increased from 14.06 percent to 15.83 percent which can be attributed mainly to increase in the number of students as well as increase in level of higher education participation. The State indicator and All India indicator are moving neck to neck showing same trend.

### ***Literacy – National Comparison***

The strong focus on the universalisation of basic education and health in the 10th Five Year Plan reflects a visible shift in the approach towards



development planning and recognized that though the major indicators of Socio-economic development viz growth rate, birth rate, death rate, infant and maternal mortality rate and literacy rate are interlinked, the literacy rate is the major determinant of the rise and fall of other indicators.

### ***Trend of Literacy Rate at State Level***

The Literacy Rate at State level has increased from 26.67 percent (36.29 percent males and 15.88 percent females) as per Census 1981 to 55.50 percent (66.60 percent males and 43.00 percent females) as per Census 2001 showing an increase of 28.85 percentage points over the two decades i.e from 1981 to 2001. The gap in Literacy Rate has further increased to 23.60 percent in the year 2001. The Literacy Rate for the Census year 2001 had been calculated for '7 years and above age'.

The Literacy Rate at State level has further increased to 65.67 percent (73.30 percent males and 57.11 percent females) as per latest survey conducted in 2008 by Directorate of Economics and Statistics, thereby showing a growth of 10.15 percentage points (18.32 percent) over the previous Census (2001). The gap in the Literacy Rate has been registered as 16.19 percent in favour of males. The Literacy Rate of the State has registered an exponential growth rate of 2.126 percent per annum besides exponential growth rate of population (aged 7 and above) by 1.81 percent per annum.

Literacy in J&K has made remarkable strides since 1961, which is supported by the results of Census 2001 and the latest Survey of 2008. It is not only the literacy rates which have made progression over the time but the absolute figures of literacy have increased remarkably exhibiting its strong presence both in Rural and Urban areas of the State.

With the expansion in educational facilities the number of literates in the State have increased but has not able to keep the pace with the increasing population which have resulted into increase (though marginal) of number of Illiterates. The number of illiterates has simultaneously increased though at a declined rate of growth. In absolute terms, the number of literates have increased from 3.93 lakhs in 1961 to 45.16 lakhs in 2001 and further to 61.65 lakh in 2008, the number of illiterates has increased from 31.69 lakhs to 36.783 lakhs and subsequently decreased to 32.33 lakhs during the same reference year. It has been observed that the number of literates has exceeded the number of illiterates for the first time in 2001 thereby taking the literacy rate above 50 percent land mark.

Gender disparity in literacy is historical phenomenon. In 1961, while literacy rate for males was 16.97 percent, it was only 4.27 percent in case of females. The gap in literacy was 12.70 percentage points in favour of males. This large disparity still continues in male/female literacy situation. While about three fourth of the males in the State are literate in 2008, the land mark of half (50 percent) has recently been achieved in case of females. The gap in literacy has increased from 12.70 percentage points in 1961 to 23.60 percentage points in 2001 whileas it has decreased from 23.60 percentage points to 16.19 percentage points in 2008 exhibiting the convergence of literacy rates to some extent. This is an indication of improvement of female literacy.

The analysis of the progression of the Literacy Rate during 2001 Census and 2008 Survey Results, reveals that Urban males have highest Literacy Rate (83.15 percent) while as the Rural females are least Literate (52.70 percent). The analysis also shows that during both the years the literacy among females is at a disadvantages position than their counterparts. It is also prevalent that Urban areas have much literacy concentration than Rural areas.

However, the micro-analysis of the facts show contrary and encouraging results as far as female literacy is concerned. The female literacy at both Rural and Urban have shown higher growth in literacy than males. The highest progression has been made by Rural females while as least progression by Urban males. Rural females have shown growth of 15.96 percentage points while as Urban females have recorded 8.39 Percentage points during the period under consideration while as Rural males have managed a growth of 8.43 percentage points and Urban males by 3.15 percentage points.

At Combined level also, females have registered a higher growth rate (14.11 percentage points) in literacy than males (6.70 percentage points), resulting in an overall growth of 10.15 percentage points during the period under consideration.

The analysis has brought this fact to the fore that the efforts put in by Government through various interventions to reach to the Rural areas (especially far flung areas) and bring down literacy gap has started materlising at ground level and there is hope of greater convergence of literacy status through Rural and Urban areas and especially among male and female as well.

There is a large Urban-Rural differential in literacy rate. This differential was of the order of about 22 percentage points during 2001 and has continued to remain so over the last several decades, it has come down to 15 percentage points during 2008. While more than three-fourth of Urban population is literate, literacy rate in Rural areas is yet much below two-third mark. Literacy rate for females in Rural areas is still lower, being only 52.70 percent. When it is compared to the literacy rate of 83.15 Percent for Urban male population, the gender and Rural/Urban disparities became glaring evident.

The literacy rate In Rural areas for both male and female have recorded highest growth of 12.13 Percentage points while as at Urban level the indicator recorded growth of 5.96 Percentage points only.

### ***Status of Physical Infrastructure***

At present, 14820 (13516 Government and 1304 Private) Primary Schools, 8300 (6264 Government and 2036 Private) Middle Schools, 1901 (1156 Government and 745 Private) High Schools and 786 (597 Government and 189 Private) Higher Secondary Schools are functioning in the State, besides 2 Sainik Schools, 36 Kendriya Vidyalayas and 14 Jawahar Nawodalayas in the Government sector. The estimated child population from 6 to 14 years stood at 21.64 lakhs, out of which 19.30 lakhs are enrolled in Primary and Middle Schools run under Government and Private sector. 8.01 lakhs children are enrolled in High and Higher Secondary Schools. The Dropout Rate at Primary level and Upper Primary Level is 1.13% and 2.94% respectively. The number of 'out of school children' stands at 0.40 lakhs as on 31st March 2009.

The Education system is manned by 200 Zonal Educational Officers, 877 Headmasters, 10284 Masters, 51890 Teachers, 7000 Third Teachers, besides 30570 RET teachers working under SSA, out of which 4789 teachers completed a tenure of 5 years. While taking into consideration the performance levels it has been observed that there is 33.74 percent for Matric Class, 34.37 percent for 10+2 Class which is a major area of concern. However, encouraging trend has been observed in case of Graduate with the pass out percentage at (83.66 percent to 87.12 percent) and post graduate level results at 77.96 percent to 86.30 percent.

Due to a range of reasons, a large number of children between 06-14 years have remained out of school. To increase enrolment and decrease dropouts, a large number of programmes have been implemented by Govt. of India. The two among these, under implementation, are Sarva Shiksha Abhiyan (SSA) and Mid-day-Meals Scheme (MDMs)

I. ***Sarva Shiksha Abhiyan (SSA)***

The Sarva Shiksha Programme is a flagship programme aimed at achieving the objectives of Universalisation of Elementary Education, retention by 2010 and bridging all gender and social gaps.

***Mission of Sarva Shiksha Abhiyan***

The Sarva Shiksha Abhiyan Mission strives to secure the right to quality basic education for all children in 6-14 years age group. The goals of the SSA Mission are:-

- a. Enrolment of all children in schools, education guarantee centers, alternate schools.
- b. Retention of all children till the upper primary stage by 2010.
- c. Bridging of gender and social category gaps in enrolment, retention and learning.
- d. Ensuring that there is a significant enhancement in the learning achievement levels of children at the primary and upper primary stage.

***Major Achievements under SSA from 2002 to 31st March 2009***

A. ***Extension of Access***

***Number of schools opened/upgraded since 2002.***

- 4014 new Primary Schools opened.
- 4353 EGS centres converted into Primary Schools.
- 4988 Primary Schools upgraded to the level of Upper Primary schools (Middle schools)-1517 Primary school to be upgraded to Middle Schools during current year.
- 581 Middle Schools upgraded to High Schools.
- 363 High Schools upgraded to the level of Higher Secondary Schools.
- 15864 Children covered under Non-Residential Bridge courses.
- 12144 Migratory children covered under Seasonal Camps
- Under ECCE, the State has started Pre-primary classes in all the Primary Schools.

B. ***Contribution of SSA in reduction of out of School children***

- No. of 'Out of School' children reduced from 3.76 lakhs to 0.52 lakhs. Out of which 0.12 lakh are undergoing bridge course.
- The Enrolment position is 13.58 lakh comprising of 9.81 lakh children in Government Primary Schools and 3.77 lakh in Government Middle Schools.
- Percentage of 'children not attending' school was reduced to 5.57% from 7.8% in 2007-08.
- Drop out rate at primary level' is 1.13% while as at Upper Primary level the indicator stands at 2.94%.

**C. *Inclusive Education for Physically challenged children***

- Out of 36,162 'differently abled' children, 24,225 are enrolled (66%).
- 16407 teachers trained in Inclusive Education.
- Assistive devices provided to 4450 'Physically Challenged Children'.
- Ramps constructed in 660 schools.
- Regular health check-ups are being organized at Zonal/School levels.
- 121 Tricycles, 334 Wheel Chairs, 101 Crutches, 155 Hearing Aids, 349 Orthosis/Prosthesis, 175 Shoes and 122 Spectacles distributed.

**D. *Education Manpower***

- 3034 Rehbar-e-Taleem Teachers appointed.
- 1517 Head Teachers were provided to the schools.
- 3835 Teachers trained.

**E. *Physical Infrastructure***

- 4073 Primary School Buildings (cumulative) constructed out of set target of 8011 Primary School buildings. 3938 school buildings are at various levels of construction.
- 563 Middle School buildings have been completed and 556 are at various stages of development.
- 4743 additional class rooms have been completed and 779 are at various stages of construction.
- 80 Block Resource Centres constructed and the work of 36 centres is in progress.
- 478 Cluster Resource Centres have been constructed and 133 centres is in progress.

**F. *Female Education***

- 51 Model Cluster Schools have been made functional.
- Vocational training initiative taken during 2008-09.
- 62 KGBVs made operational during 2008-09.
- Construction of 4 KGBVs was completed and 54 are at various stages of construction.

**G. *Quality Improvement***

- Capacity building programmes for teachers are being organised during vacations
- Teacher grant @ Rs. 500/- is being provided to all Elementary Teachers annually for preparation of topic specific Teaching Learning Materials (TLMs). TLM was provided to 68426 Teachers.

- Learning Enhancement Programme (LEP) has been initiated.

#### H. **Infrastructure Improvement**

- Annual School Grant @ Rs. 5000/- to 20883 Primary and @ Rs. 7000/- for 5967 Upper Primary Schools was provided to replace unserviceable articles in the schools.
- Maintenance grant is provided to Primary and Upper Primary Schools @ Rs. 5000/- and Rs. 7,500/- respectively for repairs/renovation of school buildings, 23045 Schools were covered during 2008-09.

#### I. **Other Initiatives**

- Free text books were provided to all children from Class 3rd to 8th.
- 76053 VEC Members were offered orientation/training programme.
- Remedial teaching has been provided to 55480 students on continuous basis during 2008-09.
- The process of remedial teaching is monitored by the concerned DIETs.
- 484 CAL Centers have been established giving coverage to 726 Primary Schools.

## II. **Mid Day Meals Scheme**

Pursuant to the directions of the Hon'ble Supreme Court, The Govt. of India approved the scheme "National Programme of Nutritional Support to Education, 2004 (NP-NSPE, 2004)" commonly known as Mid Day Meal Scheme with the objectives:-

- to boost Universalization of Primary education (classes I-V) by improving enrolment, attendance, retention, and learning levels of children, especially of those belonging to disadvantaged sections.
- to improve nutritional status of students at Primary stage.

The department of School Education is implementing the Mid Day Meals Scheme. Both State and Central Assurances in the prescribed ratios is being provided for the said purpose. The following table indicates year wise details of State/Central funding and its utilization;

**Table No. Yearwise position of funds utilized viz-a-viz students covered under CMDM scheme**

S.No.	Year	Central Assistance (Excluding cost of food grains supplied) (Rs. In lakhs)	State contribution (Rs. in lakhs)	Total Allocation (Rs in lakhs)	Total Exp. (Rs in lakhs)	Utilization percentage	Students benefited (in lakhs)
1	2004-05	443.46	210.00	653.46	N.A	-	1.00
2	2005-06	1282.00	500.00	1782.00	N.A	-	4.78 (.R)
3	2006-07	1147.29	627.29	1774.58	1276.52	72%	9.33
4	2007-08	3359.30	1186.29	4545.59	3575.25	78.65%	10.62
5	2008-09	4868.06	1530.00	6398.06	4215.88	86.6%	12.00 (.R)

R = Under reconciliation

Against availability of Rs. 17.75 crores for Cooked Mid-day-Meal Scheme during the year 2006-2007, Rs. 12.76 Crores (72%) had been spent. Against actual receipt of Rs.45.45 crores, Rs. 35.75 crores (78.65%) stand utilized during 2007-08. During 2008-09, an allocation of Rs. 63.98 crores including

State share of 15.30 crores has been received under the scheme, against which Rs. 42.15 crores stand utilized till ending March 2009.

10.62 lakh students were benefited under Cooked Mid Day Meal Scheme during the year 2007-08. During the course of 2007-08 Mid Day Meals Scheme was extended upto Upper Primary level in the State w.e.f October, 2007 covering about One lakh children in Educationally Backward Blocks (EBBs), besides 9.62 lakh Primary level students. During 2008-09, a total of 12 lakh students of Primary and Upper Primary level stages were covered under the scheme.

### ***Construction of Kitchen Sheds***

Government of India has been providing assistance @ 60000/ per kitchen cum store and 5815 kitchen sheds were to be constructed. An amount of Rs. 34.89 crores was provided during 2008 and with this assistance the deptt. started Construction of Kitchen Sheds through the technical support of engineering staff of SSA. 4400 such Kitchen Sheds have been completed and remaining Kitchen Sheds are at different stages of construction.

### ***Issues of concern in Elementary Education***

#### ***Low Literacy Rate***

The State's literacy rate of 55.52 percent was the third lowest after Bihar and Jharkhand as against all India rates of 65 percent as per census 2001. The gender gap in literacy continued to be high at 23.6 percent. The literacy of the State has increased to 65.67 percent (73.30 percent males & 57.11 percent females) as per the latest survey conducted in 2008. Efforts are required to improve literacy level particularly of females in the State.

#### ***Infrastructural Deficiencies***

- 4119 Pry. Schools, 628 Middle Schools, 76 High Schools and 7 Higher Secondary Schools are without Government owned buildings. Newly upgraded institutions i.e 581 High Schools and 363 Higher Secondary Schools have deficient accommodation.
- 474 Pry. Schools buildings are in dilapidated condition.
- 28 Upper Middle Schools are without own buildings.
- 052 Pry. Schools lack drinking water/toilet facility.
- 541 Middle Schools lack drinking water/toilet facility.

#### ***Out of School Children***

- 3.76lacs 'out of school children' were identified before launch of SSA. Out of them, 3.24 lacs have been brought under the coverage of the schools and 0.40 lakhs such children are still out of the reach of school and 0.12 lacs are under going Bridge course.
- The proportion of 'out of school children' is highest in Kupwara, Budgam, Srinagar, Ananatnag and Doda districts.
- Proportion of 'out of school children' among Gujjars, Bakerwals and Gaddies is around 22.7% as compared to 7.62% of other communities. The percentage of 'out of school children' is more than 35% among girls in the said communities.

**Vacant Posts**

- 6075 posts of teachers are presently lying vacant under the direct recruitment quota and the vacancies have been referred to Service Selection Board on 09.05.2008 for recruitment.

**Enrolment**

- The gross enrolment ratio at Primary and Middle level are 79.13% and 62% respectively. The Net Enrolment ratio is 64.08% and 47.07% only.

**Quality of Education**

- As per NCERT Report 2003 on assessment of Class-V student achievements, the learning achievement in mathematics and language in Pry. classes in J&K is 36.3% and 49.6% respectively as against the national average of 46.5% in Maths and 58.57% in language.
- Only 75% of Pry. Schools Teachers in the State are trained as against National Average of 89% trained teachers.

**Teacher Education Scheme**

- The following new Centrally Sponsored Schemes have been approved for implementation with effect from 2007-08 by the Project Approval Board of the Ministry of Human Resources Development Govt. of India, for capacity building of the teachers
- Establishment of 8 new District Institutes of Education and Trainings (DIETS) for newly created districts, was envisaged during the year 2007-08 at an estimated cost of Rs.16.48 crores as non recurring assistance and Rs.452.00 lacs as recurring assistance. All the 8 new DIETs have been established.
- Establishment of 2 new colleges of Teacher Education (CTES) was projected during 2007-08 at Rs. 10.00 crores as non recurring assistance and Rs.34.00 lakhs as recurring grant.
- Upgradation of State Institute of Education (SIE) Jammu into State Institute of Educational Management and Trainings (SIEMAT) is in progress as the matter lies with Finance Department for its concurrence. The State has also requested the Finance department to allot the land available at Nagrota to proposed SIEMAT.

**Secondary Education**

- Due to visible improvement in indicators like enrolment ratio, reduction in drop out rate retention etc. there will be lot of pressure on Secondary Education system during 11th Five Year Plan period. Taking cognizance of this, the Committee on Universalisation of Secondary Education” of the Central Advisory Board of Education (CABE) as well as Mid Term Appraisal report of 10th Five Year Plan conducted by the Planning Commission have called for a major initiative for expansion and improvement in quality in the secondary education sector.
- At present, 1158 Govt. High Schools and 597 Govt. Higher Secondary Schools are functioning in the State, out of which 581 High Schools and 363 Higher Secondary Schools have been upgraded. Besides, 745 High and 189 Higher Secondary Schools are functioning in the Private sector.

- 675 posts of Principals and Lecturers were created in the 94 Higher Secondary Schools alongwith 2333 supporting non teaching staff(February 2009). At High School level, 258 Headmasters, Masters and Teachers were created in 137 High Schools alongwith 215 supporting staff (February 2009).

### ***Infrastructure Deficiencies***

- 68 Govt. High Schools are functioning in rented buildings .
- 7 Govt. Higher Secondary Schools are functioning in rented buildings.
- 125 High Schools lack drinking water/toilet facility.
- 101 Higher Secondary Schools lack drinking water/toilet facility.

The State will give a focused attention to consolidation of existing institutions and Department considers selective expansion, on the basis of recommendations of District Development Boards subject to feasibility, as opening of more and more educational institutions without adequate infrastructure and logistic support can prove counterproductive.

### ***Higher Education***

#### ***Major Achievements of Higher Education during 10th Plan***

- Three new Universities have been established thereby making a total of eight Universities in the State.
- Six new campuses of the existing Universities have been sanctioned and some courses are running in the existing colleges / hired buildings at Baramulla, Anantnag and Bhandarwah. At Poonch, Udhampur ,Kathua, Kargil and Kupwara new campuses are proposed to be set up.
- University of Jammu has been conferred ISO 2000 for maintaining standards of quality education.
- 22 New Degree Colleges have been set up during the 10th Plan. (14 Colleges under PMRP, 4 under the assistance of Ministry of HRD and 4 under State Plan). Out of 22 New Degree Colleges, 10 are at the finalization stage, in four cases the matter is subjudice. These works have been taken up under PMRP and State Plan. Against earmarked outlay of Rs. 49.00 crores under PMRP and Additionality of Rs. 21.00 crores for completion of allied activities was allotted under State Plan, out of which Rs. 43.78 crores and 17.59 crores has been spent ending March 2009 respectively.
- 18 Degree Colleges under State Plan have also been made functional on make do arrangement basis and construction of these college buildings is expected to start during 2009-10 for which the case is under active consideration of the Government at various levels.
- 4 Colleges are being constructed under 100% Central assistance by the Ministry of HRD/UGC and Rs. 20.25 crores had been released so far for construction of these 4 Colleges.
- Women Study Centres and one Gandhian Study Centre have been set up with seed money of Rs.7 lakh for each college. Post Graduate courses have been introduced in various subjects in 19 Govt. Colleges of the state.
- Professional courses such as BCA, BBA, BIT and MCA have been started in 15 Colleges of the State.



- EDUSAT facility has been provided in Govt. College for Women, Srinagar and Govt. College for Women, Gandhinagar with the assistance of Indian Space Research Organization (ISRO). 102 Satellite Integrative Terminals (SITs) are being set up in the colleges and in the number of Higher Secondary schools. Rs.4.00 crore has been spent by Indian Space Organization.
- The GGM Science College, Jammu and S.P. College, Srinagar have been declared as Heritage Colleges.
- 527 Posts of Lecturers in different subjects in different colleges have been created and referred to Public Service Commission for recruitment and the creation proposal for newly approved 18 colleges has been agreed by the State Cabinet and 414 posts including 18 Principals have been agreed for the proper functioning of these colleges
- The Govt. College of Engineering and Technology (GCET), Jammu has become a full-fledged Engineering College. 1st Phase of GCET building has been completed at a cost of Rs. 21 crores. The second phase has been started from 2007-08 at an estimated cost of Rs. 38.40 crores against which an amount of Rs. 4.06 crore has been released.

### ***Technical Education***

- The department of Technical Education, established in 1981 by unifying the Administrative Control of Polytechnics and the Industrial Training Institutes (ITIs) of the State for imparting technical and vocational training to the youth of the State, had undergone the following major initiatives in the field of Technical Education:
  - 4 Existing Polytechnic Colleges were upgraded by way of quality enhancement and efficiency improvement.
  - 2 New Govt. Polytechnics, one each at Kargil and Leh, were sanctioned under the World Bank assisted project.
  - A Centrally Sponsored Scheme for establishment of 18 New Polytechnics has been conceived, for skill development in a Mission mode, in a phased manner. This will be the thrust scheme during the 11th Plan period for which Rs. 1200.00 lacs per polytechnic as non-recurring/construction costs will be received from Govt. of India. The recurring charges and land development shall be the State responsibility.
  - Technical Education Quality Improvement Programme (TEQIP) is conceived and designed as long term project to be implemented in three phases to support Excellence and transformation in Technical Education for quality improvement of technical produce. It is expected that the scheme will be launched in the State in current financial year (2009-10).

### ***Industrial Training Institutes (ITIs)***

- To give fillip to vocational education of Women, 9 new Women ITIs and 12 Women wings in the existing ITIs have been established under Prime Minister's Re-construction Plan at a cost of Rs. 30.60 crores, against which Rs. 27.02 crores have been spent ending March, 2009. The work on these ITIs is nearing completion and are likely to be completed by end of the current fiscal year 2009-10 at a revised cost of Rs. 33.65 crores.

- 5 Additional ITIs have already been approved during 2007-08 under PMRP Phase-II. The concerned Dy. Commissioners have been asked to identify land and start the acquisition proceedings. An amount of Rs. 22.50 is approved for the implementation of the scheme under PMRP.
- Initiatives have been taken to make the public participation possible in technical Education Deptt and as a measure to introduce public private partnership various stakeholders have been taken into confidence and institutional management committees have been constituted and 27 ITI's are targeted to be brought under the scheme of VTIP by declaring the ITI's as Centres of Excellence. 11 ITI's have been covered and 17 are expected to be covered in a phased manner.
- For implementation of Vocational Training Improvement Project (VTIP) and Public Private Partnership (PPP) Projects, the Department has established State Project implementation Unit (SPIU) and State implementation Cell (SIC). The SIC Scheme will be funded Centrally and SPIU recurring charges are to be considered on sharing pattern of 75:25 basis between Centre and State.

***Focus of Attention in Higher Education during 11th Five Year Plan***

- There are 72 Colleges in the State with an enrolment of 110 lacs students. Access to Higher Education is around 7.8% as against National average of 11%.
- Strengthening of infrastructure in the existing Colleges by way of providing infrastructural facilities like buildings, labs, teaching staff etc. shall be focussed during 11th Plan.
- With rapid scientific and technical education changes and the growing unemployment in the State, there is need of emphasizing more upon the vocational education. The main focus of vocational education during the coming years of 11th Plan shall be :
- Diversification of vocational opportunities creating job makers than job seekers
- Increase in the capacity of existing Technical Institutions to combat unemployment problem.
- Eleven Additional Degree Colleges in Educationally Backward Districts (EBDs) declared by Govt. of India, are to be established. The Districts which have been declared Educationally Backward are Budgam, Anantnag, Baramulla, Kupwara, Leh, Kargil, Udhampur, Kathua, Poonch, Doda, Rajouri where the GER is low as compared to National average.
- Skill development through vocationalization in a Mission Mode for National & International placement is the recent initiative and targets are to be achieved in phased manner for increasing the Technical procedure for employability upto 2022. The proposal is being formulated in consultation with the experts. The scheme is designed to produce 500 Million Technical/skilled manpower at the ALL-INDIA-LEVEL to meet the global increasing demand of Technical hands.

***Investment on Education Sector***

The emphasis on Education Sector is reflected in the increasing trend of outlay on Education and Social Services by the Govt. on State Plan. The Outlay for 10th Five Year Plan on Education goes 9.42% of the Total Plan Outlay while

as Expenditure was the order of 10.69% of the Total Expenditure of the State. The actual expenditure formed 111% of the Total Plan Outlay. The Plan Outlay for the 11th Five Year Plan is 8.36% of the Total Plan Outlay. The outlay for the year 2007-08 was 5.97% of the Total Plan Outlay of which 82% was spend during the year thus forming 7.27% of the total plan expenditure. Outlay for the year 2008-09 was 7.57% of which 80% was spend during the year. The Proposed outlay for the year 2009-10 forms 11.49% of the Total Plan Outlay.

**Outlay for 10th & 11th Five Year Plan under Education Sector**

Against an allocation of Rs. 1366.13 crores under Education Sector in the 10th Five Year Plan (2002-07), 1519.60 crores stands utilized (111.23%). The allocation for the 11th Five Year Plan is to the tune of Rs. 2160.37 crores, thereby registering an increase of about 58% over the previous Five Year Plan. During the year 2007-08 an expenditure of Rs. 320.24 crores was made against an outlay of Rs. 389.65 crores. The expenditure for the year 2008-09 stands at Rs. 334.37 crores out of total Outlay of Rs. 417.28 crores, thereby registering an expenditure of 80.13%. The Proposed Outlay for the year 2009-10 stands at Rs. 1024.29 crores. The expenditure on Education Sector during 10th and First two years of 11th Five Year Plan is roughly about 7% of the Total Plan Outlay of the State. The sector-wise details of financial progress during the 10th Five Year Plan and 2007-08 to 2008-09 is presented in the following table:

**Table No. Review of Financial Progress of Education Sector (Rs. in Crores)**

S. No	Sector	10 <sup>th</sup> Plan Outlay (2002-07)	10 <sup>th</sup> Plan Expdt. (2002-07)	11 <sup>th</sup> Plan Outlay (2007-12)	Outlay, 2007-08	Expdt. 2007-08	Outlay, 2008-09	Expdt. 2008-09	Outlay 2009-10 (P)
A-									
1	Elementary Education, Jmu	270.22	397.21	648.41	122.00	108.84	71.42	69.05	192.05
2	Elementary Education Kmr	266.93	308.35	602.96	110.00	102.43	67.58	65.29	189.87
3	Adult Education Jmu	1.18	0.69	13.23	0.50	0.17	0.50	0.27	18.00
4	Adult Education Kmr			0.00	0.00	0.00	0.50	0.40	18.00
5	Dir. and Administration Jammu	1.54	1.82	23.81	0.45	0.19	0.72	0.29	0.92
6	Dir. and Administration Kashmir			27.12	0.52	0.52	0.71	0.84	1.23
7	Secondary Education Jmu	417.60	411.22	132.32	16.25	7.99	44.00	10.11	100.30
8	Secondary Education Kmr			132.32	16.25	23.38	46.00	24.11	80.88
9	Teacher Education Jmu	5.61	6.75	46.31	0.97	0.73	2.50	1.98	7.96
10	Teacher Education Kmr			47.96	1.00	0.99	2.50	3.10	8.83
11	Higher/College Education	92.46	161.65	250.76	61.82	35.53	106.68	96.39	270.95
	Technical Education	95.07	113.05	137.62	12.76	5.61	10.77	7.08	18.63

12	Physical Education	61.30	56.46	145.56	11.00	9.78	20.00	24.99	61.62
	Art and Culture	25.12	15.55	28.12	75.00	15.04	11.36	20.33	14.53
	Crafts man ITI Training	29.11	47.40	67.29	28.63	9.00	32.02	10.14	40.47
	Total allocation to Edu. Sector	1366.13	1519.60 (111.23)	2160.37	389.65	320.24 (82.00)	417.28	334.37 (80.13)	1024.29
13	Total Plan Allocation and Expenditure	14500.00	14217.17 (98.05%)	25834.00	4850.00	4403.31 (90.79%)	5512.97	4773.34 (86.58%)	8917.62
14	Percentage of Education Sector to Total Plan Allocation	9.42	10.69	8.36	5.97	7.27	7.57	7.01	11.49
	Allocation to Social Sector		4026.34	6501.40	1196.62	1114.17	1189.15	1004.89	2128.34
15	Percentage of Education Sector to Social Sector		37.74	33.23	32.56	28.74	35.09	33.27	48.13
16	Per Capita allocation		1279.98	1819.71	328.20	269.74	342.39	274.36	818.25

## Chapter -13

### Housing

Housing is the basic need of every individual. Housing also measures the economic well being of the people. The Jammu and Kashmir State is implementing the National Housing Policy of “Shelter for All” to address the issues relating to the development of housing infrastructure. The State Government has realized the need to provide financial assistance, carry out legal and regulatory reforms in order to create a conducive environment for housing construction.

#### **Housing Stock**

Census 2001 has recorded 2768.60 thousand census houses in J&K as against 249095.6 thousand houses for the Country. Number of occupied residential houses (1452125) constitutes 52.45% of total census houses for J&K State. The corresponding percentage of occupied residential census houses for India accounts for 75.14%. No of households per hundred occupied residential census houses as per 2001 census is 107 in J&K State as against 103 households for the country.

Housing availability is an important indicator normally applied for measuring the performance of housing sector. This can be worked out by adopting the norm that for one household there should be one house to live in. On the basis of this assumption, there seems a deficit of one lakh houses for J&K and the corresponding figures for the country is 48 lakh houses.

The number of houseless persons in India has come down from 2342354 in 1981 to 1943766 in 2001. Houseless population constitutes 0.19 percent of

total Indian population. Similarly houseless population recorded by 2001 in J&K was 12751. The houseless population in the state has come down from 0.18% in 1981 to 0.13% in 2001.

### ***Type of Census Houses***

Census 2001 has revealed that 55% households live in permanent houses, 32.15% in semi permanent houses and 12.85% were living in temporary houses, the relative position in India was 51.80%, 30.04% and 18.16% respectively, categorizing the households living in owned, rented and other categories works out to be 93%, 5% and 2% for J&K and 87%, 11% and 2% respectively for India. These figures also depict good position for the state as compared to All India.

### ***Housing and Basic Services***

ousJp`H-Potable drinking water, system for disposal of excreta, good sanitation and personal hygiene to reduce prevalence of morbidity are equally needed like food for sustenance. It is, therefore, imperative to know the availability of these basic services. Census 2001 has recorded that safe drinking water facility is not available to 45% of the rural households in J&K compared to only 27% rural households in India. 47% Households in J&K have no latrine facility. 80% of the total population have electricity in Jammu and Kashmir as compared to only 44% in India. The various schemes initiated by the Govt. to provide basic amenities to its population in J&K State are going in the right perspective.

During the last two decades, urban population of J&K state has observed increase of 98.4% against the national average of 64.2%. To be specific, out of every four individuals in the State, one lives in an urban area. Among hilly states of India, J&K is the most urbanized state with 81 notified urban areas. Srinagar and Jammu cities are the focal points of urbanization. The alarming increase in the Urban population has challenged the planners and administration to improve the living conditions of people in an integrated manner.

### ***Schemes Initiated by the State Government***

The State Government implemented some Centrally Sponsored Schemes which helped in addressing the housing problems both by way of construction and up-gradation. The initiative of the Govt. through various schemes like VAMBAY, NSDP, Development of Housing colonies for economically weaker sections have yielded satisfying results in the urban areas.

### ***Indira Awas Yojana***

The shelter less families of the rural areas are provided assistance under Indira Awas Yojana (IAY)/Rural Housing Scheme (RHS) for construction of affordable houses with basic amenities.

The package offered comprises of;

- 1) Construction of new houses for the houseless categories @ Rs. 25000 per unit in plain area and Rs. 27500 per unit in hilly and difficult areas.

- 2) Conversion of unserviceable kuchha houses to semi-pucca houses @ Rs. 12500 per unit. Conversion will necessarily include a provision of sanitary latrines and smokeless chullas.

**Table No : Achievements made under IAY and RHS**

Year	Houses taken-up			Houses Completed			Percentage Achievement	Expenditure Incurred (Rs. in crores)
	New constructions	Up-gradation	Total	New constructions	Up-gradation	Total		
2002-03	7997	1743	9740	5347	1259	6606	67.82	11.74
2003-04	7367	1930	9297	6535	1877	8412	90.48	12.54
2004-05	5780	24.20	8200	5036	2216	7252	88.44	14.05
2005-06	9137	2931	12068	5812	2258	8070	66.87	18.26
2006-07	12665	3558	16223	7773	2166	9939	61.26	23.81
2007-08	17359	6193	23552	11093	4229	15322	65.06	34.33
2008-09	19794	7010	26804	13700	5310	19010	70.92	53.54

### ***Valmiki Ambedkar Awas Yojana (VAMBAY)***

Three colonies in Srinagar at Noorbagh, Bemina, Samerbug and two colonies i.e one at Rajinder Nagar and the other at Nagrota have been established in Jammu city for economically weaker section. The scheme VAMBAY alongwith NSDP stands subsumed under BSUP and IHSDP of JNNURM.

### ***Urban Local Bodies/Municipal Corporations***

The most significant achievement in the recent past under Urban Development sector has been the successful conduct of the Local Bodie's Election for transformation of Urban Governance to the elected local bodies. The function of the Municipal Corporation, Councils and Committees have been restored and process of transfer of functions along with financial & human resources from various State Govt. Departments to the Urban Local Bodies has already started. The State Finance Commission Recommendations about providing of 10% of 4 taxes as devolution to Urban Local Bodies and Municipal Corporation was implemented from the year 2004-05. This has given substantial incremental increase in the resources of these Local Bodies.

**Table No. Resources of Municipal Corporations and Local Bodies (Rs. In lacs)**

<i>Agency</i>	<i>2003-04 Grant-in-aid</i>	<i>2004-05 Grant-in-aid</i>	<i>2005-06 Devolution</i>	<i>2006-07 Devolution</i>	<i>2007-08 Devolution</i>	<i>2008-09 Devolution</i>	<i>2009-10 Budget Estimated</i>
Srinagar Municipal Corporation	2896.40	3120.01	4514.00	4879.78	5745.00	6674.00	6674.00
Jammu Municipal	1635.40	1889.38	2746.50	3170.61	3457.00	4108.00	4108.00

Corporation							
Local Bodies, Kashmir	1645.42	1721.38	2537.00	2696.45	3130.00	3772.00	3772.00
Local Bodies, Jammu.	981.48	1123.13	2032.50	2199.16	2558.00	2528.00	2528.00
Total	7158.70	7853.90	11830.00	12946.00	14890.00	17082.00	17082.00

### ***Jawaharlal Nehru National Urban Renewal Mission (JNNURM)***

The Government of India launched on 3rd of December, 2005 a 7 year urban reforms linked infrastructure development & housing programme in a mission mode as Jawaharlal Nehru National Urban Renewal Mission (JNNURM). This has provided an opportunity for integrated development of the cities & towns of the State to cater to the present & future needs of the urban areas for growth & better living. The mission has following four components:-

1. Dev. of Urban Infrastructure & Governance(DUIG)- for Srinagar & Jammu selected as mission cities;
2. Basic Services to Urban Poor (BSUP)- for Srinagar & Jammu selected as mission cities;
3. Urban Infrastructure Dev. Scheme for Small & Medium Towns (UIDSSMT)- for all towns excluding the mission cities; &
4. Integrated Housing & Slum Dev. Programme (IHSDP)- for all towns excluding the mission cities;
5. Integrated Housing and Slum Dev. Programme (IHSDP) for all towns excluding the mission cities,

The thrust areas of the mission are:

Sewerage, Drainage, Water Supply, Solid Waste Management, Housing for Urban Poor, Urban Road Network, Slum Development Programme, Decongestion of the congested areas and Preservation of Heritage/Water Bodies.

Implementation of the mission in the State was to start with preparation of City Dev. Plans (CDPs) as vision documents for the two capital cities & signing of MOA in tripartite between GoI, State Govt & the Urban Local Bodies on implementation of urban reforms agenda linked to funding of the mission. These documents were prepared, technically cleared by NUIA and approved by MoUD/MoHUPA, GoI besides signing the MOA on reforms. The process followed by preparation of a No. of detailed project reports (DPRs) of the identified projects in the towns & mission cities.

### ***Development of Urban Infrastructure and Governance projects (DUIG)***

Sewerage Project Srinagar zone 3rd is being implemented with the sanctioned cost of Rs. 132.92 crores (Rs. 119.63 crores Central share+ Rs. 13.29 crores State Share). Sewerage Project Jammu Sector-I – Division A is being executed at a sanctioned cost of 129.23 crores (116.31 crores Central Share+12.92 crores State Share). Similarly, Water Supply Project, Tangnar is being executed with financial involvement of 148.39 crores (133.53 crores Central Share + 14.84 crores State Share).

In addition to this, Water Supply Scheme Sukhnag has also been sanctioned under JNNURM at a cost of Rs. 120 crores and Central Share of Rs. 25.00 crores stands received as 1st Instalment. An expenditure of Rs. 31.32 crores have been expended on these projects till March, 2009.

#### ***Basic Services to Urban Poor Projects (BUSP)***

For slum dwellers five projects have been sanctioned under BUSP. Rajiv Nagar Slum Dwellers project has been sanctioned at a cost of Rs. 14.25 crores (11.53 crores Centre Share+2.72 crores State Share) for construction of 609 Dwelling Units. Another project namely Rehabilitation and Resettlement of Slum Dwellers of Dal Lake Srinagar at a sanctioned cost of Rs. 90.93 crores (73.36 crores Central Share +17.57 crores State Share) has been envisaged for 4600 dwelling units.

Three more projects namely Kasto Ashram at Baghwati Nagar, Jammu for construction of 36 dwelling units with sanctioned cost of Rs. 1.43 crore, Construction of dwelling units in 21 clusters of Jammu city with an estimated cost of Rs. 33.41 crores and construction of 622 dwelling units at Sumerbug, Wanganpora and Behrar for leper and Tibetan urban poor with an estimated cost of Rs. 22.37 crores have been sanctioned.

#### ***Urban Infrastructure Development Scheme for Small and Medium Towns (excluding Mission Cities) Projects (UIDSSMT)***

106 Projects/Sub-Projects have been sanctioned under this component with cost involvement of Rs.1021.14 crores (919.14 crores Central Share+102.00 crores State Share). So far Centre funding of 128 crores has been received. Integrated Projects for eight towns i.e. Akhnoor, Kathua, Samba, Sunderbani, Poonch, Doda, Baderwah and Udhampur of Jammu Division are under progress and till date the expenditure of Rs. 63.00 crores has been booked for these towns under the programme.

Besides Water Supply Scheme Sopore at an estimated cost of Rs. 33.00 crores under the programme has been sanctioned by the Government of India and 1st instalment of central share amounting to Rs. 15.00 crore has been received by this department. The project is being executed through PHE Kashmir.

#### ***Integrated Housing and Slum Development Programme(IHSDP)***

Under IHSDP, ten projects in Phase 1st have been sanctioned at Anantnag, Banihal, Batote, Basholi, Khour, Nowshera, Parole, Poonch, Ramgarh and Thanamandi. Besides, these 10 projects, Fifteen more projects in Phase IInd at Ramnagar, Reasi, Baramulla, Budgam, Sopore, Bandipora, Mattan, Kulgam, Shopian, Ganderbal, Sumbal, Hajin, Kupwara, Handwara and Magam have also been sanctioned. The sanctioned cost of 25 projects is to the tune of Rs. 85.20 cores out of which Central Share of Rs. 29.91 crores has been received. 5176 dwelling units are to be created under this project. An expenditure of Rs. 2.14 crores have been expanded till March, 2009.

#### ***Projects under JNNURM in the pipe line for sanction:***



## ***DUIG***

### Mission City Jammu:

- Improvement of Water Supply Scheme of Greater Jammu Stage-I -100 Tube wells- at an estimated cost of Rs. 534.00 Crores.

### Mission City Srinagar:

- Water Supply Scheme Sukhnag to augment W.S. to Greater Srinagar at an estimated cost of Rs 158.00 Crore.
- Establishment of Water Quality monitoring Lab at an estimated cost of Rs. 2.80 Crores stands technically cleared by CPHEEO.

## ***BSUP***

### Mission City Jammu:

- Rehabilitation of 856 slum dwellers of 22 places of Jammu under BSUP-R at an estimated cost of Rs. 35.00 crores-

### Mission City Srinagar:

- DPR for providing of shelter and related infrastructure to slum dwellers at Sumerbug and Wanganpora under rehabilitation at Behrar for Lepers and Tibetan urban poor under insitu rehabilitation at a total cost of Rs 22.37 Crore in the mission city Srinagar under BSUP-

## ***Dal Nagin Lake Conservation Project***

Under the National Programme of conservation of Lakes (NPCL), the Ministry of Environment Govt. of India has sanctioned Dal Nagin Lake Conservation and Management Plan in 2005-2006. The Project has been sanctioned at a Cost of Rs. 298.76 crore and it is fully funded by Govt of India. Besides it, the rehabilitation and resettlement of the people living within the lake area is the essential component of the overall Project. For this the State Govt. has transferred land measuring 7565 kanals at Rakh-I Arth to Lakes and Water Ways Development Authority (LAWDA) for rehabilitation of these Dal dwellers on account of compensation, besides utilizing the land available with LAWDA at Chandpora for the purpose. The issue for inclusion of this part under the Conservation & Management plan as Phase-II of the PMRP is under consideration of the Planning Commission and Ministry of Forest & Environment, GoI.

## ***URBAN Poverty***

Poverty is a multidimensional phenomenon encompassing lack of access to various basic necessities, such as nutrition, education, housing, security and opportunities for overall future improvement. It is a barrier between entitlement and access to income, employment and basic necessities of life. Behind this barrier, the poor and weaker sections of the society are vulnerable to exploitation of various kinds including social discrimination. Poverty is a multi-faceted problem having its economics, politics, sociology and even a culture.

As per the survey (2008) recently conducted by Directorate of Economics & Statistics, J&K, the BPL population for urban areas has been estimated at 7.96% which worked out to 2.21 lac persons.

Among various poverty alleviation schemes the SJSRY administrated by Housing & UD Deptt has also proved useful in the effort of reducing poverty to some extent which is briefly discussed hereunder:-

### **Swarna Jayanti Shahri Rozgar Yojana ( SJSRY)**

SJSRY Scheme is a centrally sponsored Scheme under implementation in the state from 1997-98. The scheme is funded by GOI and State Government on 75:25 basis. The implementing agencies are Urban Development Agency Kashmir (UDAK) in Kashmir Division and Jammu Urban Development Agency (JUDA) for Jammu District and five District Urban Development Agencies (DUDAs) for other five districts of Jammu Division. It aims at providing gainful employment to unemployed and under employed urban youth living below poverty line. The scheme has following three components:

- Urban Self Employment Programme (USEP)
  - Development of skill through training
  - Setting up of micro enterprises
- Urban Wage Employment Programme (UWEP)
  - Physical assets in slum pockets
- Development of Women & Children in Urban Areas (DW&CUA)

Under this scheme Rs. 8.49 crores have been received from Government of India till 31 March 2009 against which an amount of Rs. 8.25 crores have been spent.

### **Financial Progress**

The Housing and Urban Development Department administers following six sectors under State Annual Plan. The sector-wise allocation, expenditure during 10th/11th Five year plan is reflected hereunder:-

(Rs. in crores)

<i>Sector</i>	<i>10<sup>th</sup> Plan Outlay</i>	<i>10<sup>th</sup> Plan Exptd.</i>	<i>11<sup>th</sup> Plan Outlay (2007-12)</i>	<i>Outlay 2007-08</i>	<i>Exptd. 2007- 08</i>	<i>Outlay 2008-09</i>	<i>Exptd. 2008-09</i>	<i>Proposed outlay 2009-10</i>
<b>Urban Dev.</b>	208.22	166.21	788.39	118.70	259.08	130.00	87.13	177.07
<b>Housing Sector</b>	23.87	13.52	9.90	3.50	3.50	3.50	3.46	9.00
<b>Poverty Alleviation</b>	11.68	15.47	16.20	3.74	3.86	4.39	4.57	5.1
<b>Dal Dev.</b>	200.00	35.12	96.26	40.00	40.00	40.00	18.00	105.39
<b>Sewerage</b>	102.04	21.00	47.21	7.29	11.13	5.00	11.30	12.70
<b>Drainage</b>	107.73	119.53	169.36	33.70	35.70	20.00	22.06	27.65
<b>Total</b>	<b>653.54</b>	<b>370.85</b>	<b>1127.32</b>	<b>206.93</b>	<b>353.27</b>	<b>202.89</b>	<b>146.52</b>	<b>336.96</b>

## Chapter - 14

### **Water Supply and Sanitation**

Safe drinking water and its supply and proper sanitation are the basic necessities of life. Our nation is committed to provide safe drinking water facilities and total sanitation to all. The State of J & K is no exception to it. Our state has also initiated a number of programmes for giving safer drinking water and hygienic environment to its people on area specific basis in both Rural and Urban areas.

The State Government implements a number of schemes for ensuring regular supply of safe drinking water to all. Bharat Nirman aims at covering all habitations with potable water supply by end of 2008-09 besides checking and maintaining quality of drinking water and educating the people about efficient use of drinking water, sanitation and hygiene.

#### **Rural Water Supply**

##### **Accelerated Rural Water Supply Programme**

“Accelerated Rural Water Supply Programme” is a major leap to achieve this objective. The Government of India supports the efforts of State Government both technically and financially. Of the 12015 habitations in Jammu and Kashmir, 8761 habitations have been fully covered up to March 2009. 324 habitations are not covered and 2930 are partially covered.

**Table No. 3.27: Status of Habitations – Availability of Potable Water Supply**

<i>Status</i>	<i>J&amp;K State (2008-09)</i>	<i>%age</i>	<i>All India (2006-07)</i>	<i>%age</i>
<b>Fully covered</b>	8761	72.91	1380337	<b>97.1</b>

<b>Partially covered</b>	2930	24.39	38894	<b>2.7</b>
<b>Not covered</b>	324	2.70	3052	<b>0.2</b>
<b>Total</b>	12015	100.00	1422283	<b>100.0</b>

*Source: Economic Survey 2006-07, Govt. of India, 11<sup>th</sup> Five Year Plan - Draft.*

The Status when compared to all India figures indicates that a lot has to be done to cover all the habitations for providing safe drinking water to cover all the habitations.

An amount of Rs. 2036 crore is required for coverage of all the habitations, of these, Rs. 1519.00 crore have already been provided up to 03/2009. Therefore, an amount of Rs.517.00 crore is thus required for meeting the target in the 11th Plan. However, these figures are based on Price Index of 2005 and due to cost appreciation in respect of key material etc. Rs. 923.39 crores are required for completion of all ongoing schemes (At present price index).

**Table No. 3.28 Financial Assistance required for coverage of all habitations**

<i>Particulars</i>	<i>(Rs. in crore)</i>
1. Total amount required for coverage of all habitations.	2036.00
2. Amount provided up to 03/2009.	1519.00
3. Balance required during 11 <sup>th</sup> Plan.	517.00
a) Central share	157.83
b) State share	359.17

*(Figures based on Price Index of 2005)*

At present, 1233 schemes in rural areas are under implementation in all the districts of the State at a cost of Rs.1799.00 crores against which expenditure of Rs.903.62 crore has been incurred upto 03/2009.

There are 12854 schools of various categories in the state out of which 8139 have been provided with drinking water facility up to March,2009 and remaining 4715 schools are still uncovered. All the schools will be provided potable water supply in the 11th Plan. So far an amount of Rs 44.64 crore have been spent on this component.

#### **Coverage of Rural Schools**

Total Rural schools (as on 1/4/05)	12854
Covered ending 3/09	8139
Total original outlay required for completion	64.46 Cr.
Exp. Incurred up to 3/2009	44.64 cr.
Balance uncovered	4715
Target 2008-09	4715
Funds required	19.82 cr.

#### **Urban Water Supply**

The Accelerated Urban Water Supply Programme is under implementation with the support of Govt. of India. This programme envisages providing water supply to all the towns. Although all the 66 towns in the State stand covered but the scarcity of water is experienced generally as the existing water supply schemes do not meet the demand for potable water which is increasing in towns due to:

- 1) Increase in urban population due to migration from rural areas.

- 2) Short fall of rains and more importantly the non availability of means to store water for utilizing during the dry spell.
- 3) Delay in the completion of water supply schemes, meant for augmenting the supply of water in urban areas.

There are 66 towns for which the funds are provided under following programmes:

**a). Accelerated Urban Water Supply Programme (AUWSP)**

Water Supply Schemes in ten towns estimated to cost Rs.39.26 crore are under execution with central assistance. An amount of Rs.19.54 crore has been received from Govt. of India so far which has been utilized in full and Rs.19.72 crore provided by the State as matching share which also stands utilised.

- 9 towns namely Akhnoor, Lakhanpur, Poonch, Kulgam, Nagri Parole, Nowshera and Thana Mandi. Ganderbal and Acchabal stand completed.
- Work on Kupwara Town has been stopped by the concerned DDC due to some local dispute.

**b). Urban Integrated Development Scheme for Small and Medium Towns (UIDSSMT)**

UIDSSMT is a Centrally Sponsored Scheme. For improving the drinking water facilities in urban areas following steps have been taken under UIDSSMT:

- 38 Towns (8 of Kashmir Province and 30 of Jammu Province) are proposed for funding under UIDSSMT (Centrally Sponsored Scheme) launched by the Ministry of Urban Development, GOI out of which 8 towns of Jammu division have been sanctioned so far.
- 7 projects namely Kathua, Samba, Sunderbani, Udampur, Doda, Bhaderwah and Srinagar (Tangnar) have been sanctioned by GOI and Rs. 61.66 cores have been released so far.
- 260 Filtration plants are under execution in respect of ongoing water supply schemes while as 327 filtration plants being modernized and revived.
- 28 Water Supply schemes of towns are under implementation, of which 10 of these are covered under AUWSP. The spill over content of the schemes under implementation is estimated to be around Rs.872 crore.

The water supply schemes will be financed during the 11th Plan under ARWSP which is a part of Bharat Nirman, JNNURM, State Plan and Multi Sector Infrastructure Development Project being implemented with financial assistance of Asian Development Bank.

**Water quality and Surveillance**

- 114 habitations have iron and fluoride related problems for which action plan is under formulation
- Two water testing laboratories are functional at Sitlee (Jammu) and Zainakote (Srinagar) in addition to mobile testing labs.

- Testing labs being established at every District headquarter.
- Field Water Testing kits have been procured for distribution at Gram panchayat/village level and training is being organised for Village Level Water and Sanitation Committees.
- 260 filtration plants are under execution in respect of ongoing water supply schemes.
- Work on two Iron removal plants of Wathura and Shadipora water supply schemes completed.

#### **Issues –ARWSP**

- In April 2003, the then Hon'ble Prime Minister during his visit to the State announced a special project for water supply in Kandi areas of the State. An action Plan was prepared to cover 2414 NC's/PCs habitations and 1527 rural schools in three years. The total cost of the project was Rs.338.00 crores out of which Rs. 157.00 crores were to be provided as additional assistance by the GOI. On the advice of the Department of Drinking Water Supply, Ministry of rural Development, GOI, the State took up implementation of 430 schemes and funds to the tune of Rs. 40.00 crores were released by the GOI during 2003-04 and 2005-06 thereby leaving a balance of Rs. 141.00 crores to be provided subsequently by the GOI for completing the schemes many of which are still stuck off midway. The balance amount to the tune of Rs. 100.00 crores is requested to be provided for completion of the schemes by GOI.
- A large number of habitations are newly emerged since 2005 which were not listed in the earlier survey. A special package needs to be given for the coverage of these habitations along with the habitations being covered under Bharat Nirman Programme.
- The Government of India needs to be requested to release the Central Assistance within the first month of financial year and also reducing the time gap between the release by the Government of India and actual authorization by the State Finance Department

#### **Issues –State Plan (State Matching Share)**

- Under the State plan with the proposed allocations, schemes will take a lot of time (more than 8 years) for completion. Rs. 595.96 cr. are required for completion of 825 District Sector/State Sector schemes.
- There is a shortfall of Rs. 474.95 corres on account of matching State share against the funds released by the Government of India under ARWSP from 2005-06 to 2008-09 (Rs. 1196.00 cr)
- Allocations need to be substantially increased or some sort of special package to be given for completion of schemes taken under District Sector.

The water supply schemes will be financed during the 11th Plan under ARWSP which is a part of Bharat Nirman, JNNURM, State Plan and Multi Sector Infrastructure Development Project being implemented with financial assistance of Asian Development Bank.

#### **Headways Made during 2008-09**

- 452 habitations were provided drinking water facility up to November,2008
- 412 Rural Schools have been covered with potable drinking water facility
- 900 Hand Pumps were installed to water scarcity areas which has provided much wanted relief to the inhabitants of these areas.
- 748 water supply schemes have been completed under Bharat Nirman Programme thereby providing drinking water facility to 2283 uncovered and partially covered habitations.
- The computerization of the department up to sub-division level has been set into motion and is expected to be completed by September, 2009
- 7 MGD capacity intake chamber of Filtration Plant at Sitlee Phase-I which had got washed away during the floods of September, 2006 has been fully restored at the cost of Rs.6.54 crores. Besides, the Phase-II of the Filtration Plant including 7 MGD intake, is being targeted for completion by ending December, 2009. With this augmentation, supply level of approximately 150 LPCD (litres per capita per day) will be achieved.
- Augmentation of existing water supply in Srinagar city is being done by adding 12.25 MGD water capacity to Rangil Phase-II and Doodh- ganga water Supply schemes at the cost of Rs.70.18 crores out of which 10MGD Filtration Plant Rangil Phase-II has been completed. However, the work on Doodhganga Filtration Plant is in full swing and is targeted for completion by ending August, 2009. After completion of both the Filtration Plants, aprox. 135 LPCD (litres per capita per day) supply level will be achieved.

### ***Sanitation***

Individual health and hygiene is largely dependent on adequate availability of proper sanitation. To save the people from the spread of epidemics, Rural Sanitation Programme was launched in the State way back in 1989. Consumption of unsafe drinking water, improper disposal of human excreta, improper environmental sanitation and lack of personal hygiene have been major causes of diseases in developing countries. The concept of sanitation includes personal hygiene, garbage, excreta disposal, waste water disposal etc. The Central Rural Sanitation Programme (CRSP), a centrally sponsored scheme launched in 1986, was restructured by the Govt. of India in 1999 to introduce the Total Sanitation Campaign.

### ***Total Sanitation Campaign***

TSC envisages synergized interaction between Government, people and active NGOs. It also incorporates intensive information, education and communication (IEC) campaigns, provision of an alternative delivery system and more flexible demand oriented construction norms. TSC envisages a shift from an allocation based programme to a demand based project mode with greater house hold investment, intensive IEC campaign and emphasis on school sanitation. The programme in our state also started in the beginning of 7th Five Year Plan with the creation of small rural sanitation Cell to look after the programme with active participation of departments like Rural Development and Social Welfare. The scheme was extended to whole state and activities

covering environmental hygiene, domestic hygiene and personal hygiene were taken up through construction of solid and liquid waste disposal structures including individual household latrine, soakage pits, drains, etc.

In J&K, all the erstwhile 14 districts and 8 newly created districts are now under the cover of TSC in a phased manner. In the first phase, Srinagar and Udhampur districts were taken up under TSC in 2001-02 on pilot basis, Anantnag and Rajouri districts in 2003-04 and later the scheme was extended to all the remaining 18 districts.

Conservation and restoration of Bowlies helpful in augmenting quality water supply for drinking purposes in view of growing need of drinking water. As per the guidelines of Ministry of water resource(GOI) PHE Deptt. and RDD should prepare suitable and viable projects.

Total Sanitation Programme, a centrally sponsored scheme is implemented with the financial support of central Govt., State Govt. and the beneficiary's share in case of individual household latrines.

**Table No. 3.29: Physical Targets and Achievements**

<i>S. No.</i>	<i>Name of the activity</i>	<i>Unit</i>	<i>Targets as per Revised Project.</i>	<i>Cumulative Achievements ending Dec., 2008</i>
1.	Individual Household Latrines	Nos	598614	93295
2.	<u>Institutional Latrine.</u>			
	a).Schools	Nos	23007	10495
	b).Anganwari	Nos	660	69
	c).CSC-Women complex	Nos	924	394
3.	PC / RSM	Nos	83	7

*Source: Directorate of Rural Sanitation, J&K*

Under TSC all individual households have to be persuaded to construct individual household latrines and an incentive of Rs.1200 is provided for each latrine. TSP also covers all school buildings, Anganwari centres, Women Sanitation Complexes and Community Latrines. As per the latest data available 5.88 lakh BPL and 3.71 lakh APL families are still without household latrines. The TSC is implemented through Rural Development Department in the State.

**Table No. 3.30: Project Financial Outlay (Rs. in Crore)**

<i>S. No.</i>	<i>Assistance</i>	<i>Revised project cost</i>	<i>Total funds received ending Dec. 2008.</i>	<i>Cumulative expenditure ending Dec.2008</i>
1	Centre Share	128.57	30.35	39.08
2	State Share	43.54	13.02	
3	Beneficiary Share	22.34	1.94	
4	Total	194.45	45.31	39.08

*Source: Directorate of Rural Sanitation, J&K.*

The Rural Development Department is expecting full coverage by 11th Five Year Plan period at an estimated cost of Rs.194.00 crore for the project.

### **Low Cost Sanitation Programme**



Low Cost Sanitation Programme, a Centrally Sponsored Scheme is implemented with the financial support of Central Government, State Government and beneficiary share with the funding pattern 75:15:10 for providing flush latrines in place of dry latrines and evading scavenging practice.

In the first phase two towns covering Ganderbal and Batote has been sanctioned with unit coverage of 931 and 185 respectively. Under the scheme Rs. 12500 will be provided to each beneficiary for construction of such facility. 64 projects of other districts are in pipeline for approval.

**Plan Review-2008-09**

(Rs. in crores)

S. No.	Sector	11 <sup>th</sup> FYP 2007-12	Annual Plan 2007-08	Expenditure 2007-08	Annual Plan 2008-09
1	Water Supply and Sanitation	1406.28	136.84	149.31	160.00

The allocation of 11th FYP is Rs. 1406.28 crores. The outlay for 2007-08 was Rs. 136.84 crores against which an expenditure of Rs. 149.31 crores has been incurred. The annual plan outlay for the year 2008-09 was Rs.160.00 crores.

# Chapter - 15

## **Women Empowerment and Child Development**

Women are vital and productive workers in National economy. “Concept of Bharat Nirman”, “Feel Good”, “Socio Economic Development” and “Good Governance” is not possible without participation and empowerment of women. Women’s protection, welfare, participation and empowerment are, thus, important for human development and growth in economy.

### **National Policy for Empowerment of Women**

The national policy for empowerment of women has set certain clear-cut goals and objectives. The objectives of the policy include:-

- Creating an environment through positive economic and social policies for full development of women to enable them to realize their full potential.
- The de-jure and de-facto enjoyment of all human rights and fundamental freedom by women on equal basis with men in all spheres-political, economic, social, cultural and civil.
- Equal access to participation and decision making of women in social, political and economic life of the nation.
- Equal access of women to health care, quality education at all levels, career and vocational guidance, employment, equal remuneration, occupational health and safety, social security and public office etc.
- Strengthening legal systems aimed at elimination of all forms of discrimination against women.
- Changing societal attitudes and community practice by active participation and involvement of both men and women.
- Mainstreaming a gender perspective in the development process.
- Elimination of discrimination and all forms of violence against women and the girl child; and
- Building and strengthening partnerships with civil society, particularly women’s organization.

The approaches for empowerment of rural women can be divided into following broad heads:

- Educational Empowerment.

- Social Empowerment
- Economic Empowerment
- Technological Empowerment

### ***Present Status of Women in J&K - A Brief Overview***

Women constitute about 47% of the total population of the State. Women development, no doubt, has been part of the development planning since the inception of five years plans but the shift in approach from welfare to the development of women took place in the 6th Plan. 7th Plan laid emphasis on identification and implementation of various beneficiary oriented schemes the benefits of which percolate to women directly. 8th Plan promised to ensure that benefits of development do not by-pass women. The 9th Plan changed the strategy for women from development to empowerment and adopted a system of preparation of Women Component Plan (WCP) through which not less than 30% of the funds/benefits were to flow to the women from all the women related development sectors. The 10th Plan further strengthened the implementation of Women Component Plan (WCP). Moreover, the Women and Child Development Department was emphasized to monitor closely on continuing basis the flow of benefits to the women. These initiatives have helped in improving the status of women in various spheres to a great extent, yet the imbalance exists. The present status of women in terms of demographic features, access to social services and employment is enunciated below:

#### ***Demography***

Female population of J&K State rose very marginally from 47.1% of the total population in 1981 to 47.2% of the total population in 2001, with an increase of 19.60 lakhs. At 69.44%, the growth rate of female population for the two decades (1981-2001) was slightly higher than the male population growth rate of 69.40% over the period. This is because the life expectancy at birth for women (64.5 years) is higher than male life expectancy of 63 years. Demographic imbalance between men and women, however, continue to exist.

#### ***Sex Ratio***

Sex ratio is an important indicator of the social condition particularly with respect to women's status of any society. Low sex ratio shows indulgence of artificial interventions, distorting the biological trend and natural balance in terms of number of females per thousand males. An important concern in the present state of Jammu and Kashmir's demographic transition relates to adverse sex ratio. The sex-ratio as per census 2001 is 892 (females per thousand males) which is very unfavourable to the women of the State. Although the recent survey conducted by the Directorate of Economics and Statistics in the year 2006 has shown the sex ratio as 925 and the results of NSS Survey 61st round has also revealed a sex ratio of 923, the sex ratio in the State is still below the National average of 933. The position is worse in the urban areas where the sex ratio is only 819 as against 917 in rural areas as per the Census 2001. However, the position has improved as per NSS 60th round results which exhibit sex ratio in urban areas at 919 and rural areas at 925.

#### ***Women Education***

Education of the women is very effective tool for women's empowerment not only from the point of view of literacy, but has inter-linkage with other social parameters viz. population growth, health care, education of children etc. It enables rural women to acquire new knowledge and technology, required for improving and developing their tasks in all fields. Female education is essential for higher standards of health and improved "maternal competence" which leads to lower infant mortality. It also raises women's economic productivity. Despite its linkage to so many positive outcomes and the progress made over the past 50 years, female literacy remains very low in J&K State as compared to men.

As per census 2001, the literacy rate in the state was 55.52% and for females it stood at 43% with a corresponding dispersion at Rural and Urban level as 36.74% and 61.98% respectively. While as for males the indicator stood at 66.60% with a corresponding dispersion as 61.65% and 80.00% at Rural and Urban level. The female literacy in the State is only 43%. The gender gap in literacy is 23.6%. Gender differential exist both in Rural and Urban areas but it is high in Rural areas. This can be attributed to a number of factors viz. lack of access to schools, parents feeling insecure about sending girl children to school, their engagement in agricultural and other domestic activities etc.

### **Focus on Education of Women in 11th Five Year Plan**

The main goal of the 11th five year plan is to achieve universal primary education at primary level and empower women by eliminating gender disparity at all levels of education. The Government of India and the State Government in this endeavour has focused on Women's Education in the developmental plan over the years. Some of the ongoing initiatives in the State which shall spill over to 11th five year plan are:

- Sarva Shiksha Abhiyan (SSA) a flagship programme is being implemented in the State for improvement in Gross Enrolment ratio apart from UEE and Universal retention.
- National Programme for education of girls at elementary education (NPEGEL) aimed at to enhance education of girls by providing need based incentives like stationery, books, uniforms etc to the girl student. 287 girls Middle schools have been developed under NPEGEL in the State.
- Kishori Shakti Yojna (KSY) aims at addressing the needs of self development, nutrition and health status, literacy, numerical skills and vocational skills of adolescent girls in the age group of 11-18 years.
- To reduce gender disparities in education access and to promote women empowerment 9 women ITIs and 12 Women Wings in the existing ITIs have been established under Prime Ministers Reconstructions Programme (PMRP). 5 additional ITIs have been approved during 2007-08.
- Prematric scholarship by State Government is provided to girls to enhance their level of literacy and to reduce the burden on the parents to sustained education. The rate of scholarship is detailed as under:-

**Table No**

<i>S. No.</i>	<i>class</i>	<i>Rates of scholarship/9 months</i>	<i>Income slab</i>	<i>Minimum Attendance</i>	<i>%age of marks required in previous exams.</i>
1	1 <sup>st</sup> to 5 <sup>th</sup>	Boys= Rs.450	Rs. 2100 P.M	Nil	

		Girls= Rs. 675			
2	6 <sup>th</sup> to 8 <sup>th</sup>	Boys= Rs.900 Girls= Rs. 1350	Rs. 2100 P.M	80%	50% & above
3	9 <sup>th</sup> to 10 <sup>th</sup>	Boys= Rs.1350 Girls= Rs. 1800	Rs. 2100 P.M	80%	50% & above
4	11 <sup>th</sup> to 12 <sup>th</sup>	Boys= Rs.1350 Girls= Rs. 2700	Rs. 2100 P.M	80%	50% & above

Note:- Criteria in respect ST/SC/G&B and PSP will not apply.

Source: Social Welfare Department

- a. The Literacy Rate at State level has further increased to 65.67 percent (73.30 percent males and 57.11 percent females) as per latest survey conducted in 2008 by Directorate of Economics and Statistics, thereby showing a growth of 10.17 percentage points (18.32 percent) over the previous Census (2001). The gap in the Literacy Rate has been registered as 6.19 percent in favour of males. The Literacy Rate of the State has registered an exponential growth rate of 2.126 percent per annum besides exponential growth rate of population (aged 7 and above) by 1.81 percent per annum.
- b. Gender disparity in literacy is historical phenomenon. In 1961, while literacy rate for males was 16.97 percent, it was only 4.27 percent in case of females. The gap in literacy was 12.70 percentage points in favour of males. This large disparity still continues in male/female literacy situation. While about three fourth of the males in the State are literate in 2008, the land mark of half (50 percent) has recently been achieved in case of females. The gap in literacy has increased from 12.70 percentage points in 1961 to 23.60 percentage points in 2001 while as gap in literacy has decreased from 23.60 percentage points to 16.19 percentage points in 2008 exhibiting the convergence of literacy rates to some extent. This is an indication of improvement of female literacy. Though still being at a disadvantageous position but are breaking the barriers/shackles to get the equal share in the basic human rights. With higher growth rate than male literacy the goal will be achieved soon.
- c. However, the micro-analysis of the facts show contrary and encouraging results as far as female literacy is concern. The female literacy at both Rural and Urban level have shown higher growth in literacy than males. The highest progression has been made by Rural female while as least progression by Urban male. Rural female have shown growth of 15.96 percentage points while as Urban female have recorded 8.39 percentage points during the period under consideration while as Rural males have managed a growth of 8.43 percentage points and Urban males by 3.15 percentage points. At Combined level also, females have registered a higher growth rate (14.11 percentage points) than males (6.70 percentage points) resulting in an overall growth of 10.17 percentage points during the period under consideration.

### ***Nari Niketan***

12 Nari Niketans are functioning in the State having total capacity of 400 inmates to provide free boarding, lodging, healthcare to the destitutes.

### ***Employment Status of Women***

UN Commission on status of women says, Women constitute half of the world's population, accomplish about two thirds of the work hours, receive one tenth of the world income. There is need to strength self employment of women which will generate additional income leading to economic independence of women.

Women are significant contributors to the growing economy. The total work force in 2001 was 37.54 lakh workers consisting of 26.80 lakh males and 10.74 lakh females. This work force consisted of 26.09 lakh main workers and 11.45 lakh marginal workers. Work participation rate amongst females was 22.45 in 2001.

A sectoral breakdown of women workers reveals that 56% women are cultivators, 5% are agricultural labourers and 10% workers in the household industry. The census 2001 figures with regard to status of working women are given below:-

**Table No. Occupational Status of Women (Census 2001)**

	J&K	All India
1. Total Population	101.44 Lakhs	10287.37 lakhs
2. Total Women	47.83 Lakhs	4965.14 lakhs
3. Rate of Participation of women in workforce out of total women	22.45 %	25.62%
4. Rate of Participation of men in workforce out of total men	50%	51.67%
5. Total Cultivators	15.91 lakhs	1036.26 lakhs
6. Female Cultivators	6.05 lakhs	253.67 lakhs
7. Total Agricultural Labourers	2.46 lakhs	634.97 lakhs
8. Female Agricultural Labourers	0.57 lakhs	223.78 lakhs

*Source: Census, 2001*

The work participation rate of women revealed by 62nd round of NSSO constitutes an important source of information on unemployment. The unemployment indicators have been worked out at three basic principles indicated below:-

1. Usual Principal Status (UPS)-indicator of chronically unemployed.
2. Current weekly Status (CWS)- indicator of chronic and seasonal unemployment
3. Current Daily Status (CDS)- indicator of unemployment on a day of the conduct of survey

The unemployment rates revealed by 62<sup>nd</sup> round of NSS for the State in comparison to Nation are given the following table:

**Unemployment rate for J&K State Vis-à-vis All India, 62nd round of NSSO**

S. No.	Area	Jammu and Kashmir		All India	
		Male	Female	Male	Female
<b>1</b>	<b>Rural</b>				
	UPS	5.1	0.6	2.5	2.2
	CWS	6.5	0.3	4.3	3.3
	CDS	7.9	0.5	8.3	7.5
<b>2</b>	<b>Urban</b>				
	UPS	6.7	11.7	4.8	7.9
	CWS	7.0	8.1	5.8	7.7

	CDS	7.6	8.7	7.9	10.1
<b>3</b>	<b>Combined (R+U)</b>				
	UPS	5.4	3.5	3.1	3.0
	CWS	6.6	1.2	4.7	3.9
	CDS	7.9	1.8	8.2	7.9

The analysis of the above information reveals that in rural areas the indicator in respect of females is better than that of males where as at National level the indicator is better for males than females.

In case of females at urban level their position of employment is worse than that of males in the State as well as at National level when the indicator is analysed.

The strides made in female employment at State level have been nullified by the downfall of indicators in respect of males, thereby resulting into over all deterioration of the indicator at the State level as per all the three principles of unemployment, exhibiting that the employment situation is becoming dismal with the passage of time.

### **Other Welfare and Support Services**

In order to uplift the Employment Status of Women, Government take some initiatives discussed as under:-

- Support to training and employment programme (STEP) has also been launched to provide updated skills and new knowledge to poor assets- less women in 10 traditional sector viz Agriculture, Animal Husbandry, Dairying, Fisheries, Handlooms, Handicrafts, Khadi and Village industries, Sericulture, Social Forestry and Wasteland Development through mobilizing into cohesive groups.
- To facilitate employment of women and to support the working women away from their homes/towns, and who come in the cities and towns for under going short term training courses Working Women Hostels with day care centres and crèches have been setup in the State catering to social needs of the destitutes.
- In J&K State 5 hostels for working women have been sanctioned of these two have been completed one in Jammu and other in Kashmir. The work on other 3 is in progress.

### **Economic Empowerment of Women**

Considering that the women have suffered the most during the last two decades because of the militancy related events, economic empowerment is the only way to help the women in distress. Government has been implementing various programmes which support women to take up new ventures and start self employment, which has been categorized under following heads:

- A. State Women Development Corporation.**
- B. Social Welfare Department.**
- C. Rural Development.**

#### **A. State Women Development Corporation**

The State Women Development Corporation has been declared the channalizing agency for implementation of the schemes for welfare of women. The State Government is implementing a number of development schemes (CSS) for social economic upliftment of the females of the families living below the poverty line, through J&K State Women's Development Corporation established in the year 1991. The main objective of the corporation is to render financial assistance to the activities like Food Processing units, Videography, Agricultural activities and other viable units. The following schemes are in operation by SWDC:

***Schemes financed by National Minorities Development and Finance Corporation (NMDFC)***

- J&Ks Women Development Corporation is raising loan from NMDFC and releasing the term loans to female beneficiaries for starting income generating units. Rs. 17.33 crores has been obtained from NMDFC and 3300 beneficiaries have been covered during 10<sup>th</sup> Plan. During the year 2007-08, 811 beneficiaries have been benefited with an input of Rs. 3.87 crores. During 2008-09, 546 beneficiaries were covered with a financial assistance of Rs. 3.20 crores.
- National Minorities Development and Finance Corporation (NMDFC) also sanction loan for education of women belonging to minority communities at nominal rate of interest. Rs.4.90 crores is proposed to be obtained from NMDFC during 11<sup>th</sup> Plan.

***Schemes Financed by National Backward Classes and Finance Development Corporation (NBCFDC)***

Under this scheme loans are advanced to females of backward classes for setting up of their income generating units financed by NBCFDC. 158 beneficiaries have been benefited during 2007-08 and 163 beneficiaries were covered during 2008-09 by incurring an expenditure of Rs. 0.79 crores.

***Schemes Financed by National Handicapped Finance & Development Corporation (NHDFC)***

J&K State Women Development Corporation sanctions loan in favour of eligible females at nominal rate of interest for setting up their own income generating units. The Corporation had lifted an amount of Rs. 0.15 crores ending 2007-08 and disbursed to 22 disabled beneficiaries. The Corporation provided an assistance of Rs. 0.18 crores to 25 beneficiaries during the year 2008-09.

***Schemes for Skill Development Financed by NMFDC & NBCFDC***

J&K State Women's Development Corporation seek loan from NMDFC & NBCFDC for setting up training centres for skill development of artisans/women beneficiaries. Thereafter, women are brought under Micro Credit Net. 365 beneficiaries have been covered during 2007-2008 with a financial assistance of 0.20 crores. To display & sell the products of women artisans, exhibition-cum-melas are organized by the State Women Development Corporation both inside and outside the State. These melas give opportunities to the women to sell their products. During 2008-09, 502 beneficiaries were covered with an assistance of Rs. 7.95 lacs.



## ***Swayam Sidha***

Swayam Sidha is the modified version of Indira Mahila Yojana (IMY) as Integrated Programme for women's empowerment. Swayam Sidha envisages execution of composite and integrated projects for women's empowerment for duration of 4-5 years at the block level by Project Implementing Agencies (PIAs). J&K State Women Development Corporation is the nodal agency for implementing the said scheme in J&K.

The scheme is meant for economic empowerment of women by framing Self Help Group. 13 blocks have been identified by Govt. of India in 13 districts of J&K State 06 in Jammu, 06 in Kashmir and 01 in Ladakh. Govt. of India provides 100% grant for implementation of the scheme except construction of women community halls. During 11th Plan, 4 community halls are proposed to be constructed.

### ***Construction of Office-cum-Women Shopping Complex at Srinagar***

The Corporation has envisaged to construct office-cum-women shopping complex at Srinagar for which SDA has been approached for acquisition of land. This will help in providing accommodation for the various activities of State Women Development Corporation as well as lend scope for the business activities of the Corporation.

## **B. *Social Welfare Department***

Social Welfare Department is also implementing various schemes for development of the women. These are:-

### ***i. Development of Vocational Skills***

Females in the age group of 15 to 35 years are imparted trainings in various crafts through Social Welfare Training Centre run by the Social Welfare Department so that they can become self dependent and can become able to earn their livelihood. At present, there are 150 Social Welfare Centres engaged in imparting training to the women folk. The number of inmates in each centre is 25. The inmates are being provided training for 11 months and are being provided stipend @ Rs. 100/- per month.

### ***ii. Lady Vocational Training Centres***

Apart from this, there are four ladies vocational trainings centres in the State one each at Jammu, Srinagar, Kargil and Leh. In these centres, besides imparting advanced trainings in various crafts, training in stenography is also imparted.

## **C. *Rural Development***

- Under antipoverty programmes like SGSY, which have the objective of bringing the beneficiaries above the poverty line by helping them in setting up income generating ventures through a mix of bank credit and Govt. subsidy, at least 40% of the swarozgaries have to be women.
- Under Indira Awas Yojana (IAY) the houses are allotted in the name of female members of the beneficiary household or in the joint names of husband and wife. Among females priority is given to the widows and unmarried women.

## ***Social Empowerment***

Care and protection of women in distress is a focused area for attention. To ensure security, development and well being of women in every sphere of life and ensure implementation of steps against gender discrimination. In order to ensure adequate provision for women's advancement in the State policies, plans and programmes are launched.

- State Commission for women is a statutory body set up in March 2000 under State Commission for Women Act-1999. Its mission is to safeguard women as per the constitutional provisions and suggest new legislations and amendments to the existing laws to meet the objectives of gender equality and advancement of women.
- National Commission for Women (NCW) safeguards the interests of women with a mandate to cover all aspects of Women's rights. The protection of women from Domestic violence Act, 2005 which came into force on October 26, 2006, seeks to provide immediate relief to women facing situations of violence in their homes.
- A comprehensive scheme "Ujjawala" has been launched recently for prevention of trafficking and rescue, rehabilitation and re-integration of victims of trafficking and commercial sexual exploitation. The scheme has five components-prevention, rescue, rehabilitation, re-integration and repatriation.

### ***New Initiatives for Women Self Employment***

Taking cognizance of women empowerment as one of the main focus in 11th Five Year Plan State Govt has decided to launch special schemes for the self employment of the women:-

- Women Development Corporation will provide loans to the beneficiaries at the interest rate of 5% only. To begin with 100 women from each of the district will be selected .Later the number would be increased depending on the demand and success of the scheme
- For young Urban educated unemployed women, the state will provide help to establish integrated communication 'kiosks' or specialized marketing cells for promotion of local handicrafts or organic food and organically processed kiosks or such like activities. This will be exclusively for young women in the Urban areas under a special package for promotion of self employment. The requisite training for setting up such kiosks will be imparted at the Entrepreneur Development Institute and the venture funded through bank loans with government subsidy as admissible under the self employment schemes.

### ***Development of Children***

Children are the assets of the future. Their protection, welfare and development is essential for the growth of future economy. Development of children is undoubtedly at the centre of the 11th Five Year Plan. The Plan strives to create a productive environment which will ensure every child's rights to survival, participation and development.

### ***Education***

The education is the most crucial input for empowering children with skills and knowledge and giving them access to productive employment in future. Improvements in education are not only expected to enhance efficiency but also augment the overall quality of life. The strategy in primary and secondary schooling is the most important intervention for giving children their due rights. Efforts have been made under SSA during 10th Plan to bring all out of school children to school. SSA envisioned to bring all children to school by 2005. Due to the late start of Sarva Shiksha Abhiyan in the State, the target could not be achieved in time. However, the 11th Five Year Plan envisages to bring all out of school children to school.

### **Goals of 11th Plan**

Successful integration of survival, development protection and participation is closely linked to all aspects of a child's well being. 11th Plan envisages strategies to ensure that every child enjoys the childhood and all rights without any fear and without the need to work. Some specific goals of 11th Plan are as follows:-

**Table No. Goals of 11<sup>th</sup> Plan**

#### **Integrated Child Development Scheme (ICDS)**

Currently ICDS is the only programme that reaches out to lakhs of woman and children living in remote villages. It is and will continue to be the flagship programme with a holistic package of six basic services for children up to six years of age and for pregnant and nursing mothers. These services are: health check-up, immunization, referral services, supplementary feeding, pre school education and health and nutrition education through one platform i.e. Anganwadi Centre. At present there are 141 ICDS projects with 25483 Sanctioned Anganwadi Centres against which 22583 centres are presently functional for providing services to approximately 6.19 lakhs beneficiaries comprising of 4.98 lakhs children and 1.21 lakhs pregnant and lactating mothers.

During Past three years the position of funds received both from State Government as well as Central Government is as under: -

**Table No.**

<i>S.No.</i>	<i>Years</i>	<i>State Share</i>	<i>Central Share</i>	<i>Total</i>
1	2006-07	966.00	6880.984	7846.984
2	2007-08	1065.00	8001.405	9066.405
3	2008-09	-	4557.800	4557.800

Source: Social Welfare Department

#### **ICDS (Supplementary Nutrition)**

**Table No. (Rs. in lacs)**

<i>S.No.</i>	<i>Years</i>	<i>State Share</i>	<i>Central Share</i>	<i>Total</i>
1	2006-07	2275.40	996.76	3272.16
2	2007-08	3631.00	917.69	4548.69
3	2008-09	3995.00	697.98	4692.98

Source: Social Welfare Department

Under nomenclature of Non-Nutrition, a number of items figure in the scheme which are essential for providing nutrition by way of cooked food to the beneficiaries. These items included Kerosene stoves, Pousseure Cookers, Utensils etc. play way material for the children, medicine kits, weighing machines are also provided. The total expenditure for Non nutrition items is as under:-

(Rs. in lacs)

<i>S.No.</i>	<i>Years</i>	<i>State Share</i>	<i>Central Share</i>	<i>Total</i>
1	2006-07	0.00	323.389	323.389
2	2007-08	0.00	133.760	133.760
3	2008-09	0.00	8529.910	8529.910

Source: Social Welfare Department

Total Number of beneficiaries covered categorywise during 2006-07 and 2007-08 under the supplementary Nutrition Scheme (SNP) in the State is as under:

<i>Category</i>	<i>No. of Beneficiaries</i>		
	<i>2006-07</i>	<i>2007-08</i>	<i>2008-09 (Tentative)</i>
0-3 years	237048	267543	284202
3-6 years	187720	212354	214127
Pregnant and Lactating mothers	98190	1202250	120951
<b><i>Total</i></b>	<b><i>522958</i></b>	<b><i>600147</i></b>	<b><i>619280</i></b>

Source: Social Welfare Department

- 8317 Additional Anganwadi Centres have been sanctioned under Prime Minister's Employment Package, of these 8199 have been made functional creating jobs for 16398 Anganwadi Workers and Helpers.
  - Government of India has approved construction of 425 Model Anganwadi buildings at a uniform cost of Rs.2.46 lakhs each on the sharing pattern of 75:25 between Centre and State. 193 Model buildings have been constructed and an amount of Rs. 635.83 lakhs stands utilized.
  - In order to improve the functional efficiency, the field functionaries of ICDS are continuously being trained
- B. *Sarva Shiksha Abiyan***, the flagship programme for universalisation of elementary education and universal retention, shall be continued with the mission to achieve the following objectives:-
- Universal enrolment of 06-14 age group children including the hard to reach segment
  - Substantial improvement in quality and standards as per NCERT quantity tools and;
  - All gender, social gaps in enrolment to be eliminated by 2007-12.
  - Universalisation of Mid-day-Meals scheme at Primary and Upper Primary level.
- C.** The National Commission for protection of Child Rights (NCPCR) was set upon March 5,2007 for effective implementation of child rights in the country.

Rajiv Gandhi National Creche Scheme for children of working mothers has been launched to provide its services to the children of age group 0-6 years. It includes supplementary nutrition, emergency medicines and contingencies. At present about 28000 creches are functioning under the scheme benefiting about 7 lac children.

An autonomous organisation of Ministry of Women and child Development Central Adoption Resource Agency (CARA) is functioning with the goal to promote domestic adoption and inter country adoption under the guidelines of Government of India. CARA is also implementing the Shishu Greh Scheme for providing institutional care to children up to the age of 6 years.

- D. Residential Institutions** have also been set up for Blinds, Orphans and destitute women. Free boarding, lodging, medical care and educational facilities are provided at Bal Ashrams, 24 Bal Ashrams have been set up so far having capacity of 1105 inmates.

***Thrust Areas for development of women and children***

- Provision of Law, regarding prohibition of use of child labour for domestic purposes, will be implemented more vigorously so that children are not misused and the children are able to develop to their full potential.
- Reduction in Infant Mortality Rate (IMR) and Maternal Mortality Rate (MMR) to half the present level by end of 11<sup>th</sup> Plan.
- A monitoring system with regard to the implementation of the schemes relating to Women Empowerment and Child Development will be introduced. A committee consisting of Principal Secretary (P&D), Secretary (Health), Secretary (Education), Secretary (Social Welfare) will monitor the implementation of the programmes related to Women Empowerment and Child Development on a regular basis. Social Welfare Department will service the committee.
- All the beneficiaries oriented schemes shall be monitored to ensure that proportion of female beneficiaries to total beneficiaries is not less than that fixed under the guidelines of the scheme or 25% in case of schemes where such proportion is not fixed.

# Chapter - 16

## **Welfare and Development of Backward Classes and other Weaker Sections**

National Development, commitment towards the welfare of the under privileged, down trodden, backward and vulnerable sections of the society is tremendous.

Scheduled Castes constitute 7.59% and Scheduled Tribes constitute 10.90% of the total population of the State. As these groups account for a sizeable proportion of the total population, the State of J & K has initiated many schemes for their upliftment on socio-economic front. The State has approved schemes keeping in view especially the economic scenario of these classes and many more schemes are in the pipeline.

The schemes for the upliftment of the said target group are implemented through various Departments/Corporations, which are:

1. The J&K Scheduled Caste, Scheduled Tribe & Other Backward Classes Development Corporation Ltd.
2. Social Welfare Department
3. Women Development Corporation

### **The Jammu and Kashmir SC, ST and BC Development Corporation Ltd**

#### **Main Financing Schemes of the Corporation**

The schemes undertaken by the Corporation for the socio-economic upliftment of the target group are as under:

1. Bank Tie-up scheme.
2. Direct Financing Scheme
3. Skill Development Training Programme
4. Liberation & Rehabilitation of Manual Scavengers (Time Bound Scheme).

#### **Bank Tie-up Scheme**

This scheme is meant for those beneficiaries who are living below the poverty line and interested in the establishment of small income generating units up to Rs.1.00 lakh. This is a regular scheme of the Corporation for whole of the financial year. The Corporation provides subsidy to the extent of 50% of the unit cost subject to a maximum of Rs.10, 000 per unit for SC, ST & BC beneficiaries and 33.33% subject to maximum of Rs.3, 000 in case of other Backward Classes beneficiaries who are sanctioned loans by the Bank under the scheme.

**Table No. Target and achievement for the last three years under Bank tie-up scheme**

Year	Targets Of units	Cases sponsored to Banks	Cases sanctioned by Banks	Targets achieved (Amt. in lacs)		
				No. of units established	Subsidy Disbursed	Bank loan Disbursed
2006-07	1200	1520	900	900	76.57	191.42

2007-08	1200	1575	793	793	68.86	172.15
2008-09	1460	1873	1069	656	54.32	236.24

Source: J&K SCs, STs & B.C.'s Dev. Corpn. Ltd

Under Bank Tie-up Scheme, 1200 units and 1460 units were targeted for 2007-08 and 2008-09. 1575 cases were sponsored to banks during 2007-08, out of which 793 cases were sanctioned with subsidy component and bank loan input of Rs.68.86 lakhs and Rs 172.15 lakhs respectively. During 2008-09, 1873 cases were sponsored to Banks, out of which 656 units were established with financial supplementation of Rs. 54.32 lakhs as subsidy and Rs.236.24 lakh loan was disbursed.

### **Direct Financing Schemes**

**Table No. Targets and achievements under Direct Financing Schemes for the last 3 years (Rs. in lakhs)**

Year	Targets		Achievements	
	Physical	Finance	Physical	Finance
2006-07	310	500.00	126	323.32
2007-08	350	600.00	226	645.89
2008-09	850	850.00	376	488.74

Source J&K SCs, STs & BCs Dev. Corpn: Ltd

The corporation has started the awareness campaign of this scheme at Tehsil, Block and Village level by organizing camps at far flung areas of the State. The Corporation has tried its best to reach at the door steps of the target group people and to provide due share of financing to each area.

**Table No. 18.4 : Achievements during 2007-08 and 2008-09 under Direct Financing Schemes**

	2007-08		2008-09	
	Physical Achievements (No. of Cases)	Financial Achievements (Rs .in lacs)	Physical Achievements (No. of Cases)	Financial Achievements (Rs .in lacs)
NSFDC	120	200.00	250	250.00
NSTFDC	120	200.00	250	250.00
NBCFDC	75	100.00	100	100.00

\* figures in brackets indicate Achievements Source J&K SCs, STs & BCs Dev. Corpn:Ltd

The recovery area is the main challenge for the Corporation as in the beginning of financing , proper procedure of recovery and policies were not framed by the corporation resulting into the considerable default of loan from year to year. Moreover, the legal documents were not so strengthened to take immediate legal action against the defaulters.

### **Skill Development Training Programmes**

The SCs, STs & OBs Corporation so far has arranged Skill Development Training for target group candidates in the following trades:

- Computer
- Nursing Course
- Typing
- Calico Printing

- Sisal Fiber Craft
- Electrician
- Tailoring
- Beauty Culture
- Amber Charkha

The Corporation has so far trained 3182 Candidates of the target group including 500 during the year 2007-08. During the year 2008-09, the Corporation has trained 700 candidates for various training courses all over the State through its district offices.

### ***Rehabilitation of Manual Scavengers***

The Govt. of India, Ministry of Social Justice and Empowerment in the year 1992-93 had launched the 'National Scheme for Liberation and Rehabilitation of Scavengers'.

The Ministry has reformulated the new "Self Employment Scheme" for this target group with the direction that the scheme be administered as a National Priority and complete its implementation in a time bound manner by March 2009. The identification of the scavengers and their dependents that are yet to be rehabilitated is in progress and it shall be completed very shortly.

### ***Social Welfare Department***

The Department administers Central and State Government's Schemes in the areas of Women and Child Development, Social Justice and Empowerment, Social Security, Tribal Development and Educational up-lift of SC, ST and OBC Students. It provides direct benefit to the target groups through scholarships, hostel facilities, reimbursement of examination fees, etc. The schemes/programmes are implemented through various departments /corporations/field agencies.

### ***SC/ST/OBC Sector***

The objective of this sector is to address the problem of Backward Classes, particularly those who are economically and educationally backward. These sections of the society are benefited through the following schemes implemented by the Department.

### ***Pre-Matric Scholarship To Sc Students***

The scheme is 100% State funded. Under this scheme scholarship is being provided to the students belonging to the SC category studying from 4th to 10th class and now 1st to 12th.

Under this scheme, 82995 beneficiaries have been covered with the expenditure of Rs. 205.90 lacs during the year 2006-07. The target for the year 2007-08 was 90450 beneficiaries with financial implications of Rs. 226.73 lacs against which the expenditure was registered to the tune of Rs. 195.84 lacs ending March, 2008 by providing coverage to 80047 students. The outlay for the year 2008-09 was Rs. 241.80 lacs to cover the 98855 targeted beneficiaries against which an amount of Rs. 211.63 lacs was incurred to cover 81389 beneficiaries. The proposed outlay for the current financial year is Rs. 725.49 lacs with a target of 97600 beneficiaries.



### ***Pre-Matric Scholarship To Obc Students***

Under this scheme the scholarship is being provided to the students belonging to the OBC category from 4th to 10th and now from 1st to 12th classes, the rates are reflected in the above mentioned table. This scheme is shared between the State and Central Government on 50:50 basis.

Under this scheme, 71094 beneficiaries were covered with an expenditure of Rs. 178.96 lacs during the year 2006-07 and the target for the year 2007-08 was 76119 beneficiaries with financial implication of Rs. 320.99 lacs available under both Centre/State share, the expenditure up to ending 03/2008 was Rs. 212.12 lacs against which 77744 students were covered. The outlay for the year 2008-09 was Rs. 295.41 lacs to cover 99098 No. students against which an expenditure of Rs. 254.68 lacs was incurred with physical achievement of 98396 beneficiaries by the end of March 2009. The proposed outlay for the current financial year is Rs. 525.96 lacs (excluding central share) to cover 90000 beneficiaries.

### ***Post-Matric Scholarship To Obc Students***

Post-Matric Scholarship is provided to those OBC students whose parents/guardians income from all sources does not exceed Rs. 44500/- per annum. This is a Centrally Sponsored Scheme over and above the committed liability which is borne by the State Government.

Under this scheme, 2746 beneficiaries were covered with the expenditure of Rs. 181.40 lacs during the year 2006-07 and the target for the year 2007-08 was 7828 beneficiaries with financial implication of Rs. 273.35 lacs available under both Centre/State Share and an amount of Rs. 176.17 lacs was utilized up to ending March, 2008 and 2998 beneficiaries benefited. The outlay for the year 2008-09 was Rs. 328.65 lacs and physical target fixed to the coverage of 7828 students against which an expenditure of Rs. 328.62 lacs was incurred with an achievement of 2613 beneficiaries by the end of March 2009. The proposed outlay for the current financial year is Rs. 121.89 lacs (excluding central share) to cover 6793 beneficiaries.

### ***Post-Matric Scholarship To Sc/St Students***

The scheme is a 100% Centrally Sponsored Scheme (CSS) over and above the committed liability which is to be borne by the State Government. Under the scheme students of SC/ST community are being provided scholarship whose parents or guardian's income from all sources does not exceed Rs. 65290/- annually.

During the year 2006-07 an amount of Rs. 1124.86 lacs was available both under State/Centre Share against which expenditure to the extent of Rs. 962.62 lacs was incurred for covering 14706 beneficiaries. During 2007-08 an amount of Rs. 536.29 lacs was available under both Centre/State Share for covering a target of 26701 beneficiaries and an expenditure of Rs. 516.81 lacs was incurred covering 10871 beneficiaries. The outlay under Post-Matric Scholarship to SC/ST students for 2008-09 was Rs. 677.00 lacs to cover 13638 beneficiaries against which an expenditure of Rs. 595.30 lacs was incurred by the end of March 2009 with an achievement of 11460 beneficiaries. The

proposed outlay for the current financial year is Rs. 334.34 lacs (excluding central share) with a physical target of 14600 beneficiaries.

### **Schedule Caste Boys/Girls Hostels**

In order to provide safeguard against the exploitation and to promote and protect socially, educationally, economically weaker sections, special care has been taken for their educational interests. Hostels for SC Boys/Girls students have been constructed by this Department. The construction of SC Boys/Girls Hostels come under two Centrally Sponsored Schemes shared between the Centre and State on 50:50 basis.

During the year 2006-07 and 2007-08 an amount of Rs. 79.18 lacs and Rs. 17.29 lacs respectively was available which stands fully utilized. An outlay for 2008-09 was Rs. 15.00 lacs for construction of SC Boys Hostels at Landhar, Udhampur against which Rs. 43.71 lacs (with an additionality of Rs. 28.71 lacs) were incurred by the end of March 2009. The proposed outlay for the current financial year is Rs. 49.37 lacs (excluding central share).

### **Construction Of Hostels For St Boys/Girls Students**

This is a Centrally Sponsored Scheme and is shared between the State and Centre on 50:50 basis. One ST hostel for boys at Degree College Anantnag is nearing completion and likewise, for Girls, similar hostel is completed and handed-over to Women's College Srinagar. During 2006-07 and 2007-08 an amount of Rs. 86.10 lacs and Rs. 45.60 lacs respectively were available which stands fully utilized. In addition the entire central share to the tune of Rs. 204.40 lacs stands released, expenditure up to ending March 2008 was Rs. 217.78 lacs. An amount of Rs. 74.69 lacs was approved outlay for 2008-09 (which include Rs. 50.00 lacs for Jammu Province and Rs. 24.69 lacs for Kashmir Division i.e. ST boys Handwara /Kupwara and Sankoo Kargil) against which an amount of Rs. 63.98 lacs was incurred by the end of March 2009. The proposed outlay for the current financial year is Rs. 40.26 lacs (excluding central share).

The other major schemes being implemented through the Social Welfare Department are discussed below:-

### **Integrated Social Security Scheme (Isss-State Sector)**

The "ISSS" scheme was introduced in the year 1994-95. The scheme is borne by debit to Plan and Non-plan budget on 50:50 basis. Under this scheme financial assistance at the rate of Rs. 200/- per person in respect of old age, women in distress (per women) and Rs. 300/- to Physically Challenged people per beneficiary per month (which has been increased to Rs. 400/- per month/beneficiary w.e.f. 01-01-2009) is paid at their door-steps through money orders. Besides, physically handicapped and the widows/divorcee in the age group of 19-45 years are provided a lump-sum one time aid in kind to the extent of Rs. 3500/- The year wise targets/achievements are as under:-

#### **Targets/achievements under Integrated Social Security Scheme (Rs. in lakhs)**

Year	Allocation	Exp. Plan (ending March. 09)	Target Nos.	Ach. No. of beneficiaries
2002-03	928.00	928.00	117472	117472

2003-04	2249.16	2206.42	145472	166903
2004-05	2022.00	1746.65	318032	173932
2005-06	966.14	966.14	175000	175000
2006-07	7663.19	7324.35	273813	273813
2007-08	8533.26	7848.14	291612	274612
2008-09	18878.38	4958.62	350612	339516
2009-10	5525.32	-	352955	-

### **National Social Assistance Programme (Nsap)**

Under this scheme the Ministry of Rural Dev. GOI provides funds for monthly pension to Old Age people @ Rs. 75/- per month per beneficiary. The State Government in the year 2002-03 ordered uniformity in the rates of monthly pension provided under ISSS which is presently being provided under this scheme. Therefore the rates of pension were increased from Rs. 75/- to Rs. 200/- per beneficiary per month. The extra burden has fallen on the normal State plan. Now it has been increased from Rs. 200/- to 325/-per moth per beneficiary (funding pattern Rs. 125/-State + Rs. 200/- GOI). The programme has following two components:-

- i. Indira Gandhi National Old Age Pension (IGNOAPS).
- ii. National Family Benefit Scheme (NFBS) (100% CSS).

The details of the total outlay & expenditure covering the beneficiaries under this scheme (i+ii) is given as under:-

#### **Targets/achievements under National Social Assistance Programme (Rs. in lakhs)**

Year	Allocation	Expenditure 3/2009	Target Nos.	Achievements No. of benefi.
2006-07	2437.24	2177.56	78732	78732
2007-08	2719.29	2705.52	92029	77649
2008-09	3971.99	3100.50	126649	126246
2009-10	5889.97	-	138374	

An amount of Rs. 3971.99 lacs (which includes revenue component of Rs. 2095.74 lacs and capital component i.e. ACA/Tied grants of Rs. 1876.25 lacs) was earmarked for 2008-09 to cover 126649 beneficiaries.

### **National Family Benefit Scheme (NFBS)**

Financial assistance @ 10000/-is being provided to the family in case of death of primary bread earner of the family living below the poverty line. The detail of expenditure and achievement during 2007-08 & 2008-09 under the scheme is given below:-

#### **Achievements under National Family Benefit Scheme (Rs. in lacs)**

Year	Expenditure	Achievement (No. of cases)
2007-08	612.44	6123
2008-09	268.90	2689

### ***Expansion Of Bal Ashram & Nari Niketan***

The Department is providing free boarding and lodging to destitute women, Orphans and visually handicapped persons. For this purpose 24 Bal Ashrams and 12 Nari Niketans have been setup by the State Government. Out of 4 Bal Ashrams in Kashmir Division three Bal Ashrams Manzgam (Anantnag), Handwara (Kupwara) and Khansahib (Budgam) stands completed and 1 is under construction at Pinjoora (Shopian) including one Nari-Niketan at Gulgam Kupwara. Likewise in Jammu division one Nariniketan at Udhampur and two Bal Ashrams at Udhampur and Mangnar (Poonch) are under construction for which an amount of Rs. 155.84 lacs was outlay during 2007-08. An expenditure of Rs. 166.28 lacs has been made up to ending March, 2008. An amount of Rs. 157.41 lacs was earmarked for 2008-09, with an expenditure of Rs. 134.94 lacs by the end of March, 2009. During the current financial year 2009-10 an outlay of Rs. 112 97 lacs has been proposed for completion of the ongoing works.

### ***Pre-Matric Scholarship To Physically Handicapped***

Under this scheme State Government is providing monthly Scholarship to the Physically Handicapped Students with an objective to enhance their level of literacy and the scheme is in vogue since 1976. The enhanced rate of scholarship has come into force from January,2009 under which students of this category from 1st to 5th class will be paid scholarship @ Rs.450 (Boys) and Rs.675 (girls). From Class 6th to class 8th boys will be paid Rs.900 while as girls will receive Rs. 1350. For the classes of 9th and 10th boys will receive scholarship of Rs.1350 and girls Rs.1800 while as students of this category will be provided scholarship of Rs.1350 for boys and Rs.2700 for girls.

Under this scheme 4219 beneficiaries were covered with an expenditure of Rs. 16.01 lacs during the year 2006-07 and the target for the year 2007-08 was 6483 beneficiaries with financial implications of Rs. 56.49 lacs, the expenditure up to ending March, 2008 was Rs. 22.95 lacs and 7081 beneficiaries benefited. The approved outlay for 2008-09 was Rs. 57.14 lacs to cover 6748 students, against which an expenditure of Rs. 30.73 lacs was incurred by the end of March 2009 by covering 6718 beneficiaries. An outlay of Rs. 108.34 lacs have been proposed during the current financial year (2009-10) for the scheme.

### ***Post-Matric Scholarship To Physically Handicapped***

The scheme aims at providing scholarship to the students studying at the Post-Matric level. The income ceiling of the parents/guardian of the students should be Rs. 44,500/- per annum. 130 beneficiaries were covered with an expenditure of Rs. 9.44 lacs during the year 2006-07 and the target for the year 2007-08 was 343 beneficiaries with financial outlay of Rs. 14.00 lacs, the expenditure up to ending March, 2008 was Rs. 9.81 lacs and 193 beneficiaries benefited. The earmarked outlay for 2008-09 was Rs. 15.00 lacs was registered ending March,2009 for coverage of 290 beneficiaries against which an expenditure of Rs. 14.67 lacs for covering 226 beneficiaries. The proposed outlay for 2009-10 is Rs.33.00 lacs.

### ***Contributory Social Security Scheme***

A new scheme Contributory Social Security Scheme was implemented during 2004-05 as approved by Planning and Dev. Department. Under the scheme Rs. 100/- shall be deposited monthly by a marginal worker and the equal amount shall be provided by the State Government. However the beneficiary should not be below 21 years of age with yearly income not exceeding Rs. 30,000 from all sources.

Under this scheme, 3144 beneficiaries have been covered with the expenditure of Rs. 41.67 lacs during the year 2006-07 and the target for the year 2007-08 was 103300 beneficiaries with financial outlay of Rs. 140.00 lacs, the expenditure up to ending March, 2008 was Rs. 31.08 lacs and 9578 beneficiaries covered. The approved outlay for 2008-09 was Rs. 80.00 lacs to cover the 53300 beneficiaries against which an expenditure of Rs. 41.13 lacs was incurred to cover the 3427 beneficiaries by the end of March 2009. The proposed outlay for the current financial year is Rs. 80.00 lacs to cover 75000 beneficiaries.

### ***Pre-Matric Scholarship To The Children Whose Parents Are Engaged In Un-Clean Occupation***

Under this scheme students whose parents are engaged in un-clean occupation are provided the scholarship of Rs. 25/- Rs. 40/- and Rs. 50/- for primary, middle and secondary level respectively per month for 10 months. Besides adhoc grant of Rs. 500/- per annum is also provided to every student.

1766 beneficiaries were covered with the expenditure of Rs. 20.15 lacs during the year 2006-07 and the target for the year 2007-08 was 3300 beneficiaries with financial implication of Rs. 51.65 lacs available under both Centre/State share against which the expenditure up to ending March, 2008 was Rs. 15.26 lacs covering 1427 beneficiaries. The outlay for 2008-09 was Rs. 19.00 lacs to cover the 2371 children against which an amount of Rs. 18.74 lacs was incurred by the end of March 2009 with an achievement of 1413 beneficiaries. The proposed outlay for the current financial year is Rs. 34.00 lacs (excluding central share) to cover 2400 beneficiaries.

### ***Construction Of Model Anganwadi Buildings***

Under the scheme "Construction of Modal Anganwadi Centres" 425 Model Anganwadi Buildings were sanctioned by GOI for construction on sharing basis between GOI and State Government in the ratio of 75:25 respectively. Against total Central Share of Rs. 398.44 lacs the GOI released only Rs. 300.00 lacs in favour of the State as 1st installment of Central Share. However, 375 MACs have been taken up for construction so far out which 193 MACs stand completed as on 31-03-2008 and an expenditure of Rs. 635.83 lacs ( State Share Rs. 377.07 lacs Central Share Rs.258.76 lacs) has been incurred ending March 2009. An amount of Rs. 561.52 lacs is proposed outlay for 2009-10 under State sector.

### ***Rehabilitation Council For Victims Of Militancy***

The J&K, Rehabilitation Council has been providing financial assistance to the militancy hit victims of J&K State since 1996. The year the J&K

Rehabilitation Council came into being, the assistance is being given by the council under following schemes:-

- i. Scholarship to School going Orphan Children.
- ii. Marriage assistance to Widows.
- iii. Pension to Old-Age/Widows.
- iv. Artificial Appliances/Aids to the handicapped persons.
- v. Scholarship for
  - a).Professional Studies.
  - b).Re-imburement of tuition fee to educational institutions.
  - c).Maintenance allowances for hostellers.
  - d).Maintenance allowance for day scholars as per the norms laid in the schemes.

During the year 2006-07, Rs. 370.33 lacs were utilized covering 6017 beneficiaries. During 2007-08 an amount of Rs. 564.31 lacs was the outlay to cover 8877 beneficiaries against which an amount of Rs. 384.87 lacs expenditure was incurred and 7000 beneficiaries were benefited. An amount of Rs. 300 lacs was approved to cover 8079 beneficiaries for the year 2008-09 which include Rs. 165.00 lacs approved grant/Share capital towards Corpus funds under State Sector, which were utilized by the end of March 2009, by covering 7018 beneficiaries. The proposed outlay for the current financial year is Rs. 300.00 lacs to cover 8632 beneficiaries.

#### ***Advisory Board For Gujjar And Bakerwal***

Gujjar Bakerwal sub plan is being implemented through State Advisory Board for the Development of Gujjars and Bakerwals for welfare and upliftment of this down trodden section of the society. The main programmes of the Board are Management of 16 G&B hostels with intake capacity of 1375 inmates which include 3 girls Hostels. Besides the Board provides Pre-Matric Scholarships to G&B Students. During the year 2006-07 an amount of Rs. 713.65 lacs has been utilized under G&B sub plan out of which Rs. 405.81 lacs stand utilized for Pre-Matric Scholarship covering 162000 students. During the year 2007-08 the total outlay was Rs. 752.00 lacs out of which Rs. 435.00 lacs were meant for Pre-Matric Scholarship to 185000 students with an expenditure of Rs. 768.33 lacs which also includes the additionality. The outlay for 2008-09 was Rs. 670.00 lacs for implementation of various schemes and providing scholarships and other benefits to 1.90 lacs students against which an expenditure of Rs. 789.98 lacs was incurred by the end of March 2009 including the anticipated expenditure against the additionalities provided by Planning and Development Deptt. The proposed outlay for the current financial year (2009-10) is Rs. 1915.15 lacs to provide scholarships to 2.00 lac students, management of 13 Boys Hostels, 3 Girls Hostels and implementation of other programmes.

#### ***Advisory Board For Pahari Speaking People***

Two boys Pahari hostels for Pahari Speaking Students one at Kupwara and another at Jammu are under construction. An amount of Rs. 88.00 lacs was utilized ending 03/07 for land compensation/construction of the above Hostels. The Board also provides scholarships to the Pahari Speaking Students and during 2006-07 Rs. 75.00 lacs were spent for grant of Pre-Matric

Scholarship to PSP students covering 30000 students. In order to cover 75000 students an outlay of Rs. 72.50 lacs was approved during the year 2007-08 against which an expenditure of Rs. 177.50 lacs was incurred by the end of March 2008 with physical progress of 76000 students. The outlay for 2008-09 was Rs. 244.40 lacs for implementation of various schemes and providing scholarships and other benefits to PSP against which an expenditure of Rs. 393.43 lacs was incurred by the end of March 2009. The proposed outlay for the current financial year is Rs. 1242.04 lacs to provide scholarships to 1.51 lac students, construction of one Boys/ one Girls Hostel and meeting other recurring/ non-recurring expenditure.

### ***Womens Development Corporation***

J&K Women Development Corporation was established in the year 1991. The main objectives of the Corporation are to provide financial assistance for the activities like Food Processing, Weaving, Spinning, Handicraft, Dairy Units, Video-graphy, Sericulture, Floriculture, Agriculture activities and other viable units. The authorized share capital of the Corporation is Rs. 5.00 crore, against which Rs. 483.53 lacs have been provided by the State Government upto ending 2007-08. Against an outlay of Rs. 800.00 lacs under Annual Plan 2007-08 an expenditure of Rs. 150.00 lacs has been incurred ending March, 2008 with an achievement of 774 beneficiaries under NMDFC, NBCFDC and NHFDC. Besides, 245 candidates were provided training under the Centrally Sponsored Schemes (Skill Development/Vocational). The plan assistance in the shape of State share to the tune of Rs. 800.00 lacs was approved under State Share for the year 2008-09 to cover 860 beneficiaries against which an expenditure of Rs. 369.19 lacs was incurred by the end of March 2009. The proposed outlay for the current financial year is Rs. 300.00 lacs to cover 1634 beneficiaries.

### ***Special Central Assistance (SCA) to Tribal Sub Plan (TSP) and Article 275(1) of the Constitution of India***

Under the scheme Special Central Assistance to Tribal Sub Plan (SCA to TSP) and Article 275 (1) of the Constitution of India, sufficient funds are earmarked as tied grants (ACA) in the Annual Plan of the State under the scheme Tribal Sub Plan (TSP) for the welfare of the ST category which are released on 100% basis by Government of India Ministry of Tribal Affairs through State Finance Department for their utilization during a particular financial year as per the prescribed guidelines of Ministry. As per the guidelines of the Scheme for effective implementation of various programmes under taken under the tribal sub-plan (TSP) funds are being provided with the State Government by extending special central assistance (SCA) as an additive to the State tribal sub-plan (TSP). The main objective and scope of SCA to TSP which was originally meant for filling up of the critical gaps in the family based income generation activities of the TSP has now been extended to cover the employment-cum-income generation and the infrastructure incidental their to not only family based but also run by the Self-Help-Groups (SHGA)/community. As per the norms laid down by Government of India 70% of the funds are to be reflected for cluster based activities and remaining 30% for scattered population. Besides out of the total allocation for particular financial year 30% of the SCA can be utilized for infrastructure development and 70% for income generating units. Under Article 275(1) of the Constitution of India the

funds are being provided by the Government of India, Ministry of Tribal Affairs for creation and up-gradation of critical infrastructure required to bring the tribal areas at par with the rest of the country.

Both the schemes are being implemented through the concerned DDCs who are nodal agencies for implementation of the schemes under the State. As soon as the ACA is earmarked under the plan by the Planning and Development Department, the DDCs are asked to formulate action plans in consultation with the respective District Advisory Boards for STs as per the tentative ceilings conveyed by the Social Welfare Department. The action plans are then consolidated at State level and submitted to the Government of India for approval/release of ACA.

During the year 2008-09 an outlay of Rs. 1317.00 lacs and Rs. 517.00 lacs was earmarked under the schemes SCA to TSP and Article 275(1) respectively by the Planning and Development Department. However the Ministry of Tribal Affairs conveyed an allocation of Rs 1352.00 lacs and Rs. 484.14 lacs respectively under these schemes for the year 2008-09 against which the 1st instalments of Rs. 676.00 lacs under SCA to TSP and Rs. 193.66 lacs under Article 275(1) were only released in favour of the State, though the requisite Utilization Certificate for the year 2007-08 and the Action Plan 2008-09 were submitted to the Ministry of Tribal Affairs as per the prescribed proforma/spreadsheet as demanded by it well in time. The tentative expenditure 2008-09 under the schemes SCA to TSP and Article 275 (1) is Rs. 434.33 lacs. Further, as per the instructions of the Ministry of Tribal Affairs, GOI the DDCs have been advised to formulate the Action Plans for the current financial year 2009-10 under both the schemes by giving 10% increase to the allocations earmarked by the Ministry for the 2008-09.

### ***Special Central Assistance (SCA) to Scheduled Caste Sub Plan (SCSP)***

The scheme of Special Central Assistance (SCA) to Scheduled Casts Sub Plan (SCSP) is linked with the GOI's strategy for the development of scheduled casts. The main objective of the scheme is to give thrust to the economic development programmes for scheduled casts with reference to their occupational pattern and secondly to increase the productivity and income from their limited resources.

### ***Criteria for utilization of funds***

- Funds should be spent in consonance with effective linkage with viability of the scheme.
- Efforts should be made to extend the benefits of educational and other developmental programmes to ensure the upper mobility of SCs.
- Focus should be on groups like land less agricultural labourers, marginal farmers, artisans, civic sanitation workers, leather workers and other organized labour.
- Infrastructural development programmes in areas having 50% or more scheduled casts population.

Since the main objective of SCA is the economic development of SC population in order to bring them above the poverty line, only 10% of the total SCA should be utilized for infrastructural development programmes in the villages having 50% or more SC Population.



Under the scheme funds are provided by the Ministry of Social Justice and Empowerment, GOI on 100% basis for the welfare of Scheduled Casts of the State. During the year 2008-09 an allocation of Rs. 230.48 lacs was conveyed/released in favour of the State out of which Rs. 200.48 lacs were released to the DDCs of Jammu Province except District Poonch for implementation of the scheme as per the prescribed guidelines. The balance of Rs. 30.00 lacs earmarked for SC/ST Development Corporation were parked with the department for non submission of UCs of the year 2007-08 from the Corporation.

**Integrated Child Development Scheme (ICDS)**

The ICDS Scheme was started in J&K State in the year 1975. Presently J&K State has 141 ICDS Projects (including one migrant project) and 25483 AWCs sanctioned by Government of India.

The funds received from the State as well as Central Government are expended under two major Heads i.e. Nutrition items and Non-nutrition items. Nutrition is funded by State Plan and Central Government in the shape of Supplementary Nutrition. The revenue component of the scheme is predominantly from the GOI. Only a small portion of Honorarium for AWWs and AWHs was earlier borne on State Plan which has now been transferred to Non plan Budget along-with resources w.e.f. 01-04-2008.

During past three years the position of funds received both from State Government as well as Central Government is as under:-

**Funds received under ICDS (Rs. in lacs)**

S. No	Years	State Share	Central Share	Total
1	2006-07	966.00	6880.984	7846.984
2	2007-08	1065.00	8001.405	9066.405
3	2008-09	-	4557.80	4557.80

**Supplementary Nutrition under ICDS (Rs. in lacs)**

S.No.	Years	State Share	Central Share	Total
1	2006-07	2275.40	996.76	3272.16
2	2007-08	3631.00	917.69	4548.69
3	2008-09	3995.00	697.98	4692.98

Under nomenclature of Non- nutrition, a number of items figure in the scheme which is essential for providing nutrition by way of cooked food to the beneficiaries. These items include Kerosene stoves, Pressure Cookers, utensils etc. Play way material for the children, medicine kits, weighing machines are also provided. The total expenditure for Non nutrition items is as under:-

**Non- nutritional Assistance under ICDS (Rs. in lacs)**

S.No.	Years	State Share	Central Share	Total
1	2006-07	0.00	323.389	323.389
2	2007-08	0.00	133.760	133.760
3	2008-09	0.00	8529.91	8529.91

Total No. of beneficiaries covered category wise during 2006-07 and 2007-08 under the Supplementary Nutrition scheme (SNP) in the State is as under:-

**No. of beneficiaries under ICDS**

Category	No. of beneficiaries		
	2006-07	2007-08	2008-09
0-3 years	237048	267543	284282
3-6 years	187720	212354	214127
Pregnant and Lactating mothers	98190	120250	120951
<b>Total</b>	<b>522958</b>	<b>600147</b>	<b>619360</b>

During the year 2008-09 against a requirement of Rs. 10838.99 lacs under ICDS (Non Nutrition), a Grant-in-aid of Rs. 4557.80 lacs only was released by the GOI though the requisite utilization certificates/ State of Expenditure was submitted quarterly in due time by the State Government.

In addition to the above the norms for ICDS (Nutrition/ Non-nutrition) have now been revised by the GOI with effect from 01-04-2009. During the current financial year 2009-10, In first instalment a Grant-in-aid of Rs. 2283.63 lacs under ICDS (Non Nutrition) and Rs. 297.96 lacs under ICDS (Supplementary Nutrition) has so far been released by Ministry of Women and Child Development, Government of India.

**ICDS (Non-Nutrition)**

The sharing pattern of the scheme has been changed by the GOI w.e.f. 01-04-2009 from 100% to 90:10%. In this connection the State Planning & development Department has already given its approval for implementation of the scheme as per the revised sharing pattern/norms and agreed to provide the State Share of the scheme as soon as the requirement for the CFY is worked by the SWD. DSWJ/K have already been asked to workout the requirement under the scheme as per the revised norms.

**Composite Regional Centre**

The prime objectives of this centre are:-

- Human resource Development by training Rehabilitation Professionals, Village level workers, Multi Rehabilitation workers and other functionaries in Government and Non Government sectors.
- Linkages with existing Medical, Educational and Employment services following the principles of Community Based Rehabilitation (CBR) and offer extension services in the Rural area.
- To provide Rehabilitation services to persons with disabilities and to undertake Designing, Fabrication and Fitment of aids and appliances.
- To serve as Resource Centre for rehabilitation and special education of persons with disabilities.
- Early detection, intervention and prevention of disabilities.
- Disability evaluation and certification
- Vocational training and employment
- Counselling, guidance and involvement of parents and family.

**Major achievements**

- A separate and independent Directorate of Tribal Affairs has been established in September 2008

- Various types of Prematric scholarships for different reserved categories of students were integrated, rationalized and enhanced w.e.f 1-1-2009.
- Per day Diet charges for inmates of various hostels being run by the Social Welfare Department like Nari Niketans, Bal Ashrams, G&B Hostels, Hostels for the Pahari Speaking Students were enhanced from Rs. 25/- per day per inmates to Rs. 50/- per day per inmate w.e.f. 1-1-2009.
- Monthly pension for the people with disabilities (physically handicapped) was enhanced from Rs. 300/- per month to Rs.400/- per month with effect from 1-1-2009
- Construction of first floor on the existing Blind Home, Roop Nagar Jammu at an estimated cost of Rs.60.00 lakhs. Approved and 1<sup>st</sup> instalment of Rs. 30.00 lacs stands released by Government of India. Construction to start soon.
- Two special buses with barrier free facilities for facilitating the travel of physically challenged persons one each for Jammu and Srinagar cities in the first instance have been sanctioned at an estimated cost of Rs. 15 lacs/bus.
- SRO 294 of 2005 regarding Jammu and Kashmir Reservation Rules stands modified vide SRO 144 of 2008 dated 28-5-2008, wherein reservation in promotion for ST/SC has been increased from 4% to 8% and 5% to 10% respectively. This has resulted in addressing the long pending demand of these communities.
- 5<sup>th</sup> Governing Council meeting of the Jammu and Kashmir Rehabilitation Council was held on 30-10-2008 under the chairmanship of His Excellency the Governor, after a period of 3 years (last meeting was held on 20-10-2005).
- One ST Hostel in the premises of Women's college MA Road Srinagar with an intake capacity of 100 inmates stands completed and handed over to Education Department.

### **Problems**

- Government of India is insisting on earmarking 11% and 8% of total State Plan ST/SC sub-plan. The Planning and Development Department should earmark 8% and 11% out of State Plan for ST/SC Sub Plan.
- The State Women Commission is without chairperson and two members for the last five years and the post of the Chairperson and the members of the Women Commission need to be filled up on priority
- There is acute shortage of field staff in the Districts and all the District Social Welfare Officers are without any transport facility which adversely affects their performance. Vehicles are required to be provided to all the 22 Districts Social Welfare Officers on priority basis.
- In the newly created 8 districts, no Tehsil level Officers have been sanctioned which need to be sanctioned on priority as the number of beneficiaries is increasing and the existing staff is grossly inadequate.
- One WWH at Bemina, Srinagar and one at Leh need to be vacated from security forces and R&B Department respectively.
- One Bal Ashram at Khanshab, Budgam has been occupied by the Education Department which needs to be transferred to SWD.

# Chapter – 17

## Power

Power or electricity is the essential source of commercial energy which is a vital component for sustained Economic Growth and a continued growth in power generation is required to ensure that the economy keeps growing at 8-9 percent. The gradual increase in demand for power means the economy is growing and is leading to modernization, industrialization and improvement in basic amenities culminating into quality life of the people.

Hydro power is recognized as environment friendly source of energy which is non polluting and economical. The State of Jammu and Kashmir is bestowed with huge hydel potential which if exploited fully will provide a strong thrust to economy of the State. However, it demands huge investment, technical expertise, administrative reforms, congenial environment, proper regulations and management, besides competitive marketing, Policy formation and private participation. The State is not rich in the non renewable sources of fossil fuels which could be used for energy generation but there are huge renewable sources of energy in the form of water resources. The optimal exploitation of the available hydel resources in the State would not only meet the State's demand but will ensure supply of power to Northern grid to boost the overall development of the Country. The Hydro Generated power is environmentally clean energy source, besides being the cheapest source of energy.

The estimated hydro power potential of the State is 20,000 Megawatts (MWs), of which 16480 MWs have been identified so far. Out of the identified potential, only 2318.70 MWs or 14 percent have been exploited so far, consisting of 758.70 MWs in State Sector from 20 power projects and 1560 MWs from three power projects under Central Sector i.e. 690 MWs (Salal Hydel Electric Project) 480 MWs (Uri-I Hydel Electric Project) and Dulhasti HEP 390 MWs. The installed capacity of 758.70 MWs from state sector projects includes 450 MWs of installed capacity of Baghlihar HEP Phase –I constructed by the State Power Dev. Corporation at a cost of Rs. 5211.61 crores. The project located on Chenab basin at Chanderkote in District Ramban has taken the State Power Dev. Corporation 9 and half years in its completion. Due to resource constraints, exploitation of this economic rejuvenator has been very slow. Besides, due to the constraints imposed by the provisions of Indus Water Treaty between India and Pakistan preventing water storage of the waters of River Jehlum, River Chenab and River Sindh, these projects have been constructed as run off river projects and as such during winter, the generation reduces to less than 1/3rd of installed capacity when the discharge in these snow fed rivers dwindles. The State is perpetually energy deficient and has to rely on power purchase from Northern Grid to meet its requirements. The purchases increase particularly in winters, when its own generation recedes and demand peaks. The base load requirement of the State is about 716 MWs and peak demand is currently pegged at about 2120 MWs. In spite of heavy odds, the State has not wavered from its resolve to ensure electrification of all its villages/hamlets.

Recognizing the urgency and need for development of Power sector, where Jammu and Kashmir Government had achieved very little growth from negligible 3 to 4 Megawatts to 502.70 MWs in the first 10 Five Year Plans (1950-2007) which included (hydel 308.70 MWs, Diesel 19.00 MWs and Gas 175.00 MWs), the State started giving importance to this sector. In this backdrop, during the 10th Five Year Plan, many initiatives were taken which included setting up of Power Development Corporation, State Electricity Regulatory Commission, Identification of Power Potential at various sites and involvement of private participation under BOT, BOOT IPP and Joint Venture, sanctioning of projects, signing of tripartite MoU among Ministry of Finance, Planning Commission and Government of Jammu and Kashmir in 2005, special support from Central Government under PM's Reconstruction Plan under State sector as well as Central sector for generation of power and modernization, up gradation and efficient transmission of the power was sanctioned.

Rupees 18912.25 crores were earmarked under the Prime Minister's Reconstruction Programme for development of power in the State. This includes an amount of Rs 14,952.41 crores in the Central sector projects for generation of power and Rs 2811.00 crores for strengthening transmission and distribution network including Rs.630.00 crores for Baglihar HEP (450 MW), Rs.119.00 crores for Access road to Sawalkote HEP and Rs.78.00 crores for Damkund – Ramban road for Sawalkote HEP.

Under Power Sector Rs. 2879.49 crores were approved as outlay for the years 2002-07, against which Rs.2873.63 crores were spent on all the projects/schemes. An amount of Rs.8190.12 crores have been earmarked for this sector under 11th Five Year Plan which is 180 percent more than that of 10th Plan outlay. The approved outlay for 2008-09 was to the tune of Rs.1096.14 crores, out of which Rs.943.58 crores have been spent during the financial year 2008-09. The proposed outlay for the year 2009-10 is of the order of Rs.1278.99 crores.

The sixteenth All India Power Survey has projected an increase in power demand of Jammu and Kashmir from 1706 MWs i.e. 9640 MUs during 2004-05 to 2120 MWs i.e. 14750 MUs during 2008-09. The demand for power has been estimated to the tune of 16441 MUs during the year 2009-10. The demand is expected to touch 4000 MWs by 2020-21.

### ***Power Sector- Strategy, Proposal, Reforms and Concerns***

Rapid Growth of the economy means heavy demand for power. Reforms in this sector, for making the power sector efficient and more competitive have been underway. While there is some progress but power shortage continues to haunt the State and is a major constraint for the development of the industry and economy. The greatest weakness is on the distribution front which is entirely the domain of the State. Aggregate Technical and Commercial (AT&C) losses of our State are about 72 percent and this has made the utilities financially sick which are not able to bear these losses. The poor technological and logistic support and mismanagement in harnessing and distribution is the main reason on this dismal performance. In this context the State is also unable to invest adequately in additional generation capacity as the State Power

Department is running in huge losses. For this reason, the State owned utilities have not succeeded in attracting private investment in the Power sector.

The Eleventh and Twelfth 5 Year Plan is targeted to ensure substantial expansion in power generation in order to move to a comfortable position. A few projects under Central Sector and State Sector have materialized. A capacity of 840 MWs has been added in the year 2007-08 & 2008-09 in generation and few more will see the light of the day in the 11th plan. Leading from 14 percent to 57 percent capacity harnessed of the identified potential, Transmission and Distribution network is being strengthened and various measures are being adopted under the reforms. Investment in transmission and distribution infrastructure and implementation of Re-structured Accelerated Power Development and Reforms Programme, using technological and managerial tools such as smart metering and High Voltage Distribution System (HVDS), tariff monitoring and revision and accountability at each distribution transformer with a goal is being worked out, besides, providing electricity access to all households. BPL households are being covered under Rajiv Gandhi Grameen Vidhyuti Karan Yojana (RGGVY) through out the State.

Establishment of new Power generation units and reducing cost of power will require action on many fronts. Some are narrated under:-

- Long term finance arrangement being made available at lower capital charge
- Boost generation so as to take maximum benefit of the available hydel potential.
- Inter State and Intra State transmission system of adequate capacity needs to be built that is capable of transferring power efficiently from one region to another
- Distribution system must be made efficient which alone can ensure financially viable expansion
- Rehabilitation of present power station to yield additional peaking capacity
- E-metering and HVDS
- Efficient use consumer awareness
- Private participation under Joint Ventures, BOT, BOOT etc.

Steps are being taken to boost generation, strengthen transmission and distribution network and regulate consumption through introduction of power sector reforms to face the situation in the years to come in this sector.

Rupees 17846.40 crores have been earmarked under the Prime Minister's Reconstruction Programme for development of power in the State. This includes an amount of Rs 14,952.41 crores in the Central sector for generation of power and Rs 2811.00 crores for strengthening transmission and distribution network/BHEP in the State sector. Under PMRP, a total of 2799 MWs of power generation capacity is planned to be added in the State/Central Sector. The Government of India is also committed to provide an amount of Rs 3900 crores to the State Government in the shape of power sector reforms grant over a period of three years. The break up of the allocations of funds under PMRP is as under:

**Table No.17.1: Allocations of funds (in Rs crore) under PMRP Power Sector**

<i>S No</i>	<i>Projects</i>	<i>Allocation</i>
<i>A) Central Sector</i>		
1	1000 Micro Hydel	10.00
2	RGVY	782.99
3	Pakaldhul	3480.00
4	Bursor	4378.00
5	Uri	1778.00
6	Kishan ganga	3316.00
7	Nimmo Bazgo	637.90
8	Chutak	652.51
<i>Total (Central Sector)</i>		15035.40
<i>B) State Sector</i>		
1	T&D =34 GS =3250 MW=28 lines project=885 Km	1350.00
2	Access Road Swalokote 18.50 Km	119.00
3	Ramban Dhumkund Road 22 Km	78.00
4	Srinagar-Leh TL	634.00
5	Baglihar HEP	630.00
<i>Total (State Sector)</i>		2811.00
<b>TOTAL (A+B)</b>		<b>17846.40</b>

The State Government has set up State Electricity Regulatory Commission. The Jammu and Kashmir Power Development Department has already filed three ARR/Tariff petitions with the SERC and SERC issued tariff orders for 2007-08, 2008-09. The tariff petitions for 2009-10 has also been submitted to SERC. In the new structure, the Generation & transmission continues to be with State's PDC and PDD respectively. In the case of distribution entity, the State Government is proposing to have discoms one each at Kashmir, Jammu region.

***Tripartite MOUs between MOF/Planning Commission and the Jammu and Kashmir Government***

Under first MOU, signed in August 2006, it was agreed that Government of India would provide an amount of Rs. 1300 crore (Central assistance) to Jammu and Kashmir Power Development Department (JKPDD) to support the reform initiatives subject to achievement of certain benchmarks which were spelt out in the MoU. The benchmarks were achieved and another MoU was signed in February, 2008. The benchmarks under this MoU were also achieved by and large except the benchmarks under revenue and metering, where there was some shortfall which was mainly due to the disturbances in the state as a result of Shri Amarnath Land Controversy and the elections of State legislature.

Despite several steps at reform over the years, the situation in the power sector is worsening because of very slow pace of progress in distribution segment. Without effective reforms in this area, the sector will not be financially viable and will be unable to achieve the required level of achievement. Though some progress has been made for setting up of State Regulatory Organisation, yet the actual improvement in distribution efficiency is low.

***The following steps need to be considered for implementation in near future***

- a) To remove uncertainty among potential investors under PPP, the precise elements of electricity Act are to be identified.
- b) Marketing procedure for electric supplies to be revived in relation to unbundling of transmission and distribution entities. The Electricity Regulatory Commission is to be made fully functional. The process of restructuring and corporatetisation of Power Development Department needs to be completed within a specified time frame to enable the restructured entities to function on commercial lines.
- c) Keeping in view the large hydro potential available in the State, limited available transmission corridors in the valley and ever increasing problems, the short term and long term measures to augment proposed capacity will not be sustainable in the long run unless Jammu and Kashmir implements reforms in transmission and distribution sector.
- d) De-subsidization of tariff, a time bound loss reduction programme and setting up of performance standard PDD machinery would be the key challenge for the Jammu and Kashmir.
- e) In laying transmission lines, it is important to develop an integrated transmission system for the State that optimizes utilization of resources and serves as long term requirement of evaporating power from on-going hydro projects.
- f) An area specific tariff policy needs to be adopted. Distribution regions/circles, based on suitable criteria need to be segregated. Energy audit needs to be carried out to assess technical and commercial losses. Metering should be made mandatory within a specified time frame to identify leakages in the system and adopt reforms to plug these leakages. Billing and collection system has to be improved in order to reduce recurrent loss.
- g) E-metering has been taken up which is required to be achieved to optimum level
- h) Restructured APDRP (R-APDRP) which the G.O.I has approved for the 11<sup>th</sup> Plan could be an effective vehicle to restore the commercial viability of the State distribution sector. Initially the focus could be on high density urban centres where investment would lead to substantial quick and demonstrable results. PDD has already invited tenders for the Consultants who could assist the department to frame DPR and executive Part-A of the scheme i.e metering, GIS mapping, SCADA, ring fencing of the areas to be taken under R-APDRP.
- i) Public Private Partnership by engaging Franchisees in the distribution. Input Based Franchisee model is under the consideration of PDD. These franchisees have been found very effective in reducing distribution losses in other states of the country. The franchisees buys power from the utility at feeder level at bulk supply tariff which is the bid price of the energy offered by the franchisee and sells to consumers at the SERC tariff. The operation and Maintenance activities in the franchisee area are also carried out by the franchisee in the franchisee area.

### ***Headways Made***

#### ***Generation***



- Baglihar Power Project, Chanderkote with a capacity of 450 MWs was commissioned during 2008-09.
- Dulhasti Power Project, Kishtwar with a capacity of 390 MWs was commissioned during 2007-08.
- Seven power projects with installed capacity of 2799 MWs assigned to NHPC for execution.
- Baglihar dispute resolved in favour of Jammu and Kashmir and project got commissioned.
- Six power projects with installed capacity of 453 MWs taken up for execution under State Sector.
- Out of 10 projects under IPP, the work on eight projects has been started.
- Modernization of seven old power houses taken in hand at a cost of Rs. 208 crore
- Special attention paid to generation of 3639 MWs of power in the State involving projects costing Rs. 15572.41 crore
- Nine major projects with annual generation capacity of 3920.50 MWs identified.
- **Rs.18912 crore earmarked for Power Sector under Prime Minister's Reconstruction Plan.** This includes Rs. 14952.41 crore in the Central sector and Rs. 2811 crore under State sector.

### ***Transmission***

- 6 No. Grid Stations at Barn, Bari Brahamna (Jammu), Tethar, Banihal , Khanmoh Gangyal with 610 MVA capacity has been commissioned under PMRP.
- 5 No. Grid Stations at Kathua, Samba, Hiranagr, Zainakote and Pampore with the addition of 310 MVA capacity augmented under PMRP.
- 2 No. Grid stations at Draba (Poonch) and Mahanpoor have been completed/commissioned under T&D State Plan with 60 MVA capacity.
- Seven projects costing Rs. 1100 crore sanctioned under Accelerated Power Development Reforms Programme (APDRP).
- 6784.11 Kms. of 66/33/11 KV lines laid under APDRP
- 66 No. Receiving Stations and 5647 distribution sub stations also completed under APDRP.
- 108.67 Km of Transmission lines targeted for completion during current financial year 2009-10.
- 20 No. Grid Stations with a total capacity of 2190 MVA under construction..
- Work on 742.48 Km Transmission lines of 220/132 KV, 132/33 KV and 132 KV level started.
- Projects worth Rs. 418 crore cleared under Rajiv Gandhi Grameen Viduytikaran Yojana (RGGVY).
- Projects of Kathua, Udhampur, Anantnag and Kupwara sanctioned under RGGVY and projects of six districts of Doda, Jammu, Rajouri, Poonch, Pulwama and Baramulla also sanctioned in principle under the scheme. Also sanction in respect of district of Srinagar, Budgam, Leh and Kargil is in pipeline.
- Implementation of projects in respect of three districts of Kathua, Udhampur and Jammu under RGGVY started.

## **A-Power Generation**

### **A- Present Position of Power Generation**

#### **1. State Sector**

During past five decades considerable work has been done in Power Sector within the limitations imposed by the resources and other constraints. The installed capacity of the State, thermal as well as Hydel, is 954.44 MWs (195.74 Thermal + 758.70 Hydel). The prestige Baglihar Hydro Electric project, with a capacity of 450 MWs was commissioned during 2008-09. During 2007-08, 879.35 MUs Hydel energy was generated of the value of Rs.81.42 crores while as in the year 2008-09, 1658.59 MUs Hydel power of the value Rs.295.47 crores was generated.

**Table No.17.2: Installed Capacity of Power Houses owned by the J&K State**

<i>S.No.</i>	<i>Name of the Power House</i>	<i>Installed Capacity (2008-09) (MWs)</i>	<i>Energy Generated (2006-07) (MUs)</i>	<i>Energy Generated (2007-08) (MUs)</i>	<i>Energy Generated (2008-09) (MUs)</i>
<b>A-</b>	<b>Thermal</b>				
1	Gas Turbine Pampore- I	75.000	0.000	-	-
2	Gas Turbine-II	100.000	0.000	-	-
3	Diesel	20.740	12.440	13.372	16.64
	<b>Total</b>	<b>195.740</b>	<b>12.440</b>	<b>13.372</b>	<b>16.64</b>
<b>B-</b>	<b>Hydel</b>				
	<b>Gross Power Generated</b>	<b>758.700</b>	<b>1002.235</b>	<b>909.690</b>	<b>1692.530</b>
	Intermediate Consumption (Baglihar + Auxiliary Consumption)		30.890	30.340	33.940
<b>C-</b>	<b>Net Hydel Power Generated</b>		<b>971.340</b>	<b>879.350</b>	<b>1658.590</b>
<b>D-</b>	<b>Total Power Generated</b>	<b>954.440</b>	<b>983.78</b>	<b>892.722</b>	<b>1675.23</b>

*Source:-PDD, (J & K)*

During 10th five year plan, no additions have been made to power generation but in the 2nd year of 11th Five year plan Baglihar- I with capacity of 450.00 MWs was added to the State Power Generation making an aggregate of 758.70 MWs hydel power available to the State, which is helping the State to overcome the power scarcity to some extent.

The diesel power houses are located in the areas of Ladakh, Gurez and Karnah which are inaccessible to the Northern Grid. The Gas Turbines are used in emergencies because of prohibitive cost of generation as compared to hydro power which is quite economical. But availability of hydro power is limited to 140 MWs in summer and around 60 MWs in winter because of depleting river discharge.

The machines of the present power houses have outlived their lives in most of the stations and require renovation and modernization. The upper Sindh Hydel Project-II with an installed capacity of 105MWs (35x3 MW) had limited summer availability to the extent of around 30 MWs only because of vibration problem. The same was attended to on top priority and this power

house is expected to come up to its optimum capacity very soon, thus helpful in reducing power shortage in the State.

The installed capacity and energy generated by the Power Houses in the State Sector is as under:-

*The Installed Capacity of Power Houses owned by the State*

<i>S. No.</i>	<i>Name of the Power House</i>	<i>Installed Capacity (2008-09) (MWs)</i>	<i>Energy Generated (2006-07) (MUs)</i>	<i>Energy Generated (2007-08) (MUs)</i>	<i>Energy Generated (2008-09) (MUs)</i>
	<b>Thermal</b>				
1	Gas Turbine Pampore- I	75.00	0.00	0.00	0.00
2	Gas Turbine-II	100.00	0.00	0.00	0.00
3	Diesel	20.74	12.44	13.372	16.64
	<b>Total</b>	<b>195.74</b>	<b>12.44</b>	<b>13.372</b>	<b>16.64</b>
	<b>Hydel</b>				
<b>A</b>	<b>Jhelum River Basin</b>				
1	LJHP*	105.00	487.888	462.457	491.872
2	USHP-I	22.60	100.44	89.36	84.86
3	USHP-II	105.00	333.29	283.31	244.34
4	Ganderbal	15.00	28.90	22.33	22.20
5	Karnah	2.00	0.00	1.30	2.633
6	Pahalgam	3.00	6.24	7.15	6.63
	<b>Sub-Total</b>	<b>252.60</b>	<b>956.758</b>	<b>865.907</b>	<b>852.535</b>
<b>B</b>	<b>Chenab River Basin</b>				
7	Baghliar	450.00	N.O	N.O	707.63
8	Chenani-I	23.30	0.00	0.00	57.10
9	Chenani-II	2.00	0.00	0.00	2.81
10	Chenani-III	7.50	11.07	6.73	11.13
11	Baderwah	1.00	1.24	0.99	0.00
	<b>Sub-Total</b>	<b>483.80</b>	<b>12.31</b>	<b>7.72</b>	<b>778.67</b>
<b>C</b>	<b>Ravi River Basin</b>				
12	Sewa-III	9.00	10.39	9.85	7.68
<b>D</b>	<b>Indus River Basin</b>				
13	Satakna	4.00	6.338	6.713	5.59
14	Sumoor	0.10	0.094	0.113	0.05
15	Bazgoo	0.30	0.44	0.444	0.55
16	Hunder	0.40	0.50	0.523	0.58
17	Iqbal Bridge	3.75	7.68	8.21	7.98
18	Haftal	1.00	0.00	0.00	0.18
19	Marpachoo	0.75	0.642	0.00	0.15
20	Igoo Marshelong	3.00	7.083	10.21	10.09
	<b>Sub- Total</b>	<b>13.30</b>	<b>22.777</b>	<b>26.213</b>	<b>25.17</b>
	<b>Gross Total (Hydel Power Generated)</b>	<b>758.70</b>	<b>1002.235</b>	<b>909.69</b>	<b>1692.530</b>
	Intermediate Consumption (Baglihar+Auxiliary Consumption)		30.89	30.34	33.940
	<b>Net (Hydro Power Generated)</b>		<b>971.34</b>	<b>879.35</b>	<b>1658.590</b>

N.O= Not Operational \* Provisional  
PDD, (J&K)

Source:-

**2) Central Sector**

In the Central sector, during the first year of 11th five year plan i.e. 2007-08, Dulhasti Power Project, Kishtwar with the capacity of 390 MWs was commissioned which increased the power generation in central sector from 1170 MWs to 1560 MWs. This will also help to stabilize the State Power situation as State has entitlement of 12 percent free power.

**Table No.17.3: Installed Capacity of Power Houses under Centre Sector**

<i>S.No.</i>	<i>Name of the Power House</i>	<i>Installed Capacity (2008-09) (MWs)</i>
<b>Hydel</b>		
1	NHPC -Salal	690.000
2	NHPC- Uri-I	480.000
3	NHPC- Dulhasti	390.000
	<b>Total</b>	<b>1560.000</b>

Source:-PDD, (J & K)

### **Entitlement from CPSUs**

Besides, the generation of power from the State owned power houses, the State is also entitled to receive the power from Centre Power Sector, as part of power generated by various power houses in the State and outside the State. This is regulated by the Ministry of Power, Government of India and the State has a firm allocation of around 1249 MWs including 12% free power from NHPC's power houses of Salal, Uri and Dulhasti, besides, a share of 1354.30 MWs (1249 MWs Firm share + 105.3 MWs Non-Firm share) from unallocated quota which varies from time to time. State as such, has total share of around 1350-1500 MWs from these stations but the effective availability depends upon the de-rating of machines, river discharge and the fuel availability.

**Table No.17.4:J&K Share in CPSUs and Joint Ventures (JVs) as on 31-03-2009**

<i>S.No.</i>	<i>Name of Power House</i>	<i>Installed Capacity (MW)</i>	<i>%age share for J&amp;K</i>	<i>Share in MWs</i>	<i>%age Share in MWs</i>	<i>Share in MWs</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>Firm</i>		<i>Non-Firm</i>	
A-	<u>NTPC</u>					
1	Anta	419	6.92	29	0.68	3
2	Auraiya	663	6.64	44	0.47	3
3	Dadri (G)	830	6.75	56	0.32	3
4	Unchahar-1	420	3.33	14	0.21	1
5	Unchahar-2	420	7.14	30	0.68	3
6	Unchahar-3	210	6.19	13	0.66	1
7	Rihand-1	1000	7.00	70	0.67	7
8	Rihand-2	1000	9.40	94	0.68	7
9	Singrouli	2000	0.00	0	0.68	14
10	Frkka	1600	1.12	18	0.43	7
11	Tlchr	1000	0.00	0	0.43	4
12	Khlgn I	840	4.56	38	0.43	4
13	Khlgn II	1000	5.73	57	1.05	11
	Sub-Total	11402	64.78	464		66
B-	<u>NHPC</u>					
3	Salal	690	34.39	237.3	0.00	0
4	Tanakpur	94	7.68	7.2	0.00	0
1	Chamera I	540	3.90	21.1	0.00	0
2	Chamera II	300	6.33	19.0	0.81	2

5	Uri	480	33.96	163.0	0.00	0
7	Dul hasti	390	21.15	82.5	0.68	3
6	Dhaulinganga	280	6.07	17.0	0.68	2
Sub-Total NHPC		2774.0	113.5	547.0	2.17	7
C-	<u>SJVNL(JV)</u>	1500	7.00	105	0.45	7
1	THDC	1000	4.80	48	0.45	5
2	Tala	1020	0.00	0	1.77	18
3	Naps	440	7.50	33	0.65	3
B-	RAPP	440	7.95	35	0.00	0
	Mejia-G	250	7.08	18	0.00	0
Total Others		4650	34.33	238.68	3.32	32
Total		18826	212.6	1249	5.49	105.3

## ***B-Generation-Projects under Execution***

### **1. State Sector Projects under execution**

The State Govt.is putting sustained efforts to exploit the power for the economic growth of the state. Under this sector Baglihar Hydro Electric Project-I with an installed capacity of 450.00 MWs has been made operational during 2008-09, while as four power projects with a capacity of 3.61 MWs will be added to the power generation potential during the year 2009-2010.

The projects under execution in the State sector are as follows:-

**Table 17.5: Power Project under execution under State Sector**

<i>S.No.</i>	<i>Name of Projects</i>	<i>Capacity (MW)</i>	<i>Expected Commissioning Date</i>
1	Pahalgam (3rd unit)	1.50	2009 – 2010
2	Matchil	0.35	2009 – 2010
3.	Sanjak	1.26	2009 – 2010
4.	Bhadarwah (3rd unit)	0.50	2009 – 2010
<b>Total</b>		<b>3.61</b>	

### **2. Central Sector Projects**

07 projects were transferred to NHPC in 2000 by virtue of a MoU signed between the Chief Minister of J&K and Union Power Minister,G.O.I for development on fast track basis. Even though these projects were ongoing in 9th plan or were to be taken up in 10th plan, they have now slipped to 11th Five Year Plan with the completion of the two major projects like Bursar and Pakaldul appearing nowhere in sight. The status of these projects is as follows:-

**Table 17.6: Project under execution under Centrally Sponsored Programme**

<i>S.No</i>	<i>Project</i>	<i>Capacity(MW)</i>	<i>Status</i>
1	Sewa-II	120	Likely to be completed in 2009-10
2	Kishenganga	330	Project cleared by CCEA
3	Bursar	1020	DPR under Preparation.
4	Pakaldul	1000	This is a Joint Venture project between NHPC & State Power Dev. Corporation. Previously this project was assigned to NHPC for execution under Central sector.
5	Nimo Bazgo	45	Likely to be completed in 2011-12
6	Chutuk	44	Likely to be completed in 2011-12

7	Uri II	240	Likely to be completed in 2010-11
	Total :-	2799	

## **C-Strategy for Development**

### **Main Projects planned during 11th & 12th Plan**

Even though Power Sector is arguably the most important sector in the State having the potential of facilitating overall development in the shape of industrialization, employment generation, sustainable economic development, yet for one reason or the other, the State has not been able to capitalize on this opportunity not being in a position to invest requisite equity in the projects that are ready for implementation. The inability to utilize the vast hydro potential as a result of such fiscal constraints is not only affording little towards achieving self sufficiency in energy but also resulting in huge economic loss. The broad contours of a strategy to deal with the situation to proceed towards harnessing this potential are now being defined with the following projects proposed to be taken up during the 11th & 12th plan for execution in the state sector:-

**Table 17.7: Main Projects planned during 11th & 12th Plan**

<i>S.No</i>	<i>Name of Project</i>	<i>Capacity (MW)</i>	<i>Status</i>
1.	Sawalkote I&II	1200	Implementation on hold due to Court Stay.
2.	Baglihar-II	450	Common Works already under execution with Stage 1st. The project is being taken up for execution during 2009-10. After completion of investigation works for feasibility of alternates site for power house are completed and TEC from CEA obtained.
3.	New Ganderbal	93	DPR framed by PDC. Project to be implemented by PDC for which SPV is being formed. Tenders for EIA studies are invited.
4	Kirthai-I	240	DPR framed by CWC. Project to be implemented by PDC for which SPV is being formed. Consultant appointed for SPV formation.
5	Kiru	600	DPR framed by NHPC. Project to be implemented in joint venture with NHPC as approved by BoD JKSPDC and govt.of J&K, MoU signed.
6	Kawar	520	DPR framed by NHPC. Project to be implemented in joint venture with NHPC and NTPC as approved by BoD JKSPDC and govt.of J&K, MoU signed.
7	Ratle	690	DPR framed by NHPC. Project to be implemented in Private Participation as approved by BoD JKSPDC and Govt.of Jammu and Kashmir. Nine bidders have qualified for issue of RFP document.
8	Pakal Dul	1000	This project has been approved to be taken in Joint Venture with NHPC alongwith Kiru and Kawar HEP's. MoU has been signed with NHPC. It is to mention that this project was previously assigned to NHPC under Central sector for execution.

The brief details of these projects are as follows:-

**i. Baglihar I & II (900 MWs)**

Located on Chenab Basin, Baglihar HEP 450 MWs (Phase-I) has been commissioned. The original estimated cost of phase-I of the project was Rs. 4000.00 crores which has been revised to Rs. 5200.00 crores duly apprised by the committee constituted by G.O.I for the purpose headed by Member (Hydro) CEA. The expenditure ending March, 2009 stood at Rs.5211.61 crores (excluding interest/financing cost of Bonds of Rs.653.34 crores. Progress is as follows:-

- a. Unit No 1 : Taken over by JKSPDC on 9-10-2008.
- b. Unit No 2 : Taken over by JKSPDC on 28-10-2008
- c. Unit No 3 : Taken over by JKSPDC on 31-3-2009

For energy sale of 50% of generation after supplying 50 % to the State, an MoU has already been signed with Power Trading Corporation to facilitate repayment of debts. Annual designed energy from this project is 2860 MUs.

The Baglihar HEP-II (450 MW) has been approved for execution by BoDs of J&KSPDC. The DPR is under preparation stage. The common works are under execution at present.

**ii. Sawalkote I & II (1200 MWs)**

1200 MWs Sawalkote HEP is a run off project proposed on Chenab basin with a designed annual energy of 5510 MUs. The estimated cost of the project is Rs 7500 crores. The implementation of the project is on hold due to court stay after the State Cabinet cancelled the contract on the ground that such award should be after international competitive bidding.

**iii. New Ganderbal (93 MWs)**

This is a multipurpose project envisaging irrigation, drinking water & power generation. This project was taken up in the year 1990 but owing to disturbed conditions in the valley was abandoned. The estimated cost of the project is about Rs. 748 crores. The BoD JKSPDC has approved implementation of this project and for faster project delivery a special Purpose Vehicle (SPV) is being formed. The Environment Impact Assessment Studies are being taken up for which MoEF, G.O.I has approved the terms of reference. Consultant is being engaged for the purpose and tenders have been invited.

**iv. Kirthai I (240 MWs)**

This project on Chenab Basin has a capacity of 240 MWs and is estimated to cost Rs 1900 crores. The DPR of this project has been prepared by CWC. Some infrastructure works have already been executed on the project. The BoD JKSPDC has approved implementation of this project and for faster project delivery a special Purpose Vehicle (SPV) is being formed. Consultant M/S IL&FS has been engaged for SPV formation after competitive bidding.

**v. Kiru (600 MWs)**

Part of the cascade of projects on chenab basin, this 600 MWs project estimated to cost Rs 2381.90 crores has a 140 meter high dam and a designed energy of 2113.59 MUs per annum. The cost of generation is Rs 1.44 per unit. The project is part of PM's 50000 MWs H.E. initiative and its DPR has been prepared by NHPC. The implementation of this project has been approved by

BoD JKSPD through a joint venture with NHPC. MOU has already been signed for the purpose.

**vi. Kawar (520 MWs)**

Part of the cascade of projects on chenab basin, this 520 MWs project estimated to cost Rs 3386.12 crores has a 109 meter high dam and a designed energy of 1847.12 MUs per annum. The cost of generation is Rs 2.41 per unit. The project is part of PM's 50000 MWs H.E. initiative and its DPR has been prepared by NHPC. The implementation of this project has been approved by BoD JKSPD through a joint venture with NTPC. MoU has already been signed for the purpose.

**vii. Pakal Dul (1000 MWs)**

This project has been approved to be taken in Joint Venture with NHPC alongwith Kiru and Kawar HEP's. MoU has been signed with NHPC. It is to mention that this project was previously assigned to NHPC under Central sector for execution.

**vii. Ratle (690 MWs)**

Part of the cascade of projects on chenab basin, this 690 MWs project estimated to cost Rs 3805.4 crores has a 133 meter high dam and a designed energy of 2658.81 MUs per annum. The cost of generation is Rs 1.88 per unit. The project is part of PM's 50000 MWs H.E. initiative and its DPR has been prepared by NHPC. The implementation of this project has been approved by BoD JKSPD through private participation. Request for Qualification was invited and 9 companies have qualified on the basis of criteria laid down. Request for Proposal (RfP) document shall be issued shortly leading to award of project.

**viii. Thermal Power**

Allocation of Base Load Power of 500 MWs to J&K from thermal plants and projected demand of 2000 MWs through long term committed power from upcoming projects through PPA & JV routes with equity participation in new thermal plants being set up outside the State is under active consideration of the Government.

A meeting was convened by Secretary (Power) on 19.09.2007 in Shram Shakti Bhavan New Delhi to discuss the issue regarding power reforms in respect of State of J&K. The meeting was attended by the representatives from Planning Commission, MoP, MN&RE, CEA, NHPC, PFC & others from the Central Government whereas J&K Government team headed by Dr. Haseeb Drabu Economic Advisor comprised of Commissioner/Secretary Finance, Managing Director JKSPDC, Commissioner/Secretary PDD, Development Commissioner (Power) and other officers of PDC & PDD. A detailed discussion mainly revolving around transfer of 390 MWs Dul Hasti HEP to J&K in the backdrop of Rangarajan Committee Report and PMO's observations took place in the meeting with each side explaining its stand on it including various other issues related to Power Reforms. Secretary (Power) advised both CEA & NTPC to explore the possibility of dedicating suitable coal based or gas based project for J&K in view of power scarcity in the State, further advising establishment of dedicated thermal power plant as an option, besides requesting NTPC and other



agencies to take up thermal power project for J&K for its requirement which peaks in the winter season.

On 19th October 2007 a meeting between Hon'ble Chief Minister of the State and the Hon'ble Union Minister of Power took place in Shram Shakti Bhavan New Delhi., Economic Advisor J&K and MD JKSPDC were also present. HCM requested the Union Power Minister among other things, for allocation of base load power to J&K from thermal Power stations to the tune of 500 MWs and overall projected demand of 2000 MWs through long term committed power from upcoming projects through PPA and JV route with the HCM specifically asking for equity to JKSPDC in new thermal power projects being set up outside the J&K State.

As follow up to the above, two more meetings, one chaired by Joint Secretary (Thermal) MoP and the other by Chairman CEA were taken in New Delhi on 13 November 2007 and 22 November 2007 respectively. In the first meeting Joint Secretary (thermal) asked both DVC & NTPC to identify a project whether ongoing or planned in which J&K Govt. would buy equity in a joint venture project with either DVC or NTPC or both. DVC & NTPC were asked to come back to the Ministry in 02 weeks after which modalities with regard to forming the J.V. could be worked out after approval of MoP. In the meeting convened by Chairman CEA on 22-11-2007, the following decisions were taken:-

- J&K and DVC could enter into long term PPA for supply of 200-250 MWs from DVC projects which are under execution, after meeting the prior commitments of DVC.
- 100-150 MWS could be allocated from NTPC future projects viz Barh-II and North Karanpura or any other proposed project and BPSA could be signed between J&K and NTPC.
- Draft of PPA/BPSA will be forwarded by DVC and NTPC to J&K. J&K will have to ensure necessary payment security mechanism for ensuring sustained supplies.
- DVC and NTPC to explore the possibility of a joint venture with J&K for setting up a thermal project outside J&K and will revert back to CEA in next 15 days. The stake of J&K could be 10 % to 40 % depending on the comfort level that DVC or NTPC could like to have.

The immediate solution to meet the gap is to have a pithead thermal plant. The State of J&K being non coal producing State is entitled to an allocation of coal block. The Government of India has been approached for the purpose of allocation of coal block. The matter is being pursued at the apex level. Although, the proposal is under consideration with Government of India, Ministry of Power for setting up a thermal power plant in J&K territory, two sites one at Kathua and the other at Udhampur have been identified. However, the vital issues like coal transport, environmental impact, impact on glaciers and per unit cost of generation in J&K territory, are yet to be resolved.

#### **ix. State Hydel Policy**

The State Government has framed a policy for power generation through Independent Power Producers (IPP). All hydropower projects having an estimated capacity of upto 25 MWs and above are eligible to be awarded

through this route. Under this policy the Government invites any non- GoJK agency including private sector entities, central power utilities, State Governments or any other Government entities and their joint ventures termed as Independent Power Producers to bid for these projects and be free to sell the electricity so generated to any consumer in or outside the State. In Phase-1st ten projects have been allotted to IPPs which are in various stages of implementation. These projects are as follows:

**Table 17.8: Micro Hydel Projects-IPP under execution.**

<i>S.No</i>	<i>Project</i>	<i>Source</i>	<i>Capacity MW</i>	<i>Est. Cost</i>	<i>Name of IPP</i>	<i>Status</i>
1	Athwattoo SHP Bandipora, Baramulla	Madumati Nallah	10.0	62.75	M/S Magpie Hydel Const. Operation Limited 301 Baba Building Residency Road Srinagar	Completed
2	Tangmarg SHP District Baramulla	Ferozpora Nallah	10.0	62.75	M/S Magpie Hydel Const. Operation Limited 301 Baba Building Residency Road Srinagar	--
3.	Aherbal SHP Shopian Pulwama	Vishow Nallah	22.5	169.26	M/S Jai Prakash Associates Pvt. Ltd. Chanderkote Ramban/New Delhi	--
4.	Mandi SHP Poonch	Mandi Nallah	12.5	96.49	M/S Magpie Hydel Const. Operation Limited 301 Baba Building Residency Road Srinagar	--
5.	Hirpora SHP Shopian Pulwama	Rambiara Nallah	12.00	82.40	M/S Construction Engineers Srinagar.	--
6.	Brenwar SHP Budgam	Doodganga nallah	5.00	32.50	M/S P&R Engineering Services Pvt. Ltd. Chandigarh.	In the advanced stage of completion
7.	Kahmil SHP Kupwara	Kehmil Nallah	4.00	26.85	M/S Rehbar Engineering Works Saharanpur (UP)	--
8.	Bonyar SHP Uri Baramulla	Hapatkhai Nallah	12.00	90.78	M/S Villayti Ram Rash Builders Sgr.	--
9.	Ranjala Dunadi SHP Thatri Doda	Upper Kalnai Nallah	15.00	90.67	M/S Chowdhary Power Projects Jammu	--
10	Drung SHP Kuthwa	Ujh Nallah	5.00	Cost being firmed up by IPP	M/S Chenab Valley leasing Jammu	--

Under Phase II, 18 more projects were tendered out for which request for qualification (RfQ) were received. These projects are however, being put to fresh bidding. As regards progress on Phase I Projects, 03 projects namely Tangmarg, Brenwar and Ranjala Dunadi are in advanced stage of execution. The Athwathoo HEP (10 MW) Project has been commissioned by the developer. Banking and Wheeling agreement with the developers is under consideration of the Government.

**x. Renovation, Modernization and Up-rating (RMU) Programme**

Some of the old power plants in the State have got de-rated over a period of time due to prolonged life for which a renovation, modernization & up-rating (RMU) programme has been envisaged. The project wise cost of this programme alongwith MNES (MN & RE) subsidy and PFC sanctioned loan is given below. The RMU works shall result in additional energy generation of 192 million units worth of Rs 58 crores annually. State Equity of Rs 42 crores is planned and lifting of loan has been tied up pave way for its implementation. RMU works have already commenced on key projects like LJHP for which supply and erection of EM works has been awarded to BHEL. Govt. Guarantee is underway to pave way for its implementation.

**Table 17.9: Cost of investment under RMU (Rs.in crores)**

<i>S.No.</i>	<i>Name of the project</i>	<i>Capacity MW</i>	<i>Total cost of RMU</i>	<i>Debt Sanctioned</i>	<i>MNES Subsidy</i>	<i>State equity</i>
1	USHP-I	22.6	25.00	14.65	10.35	
2	Chenani-I	23.3	39.14	24.30	10.61	4.23
3	Ganderbal	15.0	39.30	24.00	10.00	5.30
4	Lower Jehlum	105.0	101.30	71.00		30.30
5	Bazgo	0.300	1.32		0.74	0.58
6	Hunder	0.400	1.77		0.94	0.83
7	Sumoor	0.100	1.13		0.30	0.83
	<b>Total</b>		<b>208.96</b>	<b>133.95</b>	<b>32.94</b>	<b>42.07</b>

**xi. Prime Minister's Reconstruction Programme:**

**Baglihar HEP-I**

Rs.630.00 crores have been provided by Government of India as Central Special Assistance.

a. **External Access Road To Sawalkote Hep**

The estimated cost of this 18.5 KMs road project is Rs 119.00 crores and an expenditure of about Rs.66.60 crores has been incurred. The work is being executed by M/S L&T and the work is under progress. Rs.119.00 crores have been provided by Government of India as Special Central Assistance.

b. **Upgradation of Ramban Dhamkhund Road ( Sawalkote HEP)**

The road stretch between Ramban to Dhamkhund is maintained by BRO, which is required to be upgraded to carry heavy machinery and traffic resulting from the execution of Sawalkote Project. The work is assigned to BRO and an amount of Rs 35.00 crores has been released by Government of India so far. An amount of Rs.11.00 crores has been advanced to BRO as mobilization resource.

**D. Future Power Generation Plan**

The State Government is putting in up sustained efforts to exploit the power for the economic growth of the State. Under the State Sector, ten power projects are under execution (including Pakuldul – 1000 MWs) which is likely to be transferred from NHPC to the State Government.

**a) In State Sector**, the generation capacity of power projects in State Sector including micro power projects under consideration is 5358.56 MWs while as only 758.70 MWs is presently being harnessed and an addition of 3.61 MWs potential harnessed will be made by the end of 2009-10. 4917.26 MWs is anticipated to be harnessed by the end of the 11th five year Plan which includes 1000 MWs under Pakul Dul Project and Micro Hydel Project- Army 200 MWs and Micro Hydel Projects-IPP of 182.55 MWs also, excluding Joint Ventures and Private big firms, while the Sowalkot I & II (1200.00 MWs) is expected to spill over to 12th Five Year Plan.

**Table No. 17.10: Hydro Power Generation and likely additions (Unit= MWs)**

S. No.	Sector	By the end of 10 <sup>th</sup> FYP 2006-07	Status ending March 2008	By the end of 2009-10		By the end of 11 <sup>th</sup> Plan*		By the end of 12 <sup>th</sup> Plan*	
				Additions	Total	Additions	Total	Additions	Total
<b>Hydro Power Generation</b>									
I-	<b>Central Sector</b>	<b>1170.00</b>	<b>1560.00</b>	<b>120.00</b>	<b>1680.00</b>	<b>1719.00</b>	<b>3399.00</b>	-	<b>3399.00</b>
II-	<b>State Sector Govt.</b>	<b>308.70</b>	<b>758.70</b>	<b>3.61</b>	<b>762.31</b>	<b>4154.95</b>	<b>4917.26</b>	<b>1200.00</b>	<b>6117.26</b>
	i. State Sector	308.70	758.70	3.61	762.31	962.40	1724.71	1200.00	2924.71
	ii. Micro Hydel					200.00	200.00		200.00
III-	<b>Joint Venture &amp; IPP</b>								
	iii. Joint Venture & Pvt.					2810.00	2810.00		2810.00
	iv. IPP Projects					182.55	182.55		182.55
<b>Total Power Availability(Central+State)</b>		<b>1478.70</b>	<b>2318.70</b>	<b>123.61</b>	<b>2442.31</b>	<b>5873.95</b>	<b>8316.26</b>	<b>1200.00</b>	<b>9516.26</b>
%age of identified potential 16480 MWs		9.00	14.06		14.82		50.46		57.74

\* Anticipated

**b) In Central Sector**, seven-power projects are under execution excluding Pakuldul-1000 MW which is supposed to be transferred to State Sector. Sewa – II (120 MW) is scheduled to be completed by the end of 2009-10, while four other projects will be completed by the end of the 11th five year plan. In all, 3399 MWs will be harnessed under Central sector up to ending 11th five year plan.

**c) Joint Ventures & Private Generation**

Three power projects Kiru 600 MWs, Kawar 520 MWs and Pakal Dul 1000 MWs HEP's will be developed under the Joint ventures with NHPC and NTPC respectively, as per the decision of BoD of JKSPDC. While as power project Ratle 690 MWs will be implemented through Private Producers as per the decisions of Board of Directors, JKSPDC.

At the base year (2006-07) i.e. at the end of 10th Five Year Plan, the State was harnessing a total of 1478.70 MWs i.e. 9.00 percent of total identified Hydro Power Potential under both State and Central sectors. In the year 2007-08 & 2008-09, the State made an addition of 840.00 MWs, thereby making total generation upto 2318.70 MWs or 14.06 percent of identified potential. In the year 2009-10, the State will likely add 123.61 MWs which will make an aggregate of 2442.31 MWs or 14.82 percent of identified potential and by the

end of 11th Five Year Plan about 5873.95 MWs will be added which will accumulate total harnessed potential to 8316.26 MWs or 50.46 percent of identified potential. Out of this, 3399 MWs will be generated by Central Sector, 1724.71 MWs under State sector, 2810 Mws under Joint Venture and Private 1810 MWs and 200 MWs through Micro Hydrel-Army and 182.55 Mws through Micro Hydrel- IPP Projects, thereby amounting to total State Share of 60 percent of total potential harnessed. Sawalkote I & II will be completed in 12th five year Plan making an aggregate of 9516.26 MWs or 57.74 percent of identified potential. The projects which are under consideration in 11th and 12th five year plan have a financial commitment of Rs. 40357 crores.

**Table 17.11: Hydro Power-Energy Generation Projection**

S. No.	Generation capacity 2008-09		Likely addition 2009-10		Likely Addition by the end of 11 <sup>th</sup> & 12 <sup>th</sup> Plan		
	Name of Project	Capacity MW	Name of Project	Capacity MW	Name of Project	Capacity MW	Estimated Cost (Rs. in crores)
A-	Central Sector-NHPC						
1	Salal-I	690.00	Sewa-II	120.00	Kishenganga \$	330.00	2414.00
2	Uri-I	480.00			Uri-II \$	280.00	1725.00
3	Dulhasti	390.00			Burser \$	1020.00	4378.00
					Nimmo Bozgo\$	45.00	611.00
					Chutak \$	44.00	621.00
	Additionality during the year	Nil		120.00		1719	
	Total Capacity	1560.00		1680.00	<b>Total</b>	<b>3399.00</b>	<b>9749.00</b>
B-	State Sector Projects						
1	LJ-HP	105.00	Pahalgam-III	1.50	Sawalkote I & II **	1200.00	7500.00
2	US-HP- I	22.60	Sanjak	1.26	Bhagliyar II	450.00	2853.00
3	US-HP- II	105.00	Bhadrwah-III	0.50	Parnaie * #	37.50	343.00
4	Ganderbal	15.00	Mitchil	0.35	New Ganderbal #	93.00	688.00
5	Chenani-I	23.30			Lower Kalnaie #	50.00	376.00
6	Chenani -II	2.00			Kirthaie – I #	240.00	1900.00
7	Chenani- III	7.50			Shutkari Kalan	84.00	556.00
8	Sewa-III	9.00			Ladakh Micro Prog.	7.90	74.00
9	Satakna	4.00			<b>Total</b>	<b>2162.40</b>	<b>14290.00</b>
10	Karnah	2.00					
11	Sumoor	0.10					
12	Bazgoo	0.30			Micro Hydrel-Army	<b>200.00</b>	<b>1000.00</b>
13	Hunder	0.40					
14	Iqbal Bridge	3.75					
15	Baderwah	1.00					
16	Pahalgam	3.00					
17	Haftal	1.00			Joint Venture & Pvt. Projects		
18	Marpachoo	0.75			Kiru	600.00	2382.00
19	Igoo marshelong	3.00			Pakuldul (*) \$	1000.00	5000.00
20	Baglihar	450.00			Kawar	520.00	3386.00
					Ratle	690	3805.00
	Total	758.70		3.61	<b>Total</b>	<b>2810..00</b>	<b>14573.00</b>

					Micro Hydel – IPP (59.25 MWs+123.30 MWs) (*&)	<b>182.55</b>	<b>745.00</b>
	Total State	758.70		3.61	<b>Total (State)</b>	<b>5354.95</b>	<b>30608.00</b>
C-	Grand Total (Centre + State) ending March, 2008	2318.70		1683.61		<b>8753.95</b>	<b>40357.00</b>
	Additions during the year	450.00		123.61		7073.95	
	<b>Total Availability</b>	<b>2318.70</b>		<b>2442.31</b>		<b>9516.26</b>	
	Percentage of 16480 MWs	14.07		14.82		57.74	

Source: PDD, J&K

(\*)Pakuldul is proposed to be transferred from NHPC to State Sector

\*\* May spill over to 12<sup>th</sup> Five Year Plan

\$ Projects under Central Sector to be executed BY NHPC under P.Ms Reconstruction Plan

() Besides, one thermal project is under consideration during 11<sup>th</sup> Five Year Plan

(\*&) Projects under IPP-Discussed below. (Out of 182.55 MW identified potential 59.25 MWs have been allotted in 1<sup>st</sup> Phase allotment).

(BB) Joint Ventures between PDC, NHPC and NTPC

(#) BOT and BOOT for Pvt. Sector.

### ***International Workshop Recommendations for establishing Energy Development Institute in the State***

A 3-day International Workshop on “Energy Challenges in the J&K State” was held on 20th to 22nd May, 2009 in the University of Kashmir, Srinagar. In the meeting it was unanimously decided that a consortium named “Energy Research and Training Consortium for J&K” be formed in the State and shall have membership from University of Kashmir and University of Jammu. The consortium shall have 10 core members from the field of Geology, Environmental Science, Physics, Hydrology, Economics, Anthropology, Bio-Technology, Chemistry, Engineering etc. Energy Sector is essentially a multi disciplinary field and depending upon the available expertise, each university shall focus on particular aspects of energy sector. The consortium would have 2 coordinators one from each university, under the overall supervision of respective Vice Chancellors. The mission of consortium will be “to generate and disseminate research and independent holistic information and opinion on energy issues to enable policy and investment decisions for the sustainable development of energy sector in J&K and to contribute to the energy education and training of those working in the energy industries and the general public”.

### ***II-Power Transmission***

#### ***Present Scenario***

The Transmission and Distribution of power is looked after by Power Development Department in our State. Effective and efficient Transmission and Distribution is much more vital than the generation of power, simply because

“Power Saved is power generated” and this power saved is power for which State has already spent on generation. The need of power in the State is growing, so does the generation. In order to transfer the Power from point of generation to point of consumption effectively, the Transmission and Distribution infrastructure needs development. The infrastructure of Transmission and Distribution serving the State consists of four transformation capacity lines of different voltage levels i.e. 220/132 KV level, 132/66-33 KV level, 66-33/11 KV level and 11/0.04 KV level, besides, One low tension and one high-tension (440/220 KV).

**Table No. 17.12: Availability and Requirement of “T&D System” (MVA)**

<i>S.No.</i>	<i>Voltage level</i>	<i>Available capacity at the end of 9<sup>th</sup> Plan</i>	<i>Available capacity as on 03/09</i>	<i>Total requirement at the end of 11<sup>th</sup> Plan</i>	<i>Balance Required to be met in 11<sup>th</sup> FYP</i>	<i>Financial Requirement in 11<sup>th</sup> Five Year Plan</i>
1	2	3	4	6	7	8
1- (A)	440/220 KV	N.A	1575.00	3795.00	2220.00	N.A
1- (B)	220/132 KV level	1680.00	2090.00	4376.00	2286.00	91.08
2	132/66-33 KV Level	1907.78	2939.00	5250.00	2311.00	432.77
3	66-33/11 KV level	2011.49	3541.00	6300.00	2759.00	184.433
4	11/0.4 KV level	2624.96	4169.00	7560.00	3391.00	361.33
5	Cumulative Total	8224.23	14314.00	27281.00	12967.00	

8224.23 MVA transmission capacity was available by the end of 9th Plan from all voltage levels. Till 03/09, 6089.77 MVA were added to it, making a total available capacity 14314 MVA for Transmission and Distribution. In the 11th Five Year Plan 12967 MVA is anticipated to be added to the present level, thus making a total of 27281 MVA available for transmission activities. The present available capacity of Transmission lines is 88174 kms. The infrastructure required to meet the transmission of 1925 MWs is not adequate in the State. Hence there is an urgent need to upgrade the Transmission and Distribution infrastructure so that future needs of T&D can be fulfilled effectively. In the wake of thrust on Generation of more and more power in the State by undertaking the fresh projects, the need for such T&D network needs immediate attention.

### **Financial Involvement**

In order to bridge the gap between present infrastructure and required infrastructure for Transmission and Distribution of 1925 MWs of Power, the projects have a total financial implication of Rs.4046.35 Crores in the 11th Five Year Plan (2007–12).

**Table No. 17.13: Financial requirement for Strengthening T & D Network(Rs in Crores)**

<i>S. No</i>	<i>Voltage Level</i>	<i>Total Resources required for development of infrastructure</i>	<i>Expected source of funding (PMs Prog. APDRD, RGGVY, REC, State)</i>	<i>Financial requirement in 11<sup>th</sup> five year Plan</i>
1	2	3	4	5
1	220/132 KV	917.28	815.53	101.75
2	132-66/33 KV	1160.27	669.47	490.80
3	66 – 33 / 11 KV	1013.25	812.00	201.25

4	11 / 04 KV	955.55	597.00	358.55
	Total	4046.35	2894.00	1152.35

The department is enduring to improve its performance level in the direction of power reforms and has already initiated in the infrastructure building by adopting APDRP schemes and Prime Minister's "Reconstruction Programme". Steps are also afoot in un-bundling of the T&D functions of the PDD. The Government has for the first time, adopted a separate budget for the Power Sector and filling of the ARR/Tariff petition is in the last stage of presentation to Hon'ble Commission. Besides, Electronic metering programme is being implemented in a big way. The statistics of various parameters have already provided sufficient indicators, proving that the performance levels have been improving since launching of reform programmes. Hence, above steps initiated during the 10th Five Year Plan are continued during 11th Five Year Plan to bring back on track the derailed T&D sector of Power of the State.

### **On-going programmes in 10th FYP spilled over to 11th FYP**

To meet the gap of infrastructure at 220KV and 132 KV level, various schemes have been taken up under Prime Minister's Reconstruction Programme at a cost of Rs. 1351.00 Crore. Brief summery of Physical Targets of the Scheme are as under:-

**Table No. 17.14:T & D Schemes under Prime Minister's Reconstruction programme**

<i>S. No</i>	<i>Description</i>	<i>Unit</i>	<i>Targets (MVA)</i>
<i>1.</i>	<i>2</i>	<i>3</i>	<i>4</i>
1.	Construction 220/132 KV Grid Sub Stations	Qty/MVA	7/1810
2.	Augmentation 220/132 KV Grid Sub Stations	Qty/MVA	1/1200
3.	Construction 132/33KV Grid Sub Stations	Qty/MVA	22/1040
4.	Augmentation of 132/66-33 KV Grid Sub Stations	Qty/MVA	4/160
5.	Construction of 220KV D/C Transmission Lines	KM	367.00
6.	Construction of 132 KV D/C Transmission lines	KM	371.40
7.	Construction of 132 KV/S/C Transmission lines	KM	92.240

Simultaneous actions have been initiated for acquisition of land at suitable sites and so far, land for 11 locations has been acquired and possession taken. The infrastructure development work such as land development, fencing, construction of store sheds, approach roads, constructional electricity supply arrangement and water supply arrangement is in progress at these locations. Besides, action for procurement of material for the works proposed to be taken up departmentally has also been initiated and specification finalization with CEA, who are Consultants for the project, is in the advanced stage when- after NITs shall be finalized and issued.

To meet the gap at Sub- Transmission and Distribution level various APDRP schemes approved by CEA are under execution. The total cost of these approved schemes is Rs. 1100.13 Crores except for District Leh and Kargil. The schemes for these two districts amounting to Rs.48.73 crores has been submitted to CEA for approval which is awaited.



**Table No. 17.15: Transmission and Distribution Schemes under APDRP Scheme**

<i>S. No.</i>	<i>Description</i>	<i>Unit</i>	<i>Targets (MVA)</i>
1	Construction 66-33/11KV Sub Stations	Qty/MVA	113/928.25
2	Construction 11/0.4 KV Sub Stations	Qty/MVA	10862/1243.47
3	Augmentation 66-33/11 KV Sub Stations	Qty/MVA	76/457.6
4	Augmentation 11/0.4 KV Sub Stations	Qty/MVA	2965/315.83
5	Erection of 66/33 KV Lines	KM	1235
6	Erection of 11 KV Lines	KM	5451
7	L T Lines	KM	8100

In addition to above, the scheme also includes other system improvement works. In a direction to reduce the Aggregate Transmission and Commercial (AT & C) losses and introduce effective energy auditing, the schemes envisage installation of 10.17 lakh consumer meters.

Out of Rs. 1100.13 Crores earmarked for completion of these schemes Rs. 671.55 Crores have been spent ending January, 2009. Following are the achievements made in implementation of the schemes besides, system improvement works so far;

**Table No. 17.16: Status of T&D Schemes Completed and under Progress**

<i>S.No.</i>	<i>Description</i>	<i>Unit</i>	<i>Complete</i>	<i>Under Progress</i>
1	Construction 66-33/11KV Sub Stations	Qty	66	42
2	Construction 11/0.4 KV Sub Stations	Qty	5647	268
3	Augmentation 66-33/11 KV Sub Stations	Qty	90	6
4	Augmentation 11/0.4 KV Sub Stations	Qty	2648	65
5	Erection of 66/33 KV Lines	KM	509.70	87.40
6	Erection of 11 KV Lines	KM	2790.93	188.96
7	L T Lines	KM	3483.48	194.81

The addition of the capacity under different voltage levels spilled as well as proposed during 11th Five Year Plan is as under:

**Table No. 17.17: Spill over and New Programmes Proposed (In MVA )**

<i>S. No</i>	<i>Voltage Level</i>	<i>Spillover</i>	<i>New Programme proposed</i>	<i>Total</i>
1	220/132 KV	1810	736.00	2546.00
2	132/66-33 KV	1390	1040.00	2430.00
3	66-33/11 KV	1113	2264.51	3377.51
4	11/0.4 KV	1431	282.00	1713.00

### **Balance cost of Spill over schemes under T&D**

To improve System and Operation / Transmission & Distribution system in the State, the main schemes and programmes launched during 10th Five Year Plan viz Accelerated Power Development Reforms Programme, RGGVY and HPM's "Re-construction Plan" shall spill over to 11th Five Year Plan. The details of these programmes are given hereunder:

**Table No. 17.18: Spill over cost of T&D schemes to 11th year plan ( Rs. In crore)**

<i>S. No.</i>	<i>Name of the Programme</i>	<i>Year of start</i>	<i>Estimated Cost</i>	<i>Cumulative Expenditure 3/2007</i>	<i>Balance cost that spilled over to 11<sup>th</sup> FYP</i>	<i>Cum. Exp. 2007-08</i>	<i>Cum. Exp. 2008-09</i>
1	APDRP	2002-03	1100.13	454.52	645.61	564.17	724.31

2	Re-construction Plan	2004-05	1351.00	150.20	1200.80	284.10	496.86
TOTAL			2451.13	604.72	1846.41	848.27	1221.17

### Capacity at 400 / 220 KV Level (MVA)

(i)	At 400 / 220 KV level the requirement of infrastructure by the end of 11 <sup>th</sup> plan (2011-12)	=	3795
(ii)	Availability at present		
a.	Wagoora	=	945
b.	Kishenpora	=	630
(iii)	Gap	=	2220

### Requirement

- Providing of 4<sup>th</sup> unit of ICT at Wagoora of 315 MVA capacity along with the two feeder bays to evacuate power.
  - Providing of 3<sup>rd</sup> ICT at Kishenpur of 498 MVA capacity.
  - Creation of 400 / 220 KV, Sub-station at 630 MVA at New Wanpoh.
  - Creation 400/ 220 KV, Sub station of 630 MVA at Samba.
- Total capacity planned to be added in 11<sup>th</sup> Plan (in MVA) = 3648

PGCIL is required to develop these capacities at 400/220 KV level. Matter has already been taken up in various Standing Committee meetings. In principle, approval has been accorded to a, b c & d above.

### III- Power Distribution

#### Demand and Supply of Power

The position of Power generated, purchased, billed and sold has gradually increased during 10th Plan period and the initial years of 11th plan but the demand for the power is growing very fast. To bridge the widened gap between demand and supply, the department has enforced the power cuts. These cuts are of the order of 6 hours in summer and 10 hours in winter. Even after the cuts, the restricted demand was around 9147.217 MUs in 2008-09, which necessitated purchase banking of power during summer with other state utilities and using of the same during winter.

Table No. 17.19: Status of Hydro Power Generated, Purchased and Sold (MUs)

Year	Actual Demand	Restricted Demand	Net Power Generated (PDD+PDC)	Purchased (CPSU & Others)	Free Power	Total (G+P)	Sold Billed Energy	Percentage of Total (G+P)	Units Realised
1	2	3	4	5	6	7	8	9	10
2004-05	9640.00	7312.40	751.650	5893.85	672.50	7312.40	3856.000	52.74	2421.17
2005-06	10315.00	7916.38	870.47	6345.91	700.00	7916.38	4188.55	52.91	2635.00
2006-07	11343.00	8236.53	971.34	6509.09	746.30	8236.53	4030.84	48.94	2676.26
2007-08	14037.00	8752.76	879.35	6915.38	958.03	8752.76	3331.64	38.06	2416.20
<b>2008-09</b>	<b>14750.00</b>	<b>9147.217</b>	<b>1658.59</b>	<b>6505.99</b>	<b>982.63</b>	<b>9147.217</b>	<b>3538.73</b>	<b>38.68</b>	<b>2560.37</b>
2009-10 (E)	15511.00	10238.00	2359.80	6894.00	985.00	10238.00	4179.21	40.82	3923.02

To meet the gap, the department enters into banking arrangements with NVVN, Punjab, Haryana, Chatisgarh, Delhi and also arranges Power from Power Trading Corporation (PTC), NTPC Vidhyut Viyapar Nigam Ltd. (NVVN), besides, overdrawals from Northern Grid. Overdrawals are not an assured source of supply and restrictions are imposed depending upon the overall frequency position of the Grid. However during 2008-09 the net UI has been -314.462 MU which means net sale under UI which is expected to increase to -367MU during 2009-10.

Because of deteriorated frequency scenario in December and January every year, restrictions were imposed, which forces the Department to impose additional cuts.

### **Availability of Power**

The total availability of power from all the sources was just around 62 percent of the total requirement in 2008-09. The State is forced to purchase power from other sources besides, overdrawing from NRLDC grid. The availability of power from all sources during the years is as under:

**Table No. 17.20: Total availability of Power from all sources (in MUs)**

<i>Source</i>	<i>2005-06</i>	<i>2006-07</i>	<i>2007-08</i>	<i>2008-09</i>	<i>2009-10(E)</i>
1	2	3	4	5	6
<b>1. From own generation</b>	<b>870.47</b>	<b>971.34</b>	<b>879.35</b>	<b>1658.59</b>	<b>2359.80</b>
2. Free Power	700.00	746.30	958.03	<b>982.63</b>	985.00
<b>3. Total (1+2)</b>	<b>1570.47</b>	<b>1717.64</b>	<b>1837.38</b>	<b>2641.22</b>	<b>3344.80</b>
4. CPSU's (NTPC & NHPC)	5714.00	5462.06	5859.89	<b>5721.47</b>	6162.00
5. Other sources (SJVNL, THDC, TALA, NPCIL)	552.00	868.610	923.862	<b>972.004</b>	1099.00
6. Under U.I (un-scheduled interchanges)	79.91	163.518	33.12	<b>-314.46</b>	-367.00
7. Short term trading		0.864	52.927	<b>9.345</b>	
8. Banking		14.036	45.584	<b>117.632</b>	
<b>9. Total 4 to 8</b>	<b>6345.91</b>	<b>6509.09</b>	<b>6915.38</b>	<b>6505.99</b>	
<b>10. Grand Total (3+8)</b>	<b>7916.38</b>	<b>8236.53</b>	<b>8752.74</b>	<b>9147.217</b>	<b>10238.80</b>
<b>11. Own gen as %age of total availability</b>	<b>19.84</b>	<b>20.85</b>	<b>20.99</b>	<b>28.87</b>	<b>32.66</b>

*\*E= Estimated*

The figures clearly highlight that the total availability of power generated from own sources is insufficient (meager) and the free power also accounts for very little contribution. Both these contribute just 28.87 percent of the total restricted electricity requirement and the rest 71.13 percent is purchased from the other sources. This purchased portion still does not fulfill the complete requirements, hence there are frequent power cuts ranging from 6 to 10 hours per day. Both purchased as well as self generated power fulfill just around 62 percent of total requirement only, leaving State's power status in doldrums.

### **Entitlement from CPSUs**

Besides, the generation of power from the State owned power houses, the State is also entitled to receive the power from Centre Power Sector, as part of power generated by various power houses in the State and outside the State. This is regulated by the Ministry of Power, Government of India and the State has a firm allocation of around 1249 MWs including 12% free power from

NHPC's power houses of Salal, Uri and Dulhusti, besides a share from unallocated quota which varies from time to time. State as such, has total share of around 1350-1500 MWs from these stations but the effective availability depends upon the de-rating of machines, river discharge and the fuel availability.

#### **E. Demand for Power**

##### ***Banking arrangements and Sale under UI:***

In order to meet the restricted requirement of energy during winters when there is drastic reduction in river discharge, the state goes for banking arrangements with NVVN, Punjab, Haryana, Chattisgarh, Delhi where the power is banked during summers and received back during winters. In addition the state receives some power from the unallocated quota during peak requirement. The state sold net energy of 314.462 MU under UI during 2008-09. The net sale under UI during 2009-10 is estimated at 367 MUs.

The power scenario in the current financial year is indicated below:

##### **Un-restricted Peak Power Demand (P):**

##### **Restricted Peak Demand (P):**

a. Summer with curtailment of 6 Hrs	1288 MW
b. Winter with curtailment of 10 Hrs	1434 MW
c. Unrestricted energy requirement	15511 MU
d. Restricted Energy Requirement	10238 MU

##### **Availability:**

<b>Source</b>	<b>Summer</b>	<b>Winter</b>
a. CPSUs	700-1100 MW	450-900 MW
b. Self Generation	200-400 MW	150-300 MW
Total	900-1500 MW	600-1200 MW

There is scarcity of power both in terms of total energy availability as well as energy availability during peak hours. Against the unrestricted power demand of 1434 MW the winter availability is of the order of 900 MW, of which major component about 75% is purchased from Northern Grid.

**Table No. 17.21: Energy Acquired in 2006-07 to 2008-09 Unit :- (MUs)**

<i>S.No</i>	<i>Source</i>	<i>Energy Acquired</i>			
		<i>2006-07</i>	<i>2007-08</i>	<i>2008-09</i>	<i>2009-10(E)</i>
<i>1</i>	<i>2</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>
i.	Unrestricted energy requirement	11343.00	14037.00	<b>14750.00</b>	15511.00
ii.	<b>Energy requirement with curtailment</b>	<b>8236.53</b>	<b>8753.00</b>	<b>9147.217</b>	<b>10238.00</b>
iii.	Availability from CPSUs (incl. Free Power)	6208.36	6817.92	<b>6704.10</b>	7147.00
iv.	Other sources (SJVNL, THDC, TALA, NPCIL)	868.610	923.862	<b>972.004</b>	1099.00
v.	Under U.I (un scheduled interchanges)	163.518	33.12	<b>-314.46</b>	-367.00
vi.	Short term trading	0.864	52.927	<b>9.345</b>	
vii.	Banking	14.036	45.584	<b>117.632</b>	

viii.	Total iii to vii	7265.388	7873.407	<b>7488.621</b>	7879.00
ix.	<b>Availability from PDC and PDD</b>	<b>971.34</b>	<b>879.35</b>	<b>1658.59</b>	<b>2359.80</b>
	<b>Grand Total</b>	<b>8236.53</b>	<b>8752.74</b>	<b>9147.217</b>	<b>10238.80</b>

\*E=Estimated

### **Power scenario in 2008-09 and 2009-10**

The power scenario during 2008-09 and the expected scenario during 2009-10 is as under:

**Table No. 17.22: Projected Peak Power Demand/Availability for the year 2008-09 & 2009-10 (MWs)**

S.No.	Particular	Year 2008-09		Year 2009-10 (E)	
		Summer	Winter	Summer	Winter
I.	Unrestricted Demand	1900	2120	2000	2247
II.	Restricted Demand	1204	1340	1288	1434
III.	Power Availability				
	(i) Self Generated	150-220	150-295	<u>200-400</u>	<u>150-300</u>
	(ii) CPSUs	<u>750-1150</u>	<u>500-900</u>	<u>700-1100</u>	<u>450-900</u>
	Total (i+ii)	<u>900-1370</u>	<u>650-1195</u>	<u>900-1500</u>	<u>600-1200</u>
IV.	Deficit	-(166-304)	145-690	-(212-388)	234-834

\*Summer = 6 hours curtailment

\$Winter = 10 hours curtailment

**Table No. 17.23: Projected Energy Availability in 2008-09 & 2009-10 (MUs)**

S.No.	Source	Energy Available (2008-09)	Energy Available (2009-10) P
1.	Unrestricted energy	14750.000	15511.00
2.	Restricted Energy	9147.217	10238.00
3.	Availability for CPSUs	7488.620	7879.00
4.	Self Generation	1658.590	2359.80
	Total (3+4)	9147.217	10238.80
	Bal (Gap for restricted energy supply)	Nil	Nil

### **Energy Management Efficiency**

Management of any Sector determines the health of that sector. An inefficient management leads to chaos and acts as a great hurdle in development of that sector. Only 29 percent of the energy through power was realised in the year 2008-09 and it is expected to grow to the tune of 37.18 percent in the year 2009-10, which is one of the lowest in the country. The transmission and distribution losses are about 61 percent while as rest loss is due to collection losses making it an aggregate of 72 percent. Collection efficiency is only between 70-85 percent.

**Table No. 17.24: Efficiency of Energy Management (MUs)**

S.No.	Particulars	Energy Position					
		2006-07		2007-08		2008-09	
		Unit	%age	Unit	%age	Unit	%age
A-	Energy Requirement	11343		14037		14750	
B-	Energy Through Put	8236.53		8752.76		9147.217	
	i. Energy Purchased	7265.19	88.21	7873.40	89.95	7488.62	81.87
	ii. Generated	971.34	11.79	879.35	10.05	1658.60	18.13
	iii. Total (1+2)	8236.53		8752.76		9147.217	
C	iv. Energy Billed	4030.84		3331.64		3538.73	
	v. T&D Loss	4205.69		5421.11		5608.48	

	vi. Percentage		51.06		61.94		61.31
D	Energy Realised	2676.26		2416.20		2560.37	
	Ratio of Energy sold to energy throughput		48.94		38.06		38.69
E	AT&C Loss	5560.27		6336.56		6586.85	
	AT&C Loss(%)	67.50		72.40		72.00	
	Collection Efficiency		66.39		72.52		72.35

## **Financial Management**

### **(i) Revenue realization**

Revenue realization from the consumers on account of tariff has always been a matter of concern. Even though there has been a gradual increase in the recovery of tariff since 2002-03 as is evident from the tabulated information, yet the same has not been able to cope-up with the gap between cost of purchase of power and the revenue realized. The revenue realisation has undulated over 10th plan period. During the year 2007-08 an amount of Rs. 693.24 crore was realised as revenue as against the total target of Rs. 792.64 crore (87.45). The Revenue realization during 2008-09 was of the order of Rs 737.83 crore thereby registering an increase of Rs. 44.59 crore over the revenue realisation of previous year.

**Table No. 17.25: Revenue realization (Pure) - target and achievement (Rs. in crores)**

S.No.	Year	Target	Achievements (Pure Revenue)	Percentage achievement	Misc. Rev.	Elect. Duty	Total Rev.	Percentage
1	2	3	4	5	6	7	8	9
1	2002-03	485.70	283.37	58.34	1.06	38.77	323.20	66.54
2	2003-04	506.36	298.30	58.91	0.85	43.48	342.63	67.66
3	2004-05	588.12	344.75	58.62	1.21	52.81	398.77	67.80
4	2005-06	575.15	374.59	65.13	1.72	60.90	437.21	76.01
5	2006-07	480.98	393.41	81.79	1.85	60.22	455.48	94.69
6	2007-08	792.64	591.97	74.68	1.95	99.32	693.24	87.46
<b>7</b>	<b>2008-09</b>	<b>1105.00</b>	<b>628.00</b>	<b>56.83</b>	<b>1.85</b>	<b>108.00</b>	<b>737.83</b>	<b>66.77</b>

The poor state of revenue realization is mainly due to high power thefts/illegal uses/unregistered consumers, uncontrolled and unaccounted consumption of power, lesser load agreements, low tariff rates and poor augmentation.

### **(ii) Expenditure**

It is an evident fact that the State is deficit in production of Power. This situation continued in 2008-09 also. During 2008-09 only 28.87 percent of the power was produced within State while as rest was purchased, thus creating huge gap between revenue receipts and expenses incurred. The State Power Department's losses are very high. The deficit has increased from Rs. 1472.31 crores in 2007-08 to Rs. 1946.46 crores in the year 2008-09, showing increasing trend which has been mainly due to increase in power purchase cost from Rs. 1755.78 Crores in 2007-08 to Rs. 2274.87 Crores in 2008-09. however, there is improvement in pure revenue recovery which has increased from Rs. 591.97 Crores in 2007-08 to Rs. 628.00 Crores in 2008-09.

**Table No. 17.26: Financial and Physical Performance (Unit in Mus and Rs. in crores)**

S. No.	Financial Position	2006-07		2007-08		2008-09	
		Unit	Amount	Unit	Amount	Unit	Amount
A-	Expenditure						
a.	Purchase of Power						
1	From CPSU's & other Central Agencies (PSU+UI+RE)	7265.19	1310.50	7873.41	1673.53	7488.62	1950.00
2	Purchase from PDC	971.34	129.86	870.47	82.251	1658.59	324.187
	Total Purchases (1+2)	8236.53	1440.36	8743.88	1755.781	9147.217	2274.87
b.	Operating maintenance & other Misc. Exp. Including Dep & Est. Exp and Fuel		240.39		330.22		328.67
	<b>Total Expenses-A</b>		<b>1680.75</b>		<b>2086.001</b>		<b>2603.54</b>
3	Available for sale after T&D losses	4030.84	659.37	3331.64	848.84	3538.73	838.61
B-	Income						
a.	Revenue receipts from Elect. Sates (without E.D)	2676.26	393.41	2416.20	591.97	2998.98	628.00
b.	Other Misc. Revenue		1.85		1.95		1.85
c.	Electricity Duty		60.22		99.32		108.00
	<b>Total Income B</b>		<b>455.48</b>		<b>693.24</b>		<b>737.85</b>
C-	Operating Deficit (B-A)		(-)		(-)		-1865.69
			1225.27		1392.76		
D-	Deoreciation and Interest		79.98		79.55		80.77
	Net Operating Surplus/deficit after Int.		(-)		(-)		(-)
			1305.25		1472.31		1946.46
E-	Fixed Capital employed		1950.80		2085.89		2357.25

**Details of Expenditure**

The expenditure incurred on purchase of Power from CPSUs, PDC, and on other expenses viz-a-viz revenue recovery shows the financial health of the department. The power purchase bill has increased from Rs. 1749.53 cores in 2007-08 to Rs.2034.00 cores. in 2008-09.

**Table No.17.27: Year-wise Expenditure on purchase of Power and other expenses ( Rs. in crores)**

S.No	Year	Expd. On purchase of power from CPSUs	Expd. On UI	Expd. On RE	Total Payments made to (CPSU+UI+RE) (3+4+5)	Payments made to PDC	G.Ts	Total payments made on purchase of Power (6+7+8)	Other Payments made on (Est., O&M, Dep., Int.)	Total (9+10)
1	2	3	4	5	6	7	8	9	10	11
1	2003-04	1034.52	24.96	0.00	1059.48	20.00	35.00	1114.48	346.31 *	1460.79
2	2004-05	1051.49	219.85	0.00	1271.34	30.00	21.75	1323.09	180.11	1503.20
3	2005-06	1420.17	124.83	0.00	1545.00	36.00	25.00	1606.00	209.36	1815.36
4	2006-07	1310.50	0.00	0.00	1310.50	44.00	0.00	1354.50	240.30	1594.80
5	2007-08	1510.76	121.14	41.63	1673.53	76.00	0.00	1749.53	330.22	2079.75
<b>6</b>	<b>2008-09</b>	<b>1565.96</b>	<b>384.04</b>	<b>0.00</b>	<b>1950.00</b>	<b>84.00</b>	<b>0.00</b>	<b>2034.00</b>	<b>328.67</b>	<b>2362.67</b>

{(\*) It includes depreciaion / Int. to the extent of Rs.179.75 crores}

### **Repair, Maintenance and Up-gradation (RM & U) Projects**

Certain old power houses of the State have outlived their economic lives and have derated with the passage of time, resulting in lower efficiency and drop in energy generation and revenue thereof. The State proposes to undertake renovation, modernization and up rating of the Power Projects. Seven projects have been identified for the purpose. Cost of the RM&U projects is Rs.208.96 crores. While the debt of Rs. 134 crores and subsidy of Rs. 33 crores from MNES is expected to be raised/received, equity of Rs. 42 crores shall be required for these projects under the plan. These projects shall be completed within the 11th five year plan period only. An additional energy of 190 Million units worth Rs. 45 crores is expected to be derived by executing RM&U programme. The break-up of these projects is given below.

**Table No. 17.28: Renovation/Modernisation of Existing Projects (Rs. In crores)**

<i>S. No</i>	<i>Project</i>	<i>Capacity MW</i>	<i>Cost</i>	<i>Debt</i>	<i>MNES subsidy</i>	<i>Equity</i>
1	USHP – I	22.60	25.00	14.65	10.35	-
2	Chenani – I	23.30	39.14	24.30	10.61	4.23
3	Ganderbal	15.00	39.30	24.00	10.00	5.30
4	LJHP	105.00	101.30	71.00	-	30.30
5	Sumoor/Hunder/Bazgo	0.80	4.22	-	1.98	2.24
	<b>Total</b>	<b>166.87</b>	<b>208.96</b>	<b>133.95</b>	<b>32.94</b>	<b>42.07</b>

### **Navigation Lock Project-5056- IWT (NLP)**

The work on the Navigation Lock Project at Tulbul has been suspended since 1988-89 owing to dispute relating to Indus water Treaty. However, a token provision has been kept for the 11th five year plan to meet out capital expenditure, in case the scheme is resumed.

### **Power Losses**

Power which is supplied to various categories of consumers, passes through various stages before it finally reaches the premises of the consumers. It involves transformation to higher voltage level, wheeling on high voltage line, transformation at various stages. The entire process itself involves energy losses known as Transmission and Distribution losses. The Transmission and Distribution losses in the State are very high of the order of 72 percent which includes commercial losses as well. The main reasons for such high losses are more technical which include existing outdated system. To minimize such losses, the system needs up-gradation and improvements. Commercial losses, include unaccounted and uncontrolled consumption of power beyond agreement load, unregistered consumers, lesser agreement loads etc.

**Table No. 17.29: Year-wise details of Power T&D losses viz-a-viz Energy Generated & Purchased (Unit: MUs)**

<i>S. No.</i>	<i>Year</i>	<i>Demand</i>	<i>Total Energy Available (G+A)</i>	<i>T&amp;D losses</i>	<i>%age of T&amp;D Loss</i>	<i>Balance available for sale</i>
1	2	3	4	5	6	7
1	2005-06	10315	7916.38	3727.83	47.09	4188.55
2	2006-07	11343	8236.53	4205.69	51.06	4030.84
3	2007-08	140337	8752.76	5421.11	61.94	3331.64
<b>4</b>	<b>2008-09</b>	<b>14750</b>	<b>9147.217</b>	<b>5608.48</b>	<b>61.31</b>	<b>3538.73</b>



An analytical approach has been adopted to visualise the gap between revenue billed, amount realised viz-a-viz collection efficiency and AT&C losses. The below mentioned table illustrates, that collection efficiency by the end of 2008-09 has been 75 % and efforts will be made to increase it upto 90 % during 2009-10.

**Table No. 17.30: T&D and AT&C Losses (from 2003-04 to 2007-08)**

S. No.	Item	Year				
		2004-05	2005-06	2006-07	2007-08	2008-09
1	Energy Input (MUs)	7306.36	7916.38	8236.53	8752.76	9147.217
2	Energy Billed (MUs)	3856.00	4188.55	4030.84	3331.64	3538.73
3	T&D Losses (MUs)	3450.36	3727.83	4205.69	5421.12	5608.49
<b>4</b>	<b>%age T&amp;D Losses</b>	<b>47.22</b>	<b>47.09</b>	<b>51.06</b>	<b>61.936</b>	<b>61.31</b>
5	Amount Billed (Rs. in crores)	542.42	589.20	593.54	848.84	838.610
6	Amount Realised Pure Rev. (Rs. in crores)	344.75	374.59	393.41	591.97	628.00
7	Collection Efficiency (%age)	62.953	62.967	66.594	69.739	74.886
8	Energy realized (MUs)	2421.77	2631.00	2676.26	2416.20	2560.37
9	AT&C Losses (MUs)	4884.59	5281.34	5560.27	6336.56	6586.847
<b>10</b>	<b>%age AT&amp;C Losses</b>	<b>66.854</b>	<b>66.714</b>	<b>67.507</b>	<b>72.395</b>	<b>72.009</b>

### **Metered / Registered Connections**

The number of projected households in the State during the year 2006-07 is 1731772 based on Census 2001 projections. 1218035 consumers are registered with the PDD department ending 08-09.

**Table No. 17.31: No. of consumers registered with the Department (in Nos.)**

S. No.	Year	Cumulative Households connected	Cumulative Number of connections
1.	2005-06	1015733	1176598
2.	2006-07	1048240	1197815
3.	2007-08	1068808	1206598
<b>4.</b>	<b>2008-09</b>	<b>1107458</b>	<b>1218035</b>

To increase the revenue and meet out the deficit, all the illegal households consuming power without department's knowledge are being identified, booked and brought under the department's registration network.

**Table No. 17.32: Details of Electronic Meters Installed in the State achievement**

S. No.	Year	Jammu	Kashmir	Total
1	2004-05	14818	9234	24052
2	2005-06	17560	24569	42129
3	2006-07	66403	82803	149206
4	2007-08	115382	155568	370950
<b>5</b>	<b>2008-09</b>	<b>365789</b>	<b>207241</b>	<b>573030</b>

Installation of meters in the State was started in the year 2004-05. In the first year of installation, about 24052 meters were installed and till 2008-09 about 5.73 lakh meters have been installed. The State has a target to install to achieve 65 % metering

during 2009-10. It looks to be a herculean task in view of the previous achievements. However, a remarkable pace has been generated with regard to installation of such meters and the process is expected to be completed within next two to three years. The unaccounted and uncontrolled consumption when curtailed and curbed, will surely generate more revenue to the Department.

### **Electricity consumption by various categories**

In the year 2008-09, the Domestic Consumers consumed about 40 percent of the energy followed by Government Consumption which includes Irrigation/Agriculture, Public Water Works, State and Central which utilise about 34 % energy, while 20 percent is being consumed by Industries, about 6 percent by Commercial units,

The Per capita power consumption in the State has been 708.15 units and 719.67 units for the year 2007-08 and 2008-09 respectively.

**Table No. 17.33: Category wise Energy Consumption (Unit: Energy-MUs, Amount- Rs. in crores)**

S. No.	Consumer Category	2006-07			2007-08			2008-09		
		Energy consmp.	Amount due	Amount realised	Energy consmp.	Amount due	Amount realised	Energy consmp.	Amount due	Amount realised
1	2	8	9	10	12	13	14	12	13	14
1	Domestic	1586.43	158.64		1156.39	174.61		1390.97	201.70	
2	Commercial	213.34	43.73		176.4	45.69		236.26	49.73	
3	Industrial	806.99	108.94		785.26	168.05		705.54	169.06	
4	Govt.									
	i. Irrigation/Agr.	201.99	51.49		224.34	50.70		204.88	37.72	
	ii. Public lighting	23.77	6.06		9.44	3.28		11.02	4.36	
	iii. PHE	446.44	113.84		380.40	130.48		406.94	135.45	
	iv. State Central Depot	321.98	82.1		460.61	225.24		500.38	210.91	
	v. J&K Minerals	2.05	0.52					0.00		
	Total	996.23	254.01		3192.84	798.05		3455.99	808.93	
5	Bulk	339.86	86.66		138.80	50.80		82.72	29.67	
6	SMVD & Temp. Supply	88.08	7.49							
	<b>Grand Total</b>	<b>4030.93</b>	<b>659.47</b>	<b>393.41</b>	<b>3331.61</b>	<b>848.85</b>	<b>591.97</b>	<b>3538.71</b>	<b>838.6</b>	<b>628.00</b>
7	Average cost per Unit	1.47			2.54			2.36		
8	No. of hhs. Electrified	1048240			1068808				1107458	
9	No. of consumers at the end of the year	1197815			1206598			1218035		
10	No. of employees per 000 consumers	18.87			22.57			22.36		
11	Population of State	11970000*			12360000*			12710000*		
	<b>Per capita consumption</b>	<b>688.10</b>			<b>708.15</b>			<b>719.67</b>		

\* Population Source: [www.censusindia.gov.in](http://www.censusindia.gov.in)

### **Future Plans**

- The GoI has introduced Restructured APDRP (R-APDRP) for the 11<sup>th</sup> Plan. Under the scheme the conventional infrastructural works will be preceded by the ring fencing works of the project areas and IT works. Accordingly states will qualify for part-B works i.e conventional infrastructural works only when part-A works i.e GIS mapping of assets, SCADA, metering etc at all levels has been achieved. The department has already initiated tenders for engaging the IT consultant.
- The Department propose to convert existing bare LVDS system with HVDS and aerial bunched cables under R-APDRP schemes.
- Existing Distribution transformers which are rated 250KVA-1000 KVA will be replaced with 16KVA, 25KVA, 63KVA and 100 KVA transformers.

- Existing over head LT lines will be extended to HVDS Transformers through Aerial bunched cables.
- HVDS and ABC leave no room for the unscrupulous consumers to hook the bare lines for the theft of electricity.

### **Number of Villages/Hamlets electrified**

The number of Villages/Hamlets electrified has grown considerably in the State and has crossed the figure of twelve thousand in the year 2005-06. In the year 1950-51, only 15 villages/hamlets were electrified, which has risen to 13533 during 2006-07. A significant growth has been observed since 1980 onwards. A cumulative target of 15512 villages/hamlets has been envisaged for 2009-10.

**Table No. 17.34: Villages/Hamlets Electrified**

<i>S.No.</i>	<i>Year</i>	<i>Total</i>
1	2001-02	13814
2	2002-03	12605
3	2003-04	13158
4	2004-05	13550
5	2005-06	12159
6	2006-07	13533
7	2007-08	13998
8	2008-09	N.A

*Villages/hamlets include Harijan Bastis also and due to inclusion of Bastis/Hamlets into villages, the electrified number has decreased in the year 2005-06.*

### **Rural Electrification Programme**

Rural electrification programme in J & K has been followed up quite vigorously as in the other states of the country. The total number of villages electrified ending 31-03-2005 rose to 6268 leaving only 149 villages un-electrified. The percentage of the villages thus electrified ending 31-03-2005 is 97.68 percent. Electrification is either complete or almost in the completion stage in all districts of Kashmir region except Baramulla & Kupwara. In Jammu region it is almost complete. In Jammu, Udhampur and Kathua it is complete and nearing completion in Rajouri & Poonch districts. District Doda is slightly behind with 90.67 percent electrification only. In Leh and Kargil the pace of electrification has picked up over the years. In Leh district more than 89 percent inhabited villages have been electrified and the percentage coverage in district Kargil is over 81 percent. Under this scheme four villages were electrified in the year 2005-06, thus making an aggregate of 6272 villages electrified up to 31st March, 2006.

### **Pumps and Tube wells energized**

With the availability of power, the number of pump sets and tube wells energized have increased over the years. By the end of 2003-04 the number of tube wells and pump sets energized were 9230 which has risen to 11989 in 2008-09. The district-wise details of Pumps and Tube wells energised are as under;

**Table No. 17.35: Pump sets and Tube wells energized by districts**

S. No	District	Pump sets/Tube-wells energised					
		2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
<i>1</i>	<i>2</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>	<i>10</i>
1	Anantnag	46	46	46	46	46	46
2	Pulwama	60	60	60	60	60	60
3	Srinagar	333	333	333	333	333	333
4	Budgam	41	41	41	41	41	41
5	Baramulla	267	267	267	267	267	267
6	Kupwara	16	16	16	16	16	16
7	Leh	1	1	2	4	4	4
8	Kargil	-	1	1	-	-	-
9	Jammu	6175	5605	5605	7051	7494	8658
10	Udhampur	12	12	12	12	12	12
11	Doda	4	4	4	4	4	4
12	Kathua	2213	2213	2280	2287	2417	2455
13	Rajouri	60	81	81	81	81	81
14	Poonch	2	2	3	3	3	3
	Total	9230	8682	8751	10305	10787	11989

**Focal Points**

Since Power Sector is characterized by huge revenue losses, structural demand gaps, weak infrastructure and high T& D losses, capacity building measures need to be taken in this direction. There is a gross mismatch between load profile and hydro thermal mix available to the State which is not keeping pace with the climatic changes. Therefore, independent support system is required to be conceptualized.

There is a wide revenue gap between the aggregate cost of supply and the aggregate tariff charged to the consumers. Metering at consumer level is just about 48 percent. This highly subsidized tariff combined with poor metering is financially unsustainable and economically distortionary. Hence a holistic approach needs to be adopted for;

1. Augmenting Generation Capacity
2. Ensuring timely flow of funds for projects under execution through long term financing at cheaper rates
3. Explore avenues of investment through Private participation and Joint ventures
4. IT intervention in distribution for avoiding T&D losses.
5. Implementation of SCADA for effective feeder control.
6. Use of HVDS & ABC systems to control pilferage
7. Revision of tariff, timely realization of tariff and revenue arrears
8. Ensuring transparency and accountability in T&D Sector, besides, corporatisation of Power Development Department and public private partnership thorough franchisee in distribution.

**Financial Progress**

Against an allocation of Rs. 2879.49 crores in the 10th Five Year Plan (2002-07), 2873.62 crores stands utilized (99.80%). The allocation for the 11th Five Year Plan is to the tune of Rs. 8190.12 crores, thereby registering an increase of 184% over the previous Five Year Plan. During the year 2007-08 an

expenditure of Rs. 667.64 crores was made against an outlay of Rs. 1017.26 crores, thereby leaving about 35% outlay unspent. The expenditure for the year 2008-09 stands at Rs. 943.59 crores out of total Outlay of Rs. 1096.14 crores, thereby registering an expenditure of 86%. The Proposed Outlay for the year 2009-10 stands at Rs. 1696.10 crores. The expenditure on Power Sector during 10th and First two years of 11th Five Year Plan is roughly about 20% of the Total Plan Outlay of the State. The sector-wise details of financial progress during the 10th Five Year Plan and 2007-08 to 2008-09 is presented in the following table:

**Table No. Review of Financial Progress of Power Sector (Rs. in Crores)**

S. No	Sector	10 <sup>th</sup> Plan Outlay (2002-07)	10 <sup>th</sup> Plan Expdt. (2002-07)	11 <sup>th</sup> Plan Outlay (2007-12)	Outlay 2007-08	Expdt. 2007-08	Outlay 2008-09	Expdt. 2008-09	Outlay 2009-10 (P)
1	Power (Survey & Investigation)	35.41	27.22	6.83	2.00	2.00	3.00	3.00	3.00
2	Power Dev. (Generation)	1628.20	1582.80	5582.82	426.84	355.94	319.00	480.33	537.00
3	Power (Trans. & Distribution)	615.81	1099.30	2390.20	568.42	298.70	749.14	440.13	1116.10
4	Power (Rural Electrification)	600.00	164.29	210.27	20.00	11.00	25.00	20.12	40.00
5	Total Allocation/Expenditure to Power Sector	2879.49	2873.62 (99.80%)	8190.12	1017.26	667.64 (65.63%)	1096.14	943.59 (86.08%)	1696.10
6	Total Plan Allocation and Expenditure	14500.00	14217.17 (98.05%)	25834.00	4850.00	4403.31 (90.79%)	5512.97	4773.34 (86.58%)	8917.62
7	Percentage of Power to Total	19.86	20.21	31.70	20.97	15.16	19.88	19.77	19.02
8	Per Capita allocation								

## **D- Renewable Energy**

It is an accepted fact that the state government as well as central government in the past have taken various measures to provide electricity to the far off and remote areas by way of the construction of the small and big power projects across the state. With the ever increasing growth in population the power generation exploited through development of the power projects is not keeping pace to meet the ever increasing demand of the public residing in the rural and urban areas of the state. However, much relief have been provided to the populace of the state from the power supply of view with the recently commissioned Phase – I of Baglihar Power Project of 450 MWs. The government has always evinced keen interest to see that the power supply is provided to each and every household but the efforts put in by the government time and time again are not sufficient to cope up with the demand of the common masses

under power sector. The inaccessible and remote areas where providing the power supply is estimated to take much more time in view of the topography and terrain involved in the mountainous and border areas, Ministry of New and Renewable Energy (MNRE) government of India launched a programme in 2003-04 with the sole objective of covering the un-electrified/de-electrified villages of the state through renewable energy sources. The scheme aims at providing Solar Home Lights and Solar Lanterns etc. under Solar Photovoltaic Programme (SPV). The programme is being implemented at the state level through Jammu & Kashmir Energy Development Agency (JAKEDA) of Science & Technology Department. The following are the achievements of the department regarding implementation of the programme:-

1. During the financial year 2008-09, JAKEDA has successfully implemented the Remote Village Electrification (RVE) Programme of the Ministry of New and Renewable Energy (MNRE), GoI 2003-04 under which 50 unelectrified villages of the state (26 of erstwhile district of Doda and 24 of district of Kupwara) have been electrified by providing 8297 Solar Home Lights (SHLs) (4476 in district Kupwara and 3821 in district Kisthwar). The project was sanctioned by the MNRE, GoI at an estimated cost of Rs. 10.00 crore out of which central government provide about Rs. 8.00 crore.
2. The MNRE, GoI sanctioned the programme for providing 2900 SHLs in respect of tehsil Gurez, district Bandipora with an estimated cost of Rs. 5.50 crore. The Ministry has provided a central subsidy of about Rs. 4.50 crore for the project which envisages electrification of 27 unelectrified villages of Gurez.
3. JAKEDA has distributed about 2500 SHLs in the state under general category under the Solar photovoltaic Programme of the MNRE, GoI. These solar lights are subsidized by the MNRE, GoI and the state government to the extent for 40% and 15% respectively and the end user has to pay a beneficiary contribution of Rs. 5000 per SHLs.
4. JAKEDA has distributed 8000 Solar Lanterns (SLs) in the unelectrified villages/hamlets of the state including those in the districts of Reasi, Rajouri, Poonch, Kishtwar, Budgam, Anantnag, Baramulla and Kupwara.
5. Two Wind Monitoring Stations has been installed by the department one each at village Bidda Jyotipuram, district Reasi and village Iijara, Uri, district Baramulla. These wind monitoring stations are recording wind data which is got processed by JAKEDA through Centre for Wind Energy Technology (C-WET), Chennai and on the successful collection of the wind data for a period of one year.
6. The Agency has provided 66 Solar Street Lights in various social/religious institutions of the state with 60% central funding.
7. A database of the remote unelectrified census villages of the state consisting of 109 villages and 1463 hamlets was created by the department. The database has been submitted to the MNRE, GoI for obtaining clearance from the Rural Electrification Corporation (REC), GoI. Ending March 2009, the MNRE, GoI has cleared 205 remote census unelectrified villages/hamlets out which JAKEDA has

- prepared proposals for about 70 villages for submission to the MNRE, GoI during the current financial year.
8. The MNRE, GoI has sanctioned 13 Solar Power Plants (SPPs) for 13 health centres of the state at a cost of Rs. 332.30 lakh. The MNRE, GoI has already sanctioned 50% of its central subsidy amounting to rs 145.13 lakhs and the project is being implemented on 90: 10 :: CS : SS sharing basis.
  9. Similarly MNRE, GoI has sanctioned five wind solar hybrid systems for five health centers of the state. The programme is estimated to cost Rs 142.50 laks, out of which the MNRE, GoI has conveyed approval in principle to an amount of Rs 84.77 lakhs as central share.
  10. The MNRE, GoI has sanctioned ten (10) Akshay Urja schemes for ten districts of the state for which the Ministry is providing financial incentives (based on the turn over of the shops) directly to the shop owners. These shops are basically outlets for rendering after sale service and maintenance of renewable energy devices being promoted by the agency.
  11. The Ministry has sanctioned five Energy Parks for five educational institutions of the state in order to create awareness about the benefits of renewable energy through the student community. The ministry has sanctioned an amount of Rs 25.24 lakhs for the said parks.
  12. In addition to the above the Ministry has also sanctioned one Building Integrative Photovoltaic of 5 KW capacity and 20 Street Solar Lights (SSLs) for Gulmarg development Authority under its Urban Industrial Commercial Application (UICA) programme. The ministry has also sanctioned a quantity of 300 SSLs in favour of JAKEDA under its SPV programme 2008-09.
  13. Under the Water Mills programme of the ministry, 35 Water Mills were upgraded during the year 2008-09. In addition to this 10 Water Mills/ Micro Hydel Projects of upto 5 KW each are being set up through a local NGO in Doda district of the state.

### ***Thrust Areas***

1. The Rural Village Electrification (RVE) programme of the MNRE, GoI is a thrust area. Under this programme, the remote unelctrified villages/ hamlets which have been identified shall be provide basic lighting facility through solar lighting intervention etc. this is the ambitious programme of the GoI under which the JAKEDA is entitled to central subsidy/ grant-in-aid of upto 90%. This project is to be implemented during the 11<sup>th</sup> Plan and if successfully completed in J&K, it is expected to transform the living standards of a sizable chunk of population living in the remote and farflung areas of the state.
2. The Water Mill programme of the MNRE, GoI also finds tremendous scope in the state and local NGOs and Water Mill Cooperatives could be associated in the implementation of this programme on the lines of Utrakhand state, where reportedly the Water Mill Cooperative experiment has turned out to be huge success.

3. The Wind Energy Programme in the state is in infancy and if the trends that are being obtained from the Wind Monitoring Stations setup by the JAKEDA in collaboration with C-WET are encouraging, its tapping could also be interesting for the generation of wind energy in the state.

## Chapter - 18

### **Connectivity**

An effective communication network is essential not only for the requirement of travel and transport but also for Socio-economic development of a State and the Country. Revival of Tourism and restoration of damaged infrastructure, which had become the target during the period of disturbance in the State, is a priority of the State Government. The Central and State Government in a joint venture concerned on re-building of destroyed infrastructure and with the objective in view special schemes were launched besides giving a boost to the on going schemes of the Department.

Connectivity and overall development has strong correlations through variety of linkages. First, the development of this infrastructure, especially rural one, has far reaching implications for poverty reduction by improving income generating opportunities. Second, it raises agricultural production through diffusion of technology and corresponding reduction in prices, and thirdly the connectivity is essential ramification for tourism sector. As such, efficient transport and communication system are the lifelines of National economy. The pace of development of a country depends not only on the production of goods and services but also their movement is equally useful with competitive and non-discriminatory prices that are adequate for transport infrastructure and services. With the development of Science & Technology, the Transport & Communication has drawn the world nearer and has enriched life and added substantially to growing amenities and facilities for the comfort of life. The trade has traversed from local vicinity to National and International level which has added to the vitality of economy. A dense and efficient network of Connectivity and Communication is pre-requisite for local, National and Global trade of today.

Placed at the crown of country's geographical map, the State is dependent on a singular lifeline i.e. National Highway, through which it is connected with rest of the country. The connectivity system in the State operates at two levels i.e. connectivity to the rest of the country through just one National High way and the road connectivity with huge disparity in road density, across districts in State, with a pronounced disparity in rural roads sector. The topographical landscape of the State presents the alternates like civil aviation as costly affair. However, commissioning of Sheikh-ul-Alam International Airport at Srinagar has opened the new vistas for enhancing connectivity at International level which will inturn facilitate international tourism, promote international trade especially export which will provide a big push to the economy and generate avenues of better employment. The railways network is a recognized mode of commutation, which has started making its



presence felt. This could be realised through commissioning of Anantnag-Mazhom-Baramulla Rail link. The rail connectivity under Jammu-Udhampur section has proved to be potential linkage. However, the efforts are on in Qazigund area for establishment of rail connectivity, the outcome whereof is still evading its completion due to technical problems. This connectivity scenario has rendered the State dependent on road connectivity for common mode of commutation which provides links to remote areas, accessibility to markets, schools, hospitals, open up backward regions to trade and investment, thereby playing an important role in inter model transport development viz. Establishment of links with Airports, Railways and local means of connectivity.

Out of 9933 habitations only 2735 habitations are yet to be connected. A total length of 18808.72 kms of road is being maintained by R&B Deptt. in the State as on March, 2009. Out of this 9559.64 kms is black topped, 4832.15 kms metalled, 1315.26 kms shingled, 2999.67 kms fair-weather and 102 kms is jeepable. While assessing the requirement for providing connectivity under PMGSY/Bharat Nirman Programme announced by Government, a number of habitations have been identified. The State with the assistance of Govt. of India has concentrated on re-building the destroyed infrastructure including upgradation and improvement of road network besides providing the connectivity as per the National Programmes launched recently.

During 10th Five Year Plan against an allocation of Rs. 1599.94 crore, an expenditure of Rs. 1612.66 crore has been booked under Transport sector. During 10th Five Year Plan 1124 schemes, with 21 schemes under CRF and 298 under NABARD have been completed. In addition 63 schemes have been completed under PMGSY programme. The allocation of 11th Five Year Plan is Rs. 2660.81 crores under Transport sector. During the First Year of the 11th Five Year Plan (2007-08), against allocation of Rs. 616.41 crores, the expenditure was Rs. 885.55 crores and during the year 2008-09, approved outlay was Rs. 693.35 crores.

### ***Road Network under 10th Plan***

Visualising imbalances in road network, a retrospection viz.-a-viz future strategy in respect of development of Road Sector is of prime importance. The network is dependent on inaccessible and out reach of the areas which cannot be explored with a single agency. Therefore, area and quantum specific agencies are engaged in implementation of programmes for development of this sector. Four agencies for development of road infrastructure consisting of Public Works Deptt. of the State Govt., and other State Govt Deptt., like irrigation & Flood Control Deptt, Forest Deptt & CD& NES Deptt., besides, Super National Highways are being covered by NHAI, Central Public Works Department, Beacons, BRO and NES.

### ***Central Sector's Roads***

Super Highways/Golden Quadrilateral Highway and National Highway are maintained under Central Sector Roads.

#### ***1. Super Highways / Golden Quadrilateral***

Super Highways/ Golden Quadrilateral Highway projects are being implemented by National Highway Authority of India (NHAI) with the objective

to reduce the time and distance between the mega cities of India. Four lane road from Lakhanpur to Pantha Chowk is being developed by NHAI. The length of road is 437 Km with a cost of Rs 7172 crores, and it is likely to be completed by 2014. The major structure of this Super National Highway is as under:-

- 1 Long tunnels = 2No (8.5 Km & 9.2 Km)
2. Short tunnels = 12 no. (length 6.2 Km)
3. Major bridges = 34 no.
4. Major viducts = 24 no.

Another project under NHAI is the development of Srinagar Bye-pass i.e., from Pantha Chowk to Parimpora, covering 17.8 kms road length at a cost of Rs. 123.56 crores including Rs. 62.45 crore, as the cost to be incurred on the construction of bridges. This project will be connected with fly over at Hyderpora Srinagar.

## 2. **National Highways**

These Highways link extreme parts of the country with the State. These are primary road systems and are laid and maintained by Central Public Works Deptt.

### **State Sector**

The road network under State Sector comprises of State Highways (Intra district roads), Inter-district roads and rural roads which are being maintained by PWD, (R&B) and Rural Engineering Wing.

Border Roads Organisation, a Govt of India undertaking, constructs and maintains roads in the bordering areas of the country, which help to improve the accessibility into areas of difficult terrain and help in the economic development of these areas.

### **Road length**

The road length maintained by the State PWD was 14858 kms (12109 kms surfaced and 2749 kms unsurfaced) length during 2002-03 which rose to 18368 kms of road length. The indicator further increased to 18809 by the end of March, 2009. 9560 Kms of the road length is black topped, 4832 Kms metalled, 1315 Kms shingled, 3000 Kms fair weather and 102 Kms is Jeepable.

**Table 8.1: Year-wise Road length maintained by State PWD ( Excluding National Highways) (in Kms)**

<i>S.No</i>	<i>Year ending</i>	<i>Surfaced</i>	<i>Unsurfaced</i>	<i>Total</i>
1	2002-03	12109	2749	14858
2	2003-04	12745	2368	15113
3	2004-05	13423	2049	15472
4	2005-06	13885	1883	15768
5	2006-07	14183	1996	16179
6	2007-08	15560	2808	18368
7	2008-09	15707	3102	18809

On the indicator PWD in terms of Road length per lakh of population 2007-08, district Leh has the highest value i.e. 1067.07 Kms and Rajouri is the lowest with 73.88 Kms. Leh is followed by Kargil with 669.71 Kms and Rajouri is preceded by Bandipora with 79.70 Kms as against 150.71 Kms for the State.

On the indicator PWD road length per 100 sq. kms of area 2007-08, district Shopian and Srinagar are the first two districts where the magnitude of PWD road length is highest with 163.14 Kms and 106.76 Kms per 100 SqKm of area. Leh, Kargil and Doda including Kishtwar and Ramban have the lowest road density of 3.33 Kms, 6.84 Kms and 7.77 Kms respectively against state density of 18.12 Kms.

**Table 8.2: Type of Road length maintained by the State CPW(R&B) for the years 2005-06 to 2008-09**

S.No	Type of Road	Unit	Year 2005-06	Year 2006-07	Year 2007-08	Year 2008-09
1	2	3	4	5	6	7
1	Black Topped	Kms	8621	9062	9594	9560
2	Metalled	Kms	3926	3773	4512	4832
3	Shingled	Kms	1338	1348	1454	1315
4	Fair weather	Kms	1822	1933	2685	3000
5	Jeepable	Kms	61	63	123	102
	<b>Total</b>	<b>Kms</b>	<b>15768</b>	<b>16179</b>	<b>18368</b>	<b>18809</b>

At the end of March 2008 road length maintained by all the departments in the State was 40103 kms, of which 24017 kms is surfaced and remaining 16086 kms is unsurfaced. The road density (road length per 100 sq. kms of area) of the State thus works out to be 39.55 kms against the National Average of 104.6 kms. With this road density, J&K is among the States with lowest road density in the Country, thus hampering opening up of the economy and adversely affecting delivery of public services to the people.

Huge inter-district variations in the rural road density exist at the ground level. The rural road density, stood at 15.55 Kms when calculated for road length maintained by the PWD during March, 2006, ranged from a high of 86 kms in Budgam to a low of 3.1 km in Leh. Kargil, with a road density of less than 4.4 kms and Doda with just about 7.2 kms, need enormous investment to be brought at par with the State level.

**Table 8.3: Road length maintained by various Deptts. as on 31 March, 2006, 2007 & 2008 in J&K (Road length in Kms as on)**

S. No	Department	31 <sup>st</sup> March, 2006			31 <sup>st</sup> March, 2007			31 <sup>st</sup> March, 2008			% age of total for 2008
		Surfaced	Un-Surfaced	Total	Surfaced	Un-Surfaced	Total	Surfaced	Un-Surfaced	Total	
1	2	3	4	5	6	7	8	9	10	11	12
1	Public Works Deptts.	13885	1883	15768	14183	1996	16179	15560	2808	18368	45.80
2	Forest Deptt.	69	10551	10620	1099	10289	4388	1099	10289	11388	28.40
3	Border Roads Organization	5029	956	5985	5210	1072	6282	5327	993	6320	15.76
4	CD & NES Deptt.	1799	1556	3355	1909	1618	3527	1909	1618	3527	8.79
5	Irrigation & Flood Control	113	364	477	118	374	492	122	378	500	1.25

Total:	20895	15310	36205	22519	15349	37868	24017	16086	40103	100.00
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**Table 8.4: Road density (Kms) 31 March 2008**

S.No.	Year	Total roads	Surfaced	Road density i.e. road length per	
				100 Sq. Km of area (Km)	Per lakh of population (Km)
1.	2003-04	35450	19551 (55.15)	34.97	323.04
2.	2004-05	35703	20368 (57.05)	35.22	316.92
3.	2005-06	36205	20895 (57.71)	35.71	313.08
4	2006-07	37868	22519 (59.48)	37.35	318.96
5	2007-08	40103	24017 (59.89)	39.55	329.06
	All India*	3313569 (all categories)		104.64	297.71

Source: 1. PWD (R&B) Deptt., BRO, Forest Deptt./Irrigation & FC Deptt and CD & NES Deptt.

2. Economic survey 2005-06, GOI

3. Figures for All India are for the year 2005-06

Figures in brackets indicate %age share

### **Existing PWD Roads**

Public Works Department maintained 18809 kms of total road length in J&K State as on 31st March, 2009. PWD road length per hundred Sq. Kms of area for the State gives the value of 18.55 km. However, (PWD) road length per lakh of population gives better picture. The value for the State is 150.33 kms.

Number of vehicles per 100 km. of road length for the State stands at 3553 vehicles for roads maintained by PWD during the year 2008-09. The number of vehicles has grown upto 6.68 lakhs in 2008-09 from 3.64 lakhs in 2001-02 showing an exponential growth rate of about 8 percent per annum during the period. The road length at the end of the financial year 2008-09 maintained by PWD is 18809 kms where as the total public and private vehicular fleet of the State is 668427 vehicles. The number of registered vehicles per 100 Sq. Km of areas is 659 while as number of vehicles registered per lakh of people is 5342.

**Table 8.5: Growth in vehicular traffic**

Year	Regd. No. of vehicles	Increase (%)	Number of vehicles per		
			100 Sq Km* of area	100 Km of PWD roads	lakh of population
1989-90	110102	-	108	1001	1463
1999-00	299104	171.66	295	2209	3083
2000-01	330475	10.49	326	2419	3258
2001-02	363868	10.10	359	2564	3494
2002-03	398452	9.50	393	2682	3727
2003-04	438596	10.07	433	2902	3997
2004-05	477862	8.95	471	3089	4242
2005-06	523543	9.56	516	3320	4527
2006-07	570308	8.93	563	3232	4804
2007-08	621057	8.89	613	3301	5096

2008-09	668427	7.62	659	3553	5342
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*\*Indicates the position on area of this side of control line. Source: Transport Deptt. Jammu and Kashmir*

### **Village Connectivity**

Out of total 6417 inhabited Census Villages in the State, 4662 villages(72.65percent) were connected by all weather or fair weather roads, leaving 1755 inhabited villages (27.35 percent) yet to be connected by all weather or fair weather roads at the end of March, 2008.

The main vehicle for connecting the left out villages is the Pradhan Mantri Gram Sadak Yojana (PMGSY), launched in December 2002 with the objectives of providing connectivity to the unconnected rural habitation by providing all weather roads. Some good progress has been achieved under this Centrally Sponsored Scheme. In Phase I, II and III of the programme, 79 schemes have been completed thereby adding 160 kms of road length. During the years 2006-07 and 2007-08 Phase IV and V of the scheme have been sanctioned by the Govt. of India, which will add 1565 kms of road length in the State after an investment of Rs. 623 crore.

### **Transport Department**

Transport Department consists of three branches viz-a-viz Motor Vehicles Department, State Motor Garages Department and State Road Transport Corporation. The Department wise core objectives alongwith brief details of Plan allocation for the last financial year and current financial are given as under.

#### **Motor Vehicles Department**

Motor Vehicles Department is revenue earning department and is entrusted with the job of enforcement of Motor Vehicles Act in order to regulate transport system in the State in collaboration with department of Traffic Police. The department issues and renews driving licences, route permits, fitness certificates etc. The department is realising revenue for the State exchequer. The details of the achievements under revenue realisation for the last three years is given as under:

**Table 8.6:**

(Rs in Crores)		
<i>Year</i>	<i>Target</i>	<i>Achievements</i>
<i>1</i>	<i>2</i>	<i>3</i>
2005-06	42.67	48.44
2006-07	63.5	63.03
2007-08	69.08	71.58
2008-09	77.66	78.45

Source: Motor Vehicles Department

Total number of vehicles registered in the state as on March 2000 was 299104 which increased to 668427 vehicles as on March 2009. The dispersion of the Public & Private Transport Fleet in Jammu and Kashmir State is indicated as under:-

**Table 8.7: Public and Private Transport Fleet in J&K State**

(Unit in Nos.)

<i>S.No</i>	<i>Kind of Vehicle</i>	<i>March, 2006</i>	<i>March 2007</i>	<i>March, 2008</i>	<i>March 2009</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>
1	Buses/Mini Buses	21397	22119	23062	23917
2	Trucks	33210	35598	38285	40450
3	Taxies	13690	N.A	16847	19002
4	Pvt. Cars/Wagons	98298	112162	128414	145073
5	Motorcycle/Scooter	297656	320755	341833	363029
6	Jeeps	11058	11222	11295	4402
7	Auto Rickshaws/Tempo	25411	28614	32147	34672
8	Tractors	12818	25091	15615	16639
9	Trailors	575		605	616
10	Others	9430		12954	13627
	Total	523543	570308	621057	668427

Source: Motor Vehicles Department

The procurement of land measuring 10 kanals at Bemina, Srinagar for construction of TC/RTO complex, Kashmir is under process with Srinagar Development Authority at cost of Rs. 155.00 lacs against which an amount of Rs. 91.74 lacs have been released to SDA. The construction of RTO Office complex at Rail Head Jammu is under construction at an approved estimated cost of Rs. 119.00 lacs (Revised to Rs. 124.50 lacs). An amount of Rs. 94.50 lacs have been allocated on the project during 2008-09 and balance amount of Rs. 30.00 lacs have been proposed to be allotted during the current financial year.

### **State Road Transport Corporation**

The State Road Transport Corporation is reeling under heavy losses and comprehensive revival plan of SRTC is under active consideration of the Government. The Corporation has a fleet of 677 buses out of which 250 have crossed the prescribed age limit of 10 years and 70 buses have crossed the age limit of 15 years. There is a total number of 436 trucks out of which 158 have crossed the age limit of 10 years and 278 have crossed 15 years. The age profile is given as under.

**Table 8.8: Age Profile as on 31.10.2008**

<i>Age in Years</i>	<i>Number of Vehicles</i>
<i>1</i>	<i>2</i>
01-05	90
06-10	263
11-15	397
16-20	156
Above 20 years	217
Total	1113

The Corporation is provided financial assistance under State Plan for replacement of vehicles but due to deteriorating condition of the Corporation, the Board of Directors in its meeting held under the Chairmanship of Financial Commissioner Planning, decided to utilise the current years plan outlay of Rs. 500.00 lacs together with unspent allocation of last financial year of Rs. 500.00 lacs aggregating to Rs. 10.00 crores on liquidation of bank loans instead of replacement of vehicles.

### **Centrally Sponsored Scheme**

#### **PMGSY**

Pradhan Mantri Gram Sadak Yojana (PMGSY) is a Centrally Sponsored Scheme. It was launched in the country in December 2002 and extended to our State in the same year. The objective of the PMGSY programme is to provide connectivity by way of an all weather road to the unconnected habitations in rural areas in such a way that the habitations with 1000 and above population, could be covered in 3 years (upto 2005-06) and all unconnected habitations having population of 500 and above by the end of 10th Five Year Plan. Likewise, the norm for hilly areas and tribal areas i.e.250 persons and above were to be covered during the same period. Under this programme, there are six components. Phase I and II of the programme has been implemented by the Rural Development Department. In 2003 the implementation was entrusted to R&B Department from Phase III. Under Phase III, IV, V and VI being implemented by the state PWD, 752 schemes stand sanctioned at an estimated cost of Rs. 1959.93 crores out of which 67 schemes stand completed and a good number of schemes are at final stage of completion.

In addition to above 25 schemes at an estimated cost of Rs 184.64 crores under Upgradation Programme (Tranche-I) were approved under World Bank funding but subsequently changed to PMGSY Phase VI.

#### **Bharat Nirman**

Under Bharat Nirman launched in the country in the year 2005 Government of India has expressed a strong commitment to develop rural areas by increasing the growth potential through strengthening rural infrastructure. This programme has six components including that of rural connectivity.

As per Bharat Nirman goals, all habitations with population of more than 500 and + were to be connected by March 2009. In J&K, there are 1643 such habitations (740 habitations with 1000 plus population and 903 habitations with population 500-999). This would require construction of 989 roads with an aggregate length of 5800 Kms, costing Rs 4000 crores. Under upgradation programme of Bharat Nirman, a total road length of 2935.02 km was to be covered by end of March 2009 as per the target fixed by the Ministry of Rural Development, Government of India. The estimated cost on this account is Rs 755.74 crores.

The Phase-wise number of schemes completed, funds released by the GOI, expenditure booked etc is given as under as of March, 2009.

<i>Phase</i>	<i>No of schemes</i>	<i>Amount</i>	<i>Funds</i>	<i>Exp</i>	<i>Schemes</i>	<i>Road length</i>
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	<i>sanctioned</i>	<i>cleared by the GOI</i>	<i>released</i>	<i>booked</i>	<i>completed</i>	<i>( in Kms)</i>
I	36	21.84	20.09	21.56	36	97.10
II	66	59.78	52.44	51.49	43	105.77
III	67	91.27	91.27	52.82	24	171.42
IV	108	144.41	144.41	83.69	46	193.89
V	143	520.43	100.00	97.52	7	91.00
VI	440	1200.27	0.00	86.25	6	89.35
World Bank funded	25	184.64	0.00	0.27	0	0.00
<b>Total</b>	<b>885</b>	<b>2222.64</b>	<b>408.21</b>	<b>393.61</b>	<b>162</b>	<b>748.61</b>

**Table 8.10:**

*Year-wise expenditure booked*

S.No.	Year	Amount in crores
i	2001-02	2.63
ii	2002-03	16.45
iii	2003-04	13.33
iv	2004-05	11.91
v	2005-06	17.25
vi	2006-07	47.36
vii	2007-08	104.73
viii	2008-09	179.95
Total		<b>393.61</b>

***Prime Ministers Reconstruction Programme (PMRP)***

Prime Minister Reconstruction Programme is also under PMGSY as a special scheme. The State of Jammu and Kashmir is criss-crossed by an array of rivers and streams big and small, there are mighty nallahs and rivers. About 157 major bridges and 244 minor bridges were gutted during militancy related incidents in the valley. The Re-construction of 209 major bridges at an estimated cost of Rs. 439.932 crores was accordingly taken up by the Government.

Against an allocation of Rs. 1500.00 lacs for the year 2008-09, the expenditure incurred ending March,2009 stood at Rs. 3611.00 lakhs. 119 bridges were completed and construction of 90 bridges is under progress.

Under PMRP, the following five roads are also being developed by Border Road Organisation.

**Table No.PMRP Road Projects under BRO(Rs. Crores)**

<i>S.No.</i>	<i>Name of the Road</i>	<i>Approximate Cost</i>
<i>1</i>	<i>2</i>	<i>3</i>
1	Domail-Katra Road	35.00
2	Srinagar-Uri LOC Road	466.71
3	Batote-Katra-Anantnag Road	463.00
4	Srinagar-Leh Road	560.81
5	Nemo-Padma-Darcha Road	171.24



Out of the above mentioned roads, Srinagar-Leh 440 kms long road has been given the status of National Highway which is also being developed by Border Road Organisation. Besides, three most prestigious roads are under construction. These roads are being constructed through PWD (R&B) J&K, as given below:-

**Table No. 20: PMRP Road Projects under PWD(R&B) J&K(Rs. in Crores)**

<i>S. No.</i>	<i>Road</i>	<i>Original approved cost</i>	<i>Revised cost</i>	<i>Cumulative Expenditure ending March,09</i>	<i>Physical Work Completed ending March, 2009</i>	<i>Anticipated date of Completion</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>
1	Mugal Road	159.08	639.85	248.56	*34%	March, 2011
2	Khannabal-Pahalgam Road	25.00	110.00	101.34	90%	March, 2010
3	Narbal-Tangmarg Road	38.00	116.00	91.57	65%	December, 2009

\*=*GSB Double lane*

### ***Mughal Road***

The famous and historical Mughal Road stand sanctioned in the year 2004-05. Date of start of Mughal Road project was March 2006 which comprises of 84 kms road length, which touches the height of 11480 feet from the sea level. Till now, from Poonch side 28 km(chattapani) road has been constructed. From Shopian side 30 km road is motorable. 11 kms from Poonch side and 14 kms from Shopian side have been constructed, including 54 culverts. Thus, 26 kms of road remains to be completed.

The project is funded on 50:50 basis under State Plan and PMRP funding. The original date of completion was March, 2007 but the revised date is March, 2011. Mughal Road has been made motorable by Single Lane Fair Weather road.

Four lanning of two roads namely, “Khanbal-Pahalgam” and “Narbal-Tangmarg” leading to the famous tourist destinations like Gulmarg and Pahalgam stand sanctioned under PM’s package, the details of these projects are as under:-

### ***Khannabal-Pahalgam Road***

Approved cost of Khannabal Pahalgam road is Rs. 25.00 crore and revised cost of the project is Rs. 110.00 crores. Cumulative Expenditure incurred upto ending March 2009 amounts to Rs. 101.34 crores. Outlay for 2008-09 was Rs. 50.00 crores. 1-4 kms and 14.5-43 kms of road work has been completed.

### ***Narbal-Tangmarg Road***

For Narbal Tangmarg road original approved cost is Rs. 38.00 crore and revised cost for the project is Rs. 116.00 crore. Cumulative Expenditure ending

March 2009 is Rs. 91.57 crore. Outlay for 2008-09 was Rs. 50.00 crores. Work is in progress.

### **Central Road Fund**

“CRF” (Central Road Fund) is 100% Centrally Sponsored Schemes for which funds are being provided to the State Government out of the accruals of the cess @ Rs. 1.00 per litre on sale of petrol and diesel which was later on enhanced to Rs. 1.50 per litre in the year 2003-04. Although Central Road Fund is a Centrally Sponsored Scheme still the funds under this programme have been made part of the State Plan as the funds are being released by the Planning Commission as ACA to the State Plan.

At present the State Government submits projects to MORTH for sanction. CRF is released for completion of sanctioned projects of MORTH on production of Utilisation Certificates in three equal instalments every year.

Year-wise projects sanctioned funds released by Government of India and other details are given below:-

**Table 8.11:** (Rs.in Crores )

<i>Year</i>	<i>No. of projects</i>	<i>Cost</i>	<i>Allocation</i>	<i>Funds lifted from GOI</i>	<i>Funds yet to be lifted from GOI</i>	<i>Amount for which UC's submitted</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>
2000-01	09	28.33	30.84	10.28	20.56	10.01
2001-02	11	29.15	29.73	4.46	25.27	4.73
2002-03	5	89.90	31.05	22.70	8.35	16.94
2003-04	12	33.25	28.37	14.65	13.72	10.12
2004-05	03	30.67	27.43	20.56	6.87	28.37
2005-06	09	86.99	48.60	38.63	9.97	30.81
2006-07	02	52.35	49.04	30.84	18.20	30.84
2007-08	11	135.78	50.85	50.85	-	61.13
2008-09	18	327.79	53.92	84.62	-	54.62

### **NABARD Schemes**

NABARD is providing loan assistance to the State Government under Rural Infrastructure Development Fund (RIDF) which was introduced in our State in 1999-2000. So far 1404 projects have been sanctioned at an estimated cost of Rs. 202278.46 crores.

Project for 686 number of schemes at an estimated cost of Rs. 1385.50 cores stand submitted to the Finance Department for its sanction under NABARD. During the year 2008-09, 208 schemes at an estimated cost of Rs. 345.53 crores have been sanctioned by RIDF XIV. Against an allocation of Rs. 221.70 crores under NABARD the expenditure incurred was Rs. 273.50 crores by March,2009.

### **Roads of Economic Importance/Inter State Connectivity**

The Roads of Economic importance is shared between Centre and State on 50:50 basis. No Scheme has been sanctioned by the Government of India so far except 13.95 lacs have been provided for preparation of techno-economic feasibility report formulated by M/S RITES on the Mughal road through JKPC

Ltd. A total number of 60 schemes have been submitted to the Government of India but no project has been sanctioned so far. However during the current year Bhaderwah Chamba road is being sanctioned under the Roads of inter State Connectivity at an estimated cost of Rs. 73.73 crores which is 100% Centrally Sponsored Scheme.

### **Roads of International Importance**

Work on the 4 lanning of Srinagar – Jammu road is underway. It needs special mention here that two roads Srinagar – Muzafarabad and Poonch – Rawlakote were opened for passenger vehicles after 1947 and J&KSRTC is looking after the mobility needs of the intending passengers from Srinagar to Muzafarabad and Poonch to Rawlakote and vice versa.

### **Area of Focus for 11th Five Year Plan**

The Department has identified the following areas of focus for the Five Year Plan.

- a. Rural connectivity through Bharat Nirman.
- b. Improvement/upgradation of rural roads under NABARD.
- c. Completion of ongoing schemes/spill over schemes of 10<sup>th</sup> Five Year Plan.
- d. Limited number of new schemes to be taken up in a manner that only schemes with assured funding viz, NABARD, CRF, JNURM etc. are taken up.
- e. Expedite completion of schemes by increasing the working hours. This will include working in double shift where ever feasible.
- f. Completion of prestigious projects especially Mughal Road, Narbal-Tangmarg Road and Khanbal-Pahalgam Road being implemented under the PM's Reconstruction plan.
- g. Facilitating implementation of project taken under ADB funding by ERA and in Central sector by BRO and National Highway Authority of India.
- h. Proper maintenance of assets.

### **Proposed outlay for 10th & 11th Five Year Plan under Connectivity Sector**

Against an allocation of Rs. 1722.80 crores under Connectivity Sector (R&B, PWD (NFB) and Civil Aviation) in the 10th Five Year Plan (2002-07), 1746.38 crores stands utilized (101.36%). The allocation for the 11th Five Year Plan is to the tune of Rs. 2873.19 crores, thereby registering an increase of 67% over the previous Five Year Plan. During the year 2007-08 an expenditure of Rs. 920.43 crores was made against an outlay of Rs. 662.76 crores, thereby exceeding the outlay by 38%. The expenditure for the year 2008-09 stands at Rs. 971.01 crores out of total Outlay of Rs. 730.53 crores, thereby registering an expenditure of 132.95%. The Proposed Outlay for the year 2009-10 stands at Rs. 1462.87 crores. The expenditure on Connectivity Sector during 10th and First two years of 11th Five Year Plan is roughly about 11% of the Total Plan Outlay of the State. The sector-wise details of financial progress during the 10th Five Year Plan and 2007-08 to 2008-09 is presented in the following table:

**Table 18.12: Review of Financial Progress of Connectivity (R&B) Sector (Rs. in Crores)**

S. No	Sector	10 <sup>th</sup> Plan Outlay (2002-	10 <sup>th</sup> Plan Expdt. (2002-	11 <sup>th</sup> Plan Outlay (2007-	Outlay, 2007- 08	Expdt. 2007-08	Outlay, 2008- 09	Expdt. 2008-09	Outlay 2009- 10

		07)	07)	12)					(P)
<b>A-</b>	<b>Road Transport</b>								
1	Design Directorate	8.88	5.40	0.92	0.35	0.35	0.38	0.27	0.79
2	R&B, Jammu	730.93	658.97	1229.25	190.55	300.97	167.81	259.55	180.72
3	R&B, Kashmir	751.03	782.88	1229.25	190.55	234.05	167.81	285.04	180.78
4	Mech. Engineering, Jammu	9.80	15.93	20.49	3.95	3.75	4.15	4.15	4.67
5	Mech. Engineering, Kashmir	8.30	19.17	20.49	4.95	4.95	10.00	14.67	16.46
6	Spl. Programme Bridges Re-construction	91.00	99.91	73.75	12.00	48.41	15.00	36.11	16.50
7	PMRP Roads			0.00	95.90	98.12	202.15	185.86	494.97
8	PMGSY Roads			0.00	80.00	153.34	103.35	103.35	472.33
	<b>Sub-Total (A)</b>	<b>1599.94</b>	<b>1582.26</b>	<b>2574.15</b>	<b>578.25</b>	<b>843.94</b>	<b>670.65</b>	<b>889.00</b>	<b>1367.22</b>
<b>B-</b>	<b>General Service (Transport)</b>								
9	PWD (NFB), Jammu	45.00	53.76	136.58	21.41	9.13	15.00	30.61	40.00
10	PWD (NFB), Kashmir	60.00	78.70	136.58	32.59	36.89	30.00	50.40	50.00
	<b>Sub-Total (B)</b>	<b>105.00</b>	<b>132.46</b>	<b>273.16</b>	<b>54.60</b>	<b>46.02</b>	<b>45.00</b>	<b>81.01</b>	<b>90.00</b>
	<b>R&amp;B Sector (A+B)</b>	<b>1704.94</b>	<b>1714.72</b>	<b>2847.32</b>	<b>632.25</b>	<b>889.96</b>	<b>715.65</b>	<b>970.01</b>	<b>1457.22</b>
<b>C-</b>	<b>Civil Aviation</b>	<b>6.25</b>	<b>24.70</b>	<b>25.88</b>	<b>30.51</b>	<b>30.47</b>	<b>14.70</b>	<b>1.00</b>	<b>5.65</b>
<b>D-</b>	<b>Inland Water Transport</b>	<b>11.61</b>	<b>6.96</b>						
11	Grand. Total (A+B+C+D) Allocation/Expenditure to Connectivity Sector	<b>1722.80</b>	<b>1746.38</b>	<b>2873.19</b>	<b>662.76</b>	<b>920.43</b>	<b>730.35</b>	<b>971.01</b>	<b>1462.87</b>
12	Total Plan Allocation and Expenditure	14500.00	14217.17 (98.05%)	25834.00	4850.00	4403.31 (90.79%)	5512.97	4773.34 (86.58%)	8917.62
13	Percentage of Connectivity to Total	11.88	12.28	11.12	13.67	20.91	13.25	20.34	16.41
14	Per Capita allocation	1451.14	1471.00	2420.14	558.25	775.29	615.18	817.89	1232.00

### **Railways**

Railways is the principal mode of transportation in the country. Railways bind the economic life of the country as well as accelerate the industrial and agricultural development of the Nation. Well laid rail network is definitely the sign of industrial growth. A well advanced rail network makes the supply of raw material, labour and other requirements like marketing of the products possible and smooth. One of the reasons of J&K's lagging behind is the slow pace of development in this sector as well. Railways have not developed much in any hilly State as compared with other States because of the difficult terrain. Our State Government has recognised the crucial role of railways in the process of economic development and in response to that the Govt. of India has extended full cooperation in all respects by providing technical and financial support for developing railways links in the State at a very fast speed now.

Jammu is the Rail-Head for the State J&K. For spreading the railway network in the State various projects have been undertaken. Out of these projects, one Jammu-Udhampur railway project which was sanctioned in March 1981 has been completed and commissioned for traffic in April 2004 by the Hon'ble Prime Minister Manmohan Singh.

The other new very important railway project is that of Udhampur-Srinagar-Baramulla. This project has been approved in March, 1995. Taking into consideration its importance, this project has not been financed out of the railway budget. This special project has been declared as National Project and funds for this project have been generated out of National Budget, i.e. from Planning Commission of India. Further, this Udhampur-Srinagar-Baramulla Project has been sub-divided into three sections for its completion a) Udhampur-Katra Section b) Katra-Qazigund Section c) Qazigund-Baramulla Section. The latest physical status of the Udhampur-Srinagar-Baramulla project is as under:

Prime Minister Manmohan Singh on October 11, 2008 inaugurated the Qazigund-Baramulla Section of the Railway Project envisaged to connect Kashmir Valley with rest of the country. With the inauguration of Qazigund-Baramulla section a long cherished dream of the people of the valley has been realised. It is worthwhile to mention that the 53 km first section of the rail project between Jammu & Udhampur was completed in 2005 at a cost of Rs. 552.00 crore. The second section of the project between Udhampur to Baramulla comprises of 25 kms Udhampur-Katra rail link, 148 kms Katra-Qazigund link and 119 kms Qazigund-Baramulla sectors. The Udhampur-Katra- Qazigund section offers a lot of difficulties and engineering challenges. The Udhampur-Katra section involves about 10.98 kms of tunnelling, nine major and nine minor bridges and 10 ROB and an approximate cost of about Rs. 680 crore. The tallest bridge in this section will be 90 meters high and the longest tunnel 3.15 long. The Katra- Qazigund 148 kms long leg is the toughest section, which will be full of tunnels and bridges. On this section, a bridge is being constructed across river Chenab which will have an arch span of 465 meters and a total length of 1.3 kms. The bridge will be about 359 meters above the bed level of the river and the highest in the world. The Qazigund end of this stretch will have 10.96 kms longest tunnel piercing the Pir Panchal range below the snow line. The total cost on the project has been estimated at Rs. 11270 crore, of which Qazigund-Baramulla section involves Rs. 2275 crore. The expenditure registered on the project is of the order of Rs. 4980 crore, of which Rs. 2501 crore have been spend on Qazigund-Baramulla section.

33 km Railway section of Rajvansher-Baramulla renamed as 'Mazhama-Baramulla' has been inaugurated on Feb., 14th, 2009 for normal train traffic as against the previous service which was available for Anantnag-Rajvansher section inaugurated on 11th October 2008. Sadoora- Qazigund stretch has already been completed by the end of May, 2009. The rail link from Anantnag to Qazigund shall be completed by August 2009 and similarly the link between Qazigund and Banihal is expected to be completed by 2011-12. The work on the project is under execution and presently going on in full swing. UPA chairperson Smt Sonia Gandhi has inaugurated on Feb., 14th, 2009 33Km Railway sections of Rajvansher-Baramulla thereby making the railway traffic possible from Anantnag to Baramulla.

Udhampur-Qazigund and Qazigund-Baramulla project is being given top priority by the Govt. of India as this will prove boon to the tourist industry in the valley. This would generate the scope for more job opportunities and will have great impact on the business and other income generating opportunities to the local population. Trade and Commerce will be positively affected.

The Government of India, Ministry of Railways have agreed to provide a special dispensation of Rs. 177.00 crores for the construction of approach roads to 15 railway stations in Qazigund-Baramulla section. Northern Railways has released Rs. 120.00 crores for this purpose.

### **Civil Aviation**

Being the fastest and comfortable mode of transportation with accessibility to cut off areas, Airways connect all the three regions of the State. Out of the three Airports of the State, Srinagar Airport has been upgraded as International Airport named as Sheikh-ul-Alam Airport, where as the facilities at Jammu and Leh Airports are also being upgraded. One more Airport at Kargil Headquarters is connected by Decota service. In difficult terrains like high mountainous areas of Leh and Kargil when road connectivity is disrupted during winter months due to heavy snowfall, the Airways are the only source of access to such places. However, some areas have been covered by helipads but the difficult terrain and scattered population calls for more Airports and better connectivity. Authorities have shown interest in exploring the Airtaxi between Katra-Bhaderwah for promotion of tourism in the State.

UPA chairperson Smt Sonia Gandhi has inaugurated on Feb., 14th, 2009 Srinagar international Airport to take off first flight from Srinagar to Dubai.

### **Water Transport**

Water Transport is the cheapest means of transport. States which possess coastal areas are largely benefited by this transport system. But our State having no coastal area, is meagrely benefited through this transport system. Earlier the rivers were crossed through boat, where and when bridges were not built. On the river Jehlum and Dal lake, boats still carry passengers and luggage. Though this transport is very meagre in J&K State, but this fact cannot be denied that it is a centre of attraction for tourists and also helps to provide source of livelihood to a number of shikara and houseboat holders and fishermen.

During the year 1965-66, the total commercial boats numbered about 2774(excluding the residential boats) and the number of person engaged was 7496. In 1985-86 the number of boats was 4202 and the number of persons engaged was 9996. In 2000-01 the number of commercial boats was 4755 and there were 8630 persons engaged in that occupation. The number of the commercial boats was 3880 and the persons engaged were 9310. An amount of Rs. 1.44 lacs was realised as boat tax during 2005-06. During 2006-07 and 2007-08, the number of commercial boats was 3970 and 3870 engaging 9230 persons each respectively.

Telephone Connections has increased from 179422 in 2000-01 to 1160403 in 2006-07(547%) in five years and has further gone up to 1172682 during 2007-08 shown an increase of 1.09% from previous year. Area per connection has decreased from 0.57 sq km in 2000-01 to 0.09 sq km in 2006-07. Number of people per connection has decreased from 57 in 2000-01 to 10 in 2006-07 and has by and large remained same during 2007-08.

No of Post offices/Head Offices/Sub Post Offices/Branch Post Offices has increased from 1671 in 2000-01 to 1691 in 2006-07 and further increased to 1701 in 2007-08 whereas Area per Post office/Head Office/Sub Post

Office/Branch Post Office has remained somewhat constant around 60 sq km from 2000-01 to 2007-08.

In 2008, the total number of cellular subscribers in J&K State rose from 1868820 to 2861046 with a growth of 531%, out of which 839175 (29.3%) were subscribed with BSNL service, 1442521 (50.4%) were subscribed with Bharti Airtell service and 579350 (20.3%) were subscribed with Dishnet Wireless.

## Chapter-19

### Communication

#### Postal Communication

In terms of area covered and population served, the Indian Postal network is amongst the largest networks in the world. There were 155516 post offices as on March 31, 2007 in the country, with one post office serving, on an average, 6615 people and an area of 21.10 sq kms. These post offices provide a number of services, broadly classified into four categories: Communication services (Letters, Post Cards, etc.), Transportation services (Parcel, Logistics Post), Financial services (Savings Bank, Money Order, International Money Transfer Service, Public Private Partnerships for extending financial service outreach through the post office network, Postal Life Insurance) and Premium Value Added Services (like Speed Post, Business Post, Retail Post). The Post Office Saving Bank is the largest Bank in India in terms of network, accounts and annual deposits.

As on March 31, 2008, J&K State was served by 1691 post offices. These post offices are categorized as Head Post Offices, Sub-Post Offices and Branch Post Offices. During this period nine Head Post Offices, one each in Anantnag, Baramulla, Kathua, Leh, Srinagar, Udhampur and Rajouri and two Post Offices in Jammu district were functioning. Head Post Office Rajouri has been added during the year 2006-07. Also, 289 sub-post offices and 1403 branch post-offices were existing in the length and breadth of the state. The district-wise distribution of post and telegraph offices is given here under.

**Table 19.1: District-wise distribution of post and telegraph offices in J&K**

S.No	District	Head Post Office	Sub-post Office	Branch Post Office
1.	Anantnag	01	32	234
2.	Kulgam			
3.	Pulwama			
4.	Shopian			
5.	Srinagar	01	54	132
6.	Ganderbal			
7.	Budgam			
8.	Baramulla	01	21	226
9.	Bandipora			
10.	Kupwara			
11.	Leh	01	14	90
12.	Kargil			
13.	Jammu	02	93	158
14.	Samba			
15.	Udhampur	01	39	258

16.	Reasi			
17.	Doda			
18.	Kishtwar			
19.	Ramban			
20.	Kathua	01	19	127
21.	Rajouri	01	17	178
22.	Poonch			
<b>TOTAL</b>		<b>09</b>	<b>289</b>	<b>1403</b>

*Source: Post Master General*

In the State, on an average one post office (all categories put together) had to serve an area of 60 sq. km and 7021 persons, as on March 31, 2008. The inter-district comparison of postal network reveals that Jammu district, with 235 post offices or 13.90 percent share in the total post offices of the state, is best served having one post office, on an average, to serve an area of 13.18 sq km, followed by Srinagar district with one post office per 13.44 sq km. This indicator places districts of Leh and Kargil at the lowest ebb with dependence of 835.37 sq kms and 269.92 sq kms respectively. Among other districts, it is only district Doda which avails this facility above state average with 87.90 sq kms per post office and is thus most disadvantageously placed. However when the postal network is related to population served, districts of Leh and Kargil with one post office to serve on an average 2541 people and 2685 people are ranked first and second respectively. In contrast to this, Srinagar, where the value is 15813, is showing heavy dependence. Postal network by district and dependence thereof as on March 31, 2007 is detailed in the annexure 6 (i).

### **Telecommunication**

The telecommunication has shown tremendous growth in the past few years particularly with the launching of cellular services in the state in August 2003. Though Jammu and Kashmir was a late entrant into this telecom segment, it has caught up with the rest of the country. The teledensity (Phones per 100 of persons) of the state as of June 2006 was 11.0, only marginally short of the national average of 13.7. Disaggregated figures however show that the telecom penetration has been uneven across the urban and rural segments. While the urban teledensity of J&K at 39.86 compares favourably with the national average of 42.65, rural density at 0.84 is significantly below the national average of 1.85.

In the mobile segment there has been a boom in the state, as in the rest of the country. The subscriber figures reached about 33 lakh in just over 5.5 years. In March 2009, the subscriber base of the mobile service providers – Bharat Sanchar Nigam Limited (BSNL), Bharti Televentures (Airtel), Dishnet Wireless (Aircel) – and Vodafone Eraser was 3299441. The following table clearly depicts the success story of cellular services in the state:

**Table 19.2: Mobile Subscriber Base of different Service providers in Jammu & Kashmir**

Year	BSNL	Airtel	Aircel	Vodafone Essar	Total
March 2004	40100	-	-	-	40100
March 2005	150740	109573	-	-	260313
March 2006	504483	261214	25714	-	791411

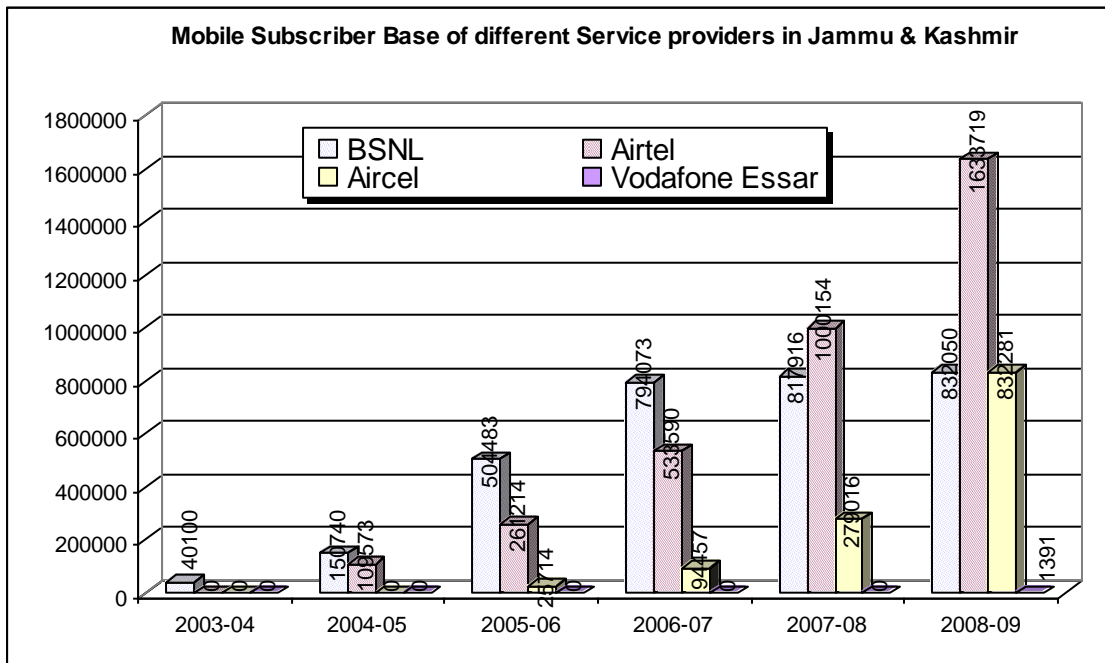


March 2007	794073	533590	94457	-	1422120
March 2008	817916	1000154	279016	-	2097086
March 2009	832050	1633719	832281	1391	3299441

Source: Cellular Operators Association of India

The subscriber base of basic services, provided by Bharat Sanchar Nigam Limited, was 338054 on March 31, 2006 which included 302520 fixed line subscribers and 35534 WLL (F) subscribers. The subscriber base registered an annual growth rate of 9.91% over the previous year which registered a figure of 307566 subscribers on March 31, 2005.

Connecting all the villages through telephones is an important national goal. Of the 6652 villages in the state, there were Village Public Telephones (VPTs) in only 5092 villages as on March 31, 2006 leaving a balance of 1560 villages to be covered. In percentage terms 76.5% have been covered under VPTs and 23.5% are yet to be covered.



The number of Public Call Offices (PCOs) in the state stood at 16368 on March 31, 2006. During the year 577 PCOs were added, recording an annual growth rate of 3.53%.

# Chapter – 20

## LOC Trade

*Historically, trade has been an important and mainspring of growth for countries at different stages of development. The growth rates of individual developing countries since 1950 correlate better with their export performance than with almost any other single economic indicator. Foreign trade has worked as an engine of growth in the past (witness great Britain in the 19<sup>th</sup> century and Japan in the 20<sup>th</sup>, besides others) and even in more recent times the “outward oriented growth strategy” adopted by the Newly Industrializing Economics of Asia, viz, Hong Kong, Singapore, Taiwan and south Korea, had enabled them to overcome the constraints of small resource-poor under- developed economies.*

*The gains from trade can be divided into static and dynamic gains. Static gains are those which accrue from international specialization according to the doctrine of comparative advantage. Dynamic gains are those which result from the impact of trade on production possibilities at large. Economics of scale, international investment, and the transmission of technical knowledge are examples of dynamic gains. Other important dynamic effects of trade consist of the stimulus to competition, competitive pressure from imports and pressure of competing for export markets, new ideas, change in attitudes and institutions and impact on reducing factor and product prices and better allocation of resources.*

*Another important potential gain from trade is provision of a vent for surplus commodities, which would otherwise go unsold and therefore represent a wastage of resources, and as such trade brings otherwise unemployed resources into employment. It also enables countries to purchase goods from abroad for which there are no domestic substitutes or are more productive than domestic resources.*

*Imports and exports often reduce the violent fluctuations of prices of those commodities which are scarce or in surplus. Another important function of foreign trade is to explore means of procuring imports of Capital goods without which no process of development can start. An outward looking trade policy is always helpful in promoting growth and development.*

*Trade is bound to occur or develop between people of two neighboring countries or borders and through it with the countries beyond, for both the borders lie on periphery of the respective country far from the main land or production centers. Owing to proximity and socio-cultural and ethnic relations,*

*the economic linkage and dependability develop automatically for the mutual benefit of the people of borders. Such trading activities have been traditionally going on in most of the border areas of the neighboring countries of the world. Various physical, political and environmental conditions of the neighboring countries or borders, however, govern or decide the intensity, volume and nature of the cross-country or cross-border trade.*

*India's trade links with its neighboring countries are centuries old. The history of trade with China and central Asia could be traced back from the ancient Silk Road route since the Roman times. Trade through Nathulla Pass accounted for 80% of total Cross border Trade between China and India in early 1900s. And trade with the East Asian Nations through the sea route in the east has a glorious history.*

*Since the partition of India creating two countries, India and Pakistan, the two countries had a continuously adversary relationship. They have gone through four full scale wars and another so called proxy war in J&K state. We all know the events and policy trends which have led to distances between India and Pakistan. Nevertheless in terms of history, culture, language and religions, both countries have much in common. Geography has made us neighbors. No amount of political manicuring can wish away the geographic proximity of India and Pakistan. The entire processes of putting Confidence Building Measures (CBMs) in place began since the country is independent and thereafter, lot of such measures have taken place to initiate peace process that could help resolve the political conflict between India and Pakistan and normalize bilateral relations and economic cooperation between the two nations for the betterment and welfare of their masses.*

*The partition of the Sub-Continent has left the state in an economic disadvantageous situation. The state being at the terminal end of the country and poor connectivity has disturbed the entire economic fiber of the state. Opening of borders and to bring about economic integration within various regions of the state was the dire need.*

*Being equally seized of the situation, India and Pakistan have developed CBM-like structures and agreements since their independence. Since then, most of the CBMs now in place were prompted by the wars in 1947-48, 1965 and 1971 and by the periods of high tension associated with military exercises conducted since 1989. A look at the history of relations over the years shows that India and Pakistan have in fact moved forward on CBMs even as state-to-state relations remained poor.*

*The present LOC trade is also the result of a series of a CBMs taken in the past .The Srinagar – Muzafarabad (April -2005) and Rowalkote-Poonch (June -2006) bus services and ultimately the cross boarder trade was in fact realization of the dreams and aspirations of the people of the divided Jammu and Kashmir .All this was made possible only because of rigorous and sincere efforts by the state political leadership and magnanimity of the Central Government.*

*The decision to initiate trade across the LoC was the outcome of a meeting between the Prime Minister of India and the President of Pakistan in April, 2005. Further discussions were held on the subject during the Technical-level Talks between the two countries at New Delhi on May 2–3, 2006 as a part of*

*Confidence Building Measures (CBMs). At this meeting, it was agreed that the Cross LoC trade would be by way of Truck services; the list of items for trade will be identified; and the exchange of delegations between the Chambers of Commerce on both sides will be facilitated.*

*Meanwhile, the process of holding Round Table Conferences on Kashmir was initiated by the Hon'ble Prime Minister of India in 2006. One of the five Working Groups constituted during the second Round Table Conference was the Working Group on Strengthening of Relations across LoC. This Working Group recommended increasing Cross LoC movement and interaction among people on both sides, including commencement of Cross LoC Trade.*

*An Oversight and Monitoring Committee (OMC) was set up under the chairmanship of the Union Home Secretary to study the recommendations made by the various Working Groups, work out which of them could be implemented and thereafter put in position the mechanism that would be required to implement it. In respect of Cross-LOC Trade, the Ministry of External Affairs (MEA) pursued the main recommendations with the Government of Pakistan, whereas the Ministry of Home Affairs (MHA) pursued the issue of creation of the requisite infrastructure at the crossing points in Jammu and Kashmir.*

*In the meeting of the Inter-Ministerial Committee and the State Administration held at Srinagar on June 16 2008, it was decided to develop Land Customs Stations (now Trade Facilitation Centres) for Uri-Muzaffarabad Trade Route at Salamabad & for Poonch Rawalkote Trade Route at Chakkan-da-Bagh. The State Govt. was asked to identify suitable land for the purpose after getting the specifications and requirements of the Customs and other Central Agencies. Accordingly, land was identified and acquired by the State Government at both the places. Temporary infrastructure was put in place at Salamabad and the bare minimum permanent infrastructure was put in place at Chakkan-da-Bagh out of the resources of the State government after consultation with Central Government.*

*The Trade Facilitation Centers are now being funded by the Ministry of Commerce and Industry under the ASIDE Scheme and the first installment of Rs.2.00 crores has been received by the State Govt.*

*The modalities of the Cross-LoC Trade were drawn up and the list of items to be traded across the LoC was finalized in the meeting of the Joint Working Group held in New Delhi on 22.9.2008 and the necessary infrastructure for launching the Cross-LoC Trade was put in place both at Salamabad & Chakkan-da-Bagh.*

*Ultimately the Cross LoC trade started on 21.10.2008 with 13 vehicles carrying goods from Salamabad to Chakoti and 14 vehicles coming in from Chakoti to Salamabad carrying goods from across the LoC. Similarly, 03 vehicles carrying goods from Chakkan-d-Bagh crossed the LoC to Rawlakote on 21.10.2008 and 04 vehicles carrying goods from across the LoC came to Chakkan-da-Bagh. At present, the duty free Cross-LoC trade is being carried on Tuesdays & Wednesdays on both routes in 1-1.5 ton capacity trucks.*

*Since inception of the LoC trade on 21.10.2008 up to 31.5.2008, forty items in total have been exported through Chakanda Bagh-Poonch route valuing*

Rs.5.03 cr. Onion valuing Rs. 2.1 cr., dhani of Rs. 0.7 cr. and coconut for Rs.0.6 cr. were the most prominent items. During the period imports worth Rs. 11.37 cr. (Pakistani currency) were traded through the same route .The most important items were garlic (Rs.2.5 cr.), moongi (Rs. 5.7 cr.) and ginger (Rs. 1.7 cr.).

Similarly during the same period 15986 qtls. of different items including 7052 apple boxes, onion7239 qtls., peas 1970 qtls. and 1124 qtls. of lemon, 9024 boxes of grapes ,and 3010 boxes of mango were exported through the chakoti – Salamabad route. In addition 1840 number of embroidery suits/shawls /stools, 500 paper-machie items and 100 cushion covers were also exported through the same route.

During this seven months period 26008 qtls. of different items were also imported through the Chakoti-Slamabad route including 25297 boxes of oranges , 12171 qtls. of garlic and 8721qtls. of moong. Besides, 11610 nos. of Jai-Nemaz and 4053 Peshawari chapples were also imported during the period.

The basket of goods traded consists of only agricultural products including some handicraft and handloom products also. No manufactured items have been traded so far. However the volume of trade during this short span of just seven months remained quite impressive and encouraging. And so far the balance of trade is concerned it has gone in the favour of the other side of the LoC. However, it is not significant. What is of more significance is that the static and dynamic benefits of trade are so enormous and so diversified that both the trading partners involved are benefited, over and above the fulfillment of the peoples aspirations. The LoC trade will open new markets for the exportable of the state which will go a long way in the development process of the state. Besides the trade route will provide an alternative of Srinagar Jammu highway, which remains closed off and on during winters, for the supply of essential commodities.

A 19 member delegation of the Chamber of Commerce from POK visited J&K from November, 9 to 16, 2008 and interacted with the representatives of the bodies of trade, industries & horticulture and the State administration. The delegation stayed in the Valley from Nov 9 to 11 & from Nov 12 to 14 in Jammu. A Joint meeting of the POK delegation and local trade delegates was held at Srinagar on Nov 15 2008. The Trade representatives of both sides raised the following demands to make the Cross-LoC Trade successful:

- Telecommunication facilities like ISD, Mobile, Postal and courier services;
- Up gradation of roads & bridges to enable conduct of trade in standard load carriers (9 ton capacity)
- Issuance of 'Multiple Entry Permits' with 2 year validity to bonafide traders for Cross-LoC movement. To de-link it from Passenger Service ( i.e. Mondays on Poonch-Rawalkote Route & Thursdays on Sgr-Muzaffarabad Route). Traders to be allowed to visit POK in their own vehicles.
- Banking/Monetary Issues - Setting up of Banking/Monetary Exchange System like 'Letter of Credit' on either side; 'Dual Currency System' in J&K & POK; Lifting of restrictions on carrying 'Currency' across LoC.
- Expansion of 'Agreed Items List'. To include 'manufactured items' in the said Trade List to make the Cross-LoC trade sustainable and beneficial to both sides. To have an early "review" of the said List.

- To open 'Suchetgarh-Sialkot', 'Nowshera-Mirpur' & 'Pallanwala-Chhamb' Trade routes for making Cross-LOC trade from Jammu region to POK sustainable.
- Creation of adequate 'Warehousing Facilities' at suitable locations on either side for smooth conduct of the Cross- LOC Trade.
- Setting up of a Joint Chamber of Commerce & Industry for J&K & POK
- Holding of Frequent Buyer-Seller Meets
- Joint Exploration of Tourism Potential of two sides
- Tie-ups with our Educational and Technical Institutions like Universities, Medical Colleges, Engineering Colleges, Craft development Institute (CDI), Indian Institute of Carpet Technology (IICT), with POK Institutions.
- Tie-Ups in Software Development. Joint Software development and exchange of technical software developers should be allowed.
- Exchange of Architectural, Engineering, IT, Medical, Educational services be allowed.
- There is a great scope for collaboration to manage water resources and power generation.

The following suggestions were also made to make the trade more successful and to over come the deficiencies and impediments being faced by the both sides of traders;

- Fast track disposal of travel documents.
- All necessary infrastructures for hustle free trade so that business flourishes across the LoC.
- Encouraging trade in locally manufactured products to benefit local manufacturers. The Government on both sides should agree upon the origin rule as being defined in PTAs of GATT, i.e they should clearly define what percentage of product either manufactured or assembled can be termed as local.
- Uncertainty in trade operations translates very quickly into unwarranted transaction costs in their form of warehousing and demurrage expenses, transport and insurance fees and financing charges. Such problems can quickly become a strong disincentive for small businesses that lack the necessary logistic support to deal with such constraints. Non-discretionary and uniform administration of applicable requirements allows traders to know what to expect in their everyday dealings. Consistent application of the rules guarantees efficiency and integrity in the administration.
- Inclusion of services sector in the LoC trade. The trade in services can act as potentially high return area especially in the area of education, health, services and tourism particularly in religion/ pilgrim tourism.
- Currency to be used for LoC Trade should be sorted out by opening branches of Jammu & Kashmir Bank in that part of LoC and Habib Bank (Pakistan) in Jammu & Kashmir and the currencies of both the countries should be excepted for the purpose of LoC Trade.
- Free access to the traders across the line for promotion of trade.
- Exclusive meet of traders of both sides to discuss important trade issues and explore ways which will help remove the obstacles being experienced in the cross LoC Trade from time to time.

- *Days of trade should be extended around the whole week and the restriction of allowing only 25 Truck loads from each side on the both the days should be lifted.*
- *Current Standing Operation Procedure (SOP) needs to be amended and designed in such a way that it does not become a hindrance in the trade.*

*The Inter-Ministerial Committee visited J&K on Nov 14-15, 2008. They visited Chakkan-da-Bagh along with senior officers of State Administration.*

*The 4<sup>th</sup> and 5<sup>th</sup> meetings of the Inter-Ministerial Committee were held by the Ministry of Home Affairs in Delhi on 1.12.2008 and 8.5.2009 to consider the various issues related to facilitation of the Cross LoC trade and development of infrastructures. Another meeting has been recently held under the chairmanship of the Union Cabinet Secretary on 26.06.2009 at New Delhi. In spite of the lack of banking/transaction facilities, adequate infrastructure and other facilities, the trade is picking up. Both the State and the Central Government are keen to facilitate the Cross LoC trade to the maximum possible extent.*

*During the current financial year an amount of Rs. 310.00 lacs has been released for land acquisition and setting up of the Trade Facilitation Centre at Chakan-da-Bagh. Rs. 34.32 lacs stand authorized and placed at the disposal of Power Development Department for purchase and installation of 25KVA DG set at the Trade Facilitation Centre, Salamabad, Uri. In addition to the above, the proposals for construction of a Truck Terminal at Salamabad (Uri) and construction of Land Custom Station at Chakan-da-Bagh (Poonch) are under examination, funds for which will be sought from Government of India under ASIDE scheme.*

*The trade involves two sovereign countries Governments of India and Pakistan and since the Cross LOC Trade is not an international trade, there are certain issues which need to be sorted out by mutual agreement of both the sides and such matters are being vigorously pursued at the State level with the Government of India . The state government has constituted a high level committee for regularly attending to the issues which are coming in the way of LoC trade for making it more purposeful and successful. The LoC Trade will go a long way in improving the relationship between the two neighboring countries and will definitely pave way for the success of SAFTA. The details indicating the item-wise goods imported and exported through Chakkan-da-Bagh – Poonch, Salamabad- Uri and Chakoti - PoK, since the inception of cross LoC trade i.e. 21-10-2008 to 31-5-2009 are given in annexures 7 (i-iv). Further the details of items to be traded from Salamabad-Uri to Chakoti-PoK and Chakkan-da-bad to Rawalakote, Chokoti to Salamabad and Rawalakote to Chakkan-da-Bagh are indicated in annexure- 7 (v-vi).*

# Chapter - 21

## **Poverty**

### ***Prologue***

Poverty is a multidimensional phenomenon encompassing lack of access to various basic necessities, such as nutrition, health, education, housing, security and opportunities for overall future improvement. It is a barrier between entitlement and access to income, employment and basic necessities of life. Behind this barrier, the poor and weaker sections of the society are vulnerable to exploitation of various kinds including social discrimination. Poverty is a multi-faceted problem having its economics, politics, sociology and even a culture.

The poor are not just cold and hungry; they are also frequently malnourished; illiterate, prone to sickness, unemployment, alcoholism and depression. They are excluded from many market and social groups, and are vulnerable to natural disasters and predation by organized crime. Poverty limits awareness of their rights and their ability to access legal institutions to protect those rights. They are often trapped in this situation for most of their lives, with little hope for themselves and their children.

Poverty is a tragedy not only for the individuals concerned but also for the world at large, being intimately linked with some of the most pressing social and political problems of our time; crime, violence, broken families, loss of communities, public health crises, overpopulation, environmental degradation, corruption, poor governance and ethnic conflicts.

Poverty alleviation is International/National objective and the entire process of planned development has been directed towards attainment of this objective. Poverty in a wider sense reflects the collective and cumulative effect of economic patterns and forces, politics, sociology, geography and history of a society and is the root cause of the social strife, backwardness and political instability. For the developing countries, poverty alleviation, and eventually its elimination, is the most important goal.

The identification of the poor is important for purposes of planning in order to locate the most deserving of the beneficiaries of the various anti - poverty programmes being implemented over the years.

In order to ascertain the actual number of BPL families and for percolating the benefits to the genuine BPL families under different



schemes/programmes the Government vide order no. 821-GAD of 2009 dated 25-06-2009 has ordered for re-verification of BPL lists maintained by the various departments in the state. The Deputy Commissioners and the Tehsildars will be the Nodal authorities for carrying out the re-verification within their respective jurisdictions. The report shall be submitted to the Planning and Development Department within three months from the date of the issue of the order i.e 25-06-2009.

### **I. International Poverty Scenario**

As per internationally accepted norms of poverty, a person is considered to be poor and falling below the poverty line if he cannot just have one kilogram of rice per day. This concept is based on the calories requirement and minimum need for subsistence. Consumption expenditure of \$1 and \$2 per person per day is also used to estimate the quantum of people Below Poverty Line world over.

Poverty is one of the core problems of every economy world over. Approximately 1.2 billion people - about a fifth of the World population - fell below the extreme poverty line of \$1 a day in the late 1990s. If we use the \$2 line, this number rises to 2.8 billion, more than half of the world's population. Though these consumption measures represent material standards of living-food, clothing, shelter, transportation, fuel, education and so on - they also correlate closely with wider notions of capabilities and well-being.

The global poverty is mostly concentrated in South Asia and Sub-Saharan Africa, where the proportions of people in extreme poverty were 40 percent and 46 percent, respectively, in 1998. Of the 1.2 billion, over 800 million were located in these two regions, and another 280 million in East Asia (including China). One, therefore, has to focus particularly on Asia and Sub-Saharan Africa while thinking of problems of global poverty.

#### **World Population and Poverty Distribution over the years based on \$ One Poverty Line**

S.No	Year	Total Population (In Billions)	Absolute Poor Population (in Billions)	Poverty Ratio (in Percentage)
1	2	3	4	5
2	1970	3.7	1.4	38
3	1990	5.3	1.4	26
4	2000	6.1	1.2	19
5	2015	7.2	0.7	10

#### **Regional Population and Poverty Distribution based on \$ One Poverty Line during the year 2000**

S.No	Region	Total Population (in Millions)	Absolute Poor Population (in Millions)	Poverty Ratio (In Percentage)
1	2	3	4	5
1	Africa	630	420	66
2	South Asia	1430	330	23
3	East Asia	1880	480	20
4	Latin America	520	40	8
5	East Europe	410	10	2

6	OECD	1130	0	0
7	World	6.1 (Billions)	1.2 (Billions)	19

\* OECD= Organisation for Economic Cooperation and Development.

Other dimension of basic needs points to the same general pattern. The 2004 Human Development Report shows that out of 831 million people who were undernourished in the year 2000, Sub-Saharan Africa, East Asia, and South Asia, respectively, accounted for 185 million, 212 million, and 312 million. Of the 104 million primary school - age children not in school, they included 44, 14, and 32 million, respectively. Of the 11 million children under the age of five dying in each year, 5, 1, and 4 million of them were in these three regions. They also had 273 million, 453 million and 225 million people without access to improved water sources, out of a global total of 1.2 billion. The crude method of using a sample consumption threshold of \$1 or \$2 thus appears to capture many other relevant dimensions of poverty as well.

### ***UNDP's Estimates, 1992***

The study made by the United Nations Development Programme (UNDP) on the incidence of poverty in some selected countries revealed that in 1992, total number of people lying below the poverty line in India was around 350 millions and thus 40 percent India's population is lying below the poverty line as compared to that of 9 percent in China, 28 percent in Pakistan, 25 percent in Indonesia, 47 percent in Brazil and 78 percent in Bangladesh. India's progress in fighting poverty has been modest when compared with some of its Asian neighbours. Between 1970 and 1993, for example, the proportion of Indonesia's population living in poverty dropped from 58 to 25 percent, an annual decline of nearly 5 percent. While as a recent World Bank study on policies to reduce poverty in India, acclaims the fact that poverty, during the last two decades, has declined at the rate of 2 percent per annum (World Bank 2000).

### ***UNDP Goals***

The Millennium Development Goals, adopted by a United Nations summit of representatives of 189 countries in September 2000, consist of eight objectives to be achieved by 2015, covering Poverty, Hunger, Primary Education, Gender Equality, Child Mortality, and Access to Water and Sanitation. The measure of extreme poverty (proportion below \$1 a day) is sought to be reduced by half of the 1990 levels by the year 2015.

## ***II. National Poverty Scenario***

In Indian context, the poverty emphasizes more on minimum level of living rather than on reasonable level of living. Accordingly, it is broadly agreed that poverty can be termed as a situation where a section of the population fails to reach a certain minimum consumption standard. Poverty line in India is defined with reference to consumer expenditure surveys by the National Sample Survey Organization (NSSO). The poverty line is officially linked with a nutritional base line measured in calories (food-energy method). Consumer expenditure is a monitoring mechanism of consumers behaviour where as nutritional baseline is normative requirement of minimum needs and effective consumption demand.

Planning Commission is the Nodal Agency for estimation of poverty at National level which is being used for various purposes. The Planning Commission estimates the proportion and number of poor separately for rural and urban India at the National and State levels on the basis of recommendation of the Task Force on "Projections of Minimum Needs and Effective Consumption Demands 1979". Since March 1977, it has been using the Task Force methodology till 1997-98. However, after the acceptance of the poverty ratios given by Expert Group headed by Prof. D. T. Lakadwala, it was decided that the poverty ratios of Expert Group should form the poverty estimates hereafter.

*'The Planning Commission (Task Force) in 1979 defined the Poverty Line (BPL) as 'per capita consumption level, which meets the average per capita daily calorie requirement of 2,400 K Calorie in Rural areas and 2,100 K Calorie in Urban areas along with a minimum of non-food expenditure'.*

The Indian Government has accorded great importance to poverty reduction. Which, since independence has been a major goal of all Five Year Plans. To measure its success in achieving this goal, the Government commissioned a series of household surveys on poverty, beginning in 1951. These surveys provide an unparalleled record of country's development efforts to reduce poverty.

Poverty imposes an oppressive weight on India. Poverty in India is predominantly rural where almost three out of four Indians i.e. 77 percent of the Indian poor live. Although poverty has been reduced during the past four decades, it remains painfully high in the country. Because of India's rapid population growth, even the advances made for its reduction, have not been sufficient to reduce the absolute number of poor, which increased from around 200 million in the 1950s to 320 million in 1993-94. This leaves India with the largest concentration of poor people in the world, particularly in the villages with population fewer than 5000 people-where 60 percent of all Indians live. Staggering, overall numbers remain-240 million rural poor and 72 million urban poor.

Study of researchers reveal that most of the people living below poverty line belong to landless agricultural labour households, agricultural labour households with small holdings, landless non agricultural rural labour householders and small land operators with less than one hectare land holdings. The study further revealed that "The urban poor are only an overflow of the rural poor into the urban area. Fundamentally, they belong to the same class as the rural poor. However, as they live long enough in urban poverty, they acquire characteristics of their own. Little is known of their life and labour in the growing cities".

Social indicators of well being for instance, record a history of progress that has, like the decline of poverty itself, been steady but slow. This is illustrated by the three points beside other indicators. First, Infant Mortality Rates, as one example, fell from 146 deaths per thousand births in the 1950s to 80 at the start of this decade. Secondly, Life Expectancy at Birth is now twice the 30 years that was the Indian average in 1947. Thirdly Adult Literacy rates for Indian males (64 percent) and for females (39 percent) in 1991.

The ratio and number of persons living Below Poverty Line (BPL) at National Level, as estimated by the Planning Commission, based on Consumer Expenditure Surveys from time to time, are summarized in the Table below;

**Table 21.01: Estimates of Poverty at All India level**

Year	Poverty Line (Rs)\$		Poverty Ratio (Per cent)\$			Population BPL (In millions)\$		
	Rural	Urban	Rural	Urban	Combined	Rural	Urban	Combined
1973-74	49.63	56.76	56.44	49.01	54.88	261.3	60.0	321.3
1977-78	56.84	70.33	53.07	45.24	51.32	264.3	64.6	328.9
1983	89.50	115.65	45.65	40.79	44.48	252.0	70.9	322.9
1987-88	115.20	162.16	39.09	38.20	38.86	231.9	75.2	307.1
1993-94	205.84	281.35	37.27	32.36	35.97	244.0	76.3	320.3
1999-00	327.56	454.11	27.09	23.62	26.10	193.2	67.0	260.2
2004-05	356.30	458.00	28.30	25.70	27.50	220.9	80.8	301.7

\$ In terms of Rupee per capita per month.

Source: Planning Commission, Govt. of India

\$ \$ Ratio of people Below Poverty Line to population (in percent).

\$ \$ \$ Absolute number of people Below Poverty Line in millions

It is widely agreed that the magnitude of decline in poverty of the two decades (1970-1990) is significant but not dramatic. The decline of poverty since the early 1970s has been sizable (from an incidence of 56 percent to 35 percent in 1993-94). From 1990, urban and rural poverty rates had nearly converged exhibiting an unusual pattern as compared to other South Asian countries. Around 1990 these estimates have generated some disagreement while as these estimates of NSSO have been accepted unquestioningly by the World Bank experts as well as individual researchers.

The Poverty Indicator has undulated between 1993-94 to 2004-05 with the head count ratio of 35.97 per cent to 27.50 per cent during the period with the corresponding total BPL Population standing at 301.70 million persons as on 2004-05.

The Head Count Poverty Ratio at All India Level (Poverty figures thrown out by Planning Commission) has decreased by 49.89 percent (27.38 percentage points) i.e 54.88 percent to 27.50 percent from base year 1973-74 to 2004-05.

Both Rural and Urban Poverty Ratios at the National level have almost halved during last 32 years from 1973-74 to 2004-05. The Rural Poverty Ratios have declined from 56.44 percent to 28.30 percent while as Urban Poverty Ratios have declined from 49.01 to 25.70 percent. This decline in Rural and Urban Poverty Ratios has resulted into corresponding decline in the Combined (Rural + Urban) Ratio to exactly the half of the original ratio of 1973-78. At combined level, the Poverty Ratio has decreased from 54.88 percent to 27.50 percent during the period under reference.

However, Absolute number of poor at Combined (Rural + Urban) level, have decreased by 19.6 million (321.3 to 301.7 million) i.e. 6.10 percent during the period 1973-74 to 2004-05. Rural Absolute Poverty has decreased by 40.4 million (261.3 to 220.9 million) i.e. 15.46 percent while as Urban Absolute number of poor have increased by 20.8 million (60.0 to 80.8 million) i.e. 34.67 percent during the period under reference.

The behaviour of indicators relating to 'Absolute number of poor' indicates that Urban Absolute Poverty has shown phenomenal increase while as Rural Absolute Poverty has been contained to some extent. However, the Rural Poverty Ratios are still more than Urban Poverty Ratios though they have started converging.

### III. Poverty Scenario of J&K State

As per the estimates of Planning Commission, BPL figures for J&K for Rural and Urban areas stand at 3.97 percent and 1.98 percent respectively while as for Rural/ Urban (Combined), it stands at 3.48 percent for the year 1999-00. The corresponding figures have declined from 30.34 percent, 9.18 percent and 25.17 percent respectively for Rural, Urban and Combined (R+U) from the year 1993-94. The estimates have shown a phenomenal decrease during the period under reference. The incidence of poverty of J&K State has shown a decline of 21.69 (R+U) percentage points while as the incidence of poverty at All India level has shown a decline of only 9.87 (R+U) percentage points during the period under reference.

The estimates thrown out by the Planning Commission in the year 2004-05 have shown an upward trend and ironically the urban poverty ratios are higher than the rural poverty. The Head Count Ratio figures for the State stand at 4.60, 7.90 and 5.40 percent for Rural, Urban and Combined respectively for the year 2004-05. This phenomenal decrease and subsequent increase in poverty estimates is beyond any sound reasoning where both Head Count Ratio and Absolute poverty have been shown very low.

The Poverty figures thrown out by the Planning Commission on the basis of data collected by the NSSO through its socio-economic surveys in respect of Jammu and Kashmir State have been a matter of debate and controversy in the State. The estimates have shown a phenomenal decrease during the period from 1993-94 to 1999-00. With this ethos underneath, the Directorate of Economics and Statistics, J&K, carried an exercise to arrive at the reasonably accurate estimates on BPL Population indicators prevalent in the Jammu and Kashmir State. The maiden survey was designed to lay-open the actual status of ground realities in connection with poor and deprived population. This report encompasses information on BPL population, BPL Household, their Sex-Ratio, Household size, Literacy Rate, Religious breakup and Social status.

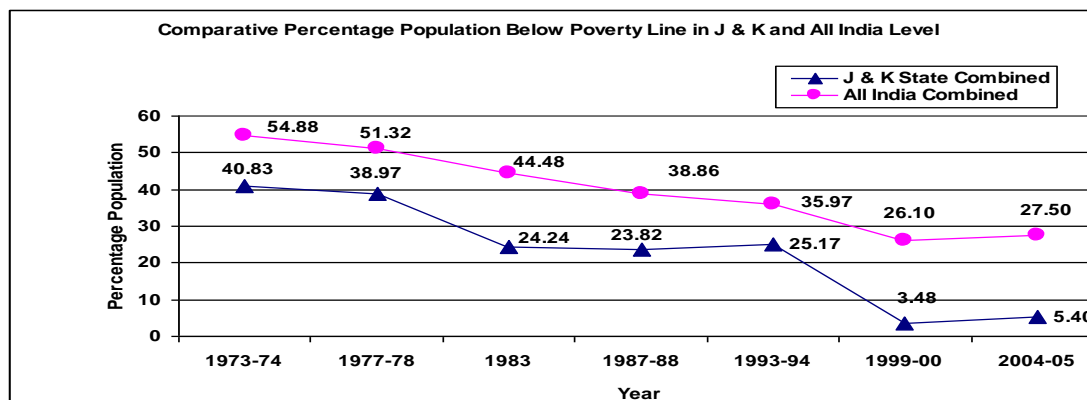
**Table 21.02: Estimates of Poverty of J&K**

Year	Poverty Line(Rs)\$		Poverty Ratio (Per cent)\$			Population BPL(In millions)\$		
	Rural	Urban	Rural	Urban	Combined	Rural	Urban	Combined
1973-74	46.60	N.A	45.51	21.32	40.83	N.A	N.A	N.A
1977-78	N.A	N.A	42.86	23.71	38.97	N.A	N.A	N.A
1983	91.80	99.62	26.04	17.76	24.24	1.311	0.249	1.560
1987-88	N.A	N.A	25.70	17.47	23.82	N.A	N.A	N.A
1993-94	213.83	253.61	30.34	9.18	25.17	1.905	0.186	2.092
1999-00	367.45	420.20	3.97	1.98	3.48	0.297	0.0049	0.346
2004-05	391.26	475.71	4.60	7.90	5.40	0.366	0.219	0.585

\$ In terms of Rupee per capita per month.

Source: Planning Commission, Govt. of India

\$\$ Ratio of people Below Poverty Line to population (in percent)  
 \$\$\$ Absolute number of people Below Poverty Line in millions



### State Specific Poverty Line

Poverty Line (BPL) is defined as minimum expenditure needed at Per Capita consumption level, which meets the average Per Capita daily calorie requirement of 2,400 K Calorie in Rural areas and 2,100 K Calorie in Urban areas along with a minimum of non-food expenditure.

A multiple criteria for classification of BPL families was used which included both qualitative and quantitative parameters. For the purposes of this study, an expendable sum of Rs. 600 Per Capita Per Month for Urban areas (Rs. 36,000 per annum for family of five members) and Rs. 500 Per Capita Per Month for Rural areas, (Rs. 30,000 per annum for family of five members) has been fixed as the Poverty cut off point in order to measure the incidence of poverty in the study area. Besides, qualitative parameters like household occupation, housing condition, asset position (land operated/owned, consumer durables owned etc.) were also given due weightage.

### Poverty Status of J&K State

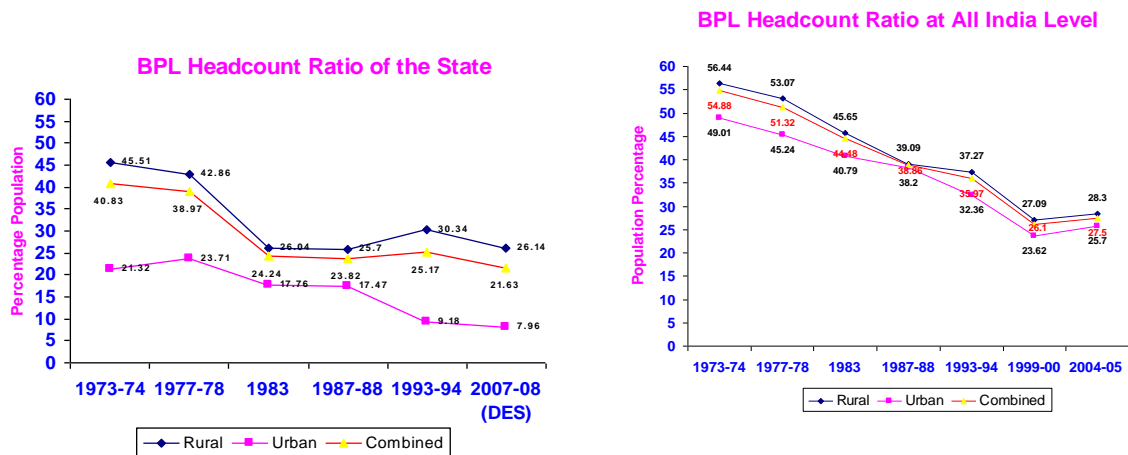
As per the survey results, the total BPL Estimated Population Ratio of J&K State has been arrived at 21.63 percent (24.21 lakh persons) with a dispersion of 26.14 percent (22.00 lakh persons) from Rural areas and 7.96 percent (2.21 lakh persons) living in Urban areas. This shows that about a fifth of the State's population-fell below the poverty. Out of every five persons, one falls Below Poverty Line. The Relative Sampling Error of the estimates of the BPL Population has been estimated at 2.24 percent at State level.

### BPL Head Count Trend at State Level

The Poverty figures thrown out by the BPL Survey 2007-08 conducted by Directorate of Economics and Statistics are reasonably realistic and in tandem with the trend of poverty decrease during the years under reference vis-à-vis the scenario of Poverty at National Level. The Head Count Poverty Ratio has shown a declining trend but a slow and gradual one. The ratios of poverty have decreased from 30.34, 9.18 and 25.17 percent respectively for Rural, Urban and Combined (R+U)during the year 1993-94 to 26.14, 7.96 and 21.63 percent during the year 2007-08.The poverty ratio of J&K State during these years has decreased by 14.06 percent (3.54 percentage points) from the base year 1993-

94. The absolute poverty has shown an increase from 19.05, 1.86 and 20.92 lakh persons for Rural, Urban and Combined respectively during 1993-94 to 22.00, 2.21 and 24.21 lakh persons for the year 2007-08.

As per the figures thrown out by fresh BPL survey conducted by Directorate of Economics and Statistics, the poverty ratio of the J&K State has decreased by 47.02 percent (19.20 percentage points) i.e 40.83 percent to 21.63 percent from the base year 1973-74 to 2007-08 which shows the same trend as observed at All India level (49.89 percent) during the period 1973-74 to 2004-05. The Poverty figures as per the BPL Survey 2007-08 in respect of the J&K State seem reasonably consistent and in tandem with the trend of poverty decrease during the years under reference at the National Level.



The poverty has gradually decreased at All India Level from 54.88 percent in 1973-74 to 35.97 percent in 1993-94 to 27.50 percent in 2004-05 as per the estimates thrown out by Planning Commission of India. Similar trend can be observed in the poverty estimates of Jammu and Kashmir when BPL survey results of Jammu and Kashmir are taken into consideration for the year 2007-08 with the earlier estimates thrown out by the Planning commission in favour of Jammu and Kashmir State. The estimates of Jammu and Kashmir stand as 40.83 percent for the year 1973-74, 25.17 percent for the year 1993-94 and 21.63 percent for the year 2007-08. From the period 1973-74 to 1993-94, the poverty has declined by 34.46 percent at All India Level while as at Jammu and Kashmir level, it has decreased by 38.35 percent from the base year 1973-74. Again from 1993-94 to 2004-05, the poverty has shown a decline of 23.55 percent at All India Level while as in case of Jammu and Kashmir it has declined by 14.06 percent upto 2007-08 from the base year 1993-94.

**Statement-1.2: Below Poverty Line Head Count Ratio and Absolute Poverty in J&K**

S. No.	Year	Poverty Ratio of J&K State (BPL Head Count Ratio)			BPL Population of J&K State (Absolute Poverty in lakh No.)		
		Rural	Urban	Combined	Rural	Urban	Combined
1	2	3	4	5	6	7	8
1.	1973-74	45.51	21.32	40.83	N.A	N.A	N.A

2.	1977-78	42.86	23.71	38.97	N.A	N.A	N.A
3.	1983	26.04	17.76	24.24	13.11	02.49	15.60
4.	1987-88	25.70	17.47	23.82	N.A	N.A	N.A
5.	1993-94	30.34	9.18	25.17	19.05	01.86	20.92
6.	1999-00*	3.97	1.98	3.48	02.97	00.049	03.46
7.	2004-05*	4.60	7.90	5.40	03.66	02.19	05.85
8	2007-08 (DES)	26.14	7.96	21.63	22.00	02.21	24.21

\* The figures are matter of debate and controversy and are non acceptable to the State Govt.

Source: 1. Planning Commission, G O I, Estimates

2. BPL Survey of Directorate of Economics and Statistics, J&K

## **BPL Survey Results 2008 at a Glance (J&K)**

### **BPL Head Count Ratio**

#### **I. At State Level**

- As per the survey results, the total BPL Estimated Population Ratio of J&K State has been arrived at 21.63 Percent (24.21 lakh persons) with a dispersion of 26.14 Percent (22.00 lakh persons) from Rural areas and 7.96 Percent (2.21 lakh persons) living in Urban areas. The Relative Sampling Error of the estimate of the BPL Population has been estimated at 2.24 percent at State level.

#### **II. At Regional Level**

- In Kashmir Region, the total BPL Estimated Population Ratio has been worked out as 21.37 percent (12.91 lakh persons) with a dispersion of 26.34 percent (11.63 lakh persons) in Rural areas and 7.87 percent (1.28 lakh persons) in Urban areas.
- In Ladakh Region ( Leh and Kargil Districts), Estimated BPL Population percentage was worked out as 27.03 percent (0.71 lakh persons) with 31.29 percent (0.68 lakh persons) in Rural areas and 5.63 percent (0.03 lakh persons) in Urban areas.
- As regards Kashmir Division (Kashmir region and Ladakh region), the total BPL Estimated population Ratio has been worked out as 21.60 percent ( 13.62 lakh persons) with a dispersion of 26.58 percent (12.31 lakh persons) in Rural areas and 7.81 percent (1.31 lakh persons) in Urban areas.
- At Rural level, the Kashmir Division (26.58 percent) have more BPL population percentage as compared to Jammu Division (25.61 percent) while as Jammu Division (8.19 percent) has more Urban poverty percentage as compared to that of Kashmir Division (7.81 percent)
- In Jammu Division/ Region, the total Estimated BPL Population percentage was arrived at 21.67 percent (10.59 lakh persons) with a dispersion of 25.61 percent (9.69 lakh persons) in Rural areas and 8.19 percent (0.90 lakh persons) in Urban areas.

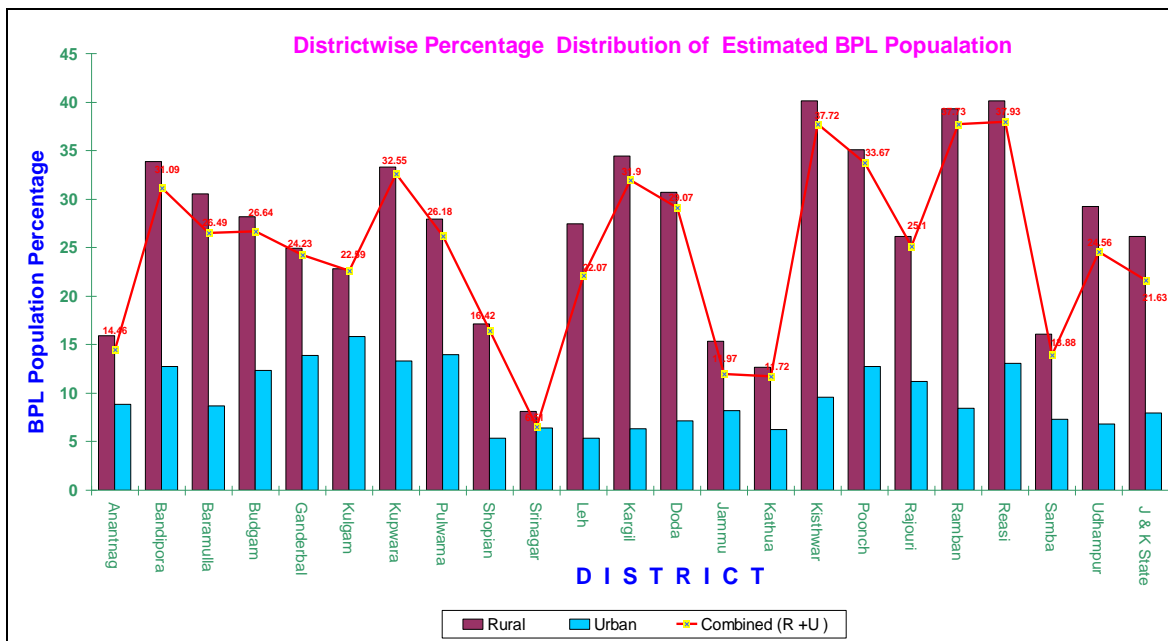
#### **III. At District Level**

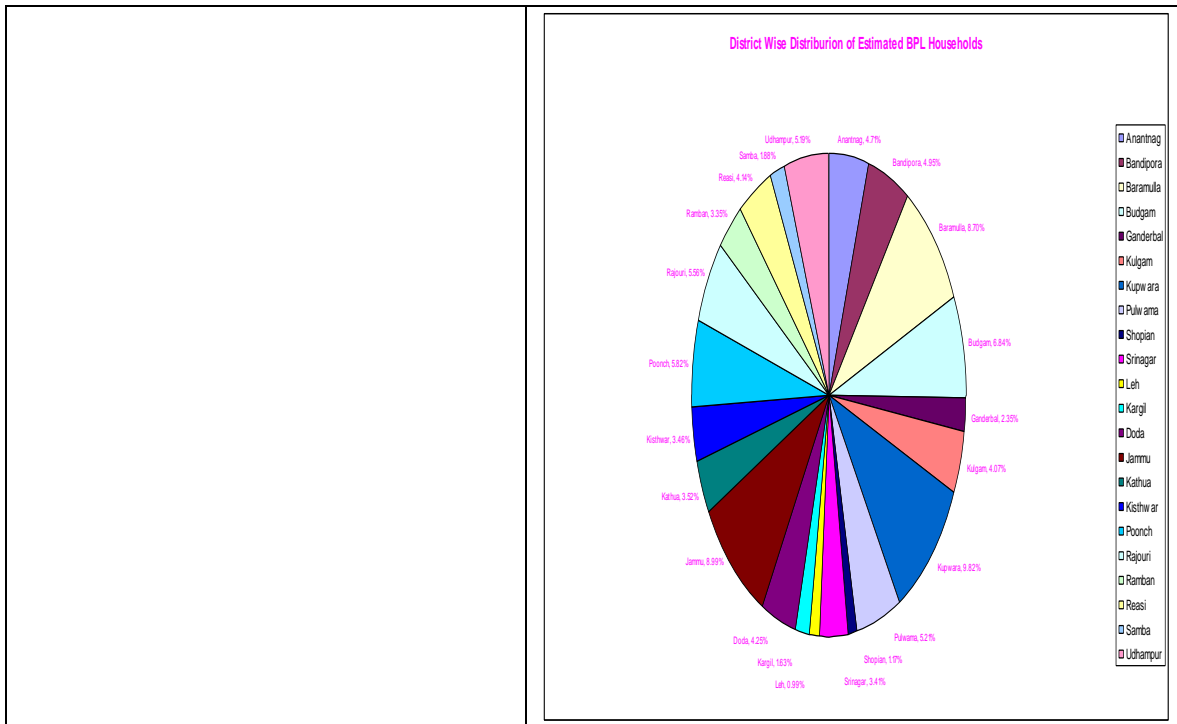


- The study has revealed that generally the newly carved out districts out of the old ones have shown higher BPL population percentage than the already existing districts. This is mainly due to their remoteness from their erstwhile district headquarters resulting in slow development and are hence still rural in character/nature. The highest incidence of poverty is exhibited in remotely and distantly located districts. Poverty is the basic reason for the creation of new districts. Since their creation is very recent and they continue to be poor, their improvement shall surface when extra dose of development shall be pumped in under various economic activities.
- It has also been established that the degree of poverty becomes more visible and pronounced, the farther we move away from the urban business centres and district headquarters. The analysis further reveals that out of newly created eight districts, three districts Reasi, Ramban and Kishtwar rank 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> respectively, registering more than 30 percent incidence of poverty thereby, exhibiting the worst position of the districts.
- As per the survey results, the District wise analysis of the incidence of poverty distribution shows that, out of the total 22 districts of the State, 7 (31.82 percent) districts recorded 30-40 percent poverty, 9(40.91 percent) districts recorded 20-30 percent poverty, 5 (22.72 percent) districts recorded 10-20 percent poverty and One district recorded 4.55 percent poverty.
- On the basis of BPL Head Count Ratio, the seven poorest districts in the State are Reasi, Ramban, Kishwar, Poonch, Kupwara, Kargil, and Bandipora which have more than 30 percent Estimated BPL Population ranging in between 37.93 to 31.09 percent.
- On the basis of BPL Household Count Ratio the seven poorest districts in the State are Kishwar, Kupwara, Bandipora, Reasi, Poonch, Ramban and Kargil which have more than 35 percent Estimated BPL Households ranging in between 42.73 to 35.87 percent.
- On the basis of Absolute BPL Population, the seven poorest districts in the State are Baramulla, Kupwara, Budgam, Jammu, Poonch, Rajouri and Pulwama which have more than 1.27 lakh Estimated BPL Population ranging in between 2.37 to 1.27 lakh Estimated BPL Population.
- On the basis of Absolute BPL Household the seven poorest districts in the State are Kupwara, Jammu, Baramulla, Budgam, Poonch, Rajouri and Pulwama. The Absolute BPL households of these districts ranging in between 41 thousand to 22 thousand.
- The highest estimated BPL population percentage in the State has been recorded in newly carved out district Reasi, with the indicator standing at 37.93 percent (1.04 lakh persons) with the corresponding dispersion of 40.15 percent (1.01lakh persons) in Rural areas and 13.08 percent (0.03lakh persons) in Urban areas. District Ramban stood at rank 2<sup>nd</sup> with 37.73 percent estimated BPL Population (0.89 lakh persons) with a dispersion of 39.30 percent (0.88 lakh persons) in Rural areas and 8.47

percent (0.01 lakh persons) in Urban Areas. District Kisthwar stood at rank 3<sup>rd</sup> with 37.72 percent estimated BPL Population (0.80 lakh persons) with dispersion of 40.10 percent (0.78 lakh persons) in rural areas and 9.61 percent (0.02 lakh persons) in Urban Areas. The highest 4<sup>th</sup> and 5<sup>th</sup> rank was held by district Poonch and district Kupwara having BPL estimated population percentage of 33.67 and 32.55 respectively. District Srinagar stood at bottom level when BPL estimated population percentage was compared with other districts, with the indicator standing at 6.51 percent (0.73 lakh persons) with the corresponding dispersion of 8.16 percent estimated BPL population (0.07 lakh persons) in Rural areas and 6.38 percent (0.67 lakh persons) in Urban areas.

- In Jammu division district Reasi, Ramban, Kishtwar and Poonch have registered highest incidence of poverty while as in Kashmir division Kupwara, Bandipora, Kargil and Budgam have been observed to be the most poor districts.





#### IV. At Block/Town Level

- In Rural areas of Jammu and Kashmir State, out of the total 143 Blocks of the State, 12 (8.40 percent) blocks have recorded above 50 percent BPL Population which includes 5 (3.50 percent) blocks having above 70 percent incidence of poverty. 38 (26.57 percent) blocks have recorded 30-50 percent BPL Population, 81 (56.64 percent) blocks recorded poverty between 10-30 percent while as 12 (8.39 percent) blocks recorded upto 10 percent poverty level.
- In Urban areas of Jammu and Kashmir State, out of the total 79 Towns of the State, only one (1.27 percent) town has recorded 50-60 percent BPL Population, one (1.27 percent) town has recorded 30-40 percent BPL Population, 40 (50.62 percent) towns recorded poverty between 10-30 percent which includes 6 (7.58 percent) towns having 20-30 percent incidence of poverty, while as 37 (46.84 percent) towns recorded upto 10 percent poverty level.

#### VI. At Village/Ward Level

- The Survey results show that, in Rural areas of Jammu and Kashmir State, out of the Total, 387 Sample Villages, 8.00 percent of the villages have been recorded in the poverty slab of “50 percent and above” BPL population which include 3.36 percent villages having above 70 percent incidence of poverty, 24.55 percent of the villages have been recorded in 30-50 percent band, 55.56 percent have been recorded in 10-30 percent band while only 11.89 percent fall in the 0-10 percent poverty group.
- The data analysis has revealed that, the incidence of poverty is more significant in rural areas than urban areas of the State which highlights

the observed reality that as we move away from the district headquarters and towns which are the main centres of commercial activities, the abjectness of poverty is on rise. This ground reality is totally contrary to the Planning Commission, Government of India Poverty figures which have ironically shown the urban poverty ratio (7.90 percent) of the State higher than the rural poverty ratio 4.60 percent for the year 2004-05. The figures of Planning Commission have shown phenomenal decrease from 25.17 percent to 3.48 percent during 1993-94 to 1999-00 and later subsequent increase from 3.48 percent to 5.40 percent during 1999-00 to 2004-05 in poverty estimates with urban poverty ratio more than the rural poverty ratio, which is beyond any sound reason where Head Count Ratio and Absolute Poverty have been shown very low.

- 8 percent of the sample villages have recorded “more than 50 percent” of Below Poverty Line Population which includes 3.36 percent villages having above 70 percent incidence of poverty. About 505 villages have more than 50 percent poverty which includes 212 villages having poverty above 70 percent, as per the estimates worked out on the basis of the BPL survey of the State. 17 Wards (19 percent) have recorded more than 15 percent below poverty population. The remote and far-flung areas of the State have registered very high incidence of poverty as they are the worst sufferers and lack access to basic amenities of life including proper shelter, safe drinking water, sanitation, Health facilities, education, healthy environment besides employment and avenues for future development. The road connectivity is one of the major factors responsible for the widespread and large degree of poverty observed in the remotely located areas of the State. This has largely contributed in keeping the remotely located areas, trapped in the vicious circle of poverty, illiteracy and backwardness.
- The Survey results further show that, in Urban areas of Jammu and Kashmir State, out of the total 90 Sample Wards, 1.11 percent (one Ward) was registered in 50-60 percent Below Poverty Line population decile, 47.78 percent of the wards of urban area (43 Wards) have recorded 10-30 percent BPL population which includes 8.89 percent (8 Wards) above 20-30 percent BPL population, 51.11 percent of the wards (46 Wards) have been recorded in the poverty slab of 0-10 percent BPL population. This shows that there are still some pockets of poverty in urban areas mostly in the remotely located districts, which are still deprived of the basic civic amenities and are facing hardships of life.

#### ***VII. Absolute Poverty (Population) at State Level***

- The total BPL Estimated Population (Absolute Poverty) of J&K State has been arrived at 24.21 lakh persons of the Total population with a dispersion of 22.00 lakh persons from Rural areas and 2.21 lakh persons living in Urban areas. The Relative Sampling Error of the estimates of the BPL Population has been estimated at 2.24 percent at State level.
- The highest estimated BPL population (Absolute Poverty) in the State has been recorded in district Baramulla, with the indicator standing at 2.37

lakh persons. District Kupwara stood at rank 2<sup>nd</sup> with estimated BPL Population 2.34 lakh persons while as District Budgam stood at rank 3<sup>rd</sup> with estimated BPL Population 1.78 lakh persons. The lowest estimated BPL Population was recorded in district Leh with the indicator standing at 0.29 lakh persons followed by district Shopian with 0.38 lakh BPL Population.

#### ***Absolute Poverty with Rural/Urban breakup at State Level***

- At Rural level, in the State the highest BPL population percentage have been observed in District Reasi (40.15 percent) followed by District Kishtwar with (40.10 percent) while as Srinagar District (8.16 percent) recorded lowest BPL population percentage followed by District Kathua (12.66 percent).
- At Urban level, in the State the highest BPL population percentage have been observed in District Kulgam (15.83 percent) followed by District Pulwama with (14.00 percent) while as Shopian District (5.33 percent) recorded lowest BPL population percentage followed by District Leh (5.37 percent).

#### ***IX. Absolute Poverty with Rural/Urban breakup at Regional Level***

- In Rural Kashmir Region, District Kupwara (2.30 lakh persons) had the highest number of estimated BPL population followed by district Baramulla (2.23 lakh persons), Badgam (1.70 lakh persons), Pulwama (1.19 lakh persons) and Bandipora (1.14 lakh persons). In Rural Jammu Division, District Poonch (1.35 lakh persons) had the highest number of estimated BPL population followed by district Rajouri (1.30 lakh persons), Jammu (1.20 lakh persons), Udhampur (1.18 lakh persons) and Doda (1.01 lakh persons).
- In Urban Kashmir Region, District Srinagar (0.67 lakh persons) had the highest number of estimated BPL population followed by district Anantnag (0.15 lakh persons), Baramulla (0.14 lakh persons), Pulwama (0.09 lakh persons) and Budgam (0.08 lakh persons). In Urban Jammu Division, District Jammu (0.58 lakh persons) had the highest number of estimated BPL population followed by district Udhampur (0.07 lakh persons), Kathua (0.05 lakh persons), Samba (0.05 lakh persons) and Rajouri (0.04 lakh persons).

#### ***BPL Household Ratio***

- As per the Survey results, the total number of Estimated BPL Households of J&K State has been arrived at 24.02 percent (4.17 Lakh Households) with a dispersion of 28.84 percent (3.71 Lakh Households) in Rural areas and 10.15 percent (0.45 Lakh Households) in Urban areas. The Relative Sampling Error of the estimates of the BPL Households has been estimated at 2.63 percent at State level.
- In Kashmir Region, the total number of Estimated BPL Households has been calculated to 25.67 percent (2.13 Lakh Households) with a

dispersion of 31.12 percent (1.89 Lakh Households) in Rural areas and 10.88 percent (0.24 Lakh Households) in Urban Areas.

- In Ladakh Region (Leh and Kargil Districts), Estimated BPL Households percentage was calculated as 23.95 (0.11 lakh Households) with a dispersion of 28.07 percent (0.10 lakh households) in Rural areas and 8.36 percent (0.01 lakh Households) in Urban areas.
- As regards Kashmir Division, the total number of Estimated BPL Households has been calculated as 25.58 percent (2.24 Lakh Households) with a dispersion of 30.95 percent (1.99 Lakh Households) in Rural areas and 10.78 percent (0.25 Lakh Households) in Urban Areas.
- In Jammu Division, the total estimated BPL Households percentage was arrived at 22.43 (1.92 lakh Households) with a dispersion of 26.73 percent (1.72 lakh) Households in Rural areas and 9.45 percent (0.20 lakh) Households in Urban areas.

#### ***Absolute Household Poverty at State Level***

- The total BPL Estimated Households of J&K State has been arrived at 4.17 lakh Households with a dispersion of 3.72 lakh Households from Rural areas and 0.45 lakh Households living in Urban areas.
- The highest estimated BPL Household (Absolute Poverty) in the State has been recorded in district Kupwara, with the indicator standing at 0.409 lakh estimated BPL Households. District Jammu stood at rank 2<sup>nd</sup> with estimated BPL Households 0.375 lakh Households. District Baramulla stood at rank 3<sup>rd</sup> with 0.362 lakh estimated BPL Households while as District Samba recorded lowest number (0.078 lakh) estimated BPL Households.

#### ***BPL Sex Ratio***

- At State level (both rural and urban), the sex ratio of BPL Population of Jammu and Kashmir was 934 females per thousand males. The Sex ratio of Kashmir division was 920 (923 for Kashmir Region and 869 for Ladakh Region) while that of Jammu Division it was 948 females per thousand males. The Sex ratio of BPL Population of Kashmir division was more adverse than that of Jammu division.
- In Rural areas of the State, the Sex ratio of BPL Population was 932 females per thousand males which is well below the natural average. The indicator in respect of Rural Jammu region was slightly better with Sex Ratio of 946 while as Rural Kashmir Division recorded 918 females per thousand males. In Urban areas, the sex ratio of Jammu and Kashmir State stood at 960 which is slightly better than the ratio at other levels. Urban areas of Kashmir division had Sex ratio of 943 females (945 for Kashmir Region and 837 for Ladakh Region) against the indicator in respect of Jammu division having 984 females to thousand males.

### ***BPL Household Size***

- At State level (both Rural and Urban aggregated), the average household size of the BPL population of the State was 5.83 persons per household with a composition of 3.02 males and 2.81 females exhibiting a sex ratio of 934 females per thousand males. Kashmir Division had an average BPL household size of 6.06 persons per household and a Sex ratio of 920 females per thousand males where as Jammu Division had an average household size of 5.63 persons per household with corresponding sex ratio of 948 females per thousand males.
- As per the Survey, the average household size in respect of BPL Population living in rural areas of Jammu and Kashmir was worked out as 5.91 persons per household with a composition of 3.06 males and 2.85 females with corresponding Sex Ratio of 932 females per thousand males. The average BPL household size of the urban areas of Jammu and Kashmir State consisted of 5.11 persons with a scatter of 2.61 males and 2.50 females and corresponding Sex ratio of 960 females per thousand males.

### ***BPL by Social Groups***

- The Social-group distribution of BPL Population indicates the dispersion of 42.05 percent in case of Scheduled Tribes, 38.07 percent in case of Other Backward Classes (including Paharis), 22.77 percent in case of Scheduled Caste while as others categories show only 16.85 percent of population under Below Poverty Line when compared with the respective population of a particular category. This shows that highest incidence of poverty is among Scheduled Tribe population followed by OBC Category inclusive of Pahari speaking population.

### ***BPL by Religion***

- The Religion-wise distribution of BPL Population exhibited the dispersion of faith with 24.51 percent for Islam, 18.14 percent for Hinduism, 24.50 percent for Buddhism, 7.51 percent for Sikhism and only 3.12 percent for Christianity when compared with the corresponding religion-wise population. This shows that highest incidence of poverty is among the Muslims and lowest is among the Christians.

### ***BPL Literacy Rate***

- The literacy rate of General Population of Jammu and Kashmir State (both Rural and Urban) was 64.18 percent showing a dispersion of 72.32 percent in case of males and 55.35 percent for females.
- The literacy rate of Jammu and Kashmir State (both Rural and Urban ) for BPL Population was 42.15 percent showing a dispersion of 48.55 percent for males and 35.30 for females. In Rural areas of the J&K State, as per the Survey, the literacy rate of BPL stood at 41.28 percent with the dispersion of 47.81 percent for males and 34.27 percent for females while as in Urban areas of the J&K State, the literacy rate stood at 52.30 percent with the dispersion of 57.32 percent for males and 47.08 percent for females.

- The indicator stood at 39.76 for Kashmir Region with a dispersion of 45.95 percent in favour of males and 33.05 percent for females. In Leh and Kargil districts, the literacy rate stood at 46.94 percent with a dispersion of 52.52 percent for males and 40.50 percent for females. In case of Kashmir division, the BPL literacy rate stood at 40.10 percent with a dispersion of 46.27 percent for males and 33.39 percent for females. In case of Jammu division, the BPL literacy rate stood at 44.15 percent with a dispersion of 50.80 percent for males and 37.13 percent for females.
- It is quite evident from the analysis of the data that there is much more illiteracy among women in all the divisions of the State. The gap is almost uniform in Jammu region as well as (13 percent each) in Kashmir division. It is also explicit from the analysis of data that the population Below Poverty Line has more illiterates than the general population of the State and the reasons thereof could be multidimensional. The study has revealed that there is direct relationship between illiteracy and incidence of poverty.

The highest combined literacy among the BPL Population was observed in the district Samba with 64.00 percent (male 66.53 percent and female 59.64 percent) followed by district Jammu with 56.19 percent (male 60.30 percent and Female 51.90 percent) in the State. As against this, the least combined literacy was observed in the district Ramban with 28.93 percent (male 38.73 percent and female 18.45 percent) followed by district Kulgam with 31.19 percent (male 38.31 percent and Female 23.22 percent).

**Absolute BPL Population and BPL Population Percentage of J&K State  
(District-Wise Scenario)**

S. No	District	Estimated Mid Year Population (2007-08)			Estimated BPL Population			BPL Population Percentage (2007-08)		
		Rural	Urban	Combined	Rural	Urban	Combined	Rural	Urban	Combined
1	2	3	4	5	6	7	8	9	10	11
<b>Kashmir Division</b>										
<b>(A) Kashmir Region</b>										
1	Anantnag	645563	171271	816834	102927	15198	118125	15.94	8.87	14.46
2	Bandipora	337415	51220	388635	114294	6552	120846	33.87	12.79	31.09
3	Baramulla	729530	165391	894921	222688	14380	237068	30.52	8.69	26.49
4	Budgam	604494	63758	668252	170151	7882	178033	28.15	12.36	26.64
5	Ganderbal	219612	15139	234751	54773	2100	56873	24.94	13.87	24.23
6	Kulgam	462272	14494	476766	105392	2295	107687	22.80	15.83	22.59
7	Kupwara	689482	28129	717611	229813	3756	233569	33.33	13.35	32.55
8	Pulwama	424804	62076	486880	118789	8693	127482	27.96	14.00	26.18
9	Shopian	21966	13512	233173	37557	720	38277	17.10	5.33	16.4



		1								2
10	Srinagar	82239	10429 36	1125175	6713	6654 9	73262	8.16	6.38	6.51
<b>Sub Total (A)</b>		<b>44150</b> 72	<b>16279</b> 26	<b>6042998</b>	<b>11630</b> 97	<b>1281</b> 25	<b>12912</b> 22	<b>26.34</b>	<b>7.87</b>	<b>21.3</b> 7
<b>(B) Ladakh Region</b>										
11	Leh	97748	31599	129347	26850	1698	28548	27.47	5.37	22.0 7
12	Kargil	11987 7	11758	131635	41249	744	41993	34.41	6.33	31.9 0
<b>Sub Total (B)</b>		<b>21762</b> 5	<b>43357</b>	<b>260982</b>	<b>68099</b>	<b>2442</b>	<b>70541</b>	<b>31.29</b>	<b>5.63</b>	<b>27.0</b> 3
<b>Total Kmr Div.(A+B)</b>		<b>46326</b> 97	<b>16712</b> 83	<b>6303980</b>	<b>12311</b> 96	<b>1305</b> 67	<b>13617</b> 63	<b>26.58</b>	<b>7.81</b>	<b>21.6</b> 0
<b>Jammu Division</b>										
13	Doda	32926 1	24093	353354	10098 8	1724	10271 2	30.67	7.16	29.0 7
14	Jammu	78106 0	70156 7	1482627	11963 5	5776 4	17739 9	15.32	8.23	11.9 7
15	Kathua	50340 7	86864	590271	63735	5424	69159	12.66	6.24	11.7 2
16	Kisthwar	19408 7	16480	210567	77833	1584	79417	40.10	9.61	37.7 2
17	Poonch	38466 4	26456	411120	13503 5	3369	13840 4	35.10	12.73	33.6 7
18	Rajouri	49609 5	37133	533228	12967 1	4172	13384 3	26.14	11.24	25.1 0
19	Ramban	22510 6	12052	237158	88461	1021	89482	39.30	8.47	37.7 3
20	Reasi	25094 4	22348	273292	10074 6	2924	10367 0	40.15	13.08	37.9 3
21	Samba	21488 1	72118	286999	34583	5264	39847	16.09	7.30	13.8 8
22	Udhampur	40308 5	10633 2	509417	11788 9	7241	12513 0	29.25	6.81	24.5 6
<b>Jammu Division</b>		<b>37825</b> 90	<b>11054</b> 43	<b>4888033</b>	<b>96857</b> 6	<b>9048</b> 7	<b>10590</b> 63	<b>25.61</b>	<b>8.19</b>	<b>21.6</b> 7
<b>J &amp; K State</b>		<b>84152</b> 87	<b>27767</b> 26	<b>1119201</b> 3	<b>21997</b> 72	<b>2210</b> 54	<b>24208</b> 26	<b>26.14</b>	<b>7.96</b>	<b>21.6</b> 3

\* Population figures for the State : As per estimates of Central Statistical Organization

### **Concurrent Government Intervention for Poverty Alleviation**

#### **I. POVERTY ALLEVIATION PROGRAMMES – CURRENT STATUS**

The J&K Govt. has initiated a number of poverty alleviation schemes to mitigate rural poverty as well as urban poverty, which are being implemented in the State with full financial and technical support of the Centre Government. These Schemes serve the dual purpose of Poverty alleviation as well as employment generation. These schemes are briefly discussed below:-

#### **A. Rural Poverty**

##### **i. Swaran Jayanti Gram Swarozgar Yojana (SGSY)**

SGSY is one of the Centrally Sponsored Programme aimed to bring the poor families above poverty line in three years by providing them income generating assets through a mix of bank credit and Govt. subsidy. During 2006-07, financial outlay under SGSY was Rs.10.68 crores, out of which Rs.8.65 crores (80%) have been spent by providing employment to 8219 persons. 3808 self help groups have been formed during the year.

During 2007-08, financial outlay under SGSY was Rs.13.53 crores, out of which Rs.9.31 crores (69%) have been spent by providing employment to 9448 persons. While in 2008-09, financial outlay under SGSY was Rs.16.27 crores, out of which Rs.10.42 crores (64%) have been spent by providing employment to 10278 persons. 4123 Self Help Groups have been formed during the year.

Year	No. of SHGs assisted for economic activity	No. of individuals assisted for economic activity	Total	Credit disbursed	Subsidy disbursed	Availability of funds (Rs. in crores)	Expdt. (Rs. in crores)	Expdt. %age
2003-04	2666	4299	6965	19.57	4.67	8.42	6.18	73
2004-05	2590	5449	8039	23.39	5.96	9.10	7.80	86
2005-06	2281	4904	7185	20.49	5.33	9.07	7.03	77
2006-07	3808	4411	8219	22.47	5.83	10.68	8.65	80
2007-08	4205	5243	9448	24.72	6.55	13.53	9.31	69
2008-09	4123	6155	10278	30.98	7.23	16.27	10.42	64

**ii. Sampoon Grameen Rozgar Yojana (SGRY)**

Under SGRY wage employment in the form of cash and food grains is provided in the rural areas by giving preference to the poorest among the poor and SC/STs families. Under this scheme part of wages is to be paid in the shape of food grains allocated by the Central Government free of cost. The financial outlay during 2006-07 was Rs. 39.65 crores, out of which Rs.37.46 crores had been spent. 13601 numbers of works have been completed by generating 29.18 lakh mandays employment during the year.

Year	No. of works taken-up	Works completed	Mandays Generated (Lac Nos)	Total Availability of funds (Rs. in crores)	Total Expdt. (Rs. in crores)	Expdt. %age
2002-03	18760	17420	47.14	42.00	38.97	93
2003-04	21932	20481	47.89	43.55	41.95	96
2004-05	19544	18060	43.73	44.00	41.97	95
2005-06	18654	16603	42.09	47.50	45.71	96
2006-07	15408	13601	29.18	39.65	37.46	94
2007-08	13061	12083	21.08	38.35	33.66	88
2008-09	The scheme has been replaced by NREGA after 2007-08					

**iii. National Rural Employment Guarantee Scheme (NREGS)**

This flagship scheme has been launched in J&K from February, 2006 initially in three districts namely Doda, Poonch and Kupwara. The scheme has been further extended to two more districts viz Jammu and Anantnag from April, 2007. At present, this scheme is implemented in nine districts out of 22 in the State. The main objective of this scheme is to provide 100 days of guaranteed unskilled wage employment to each rural household opting for it. The financial outlay during 2006-07 was Rs. 41.54 crores (87%), out of which Rs.36.70 crores had been spent. 179133 numbers of house hold were issued job cards and 32.89 lakh mandays were generated.

During 2007-08 an outlay of Rs. 92.79 crores under the NREGS was allocated, out of which Rs. 65.26 crores (71%) had been spent. 281842 numbers of house hold were issued job cards thereby generating 55.37 lakh mandays. The financial outlay during 2008-09 was Rs. 146.52 crores, out of which Rs. 86.89 crores (59%) had been spent. 498022 (Cuml.) numbers of households were issued job cards and 79.25 lakh mandays were generated.

Year	Employment Generated	No. of house hold issued job cards	Total Availability of funds (Rs. in crores)	Total Expdt. (Rs. in crores)	Expdt. %age
2005-06	2.33 lacs	25000	9.02	1.69	19
2006-07	32.89 lacs	179133	41.54	36.70	87
2007-08	55.37 lacs	281842	92.79	65.26	71
2008-09	79.25 lacs	498022 (Comm)	146.52	86.89	59

**iv. Indira Awas Yojana (IAY)**

IAY is a Centrally Sponsored Scheme where under funds in the ratio of 75:25 are being allocated by the Centre and State Govt. respectively. The target groups for housing under IAY are households below poverty line living in rural areas, particularly those belonging to SC/ST and freed bonded labourers. During 2006-07, 9939 houses were constructed with the financial expenditure of Rs. 23.81 crores.

During 2007-08, 15322 houses were constructed with the financial expenditure of Rs. 34.33 crores while as during 2008-09, 19010 houses were constructed with the financial expenditure of Rs. 53.54 crores.

**Table No 21.03: Achievements made under IAY and RHS**

Year	Houses taken-up			Houses Completed			Percentage Achievement	Expenditure Incurred (Rs. in crores)
	New constructions	Up-gradation	Total	New constructions	Up-gradation	Total		
2002-03	7997	1743	9740	5347	1259	6606	67.82	11.74
2003-04	7367	1930	9297	6535	1877	8412	90.48	12.54
2004-05	5780	24.20	8200	5036	2216	7252	88.44	14.05

2005-06	9137	2931	12068	5812	2258	8070	66.87	18.26
2006-07	12665	3558	16223	7773	2166	9939	61.26	23.81
2007-08	17359	6193	23552	11093	4229	15322	65.06	34.33
2008-09	19794	7010	26804	13700	5310	19010	70.92	53.54

**v. Drought Prone Area Programme (DPAP)**

It is in operation in erstwhile districts of Doda and 8 Blocks of Udhampur. This programme is aimed to tackle the special problems faced by the areas constantly affected by severe drought conditions. There are 560 projects under implementation in these two districts at an estimated cost of Rs.168.00 crore for an area of 280 lakh hectares.

Achievement under DPAP Programme							
S. No	Year	Availability of funds		Expenditure		%age expenditure	
		Udhampur	Doda	Udhampur	Doda	Udhampur	Doda
1	2002-03	4.15	7.25	0.27	1.54	6	21
2	2003-04	8.01	8.35	1.92	2.94	24	35
3	2004-05	9.46	8.57	0.75	0.61	8	7
4	2005-06	11.88	8.32	6.16	2.22	54	25
5	2006-07	7.14	8.49	0.89	0.96	14	12
6	2007-08	7.70	7.68	3.15	3.62	31	47
7	2008-09	7.27	12.27	1.07	6.40	15	52

**vi. Desert Development Programme (DDP)**

DDP was launched in 1977-78 to mitigate the adverse effects of desertification. The basis of implementation of the programme has been shifted from sectoral to watershed basis from April 1995. It was launched to mitigate the adverse effects of desertification. This programme is in operation in Leh and Kargil districts, where under 729 projects have been sanctioned for treating an area of 3.64 lakh hectares at an estimated cost of Rs. 218.70 crores.

**B. Urban Poverty**

Various poverty alleviation schemes which have proved useful in reducing poverty to a considerable extent in urban areas are briefly discussed below;

**i. Swarna Jayanti Shahri Rozgar Yojana (SJSRY)**

SJSRY is a Centrally Sponsored scheme under implementation in the State from 1997-98. The scheme is funded by the Govt. of India on the same sharing pattern as IAY and SGSY i.e. 75:25. This programme is focused for urban poverty alleviation. It also aims at providing gainful employment to unemployed and under employed urban youth living below poverty line. The scheme has following components:

- Urban Self Employment Programme (USEP)
  - Development of skill through training
  - Setting up of micro enterprises
- Urban Wage Employment Programme (UWEP)
  - Physical assets in slum pockets
- Development of Women & Children in Urban Areas (DW&CUA)

Under this scheme Rs. 8.49 crores have been received from Government of India till 31 March 2009 against which an amount of Rs. 8.25 crores have been spent.

Whereas the Urban Wage Employment Programme (UWEP) seeks to provide wage employment to the Urban poor by utilizing their labour for creation of durable assets, under Urban Self Employment Programme (USEP), assistance is provided to the Urban poor for establishing income generating units by providing them subsidy @ 15 per cent of the project cost.

The implementing agencies for SJSRY are Urban Development Agency, Kashmir (UDAK) in Kashmir Division, Jammu Urban Development Agency (JUDA) for Jammu District and District Urban Development Agencies (DUDA) for other districts of Jammu Division.

***ii. Integrated Housing and Slum Development Programme (IHSDP)/ Valmiki Ambedkar Awas Yojana (VAMBAY)***

In order to facilitate construction and upgradation of dwelling units for slum dwellers, Valmiki Ambedkar Awas Yojana (VAMBAY) has been launched for Urban Slum dwellers in December 2001. This scheme provides a healthy environment through community toilets under 'Nirmal Bharat Abhiyan', a component of the scheme. A subsidy of 50 percent is provided under the scheme by the Central Government with the balance provided by the State Govts./UTs.

VAMBAY has been subsumed as Integrated Housing and Slum Development Programme launched along with JNNURM on December 3, 2005. Under IHSDP, ten projects in Phase 1st have been sanctioned at Anantnag, Banihal, Batote, Basholi, Khour, Nowshera, Parole, Poonch, Ramgarh and Thanamandi. Besides, these 10 projects, Fifteen more projects in Phase IInd at Ramnagar, Reasi, Baramulla, Budgam, Sopore, Bandipora, Mattan, Kulgam, Shopian, Ganderbal, Sumbal, Hajin, Kupwara, Handwara and Magam have also been sanctioned. The sanctioned cost of 25 projects is to the tune of Rs. 85.20 cores out of which Central Share of Rs. 29.91 crores has been received. 5176 dwelling units are to be created under this project. An expenditure of Rs. 2.14 crores have been expended till March, 2009.

All the above mentioned schemes have introduced a new chapter in the endeavour of integrated development of cities and towns to cater to the present and future needs of the urban areas. All the towns of the J & K State shall be brought under the ambit of the JNNURM within a time frame of 7 years.

***iii. Basic Services to Urban Poor Projects (BUSP)***

For slum dwellers five projects have been sanctioned under BUSP. Rajiv Nagar Slum Dwellers project has been sanctioned at a cost of Rs. 14.25 crores (11.53 crores Centre Share+2.72 crores State Share) for construction of 609 Dwelling Units. Another project namely Rehabilitation and Resettlement of Slum Dwellers of Dal Lake Srinagar at a sanctioned cost of Rs. 90.93 crores (73.36 crores Central Share +17.57 crores State Share) has been envisaged for 4600 dwelling units.

Three more projects namely Kasto Ashram at Baghwati Nagar, Jammu for construction of 36 dwelling units with sanctioned cost of Rs. 1.43 crore,

Construction of dwelling units in 21 clusters of Jammu city with an estimated cost of Rs. 33.41 crores and construction of 622 dwelling units at Sumerbug, Wanganpora and Behrar for leper and Tibetan urban poor with an estimated cost of Rs. 22.37 crores have been sanctioned.

**iv. Jawahar Lal Nehru National Urban Renewal Mission (JNNURM)**

JNNURM, which is for a seven year period from 2005-06, has two main components Basic Services to the Urban Poor (BSUP) Programme and Integrated Housing & Slum Development Programme (IHSDP). BSUP was launched to assist cities and towns in taking up housing and infrastructural facilities for the urban poor. For taking up housing and slum upgradation programme in non BSUP cities, IHSDP was launched along with BSUP in December, 2005. Among 63 cities in the country, Jammu and Srinagar cities from Jammu & Kashmir State have been selected under JNNURM.

## Chapter – 22

### **Unemployment**

Unemployment is a social issue of serious concern in the present times, both at National as well as State level. J&K State has been facing the problem of unemployment since long. The population of the State has increased from 59.87 lakhs in 1981 to 101.44 lakhs in 2001. The number of workers also recorded an increase of about 39% during the said period but the share of main and marginal workers in the total workforce remained constant, thereby rendering the increased workforce as unemployed. Further classification of workers during 2001, shows that 42.40% of the total workers are cultivators, 6.56% are agricultural labourers and the remaining 51.04% are workers engaged in other activities including household industries. Female workers constituted 28.61% of the total workforce. (Census 1981 & 2001)

#### **Disguised unemployment in Agriculture**

*According to 2001 census, the number of total workers stands at 37.54 lakhs of which the main workers constitute 26.09 lakhs or 69.49% and the number of marginal workers constitutes 11.45 lakhs or 30.51%. The share of main & marginal workers in the total work force has remained nearly constant during the last two census years. However, it may be mentioned that near about 70% of the said marginal workers are associated with the Agricultural sector contributing very marginally to the total production giving rise to the*

*disguised unemployment in Agriculture. To avoid this situation out of the said 11.45 lakh of marginal workers, half of this working force suffers from disguised unemployment who can be contribute positively to the other sectors of economy without affecting the total agricultural production of the State.*

In the State, Employment Exchanges maintain qualification wise data on unemployed persons who register themselves with these exchanges and they also make efforts for their possible placements. As on the last day of 2006, 2007 and 2008 the following position of unemployed persons was noted on the live registers of the employment Exchanges.

**Table 22.01: Year-wise/Qualification-wise break up of Unemployed registered with Employment Exchanges**

S. No	Category	Registered unemployed				(Unit in NOs)	
		2006		2007		Growth in Unemployment during 2007	No. of Registered Unemployed as on 31 <sup>st</sup> Dec..2008
		Number	Percentage of Total	Number	Percent age of Total		
<b>A. Illiterate Unemployed</b>							
i.	Illiterate	9369	8.5	4030	3.61	(-)56.98	4167
<b>B. Literate Unemployed Below Matric</b>							
i.	Below Matric	25384	23.20	24916	22.33	(-)1.84	26265
<b>C. Educated Unemployed Matric and above</b>							
i.	Matric & Above	36487	33.35	40729	36.50	(+)11.62	43938
ii.	Graduates	14763	13.49	15637	14.01	(+5.92)	16574
iii.	Post Graduates	7500	6.85	5479	4.91	(-)26.94	6034
iv.	Degree Engineers	3833	3.50	3079	2.75	(-)19.6	3272
v.	Diploma engineers	6031	5.51	6279	5.62	(+4.09)	6684
vi.	ITI Trained	2897	2.64	9106	8.16	(+214.32)	10023
vii.	Skilled (Other than ITI / others)	3119	2.85	2310*	2.07	(-)25.93	3271*
	Total ( C)	74630	68.22	82619	74.05	(+)10.70	89796
<b>Grand Total</b>		<b>109383</b>	<b>100.00</b>	<b>111564</b>	<b>100.00</b>	<b>(+)1.99</b>	<b>120228</b>

\* includes Draftsman

Source: Digest of Statistics – 2006-07, 2007-08, DES, J&K

At State level, the number of registered illiterate unemployed in year 2007 was 4030 where as the number in the year 2008 has been increased to 4167 thereby registering a growth of 3.40 percent. The number of literate unemployed (literate below Matric) has recorded an increase of about 5.41 percent during the year 2008. Unemployment among the registered educated people had recorded a rising trend. The Educated unemployed population has been recorded as 82619 in year 2007 and 89796 in year 2008 recording an increase of 8.69 percent. The overall number of registered unemployed in the State during 2007 was 111564 persons which have increased to 120228 persons in the year 2008, showing an increase of about 9.91 percent. The ground level position was not so because the Statistics of employment exchanges, however, does not provide accurate picture of unemployment in the State. The data suffers from two defects mainly, firstly, all the unemployed

persons do not register themselves with these Employment Exchanges & secondly, some of the registered persons may not be actually unemployed but only in search of better jobs.

The training institutions like ITIs and other skill training centres have no doubt been meeting a significant part of the requirements of the skilled man power of organised industry. It however seems necessary that the process of restructuring and reorientation of their courses is required to be more expeditious with a view to quickly respond to the labour market so that the growth rate of unemployment shows a substantial decrease. This would result in a positive signal towards growth of skilled employment creation and consequent absorption. Efforts have to be towards that this skilled trait does not pile up which will distort the overall employment and unemployment scenario. Rapid expansion of education, particularly of Higher education, has also contributed to mismatch in labour market. High private rates of return on Higher Education, to a large extent resulting from low private cost, is an important reason for the rush for Higher education despite high incidence of educated unemployment. Self employment and casual labour continued to play a pivotal role in rehabilitation of the unemployed.

### ***Employment Growth in Unorganized sector***

The 5th Economic Census, conducted in 2005, indicates that there are 3.24 lakh enterprises in the State which are engaged in different economic activities. The total number of persons working in these enterprises was recorded to be 7.52 lakhs, more or less equally distributed in rural and urban areas, i.e. 51.53% in urban areas and remaining 48.47% in rural areas. The average annual growth rate in employment in the said enterprises during 1998 to 2005 was 6.82%. With this annual average growth rate in employment in such enterprises J&K topped all the States. However, this momentum needs to be kept going. Some of the prerequisites for ensuring that the present rate of growth in small and medium economic enterprises continues during the 11th Five Year Plan include:

- a. Provision of quality power, especially to small and household industrial units including handlooms,
- b. Provision of connectivity to all villages to improve trade avenues in rural areas, and
- c. Promotion of Horticulture to tap the employment avenues available in this sector.

Almost 70% of the population in the State is directly or indirectly dependent on agriculture and its allied sectors, which continues to be a subsistence sector. In addition to Agriculture and allied sectors, the sectors which have been employing large chunk of the population include small scale industries, handicrafts, and handlooms. The number of persons employed is indicated in the following Table.

**Table 22.02: Number of Workers engaged in various sectors during 2006-07 and 2007-08**

<i>S.No</i>	<i>Sector</i>	<i>Units</i>	<i>Number of Workers</i>	
			<i>2006-07</i>	<i>2007-08</i>



1	Handicrafts	lakhs	3.50	3.50
2	Handloom			
	i. Units	Nos.	2378	2334
	ii. Organised Sector ( Co-operative Societies)	Nos.	15280	15301
	iii. Unorganised Sector	Nos.	22000	22000
3	Small Scale Industries	Nos	225963	232915
4	Village and Khadi Industries	Nos.	69468	43850*
5	Shops and Establishment	Nos.	229999	249225
	i. Shops and Establishment	Nos.	177814	187068
	ii. Employee	Nos.	52185	62157
6	Horticulture/Agriculture	Lakhs	25.00	25.00

\* including partially employed persons

Source: i) Directorate of Handicrafts, J&K, ii) Directorate of Handlooms, J&K, iii) Directorate of Industries and Commerce, J&K, i v) Secretary, J&K Khadi and Village Industries Board, J&K, v) Labour Commissioner J&K

As per data analysis number of workers employed in Handicraft and Horticulture/ Agriculture sector has remained constant in year 2006-07 and 2007-08 as there has been no additional absorption of the human component in these sectors. Handloom sector has shown decline in employment over the years. Substantial employment growth was observed in small enterprises which help to tackle the task of unemployment to some extent by expanding employment base. As regards village and Khadi industries, the employment scenario has drastically reduced from 69468 to 43850, thereby registering a negative growth of 37.13 percent.

### **Unemployment Scenario in J&K State- NSS surveys**

The quinquennial survey on employment – unemployment carried out by NSSO provides estimates on various characteristics pertaining to employment and unemployment at the National as well as State level. The Unemployment scenario has also become a regular feature of all the NSS Survey rounds on some selected parameters.

The term used for measuring unemployment is the ‘unemployment rate’, defined by NSSO as the number of persons unemployed per 1000 persons in the labour force (which includes both the employed and the unemployed). For calculation of unemployment rate, person-days as per the Current Daily Status (CDS) approach is followed. This, in effect, gives the unutilized position of labour force. Thus, it is a more refined indicator of employment situation in a population than the ‘proportion unemployed’, which is merely the number of unemployed per thousand persons in the population as a whole.

The latest NSS Survey- 62nd round conducted during July, 2005 – June, 2006 constitutes an important source of information on unemployment. The unemployment rates revealed by 62nd round of NSS for the State in comparison to Nation are given in the following table:-

**Table 22.03: Unemployment Rate\* for J&K State vis-à-vis All India, 62<sup>nd</sup> Round of NSSO**

S.No	Area	J&K			All India		
		Male	Female	Persons	Male	Female	Persons
1.	Rural						

	UPS	5.1	0.6	4.7	2.5	2.2	2.4
	CWS	6.5	0.3	5.0	4.3	3.3	4.0
	CDS	7.9	0.5	6.7	8.3	7.5	8.1
<b>2.</b>	<b>Urban</b>						
	UPS	6.7	11.7	7.3	4.8	7.9	5.4
	CWS	7.0	8.1	7.1	5.8	7.7	6.1
	CDS	7.6	8.7	7.7	7.9	10.1	8.3
<b>3.</b>	<b>Combined (Rural+Urban)</b>						
	UPS	5.4	3.5	5.2	3.1	3.0	3.1
	CWS	6.6	1.2	5.4	4.7	3.9	4.5
	CDS	7.9	1.8	6.9	8.2	7.9	8.1

UPS: Usual Principal Status; CWS: Current Weekly Status; CDS: Current Daily Status

\* : Unemployment rate per 100 persons

The unemployment indicators have been worked out at three basic principles indicated below;

- i. Usual Principal status (UPS)- Indicator of chronically unemployed.
- ii. Current Weekly Status (CWS)- Indicator of chronic and seasonal unemployment.
- iii. Current Daily Status (CDS)- Indicator of unemployment on a day of the conduct of Survey,

The analysis of above information reveals that the combined (male+female) unemployment rate at Rural level in the State is comparatively higher than that of National un-employment rate as per Usual Principal Status and Current Weekly Status where as in case of Current Daily Status the indicator is high at All India Level than that of J&K State. The higher unemployment rate indicator highlights that employment situation is grim (worse) at the ground level. At Rural level the indicator in respect of females is better than that of the males. At National level the indicator is better for males than females as per analysis.

At Urban level in the State, the overall unemployment rate is comparatively higher than that of National level unemployment rate as per UPS and CWS whereas the indicator as per CDS status is high at All India Level than that of J&K State. In case of females at rural level their position of employment is worse than that of males in the State as well as at National level when the indicator is analysed.

The analysis of data reveals that the Unemployment Rate for Rural+Urban (Combined) under UPS and CWS were almost equal while as the indicator for CDS was higher (6.9). As against this the All India level indicator was lower than that of State level under UPS as well as CWS status. However, under CDS the unemployment rate for All India level was higher when compared to the State figures.

At State Rural+Urban, (combined) level, the unemployment status (persons) as per UPS status is 5.2 which is less than the indicator for Urban areas (7.3) and higher than Rural area (4.7). Similarly the indicator as per CWS is 5.4 which is more than Rural areas (5.0) and less than Urban areas (7.1). The

indicator as per CDS status is 6.9 which is higher than the indicator for Rural areas (6.7) and in Urban areas (7.7) as well.

While analysing the indicators at State level, the chronic unemployed situation exists in Urban areas with the indicator standing at as per at 7.3 percent UPS.

**Table 22.04: Comparison between Unemployment Rate of J&K State for 61<sup>st</sup> and 62<sup>nd</sup> Round of NSSO**

NSS Rounds	Male			Female			Combined( Male+ Female)		
	UPS	CWS	CDS	UPS	CWS	CDS	UPS	CWS	CDS
<b>61<sup>st</sup></b>									
<i>Rural</i>	2.1	4.7	5.8	6.3	2.9	4.7	2.6	4.2	5.6
<i>Urban</i>	3.8	4.0	4.6	15.6	12.2	15.2	5.3	5.3	6.0
<b>62<sup>nd</sup></b>									
<i>Rural</i>	5.1	6.5	7.9	0.6	0.3	0.5	4.7	5.0	6.7
<i>Urban</i>	6.7	7.0	7.6	11.7	8.1	8.7	7.3	7.1	7.7
<i>Combined</i>	5.4	6.6	7.9	3.5	1.2	1.8	5.2	5.4	6.9

From analysis of the above table, it was revealed that unemployment rate under UPS has increased from 61st NSS round to 62nd round for males. The analysis as per other principles i.e. CWS and CDS also collaborate the findings under UPS for males.

There has been improvement in the indicator under UPS from 61st round to 62nd round of NSS and the trend has been observed positive in CWS and CDS for females as well.

The strides made in female employment at State level have been nullified by the downfall of indicators in respect of males, thereby resulting into overall deterioration of the indicator at the State level as per all the three principles of unemployment, exhibiting that the employment situation is becoming dismal with the passage of time.

**Table 22.05: Unemployment Rate as per Usual Principal Status in J&K State in comparison with the neighbouring States/North Eastern States/All India as per 62<sup>nd</sup> Round of NSS**

State	Rural			Urban			Rural+Urban		
	Male	Female	Persons	Male	Female	Persons	Male	Female	Persons
J&K	5.1	0s.6	4.7	6.7	11.7	7.3	5.4	3.5	5.2
H.P	3.8	2.2	3.1	3.3	8.2	4.4	3.7	2.4	3.5
Punjab	4.5	13.0	5.4	4.4	13.2	5.6	4.5	13.1	5.4
Haryana	4.6	0.1	3.9	3.8	6.0	4.1	4.4	1.5	3.9
Delhi	1.5	0.0	1.4	2.4	3.8	2.5	2.3	3.5	2.4
N/Est.States	3.9	3.9	3.9	5.9	16.6	9.0	4.3	5.9	4.8
All India	2.5	2.2	2.4	4.8	7.9	5.4	3.1	3.0	3.1

As per the findings of 62nd round of NSS (July 2005- June 2006) Report, Unemployment rate in respect of J&K State, has been worked out to be 5.2 percent (5.4 percent for males and 3.5 percent for females) which is on higher side when compared to All India figures of 3.1 percent (3.1 percent for males

and 3.0 percent for females) and the neighbouring States viz Himachal Pradesh, Haryana, Delhi, and North Eastern States which are having lower unemployment rate of 3.5 percent, 3.9 percent, 2.4 percent and 4.8 percent respectively. However, Punjab is the only State which has higher unemployment rate, with the indicator standing at 5.4 percent as per UPS pattern. The female unemployment rate in respect of Punjab is 13.1 percent which is quite higher than J&K State (3.5 percent), all other neighbouring States and All India level. Male unemployment rate of J&K State is on the higher side than its neighbouring States, North Eastern States and All India level.

Unemployment rate in Urban areas is higher than Rural areas, not only in J&K State but also in its neighbouring States/North Eastern States and at All India level. Unemployment rate of 7.3 percent in Urban areas of J&K State is on the higher side when compared to its neighbouring States. Male unemployment rate (6.7) percent in Urban areas of J&K State is on higher side when compared to its neighbouring States. Further, Punjab is the only neighbouring State with female unemployment rate of 13.2 percent followed by J&K State (11.7 percent). In all other neighbouring States and All India level, the female unemployment rate is on the lower side in Urban areas.

In Rural areas, Punjab is the only neighbouring State with higher unemployment rate of 5.4 percent followed by J&K State (4.7 percent) as compared to adjoining States/All India level. Punjab is the only neighbouring State with female unemployment rate of 13 percent which is quite higher than J&K State (0.6 percent), all other neighbouring States and at All India level. Male unemployment rate of J&K State in rural areas is 5.1 percent which is on the higher side than its neighbouring States and All India level.

### ***Unemployment among Youth and Educated***

As per Census 2001, the literacy rate of the State stands at 55.5%, which has increased further to 65.67 percent as per Survey results of literacy rate 2008 conducted by Directorate of Economics and Statistics. The estimated mid year population (7 years and above) of State is 93.872 lakh persons out of which 61.647 lakh persons are literate.

With the annual average growth rate of 1.81 percent in population, the literacy is growing at an annual average growth rate of 2.126 percent, which results in addition to the educated youth year after year. This situation requires creation of ample opportunities in terms of employment avenues in the State or otherwise increase in literacy rate and number of literates will culminate into higher unemployment ratios.

With increase in population and number of educated persons in the State, the avenues of employment generation have not increased proportionately. High incidence of unemployment among the youth and the educated has emerged as an area of concern in the State.

The data on employment and unemployment generated from the latest round of NSS surveys – 61st round, covering the period July 2004 to June 2005, has revealed the incidence of unemployment among youth and educated at the national level and for the state as follows:

**Table 22.06: Incidence of unemployment among the Educated and Youth on Usual Principal Status**

	1993-94		1999-2000		2004-05	
	Educated <sup>#</sup>	Youth*	Educated <sup>#</sup>	Youth*	Educated <sup>#</sup>	Youth*
<b>Rural</b>						
Male	4.0	3.5	9.0	7.5	7.1	6.2
Female	13.6	4.2	22.3	11.7	20.2	8.9
Person	5.0	3.7	10.0	7.9	8.3	6.8
<b>Urban</b>						
Male	6.5	18.7	6.9	15.6	6.2	11.2
Female	21.6	33.6	19.4	27.6	31.6	31.8
Person	8.8	21.9	8.2	17.1	9.0	14.7

Source : NSS Survey-61<sup>st</sup> round

<sup>#</sup> **Educated:** persons who have attained an educational level of secondary and above including those completed diploma/certificate courses. Normally, one can attain this educational level at the age of 15 years or above. Thus, the data given for education is restricted to persons of age between 15 years and above.

\* **Youth:** persons aged between 15-29 years.

The above table reveals that there has been improvement in the employment situation at Rural level, as the unemployment indicator has shifted from 10 percent to 8.3 percent while as at Urban level slight deterioration in the employment situation in the State from the year 1999-2000 to 2004-05 has been observed as the unemployment rate among educated in the State increased from 8.2 to 9.0. The unemployment rate among the Youth has, however, improved from 7.9 to 6.8 at Rural level while as at Urban level it has improved from 17.1 to 14.7 during 1990-2000 to 2004-05.

As per the data analysis, the area of concern is the Urban sector, especially female folk, which has resulted into increase in the indicator, The data on unemployment scenario at urban level especially for female Educated and female youth from the period 1999-00 to 2004-05 shows grim situation.

The table shows that the unemployment rate of Urban Educated females increased from 19.4 to 31.6, registering an increase of 63.4% from 1999-2000 to 2004-05 and among urban Youth females from 27.6 to 31.8, registering an increase of 15.2% over the same period.

### **Approach towards Employment Generation**

The objective of the State Government of providing at least one productive job per family is hard to be achieved primarily through providing government jobs but employment opportunities need to be created primarily through two routes;

3. Accelerating the rate of economic growth of the State.
4. More effective implementation of employment-oriented schemes and programmes(broad based inclusive growth schemes)

The following 8 sectors of economy have been identified for generation of employment:

- ix. Agriculture (including Horticulture, Floriculture, Food Processing and Animal Husbandry),
- x. Handlooms and Handicrafts,

- xi. Industries (including Small Scale industries and Rural industries)
- xii. Tourism & travels,
- xiii. Education & health,
- xiv. Large infrastructure projects (Roads & Railways),
- xv. Information Technology & Telecommunication,
- xvi. Construction Sector.

The economy of Jammu & Kashmir has suffered from disturbed conditions prevailing in the State for almost two decades. It would, therefore, be necessary to put the economy back on the rails to enable the average person to get employment opportunities. This would require giving fillip to the economic activities that have traditionally been the mainstay of the State's economy and continue to hold significant potential for growth and employment. Such activities include Agriculture (including Horticulture), Food Processing, Handicrafts and Handlooms, Tourism etc. It would be equally necessary to ensure diversification of the State economy, especially expanding the industrial base by promoting private capital inflows into the State through various incentives and concessions in the initial stage. The special industrial package announced for Jammu and Kashmir has been a step in the right direction.

While preparing any plan for sustainable employment generation, it has to be kept in view that the prospects of any large scale expansion in the public sector jobs is not very bright. Even if steps are taken to fill all the gaps in manpower required to deliver public services in crucial areas such as Health and education, the contribution of government jobs at the margin would not be more than 15-16%, and even this one-sixth contribution to the total increment in employment would be a one-time contribution. Taken together with the jobs in other formal establishments, the share of regular salaried jobs in the employment generation programme is not expected to be substantial. Therefore, other avenues would have to be explored for providing sustainable employment to the people of the State. Extending support to entrepreneurs to set up small and medium enterprises for self employment would appear to be the most effective and durable way of doing this. A large number of workers in J&K have traditionally been self-employed in activities such as Handlooms and Handicrafts, Tourism, Horticulture, Food Processing etc. The disturbed conditions prevailing in the State have affected them adversely to varying degree. While some of the workers have suffered loss of employment, majority are working at very low levels of income and productivity. Also, in many of the identical areas, especially horticulture and food processing, a large potential for growth lies untapped waiting to be exploited.

Different sectors and sub-sectors of the State's economy would require different kinds of interventions for revival/growth depending upon the nature of the activity, the impediments to growth and the institutions that are in place to encourage or promote growth. Specific interventions through Government schemes and the special employment programmes (PMRY, REGP, SGSY and JK Self Employment Scheme) would be important for giving better employment orientation to growth.

In the interest of a balanced economic growth and development, a conscious attempt has to be made to dovetail the interventions envisaged at the sectoral level to the need for reducing the gender gap on the one hand and the

dispersal among the three geographical regions on the other. At the stage of monitoring of the employment programme also, the need to strike these balances would have to be given due attention and midcourse corrections, if necessary, applied.

### ***Potential for Employment Generation***

Additional productive employment opportunities in the future would be generated mainly in the services and manufacturing sectors and policy initiatives are needed to support this.

The intention in the 11th Five Year Plan is to boost, in particular labour intensive manufacturing sectors such as food processing, leather products, footwear and textiles, and service sectors such as tourism and construction. Construction sector would generate substantial additional employment.

Tourism- both domestic as well as international – may provide possibilities for employment generation in the hotel, catering, entertainment and travel sectors as well as a market for handlooms and handicrafts.

The State of J&K has certain inherent strengths that can be utilized to improve the income of its people and to provide gainful employment opportunities on sustainable basis, which are:

- i. A very strong base of traditional skills not found elsewhere;
- ii. Untapped natural resource;
- iii. A natural environment which has been very profitably utilized by other countries for high income- environment friendly tourism industry.

### ***Employment Policy***

In order to sustain growth and employment in its economy, the State Government should articulate an Employment Policy focusing on:

- i. Improving the productivity of, and thereby income of those engaged in industries based on traditional skills,
- ii. Shifting the agricultural work force to high value-added/ high-income Agriculture/Horticulture;
- iii. Transforming the service industry in the State, driven by Tourism, from informal and low income to modern by setting up a world class tourism infrastructure, largely on the basis of private investment and entrepreneurship; and
- iv. Creating a vibrant self-employed-professional workforce, which does not depend on government jobs, or for off-take of its services by government alone.

The employment policy will also have the focus on various economic initiatives:

- i. Improve the skills of local labour force such that it is utilised better by the local enterprise, reducing the need to import skilled and professional manpower;
- ii. Development of institutions that:

- facilitate growth of productivity of tiny, micro and small units; focus at the clusters of existing artisans and cottage industries;
- focus at creation of infrastructure of better productivity at such other locations where bulk of workforce is deployed;
- harness the economies of scale of many small units operating in proximity by providing infrastructure for marketing;
- facilitates research and development into the production, techniques and methods and equipment used by those working in such existing units;
- Promote high income self-employment, and are sensitive to creation of employment opportunities for women in more productive, better income and modern industries and services.

### ***Approach towards Employment Generation***

The objective of the State Government of providing at least one productive job per family is hard to achieved primarily through providing government jobs but employment opportunities need to be created primarily through two routes;

1. Accelerating the rate of economic growth of the State.
2. More effective implementation of employment-oriented schemes and programmes(broad based inclusive growth schemes)

The following 8 sectors of economy have been identified for generation of employment:

- i. Agriculture (including Horticulture, Floriculture, Food Processing and Animal Husbandry),
- ii. Handlooms and Handicrafts,
- iii. Industries (including Small Scale industries and Rural industries)
- iv. Tourism & travels,
- v. Education & health,
- vi. Large infrastructure projects (Roads & Railways),
- vii. Information Technology & Telecommunication,
- viii. Construction Sector.

The economy of Jammu & Kashmir has suffered from disturbed conditions prevailing in the State for almost two decades. It would, therefore, be necessary to put the economy back on the rails to enable the average person to get employment opportunities. This would require giving fillip to the economic activities that have traditionally been the mainstay of the State's economy and continue to hold significant potential for growth and employment. Such activities include Agriculture (including Horticulture), Food Processing, Handicrafts and Handlooms, Tourism etc. It would be equally necessary to ensure diversification of the State economy, especially expanding the industrial base by promoting private capital inflows into the State through various incentives and concessions in the initial stage. The special industrial package announced for Jammu and Kashmir has been a step in the right direction.

While preparing any plan for sustainable employment generation, it has to be kept in view that the prospects of any large scale expansion in the public sector jobs is not very bright. Even if steps are taken to fill all the gaps in



manpower required to deliver public services in crucial areas such as Health and education, the contribution of government jobs at the margin would not be more than 15-16%, and even this one-sixth contribution to the total increment in employment would be a one-time contribution. Taken together with the jobs in other formal establishments, the share of regular salaried jobs in the employment generation programme is not expected to be substantial. Therefore, other avenues would have to be explored for providing sustainable employment to the people of the State. Extending support to entrepreneurs to set up small and medium enterprises for self employment would appear to be the most effective and durable way of doing this. A large number of workers in J&K have traditionally been self-employed in activities such as Handlooms and Handicrafts, Tourism, Horticulture, Food Processing etc. The disturbed conditions prevailing in the State have affected them adversely to varying degree. While some of the workers have suffered loss of employment, majority are working at very low levels of income and productivity. Also, in many of the identical areas, especially horticulture and food processing, a large potential for growth lies untapped waiting to be exploited.

Different sectors and sub-sectors of the State's economy would require different kinds of interventions for revival/growth depending upon the nature of the activity, the impediments to growth and the institutions that are in place to encourage or promote growth. Specific interventions through Government schemes and the special employment programmes (PMRY, REGP, SGSY and JK Self Employment Scheme) would be important for giving better employment orientation to growth.

In the interest of a balanced economic growth and development, a conscious attempt has to be made to dovetail the interventions envisaged at the sectoral level to the need for reducing the gender gap on the one hand and the dispersal among the three geographical regions on the other. At the stage of monitoring of the employment programme also, the need to strike these balances would have to be given due attention and midcourse corrections, if necessary, applied.

### ***Potential for Employment Generation***

Additional productive employment opportunities in the future would be generated mainly in the services and manufacturing sectors and policy initiatives are needed to support this.

The intention in the 11th Five Year Plan is to boost, in particular labour intensive manufacturing sectors such as food processing, leather products, footwear and textiles, and service sectors such as tourism and construction. Construction sector would generate substantial additional employment.

Tourism- both domestic as well as international – may provide possibilities for employment generation in the hotel, catering, entertainment and travel sectors as well as a market for handlooms and handicrafts.

The State of J&K has certain inherent strengths that can be utilized to improve the income of its people and to provide gainful employment opportunities on sustainable basis, which are:

- i. A very strong base of traditional skills not found elsewhere;

- ii. Untapped natural resource;
- iii. A natural environment which has been very profitably utilized by other countries for high income- environment friendly tourism industry.

### ***Employment Policy***

In order to sustain growth and employment in its economy, the State Government should articulate an Employment Policy focusing on:

- i. Improving the productivity of, and thereby income of those engaged in industries based on traditional skills,
- ii. Shifting the agricultural work force to high value-added/ high-income Agriculture/Horticulture;
- iii. Transforming the service industry in the State, driven by Tourism, from informal and low income to modern by setting up a world class tourism infrastructure, largely on the basis of private investment and entrepreneurship; and
- iv. Creating a vibrant self-employed-professional workforce, which does not depend on government jobs, or for off-take of its services by government alone.

The employment policy will also have the focus on various economic initiatives:

- i. Improve the skills of local labour force such that it is utilised better by the local enterprise, reducing the need to import skilled and professional manpower;
- ii. Development of institutions that:
  - facilitate growth of productivity of tiny, micro and small units; focus at the clusters of existing artisans and cottage industries;
  - focus at creation of infrastructure of better productivity at such other locations where bulk of workforce is deployed;
  - harness the economies of scale of many small units operating in proximity by providing infrastructure for marketing;
  - facilitates research and development into the production, techniques and methods and equipment used by those working in such existing units;
  - Promote high income self-employment, and are sensitive to creation of employment opportunities for women in more productive, better income and modern industries and services.

## Chapter - 23

### **Prices**

Price influences both quantum and pattern of consumption. Price Statistics forms the essential ingredient for both project planning, as well as project management. Price fluctuations not only affect the standard of living, but also have a significant bearing on project formulation, investment deviations etc. Inflation is an indicator of macro economic stability. Inflation affects adversely individual household budget and hurts the poor with their incomes not indexed to prices. It also upsets the developmental works in the economy and puts pressure on interest rates and adversely effect savings and investment. A mild inflation in the range of 2 to 5 percent on the other hand is considered as the leverage to economic growth. The rate of inflation is measured by the statistical device "Index Number of prices" considered as a barometer of economic activity.

#### **Consumer Price Index Numbers:**

Consumer Price Index (CPI) is designed to measure the changes overtime in the level of retail prices of a fixed set of goods and services consumed by an average family of a defined population group in a given area with reference to fixed 12 months period normally called the base year. It does not measure costliness of a place as the cost involves quantity as well as price, but in consumer price index, only price changes are reflected and not the quantity changes. However, this aspect could be taken care of to some extent by revising the basket as well as base year of the index as frequently as possible so that relative importance of items in the family budget of the given population based on latest consumption pattern is reflected in the index. Consumer price index is also different from cost of living index as it does not take into the account level

of living i.e. level relating to health, education, working conditions, service conditions, housing conditions, indebtedness, savings etc of the population. Further its movement has no relation with whole sale price index which is based on value of domestic production, imports and whole sale prices as compared to consumer price index which is based on average expenditure reported on items consumed by given population and retail prices.

At national level five series of price indices are compiled which capture the price movement at retail and whole sale levels. Out of these, consumer price index (CPI) for industrial workers, CPI for Agricultural Labourers and CPI for Rural Labourers are used to measure monthly variation in the retail prices of items of daily consumption of specified population groups. All India whole-sale price index (WPI) on the other hand is used to measure the fluctuations in the whole sale prices of all traded commodities in the economy on weekly basis. As the WPI represents whole sale trade and transactions and also being available on weekly basis, this index is conventionally used in India as an indicator to assess the rate of inflation in the economy.

### ***Consumer Price Index Numbers for industrial Workers***

The Consumer price Indices for industrial workers are being compiled and maintained by the Labour Bureau, Ministry of Labour, Government of India since its inception in 1946. Data collection for the index is made from 78 industrially developed Centers in the country. Srinagar Center comprising four markets namely Haba Kadal, Zaina Kadal, Maharaj Bazar and Pampore represent Jammu and Kashmir for purposes of this index. The Labour Bureau Simla has been compiling and publishing Consumer Price Index Numbers for industrial workers on monthly basis with base 1982 =100. However, on the recommendations made by the International Labour Organization the second commission on Labour and National Statistical Commission the old Base 1982 =100 has been replaced with New Base 2001 = 100 from January 2006. The main use of these indices is the regulation of dearness allowance of the working class at the State as well as at National level. The Central and State Government employees wage compensation is done twice a year based on the movement of this index.

Table 23.01 exhibit the General Index Numbers of Industrial Workers at All India vis-a-vis J&K State. Table reveals that the General Index of Industrial workers over the years i.e. from 2000-01 to 2008-09 has registered the fluctuating trend. For the first five years in succession, the General Index of Industrial Workers experienced an inflation rate below 5 % at All India level viz. from financial year 2001-02 to 2005-06. The inflation rate for the year 2006-07 and 2007-08 was recorded at 6.83% and 6.39% respectively, whereas the inflation rate for the year 2008-09 was recorded at 8.93%, the highest as compared to all the previous years.

In J&K State, the highest rate of 9.48% inflation was experienced during the year 2001-02. For the year 2002-03, it was lowest i.e. 3.77%, thereafter it increased to 5.81% in the financial year 2003-04. In the year

2004-05, the inflation rate recorded by General Index of Industrial Workers again dipped to 3.95% and moved up to 8.17% (increased by 162 points) in the year 2008-09.

**Table 23. 01: Consumer Price Index numbers of Industrial Workers for last 9 years at all India vis-à-vis J&K state**

Year	General Index of Industrial Workers Base 1982 = 100, 2001 = 100 w.e.f January 2006			
	All India		J&K	
	Gen. Index	Inflation Rate (%)	Gen. Index	Inflation Rate (%)
1	2	3	4	5
2000-01	444	3.74	485	2.97
2001-02	463	4.28	531	9.48
2002-03	482	4.10	551	3.77
2003-04	500	3.73	583	5.81
2004-05	520	4.00	606	3.95
2005-06	542	4.23	637	5.12
2006-07	579 (125)	6.83	676 (120)	6.12
2007-08	616 (133)	6.39	710 (126)	5.03
2008-09	671 (145)	8.93	768 (137)	8.17

*Note: Figures in brackets indicate index on new base w.e.f January 2006. The conversion factor from the current to the old series is 4.63 and 5.62 in case of General Index for all India and J&K respectively.*

### **Consumer Price Index for Agricultural Labourers (CPI-AL):**

Labour Bureau, Simla releases Consumer Price Index for agricultural labourers as a monthly series for the country and for each state. CPI-AL is basically used for revising minimum wages for agricultural labour in different States. The present base of CPI-AL is 1986-87=100 w.e.f Nov. 1995. In this series two separate indices are compiled for Rural labourers and its sub-set agricultural labourers. As in case of other Consumer Price Indices, the consumption pattern of agricultural labourers has changed over the years, therefore, the NSSO is conducting a family expenditure survey for agricultural labourers to get the present consumption pattern and to shift the present base of CPI - AL to a more recent year.

#### **Rate of Inflation:**

The agricultural year for CPI-AL is from July to June. Inflation in terms of Consumer Price Index for agricultural labourers (CPI-AL) worked out to be 32 points up during 2006-07 measuring the highest increase of 8.89% for J&K State. For all the earlier years mild rate of inflation on this indices i.e below 5% has been recorded for the State. In 2007-08, the CPI-AL has increased by 20 points registering a net increase of 5.10% over the previous year, whereas the CPI-AL in 2008-09 again moved upto 8.49% i.e. increased by 35 points over previous year.

The All India CPI for agricultural labourers increased by 8.38% in 2006-07 as compared to 4.68% for 2005-06. On a point to point basis All India CPI for agricultural labourers was upto 29 points in 2007-08 thereby registering a net increase of 7.47%. Whereas in the year 2008-09 the CPI for agricultural labourers has recorded the inflation rate of 9.59% which is the highest amongst all the years 2000-01 to 2008-09.

**Table 23. 02: Consumer Price Index for Agricultural Labourers base 1986-87 = 100 w.e.f. Nov. 1995**

Year	Jammu and Kashmir		All India	
	General Index	%age Change	General Index	%age Change
1	2	3	4	5
2000-01	326	00	304	00
2001-02	331	1.53	311	2.30
2002-03	344	3.93	323	3.86
2003-04	345	0.30	332	2.79
2004-05	348	0.87	342	3.01
2005-06	360	3.45	358	4.68
2006-07	392	8.89	388	8.38
2007-08*	412	5.10	417	7.47
2008-09*	447	8.49	457	9.59

Note: \* Denotes 9 months average

### **Consumer Price Index for Rural Laborers (CPI-RL):**

Labour Bureau, Simla releases a measure of inflation in terms of Consumer price Index for Rural Labourers for the Country and for each State. The present base of CPIRL is 1986-87= 100 w.e.f November, 1995. This indices covers the households of rural labourers (including agricultural laborers).

The all India CPI for rural labourers increased by 27 points in 2006-07 compared with its index level in 2005-06 revealing 7.61 % rate of inflation. In 2007-08 it increased by 24 points registering a net increase of 6.28% over the previous year. Where as in the year 2008-09, the Consumer Price Index for Rural Labourers experienced the highest inflation rate of 10.84% which was higher as compared to CPI-RL of J&K State (i.e.7.86%).

Rate of inflation in the year 2006-07 for J&K State, by these indices has been worked out at 8.76 percent i.e. it increased by 31 points over the previous year viz. 2005-06 which was higher as compared to CPI-RL for all India (7.61%). Whereas in the year 2008-09 the rate of inflation has been recorded at 7.86% registering an increase of 32 points over the previous year 2007-08.

**Table 23. 03: Consumer Price Index for Rural Labourers (CPI-RL) Base 1986-87=100 w.e.f Nov. 1995**

Year	Jammu and Kashmir		All India	
	General Index	%age increase	General Index	%age increase
1	2	3	4	5
2004-05	342	00	344	00
2005-06	354	3.51	355	3.20
2006-07	385	8.76	382	7.61
2007 -08 *	407	5.71	406	6.28
2008-09	439	7.86	450	10.84

Note: \* Denotes 9 months average

It is pertinent to mention here that CSO, New Delhi was compiling Consumer Price Index numbers for Urban Non-Manual Employees (CPI-UNME) for various centers in the country with 1984-85 as the base year. In Jammu and Kashmir, two cities viz Srinagar and Jammu were taken into account for construction of CPI-UNME. The CSO

compiled and maintained UNME Consumer Price Index up to the year 2007-08, (April 2008), thereafter CSO discarded this series. Instead of this the CSO on the recommendations of National Statistical Commission decided to develop Consumer Price Index series separately for urban population at national and state level.

## Chapter – 24 (a)

### Statistical Supplement

#### A. Selected socio-economic indicators of J&K in comparison with All India

*Annexure-A*

#### Selected socio-economic indicators of J&K in comparison with All India

S.No	Indicator	Unit	J & K		All India	
			Ref. Year	Magnitude	Ref. Year	Magnitude
1	2	3	4	5	6	7
1	Density	Persons Per Sq.Km	2001	100	2001	325
2	Percentage of Urban Population	%age	2001	24.81	2001	27.81
3	Decadal Population Growth	%age	1991-2001	29.43	1991-2001	21.11
4	BPL Population #	%age	2004-05 2007-08	5.4 21.63(@)	2004-05	27.5
5	Sex Ratio	Females per 1000 of males	2001 2004 2006	892 923(a) 925(b)	2001	933
6	Average house hold size	Nos	2001	6.5	2001	5.4
7	Households having safe drinking water facility	%age	2001	65.2	2001	77.9
8	Birth rate	No per milli	2007	19.0	2007	23.1
9	Death rate	No per milli	2007	5.8	2007	7.4

10	Infant mortality rate	No per 1000 Live Births	2007	51	2007	55
11	Natural Growth Rate	Per milli	2007	13.2	2007	15.7
12	Life expectancy at birth (Male)	Years	2006-10	65.0	2006-10	65.8
13	Life expectancy at birth (Female)	Years	2006-10	67.0	2006-10	68.1
14	Hospitals and Dispensaries per lakh of population	No.	2007-08	6.39	2004	2.57
15	Hospitals and Dispensaries per 100 sq km of area	No.	2007-08	0.77	2004	0.87
16	Literacy rate	%age	2001 2008	55.52 65.67(a)	2001	64.84
17	Male literacy rate	%age	2001	66.60	2001	75.26
18	Female literacy rate	%age	2001	43.00	2001	53.67
19	Pupil Teacher Ratio (Primary)	No per Teacher	2007-08	31	2004-05	46
20	Pupil Teacher Ratio (upper Primary)	No per Teacher	2007-08	20	2004-05	35
21	Gross enrolment ratio in classes (I-VIII) 6-14 years	%age	2004-05	74.45	2004-05	93.54
22	Un-employment rate\$	%age	2005-06	5.2	2005-06	3.1
23	Workers as %age of Total Population	%age	2001	37.01	2001	39.10
24	Average holding size	Hectares	2000-01 Agri.census	0.67	2000-01 (Agri.census)	1.32
25	Gross area irrigated as %age of gross area sown	%age	2007-08	40.85	2005-06	42.86
26	Net area irrigated as %age of net area sown	%age	2007-08	41.97	2005-06	42.42
27	Live Stock per 100 of human beings	Nos	2003	93	2003	45
28	Average Livestock per household	Nos	2003	6.38	2003	2.53
29	Forest area as %age of geographical area	%age	2001	19.95	2001	24.47
30	Road length per 100 sq. Km of area	Kms.	2008-09	39.55	2006-07	104.64
31	Registered Motor Vehicles per lakh of population	No	March,2009	5342	March 2004	6704
32	Registered Motor Vehicles per 100 Sq. Km of area	No	March,2009	659	March 2004	2297
33	Teledensity(people per phone)	No	2007-08	10	2007-08	5
34	Post offices per lakh of population	No	2008-09	14	2005-06	14
35	Bank offices per 100 Sq. Km of area	No	December 2008	107.40	December 2008	40.73
36	Average population per bank office	(000) Nos	December 2008	13	December 2008	15
37	Credit Deposit Ratio (CDR)	%age	December 2008	46.63	December 2008	74.76



38	Establishments	Nos	2005 E C	324908	2005 E C	41826989
39	Establishments	Nos	2005 E C	751532	2005 E C	100904121
40	Annual Average Growth in Establishments	%age	2005 Over 1998 EC	6.03	2005 Over 1998 EC	4.69
41	Annual Average Growth rate in employment	%age	2005 Over1998E C	6.82	2005 Over1998 EC	2.78
42	Per capita GDP at Constant 1999-00 prices	Rs	2007-08 (Pre)	20604	2007-08	27442
43	Plan Expenditure per capita	Rs.	2007-08	3815	2007-08	<a href="#">3254(αα)</a>

Note:

i) All indicators linked with area indicate position on the area of this side of control line.

ii) Decadal population growth regarding J & K is on 1991 estimated population.

(a)= Indicates sex ratio and Literacy rate as per socio-economic survey conducted under 60<sup>th</sup> N.S.S round (January 2004 to June 2004)

(b)= Indicates sex ratio assessed by the sex ratio survey conducted by the Directorate of Economics and Statistics(J&K) in 2006

# = Estimates of Planning Commission, G O I,

\$ = estimated on the basis of 62<sup>nd</sup> NSS round (July 2005- to june 2006) ,

Pre = Preliminary estimates, @ = As per survey 2007-08

EC = Economic Census, (αα) = Indicates per capita plan outlay on revised estimates,

## Chapter – 24 (b)

### Statistical Supplement

#### Selected socio-economic

#### B. Comparable Socio-economic indicators of J & K State by District

##### Annexure B (Contd.)

##### Comparable Socio-economic indicators of J & K State by District

By existing 22 Districts/State

S. No.	District	Urban population as per Census 2001 (P)	Percentage of Urban population to total population Census 2001 (P)	Sex ratio of general population as per sample survey 2008	Density (Persons) per sq. km of area 2008 (P)
1	2	3	4	5	6
1	Anantnag	149451	19.08	944	323
2	Pulwama	56261	12.75	933	488
3	Srinagar	<b>932445</b>	<b>94.22</b>	940	<b>1005</b>
4	Budgam	70588	11.22	930	552
5	Baramulla	170527	19.98	939	245
6	Kupwara	25495	<b>3.92</b>	930	328
7	Kulgam	18912	4.86	908	438
8	Shopian	12246	5.79	948	814

9	Ganderbal	13721	6.45	948	245
10	Bandipora	25795	8.15	948	955
11	Leh	28639	24.43	939	<b>3</b>
12	Kargil	<b>10657</b>	8.93	916	10
13	Jammu	635855	46.86	889	698
14	Udhampur	96372	19.44	<b>880</b>	241
15	Doda	21836	7.63	933	115
16	Kathua	78728	15.39	913	246
17	Rajouri	33655	6.96	895	221
18	Poonch	23978	6.44	920	267
19	Samba	65363	24.18	896	357
20	Reasi	20255	8.18	899	175
21	Kishtwar	14936	7.83	931	30
22	Ramban	10923	5.08	<b>973</b>	192
	Total State	2516638	24.81	924	120

**Annexure B (Contd.)**  
**Comparable Socio-economic indicators of J & K State by District**  
*By existing 22 Districts/State*

S. No.	District	Cultivable area as %age of reported area 2007-08	Gross area irrigated as %age of gross area sown 2007-08	Net area irrigated as %age of Net area sown 2007-08	Cropping intensity 2007-08
1	2	7	8	9	10
1	Anantnag	64.68	71.82	64.55	154.92
2	Pulwama	62.84	68.32	67.08	176.72
3	Srinagar	44.87	82.12	87.35	148.29
4	Budgam	66.52	65.26	63.83	125.75
5	Baramulla	64.79	46.40	45.44	103.83
6	Kupwara	72.29	50.00	50.00	100.00
7	Kulgam	64.68	69.64	65.70	122.96
8	Shopian	62.84	73.03	67.86	128.87
9	Ganderbal	54.64	76.84	76.00	127.83
10	Bandipora	64.79	54.47	56.20	105.98
11	Leh	22.82	100.00	100.00	103.99
12	Kargil	51.78	100.00	100.00	108.85
13	Jammu	35.01	60.43	64.72	208.70
14	Udhampur	19.37	5.20	5.66	165.46
15	Doda	16.53	9.91	9.40	128.23
16	Kathua	26.87	30.58	28.93	209.89
17	Rajouri	21.38	8.44	9.30	183.56
18	Poonch	24.49	14.18	13.40	166.77
19	Samba	35.02	24.88	23.62	211.71
20	Reasi	19.37	6.11	6.43	147.21
21	Kishtwar	16.53	13.50	17.51	129.67
22	Ramban	21.17	5.83	7.07	136.70
	Total State	33.16	40.85	41.97	154.49

**Annexure B (Concl.)**  
**Comparable Socio-economic indicators of J & K State by District**  
*By existing 22 Districts/State*

S. No.	District	Literacy rate 2008 ( P)	Credit Deposit Ratio Dec. 2008	Average area per bank branch as on June 2008	Population coverage per bank branch June 2008	Per Capita district plan Expenditure 2007-08 (Rs.)	Below Poverty Line population percentage (2007-08)
1	2	11	12	13	14	15	16
1	Anantnag	67.16	43.57	50.29	16229	608.97	14.46
2	Pulwama	63.28	45.41	33.94	16568	639.63	26.18
3	Srinagar	75.21	<b>84.65</b>	<b>8.10</b>	<b>8144</b>	<b>233.54</b>	<b>6.51</b>
4	Budgam	51.83	47.59	47.28	26073	618.16	26.64
5	Baramulla	58.39	52.90	49.29	12062	559.73	26.49
6	Kupwara	50.05	45.36	58.02	19060	781.51	32.55
7	Kulgam	56.40	43.03	42.68	18696	873.41	22.59
8	Shopian	67.08	59.62	26.00	21159	863.73	16.42
9	Ganderbal	54.59	50.19	58.06	14202	1414.94	24.23
10	Bandipora	56.30	55.67	24.88	23762	687.67	31.09
11	Leh	71.94	20.44	<b>2819.38</b>	8803	<b>4075.79</b>	22.07
12	Kargil	61.33	<b>15.12</b>	1403.60	14335	3364.98	31.90
13	Jammu	<b>83.73</b>	37.13	12.29	8581	265.67	11.97
14	Udhampur	67.13	24.89	65.08	15677	889.36	24.56
15	Doda	64.74	19.32	165.83	19100	1074.53	29.07
16	Kathua	69.86	38.55	49.06	12049	653.63	11.72
17	Rajouri	48.37	25.97	67.44	14889	902.11	25.10
18	Poonch	61.28	24.34	83.70	22385	1007.78	33.67
19	Samba	81.91	53.12	35.00	12494	714.32	13.88
20	Reasi	55.47	27.43	85.00	14880	931.28	<b>37.93</b>
21	Kishtwar	63.12	15.98	967.13	<b>28662</b>	1195.49	37.72
22	Ramban	<b>66.74</b>	19.06	84.13	16141	1127.74	37.73
	Total State	65.67	49.63	110.93	13334	732.94	21.63

P : Provisional

# Chapter – 24 (c)

## Statistical Supplement

*C. Selected Socio-economic indicators of States in India*

*Selected Socio-economic indicators of States in India*

S. No.	India/State/UT	Literacy Rate (%) (2001)	Working Force Nos. (++) (2001)	WPR (work participation rate)-2001	Cultivators as %age of total workers (2001)	Agricultural labourers as %age of total workers (2001)
1	2	8	9	10	11	12
	India	64.84	402234724	39.10	31.65	26.55
1	Jammu and Kashmir	55.52 65.3(a)	3753815	37.01	42.40	6.56
2	Himachal Pardesh	76.48	2992461	49.23	65.32	3.15
3	Punjab	69.65	9127474	37.47	22.62	16.32
4	Uttarakhand	71.62	3134036	36.92	50.10	8.29
5	Haryana	67.91	8377466	39.62	36.03	15.27
6	Delhi	81.67	4545234	32.82	0.82	0.35
7	Rajasthan	60.41	23766655	42.06	55.29	10.62
8	Uttar Pradash	56.27	53983824	32.48	41.06	24.82
9	Bihar	47.00	27974606	33.73	29.29	47.97
10	Sikkim	68.81	263043	48.63	49.90	6.46
11	Arunachal Pardesh	54.34	482902	43.98	57.84	3.90
12	Nagaland	66.59	847796	42.60	64.73	3.65
13	Manipur	70.53	945213	43.62	40.17	12.02
14	Mizoram	88.80	467159	52.57	54.87	5.73
15	Tripura	73.19	1159561	36.25	27.02	23.81
16	Meghalaya	62.56	970146	41.84	48.14	17.69
17	Assam	63.25	9538591	35.78	39.11	13.25
18	West Bengal	68.64	29481690	36.77	19.18	24.97
19	Jharkhand	53.56	10109030	37.52	38.48	28.21
20	Orissa	63.08	14276488	38.79	29.75	35.02
21	Chahattisgarh	64.66	9679871	46.46	44.54	31.94
22	Madya Pardesh	63.74	25793519	42.74	42.79	28.69
23	Gujrat	69.14	21255521	41.95	27.30	24.28
24	Maharashtra	76.88	41173351	42.50	28.69	26.27
25	Andra Pardesh	60.47	34893859	45.85	22.52	39.64
26	Karnataka	66.64	23534791	44.53	29.25	26.46
27	Goa	82.01	522855	38.80	9.64	6.85
28	Tamil Nadu	73.45	27878282	44.67	18.35	30.98
29	Kerala	90.86	10283887	32.30	7.05	15.76
30	Chandhi garh	81.94	340422	37.80	0.63	0.17
31	Daman & Diu	78.18	72791	46.01	5.54	1.82
32	Dadra & Nagar Haveli	57.63	114122	51.76	34.59	12.89
33	Lakshadweep	86.66	15354	25.31	0.00	0.00
34	Pondicherry	81.24	342655	35.17	3.18	21.09
35	A& Nicobar Islands	81.3	136254	38.28	15.75	3.79

++ : Indicates both Main and Marginal Workers

a = Indicates literacy rate as per socio-economic survey conducted under 60<sup>th</sup> N.S.S round ( January 2004-June 2004)

**Annexure C (Contd.)**  
**Selected Socio-economic indicators of States in India**

<i>S. No.</i>	<i>India/State/UT</i>	<i>House-hold industry workers as %age of total workers (2001)</i>	<i>Other workers as %age of Total workers (2001)</i>	<i>Birth Rate per milli (2007)</i>	<i>Death Rate per milli (2007)</i>	<i>infant mortality rate per milli (2007)</i>	<i>credit deposit ratio June 2007-08</i>
1	2	13	14	15	16	17	18
	India	4.21	37.59	23.10	7.40	55	74.16
1	Jammu and Kashmir	6.25	44.79	19.00	5.80	51	48.08
2	Himachal Pardesh	1.76	29.77	17.40	7.10	47	43.63
3	Punjab	3.66	57.40	17.60	7.00	43	66.30
4	Uttarakhand	2.31	39.30	20.40	6.80	48	26.64
5	Haryana	2.55	46.15	23.40	6.60	55	60.58
6	Delhi	3.08	95.75	18.10	4.80	36	65.47
7	Rajasthan	2.85	31.24	27.90	6.80	65	80.04
8	Uttar Pradash	5.62	28.50	29.50	8.50	69	44.92
9	Bihar	3.93	18.81	29.40	7.50	58	29.70
10	Sikkim	1.60	42.04	18.10	5.30	34	47.54
11	Arunachal Pardesh	1.25	37.01	22.20	5.10	37	29.10
12	Nagaland	2.58	29.04	17.40	5.00	21	33.21
13	Manipur	10.26	37.55	14.60	4.40	12	47.21
14	Mizoram	1.52	37.88	18.20	5.20	23	55.90
15	Tripura	3.04	46.13	17.10	6.50	39	33.89
16	Meghalaya	2.19	31.98	24.40	7.50	56	30.43
17	Assam	3.62	44.02	24.30	8.60	66	41.23
18	West Bengal	7.37	48.48	17.90	6.30	37	61.43
19	Jharkhand	4.26	29.05	26.10	7.30	48	35.15
20	Orissa	4.91	30.32	21.50	9.20	71	56.57
21	Chahattisgarh	2.05	21.47	26.50	8.10	59	52.28
22	Madya Pardesh	4.01	24.51	28.50	8.70	72	60.34
23	Gujrat	2.02	46.40	23.00	7.20	52	65.17
24	Maharashtra	2.64	42.40	18.10	6.60	34	94.69
25	Andra Pardesh	4.71	33.13	18.70	7.40	54	91.56
26	Karnataka	4.08	40.21	19.90	7.30	47	78.02
27	Goa	2.82	80.69	14.70	7.20	13	29.19
28	Tamil Nadu	5.38	45.29	15.80	7.20	35	113.44
29	Kerala	3.59	73.60	14.70	6.80	13	65.28
30	Chandhi garh	1.14	98.06	26.50	8.10	27	94.00
31	Daman & Diu	1.62	91.02	17.80	5.50	27	14.86
32	Dadra & Nagar Haveli	0.74	51.78	27.80	4.80	34	25.52
33	Lakshadweep	5.87	94.13	18.30	6.50	24	7.67
34	Pondicherry	1.85	73.88	15.10	7.70	25	49.39
35	Andaman & Nicobar Islands	5.20	75.26	15.80	4.50	34	31.35

**Annexure-C(Cont.)**  
**Selected Socio-economic indicators of States in India**

S. No.	India/State/UT	Per capita income at current prices (2005-06) (Rs.)	Per capita income at Constant (1999-00) Prices (2005-06) (Rs.)	5 <sup>th</sup> Economic Census 2005			
				No. of establishments	Total Employment	Growth in establishments *	Growth in employment *
1	2	19	20	21	22	23	24
	India	29617	23624	41826989	100904121	4.69	2.78
1	Jammu and Kashmir	24398	18774	324908	751532	6.03	6.82
2	Himachal Pardesh	38458	31599	267773	659469	2.49	1.93
3	Punjab	41420	32359	1071666	2702069	5.91	3.67
4	Uttarakhand	28572	23174	325157	737869	6.05	4.23
5	Haryana	45975	35697	833898	2244817	6.61	5.35
6	Delhi	64170	50376	757743	3556387	1.43	0.23
7	Rajasthan	20950	17652	1961465	4301288	3.61	2.81
8	Uttar Pradash	15383	12072	4020610	8145089	5.16	2.34
9	Bihar	8890	7475	1224652	2269556	2.31	0.23
10	Sikkim	31661	24446	19362	68489	5.79	5.33
11	Arunachal Pardesh	25090	20198	28734	110385	4.80	4.61
12	Nagaland	22734	19577	35578	175169	2.70	0.04
13	Manipur	20106	16287	104732	236076	3.83	2.34
14	Mizoram	2703	2207	47730	106706	9.71	4.68
15	Tripura	27693	23047	189423	385708	8.88	5.32
16	Meghalaya	25708	20663	83207	242342	5.69	3.98
17	Assam	20186	16257	983693	2208169	7.49	0.09
18	West Bengal	27668	22365	4204740	10032250	3.82	1.94
19	Jharkhand	18900	14856	491372	1152486	3.02	-0.53
20	Orissa	20250	15957	1830298	3705574	3.39	2.61
21	Chahattisgarh	24255	17654	637305	15151067	2.64	1.89
22	Madya Pardesh	17694	14015	1735262	3978566	1.23	0.19
23	Gujrat	40222	31148	2426022	6099523	3.44	2.08
24	Maharashtra	42056	32978	4225312	11308510	3.89	1.14
25	Andra Pardesh	29369	23760	3996982	11201513	4.68	5.87
26	Karnataka	30000	23891	2538874	6345586	4.14	2.73
27	Goa	85493	56837	73515	228133	0.37	0.80
28	Tamil Nadu	34424	27739	4433391	10062970	8.44	4.92
29	Kerala	35601	29564	2803828	5732936	8.69	5.86
30	Chandhi garh	90735	71167	64805	250572	7.20	2.01
31	Daman & Diu	N.A.	N.A.	10178	62420	7.26	10.22
32	Dadra & Nagar Haveli	N.A.	N.A.	8530	66941	11.52	10.68
33	Lakshadweep	N.A.	N.A.	3182	11968	-4.96	-3.89
34	Pondicherry	53672	40443	49574	194662	2.12	0.98
35	Andaman & Nicobar Islands	40944	31864	13488	53214	-0.25	-2.30

\* Indicates annual average growth in enterprises and employment in2005 as compared to 1998. NA = Not available

**Annexure-C(Cont.)**  
**Selected Socio-economic indicators of States in India**

S.No.	State/UT	Reporting Area (lakh hect) 2002-03 (P)	Operational holdings 2000-01 * (000 Nos.)	Area Operated (000 hect) 2000-01	Average Size of opeational holdings (hect)	Total cropped area 2005-06 (P) (000 ha)	Net area sown (000 ha) (P)
1	2	25	26	27	28	29	30
	All India	305269	119930	159436	1.33	192796	141891
1	Jammu & Kashmir	3781	1443	962	0.67	1090	752
2	Himachal Pradesh	4544	914	979	1.07	940	541
3	Punjab	5033	997	4022	4.03	8085	4243
4	Uttarakhand	5670	891	843	0.95	1266	767
5	Haryana	4372	1528	3550	2.32	6504	3566
6	Delhi	147	28	43	1.52	44	28
7	Rajasthan	34266	5819	21251	3.65	21699	16836
8	Utter Pradesh	24201	21668	17983	0.83	25105	16683
9	Bihar	9360	11574	6747	0.58	7405	5572
10	Sikkim	728	67	104	1.57	123	112
11	Arunachal Pradesh	5547	107	394	3.69	267	200
12	Nagaland	1582	144	1047	7.28	387	309
13	Manipur	1950	149	172	1.15	223	223
14	Mizoram	1951	76	93	1.24	97	97
15	Tripura	1049	479	270	0.56	299	280
16	Meghalaya	2227	214	278	1.30	258	212
17	Assam	7850	2712	3114	1.15	3731	2774
18	West Bengal	8683	6790	5547	0.82	9533	5295
19	Jaharkhand	7970	N.A	N.A	N.A.	2116	1769
20	Orrisa	1571	4067	5081	1.25	8716	5739
21	Chhatisgarh	3790	3255	5223	1.60	5746	4764
22	Madhya Pradesh	30756	7360	16372	2.22	19608	14971
23	Gujarat	18868	4239	9877	2.33	11304	9852
24	Maharashtra	30758	13258	20103	1.66	22556	17473
25	Andhra Pradesh	27440	11532	14400	1.25	13362	10745
26	Karnataka	19050	7079	12307	1.74	13027	10509
27	Goa	361	64	54	0.84	170	137
28	Tamil Nadu	13027	7859	6972	0.89	6033	5244
29	Kerela	3886	6657	1569	0.24	2986	2132
30	Chandigarh	7	1	2	1.44	2	1
31	Daman & Diu	3	6	4	0.59	3	3
32	D&N Haveli	49	14	21	1.48	28	23
33	Lakeshadeep	3	10	3	0.27	3	3
34	Pondichary	49	38	26	0.70	36	21
35	A&N Islands	740	11	23	2.00	46	16

\*= includes institutional holdings, p= provisional



**Annexure-C(Cont.)**  
**Selected Socio-economic indicators of States in India**

S.No.	State/UT	Production of food grains (000 tonnes) 2005-06 (P)	Percentage of net area sown to total reporting area 2005-06 (p)	%age of net area irrigated to net area sown (2005-06(P))	%age of gross irrigated area to total cropped area 2005-06(P)	Net area irrigated 2005-06 (P) (000 ha)	Yield rate of rice (Qtls/ha) 2005-06
1	2	31	32	33	34	35	36
	All India	195217	46.48	42.42	42.85	60196	21.02
1	Jammu & Kashmir	1469	19.88	41.35	4.74	311	21.51
2	Himachal Pradesh	1362	11.90	19.4	18.93	105	14.18
3	Punjab	25158	84.30	95.16	96.64	4038	38.58
4	Uttarakhand	1558	14.34	44.98	44.07	345	19.54
5	Haryana	12880	81.56	82.33	83.73	2936	30.51
6	Delhi	117	19.04	85.71	70.45	24	30.00
7	Rajasthan	10547	49.13	37.38	36.02	6294	14.30
8	Utter Pradesh	38179	68.93	78.97	73.07	13175	19.96
9	Bihar	8140	59.52	54.45	56.98	3034	10.75
10	Sikkim	94	15.38	5.35	8.13	6	14.67
11	Arunachal Pradesh	233	3.60	22.0	16.85	44	11.97
12	Nagaland	385	19.53	21.68	27.39	67	16.86
13	Manipur	394	11.43	22.86	22.86	51	23.25
14	Mizoram	122	4.97	16.49	19.58	16	17.68
15	Tripura	558	26.69	21.78	34.78	61	22.57
16	Meghalaya	180	9.51	27.35	24.80	58	15.05
17	Assam	3624	35.33	5.04	4.31	140	10.55
18	West Bengal	15435	60.98	59.20	57.51	3135	25.09
19	Jaharkhand	1895	22.19	9.27	10.01	164	11.50
20	Orrisa	7023	36.85	32.16	30.82	1846	15.31
21	Chhatisgarh	5262	34.54	26.19	23.94	1248	13.38
22	Madhya Pradesh	9962	48.67	37.94	29.97	5681	9.99
23	Gujarat	5607	52.21	34.38	37.96	3388	19.49
24	Maharashtra	10082	56.80	18.86	16.45	3296	17.79
25	Andhra Pradesh	15576	39.15	40.87	44.87	4392	29.39
26	Karnataka	12525	55.16	28.26	27.88	2970	38.68
27	Goa	148	37.95	17.51	22.35	24	28.27
28	Tamil Nadu	5950	40.25	55.68	56.30	2920	25.45
29	Kerela	631	54.86	18.80	15.37	401	22.83
30	Chandigarh	-	14.28	100.0	100.00	1	-
31	Daman & Diu	4	100.0	33.33	-	1	20.00
32	D&N Haveli	28	46.93	30.43	25.00	7	17.14
33	Lakeshadeep	-	100.0	33.33	33.33	1	-
34	Pondichary	61	42.85	85.71	83.33	18	25.00
35	A&N Islands	31	2.16	-	-	-	28.18

P= provisional

**Annexure-C(Cont.)**  
**Selected Socio-economic indicators of States in India**

S.No.	State/UT	Yield rate of maize (Qtls/ha) 2005-06	Yield rate of wheat (Qtls/ha) 2005-06	Kisan Credit Cards (Nos.) upto 31-3-2007	Fish production 2006-07 (P) (000 tonnes)	Livestock population (000 Nos.)	Factories" (Nos.) 2003-04	Total Persons engaged (000 Nos.) 2003-04
1	2	37	38	39	40	41	42	43
	All India	19.39	26.19	66563391 (i)	6869.05	485002	129074	7870
1	Jammu & Kashmir	14.14	17.90	65350	19.20	25621	342	27
2	Himachal Pradesh	18.41	18.91	226237	6.89	15826	530	37
3	Punjab	27.23	41.79	1895218	86.70	8608	6853	336
4	Uttarakhand	13.33	16.33	472433	3.03	4943	679	41
5	Haryana	21.25	38.44	2037934	60.08	5116	4265	318
6	Delhi		43.89	5771	0.61	373	3197	115
7	Rajasthan	10.98	27.61	4090172	22.20	49136	5452	245
8	Utter Pradesh	12.95	26.27	12670347	306.73	58531	9237	570
9	Bihar	20.97	16.16	2019859	267.04	27162	1460	57
10	Sikkim	15.00	12.86	6405	0.15	337	-	-
11	Arunachal Pradesh	13.81	15.00	13732	2.77	1257	-	-
12	Nagaland	17.88	20.00	15389	5.80	23391	120	3
13	Manipur	26.27	-	31846	18.61	1551	45	1
14	Mizoram	19.17	-	15660	3.76	1349	N.A	N.A
15	Tripura	10.00	30.00	48576	28.63	1458	269	15
16	Meghalaya	14.12	10.00	46627	5.49	280	47	2
17	Assam	7.37	10.80	297099	181.48	13829	1570	114
18	West Bengal	25.10	21.09	2306715	1359.10	41619	5942	515
19	Jaharkhand	13.20	13.45	714472	34.27	9899	1447	145
20	Orrisa	15.94	16.67	3757763	342.04	23391	1678	125
21	Chhatisgarh	10.71	8.92	1138036	137.75	13493	1295	100
22	Madhya Pradesh	14.49	16.13	4220187	65.04	36763	2982	214
23	Gujarat	11.24	27.00	2316319	747.33	8885	12795	730
24	Maharashtra	21.06	13.93	6304631	595.94	971	17474	1114
25	Andhra Pradesh	40.72	8.02	10958447	856.93	48195	14802	864
26	Karnataka	29.15	8.58	3834929	292.46	3481	7067	507
27	Goa			11636	102.39	212/21655	549	34
28	Tamil Nadu	11.87	-	4401072	542.28	24942	20246	1162
29	Kerela	-	-	2409722	677.63	35617	5491	317
30	Chandigarh	-	-	935	0.17	31	263	9
31	Daman & Diu	-	-	93	16.41	10	1386	60
32	D&N Haveli		10.00	28	0.05	78	960	52
33	Lakeshadeep	-	-	463	11.75	52	-	-
34	Pondichary	-	-	36389	39.66	133	610	39
35	A&N Islands			3894	28.68	196	21	Neg

(i)- includes Kisan Credit cards of which break-up was not available P= provisional,

**Annexure-C(Cont.)**  
**Selected Socio-economic indicators of States in India**

S. No.	State/UT	Road length (Km) Per		Registered motor vehicles per 100 Sq. kms of area (Nos.) 2003-04	Registered Motor Vehicles per lakh of population 2003-04 (No.)	No. of Goods Vehicles per lakh of population 2003-04 (No.)	Railway Route length Kms 31-3-2007	Railway Route (Kms) per 1000 sq km of area 31-3-2001
		100 Sq. Km area 2003-04	Per lakh pop. 2003-04					
1	2	44	45	46	47	48	49	50
	All India	84.32	247.42	2297(.)	6704	346	63326.69	20.01(1)
1	Jammu & Kashmir	35.21	316.92	433(.)	4108	395	137.77	1.36(1)
2	Himachal Pradesh	58.52	516.44	519	4559	694	285.01	5.12
3	Punjab	90.88	180.30	7007	13840	434	2133.41	42.36
4	Uttarakhand	101.46	1481.82	964	5748	172	344.91	6.45
5	Haryana	64.85	127.72	5763	11275	912	1540.38	34.84
6	Delhi	201025	197.05	285683	27736	992	182.48	123.05
7	Rajasthan	42.34	241.56	1120	6350	310	5911.09	17.27
8	Utter Pradesh	105.55	96.51	2681	3639	85	8574.83	35.59
9	Bihar	78.41	84.15	797	850	71	3410.99	36.22
10	Sikkim	29.07	367.08	243	3056	350	-	-
11	Arunachal Pradesh	18.76	1377.04	25(*)	1985(*)	251(*)	1.26	0.02
12	Nagaland	124.54	998.40	1036	8273	2424	12.85	0.78
13	Manipur	56.43	559.71	476	4702	317	1.35	0.06
14	Mizoram	23.23	530.66	200	4546	482	1.50	0.07
15	Tripura	227.5	717.69	720(***)	2321(***)	212(***)	64.42	6.14
16	Meghalaya	43.25	402.7	327(**)	3072(**)	587(**)	-	-
17	Assam	246.03	69223	927	2595	348	2283.71	29.11
18	West Bengal	101.07	107.66	2871	3046	288	3910.73	44.06
19	Jaharkhand	14.78	41.51	1527	4263	219	1941.33	24.35
20	Orrisa	137.32	561.43	979	3990	225	2246.92	14.43
21	Chhatisgarh	54.73	337.81	899	5521	259	1185.47	8.77
22	Madhya Pradesh	53.64	258.32	1234	5905	166	4883.90	15.84
23	Gujarat	73.29	269.58	3616	13228	721	5308.58	27.08
24	Maharashtra	88.62	268.33	2915	8779	489	5519.28	17.94
25	Andhra Pradesh	74.94	261.01	2080	7215	265	5171.60	18.80
26	Karnataka	104.34	364.33	2073	7210	349	3005.83	15.67
27	Goa	276.61	726.76	11780	30691	1993	69.00	18.64
28	Tamil Nadu	131.34	266.51	6593	13341	748	421.09	31.69
29	Kerela	368.67	438.06	7184	8512	639	1050.20	27.02
30	Chandigarh	1435.96	163.70	514129	57745	890	15.70	137.72
31	Daman & Diu	283.93	163.92	43125	24393	1881	-	-
32	D&N Haveli	128.72	263.33	7152	14451	2748		
33	Lakeshadeep	500.00	231.88	16784	7784	391	-	-
34	Pondichary	542.80	255.15	65334	30413	924	11.10	23.17
35	A&N Islands	17.95	378.77	345(***)	7712(***)	411(***)	-	

(\*): Data relates to 1996-97, (\*\*):Data relates to 2002-03, (\*\*\*)Data relates to 2001-02

(1) : Indicates value on the area of actual line of control.

# Chapter – 24 (d)

## Sectoral Statistical Annexures

### Annexure- (1) 1

#### Gross State Domestic Product (GSDP) Estimates of J&K State by Economic Activity at Current prices (Rs. in lakh)

S.No.	Industry	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006 (P)	2006-07 (Q)	2007-08 (A)
<b>A.</b>	<b>Primary Sector (1+2)</b>	<b>493480</b>	<b>510174</b>	<b>549870</b>	<b>632295</b>	<b>707954</b>	<b>737128</b>	<b>777290</b>	<b>814556</b>	<b>854200</b>
1	<b>Agr. and Allied Activities</b>	<b>490280</b>	<b>507683</b>	<b>547223</b>	<b>630090</b>	<b>705625</b>	<b>734218</b>	<b>773062</b>	<b>809329</b>	<b>847338</b>
1.1	Agriculture including Live stock	437613	456236	489025	565867	641865	666813	698734	732729	765797
1.2	Forestry & logging	41046	39970	45874	51017	48149	50334	55675	55903	58803
1.3	Fishing	11621	11477	12324	13206	15611	17071	18653	20697	22738
2	Mining & quarrying	3200	2491	2647	2205	2329	2910	4228	5227	6862
<b>B.</b>	<b>Secondary Sector (3+4+5)</b>	<b>353762</b>	<b>389105</b>	<b>436819</b>	<b>462303</b>	<b>508223</b>	<b>630896</b>	<b>698997</b>	<b>799757</b>	<b>920722</b>
3	Manufacturing	73823	73199	74260	80977	92113	136756	152360	181556	208463
3.1	Manu-Registered	23779	19573	21000	22873	26646	63714	71908	84938	98380
3.2	Manu-Unregistered	50044	53626	53260	58104	65467	73042	80452	96618	110083
4	Construction	161127	165125	206553	232150	264921	339709	387362	451576	540138
5	Electricity, gas and Water supply	118812	150781	156006	149176	151189	154431	159275	166625	172121
	<b>Industry (B+2)</b>	<b>356962</b>	<b>391596</b>	<b>439466</b>	<b>464508</b>	<b>510552</b>	<b>633806</b>	<b>703225</b>	<b>804984</b>	<b>927584</b>
<b>C.</b>	<b>Tertiary Sector (6+7+8+9+10+11)</b>	<b>718739</b>	<b>770674</b>	<b>817246</b>	<b>937993</b>	<b>1003266</b>	<b>1058480</b>	<b>1177435</b>	<b>1288661</b>	<b>1404382</b>
6	Trade, hotels and restaurants	120651	121920	132274	144605	159271	179937	217085	238805	273532
7	Transport, storage & communication	52527	57569	65598	73805	82018	89453	106030	118676	134311
7.1	Railways	234	270	263	313	340	417	626	1064	1204
7.2	Transport by other means	36651	39551	42628	47452	51730	56706	66672	74786	84639
7.3	Storage	536	557	578	575	594	594	782	782	885
7.4	Communication	15106	17191	22129	25465	29354	31736	37950	42044	47583
8	Banking & Insurance	58380	64792	74672	89532	96830	96985	97879	117072	125146
9	Real estate, ownership of dwellings and business services	106011	115133	124257	130985	136556	144781	153542	161646	170996
10	Public Administration	239386	251072	254444	297275	297298	300313	331610	354823	376628
11	Other services	141784	160188	166001	201791	231293	247011	271289	297639	323769
12	<b>Gross State Domestic Product (a+b+c)</b>	<b>1565981</b>	<b>1669953</b>	<b>1803935</b>	<b>2032591</b>	<b>2219443</b>	<b>2426504</b>	<b>2653722</b>	<b>2902974</b>	<b>3179304</b>
13	Population (in lakhs)	9795000	10042000	10291000	10395000	10556000	10717000	10877000	11035000	11192000
14	<b>Per Capita Income at current prices</b>	<b>15988</b>	<b>16630</b>	<b>17529</b>	<b>19554</b>	<b>21025</b>	<b>22642</b>	<b>24398</b>	<b>26307</b>	<b>28407</b>

P = Provisional ,Q= Quick and A = Advanced Estimates

**Annexure- (1) 2**

**Gross State Domestic Product (GSDP) Estimates of J&K State by Economic Activity at constant (1999-00) prices  
(Rs. in lakh) (J&K State)**

S.No.	Industry	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-07 (Q)	2007-08 (A)
<b>A.</b>	<b>Primary Sector (1+2)</b>	<b>493480</b>	<b>490066</b>	<b>519055</b>	<b>532008</b>	<b>579125</b>	<b>586754</b>	<b>592057</b>	<b>609756</b>	<b>620646</b>
<b>1</b>	<b>Agr. and Allied Activities</b>	<b>490280</b>	<b>487991</b>	<b>516930</b>	<b>529813</b>	<b>576838</b>	<b>583974</b>	<b>588692</b>	<b>605502</b>	<b>615413</b>
1.1	Agriculture including Live stock	437613	438572	463774	474734	526165	533125	535927	551940	560838
1.2	Forestry & logging	41046	38115	41624	43414	38980	39150	40987	41750	42723
1.3	Fishing	11621	11304	11532	11665	11693	11699	11778	11812	11852
<b>2</b>	<b>Mining &amp; quarrying</b>	<b>3200</b>	<b>2075</b>	<b>2125</b>	<b>2195</b>	<b>2287</b>	<b>2780</b>	<b>3365</b>	<b>4254</b>	<b>5233</b>
<b>B.</b>	<b>Secondary Sector (3+4+5)</b>	<b>353762</b>	<b>375604</b>	<b>379247</b>	<b>378978</b>	<b>398170</b>	<b>458158</b>	<b>505046</b>	<b>564220</b>	<b>627321</b>
<b>3</b>	<b>Manufacturing</b>	<b>73823</b>	<b>71801</b>	<b>71988</b>	<b>75952</b>	<b>80863</b>	<b>111061</b>	<b>119277</b>	<b>141401</b>	<b>157133</b>
3.1	Manu-Registered	23779	19018	19924	20997	23302	50939	54882	64430	72186
3.2	Manu-Unregistered	50044	52783	52064	54955	57561	60122	64395	76971	84947
<b>4</b>	<b>Construction</b>	<b>161127</b>	<b>149773</b>	<b>163563</b>	<b>182205</b>	<b>192845</b>	<b>237497</b>	<b>263624</b>	<b>296819</b>	<b>343070</b>
<b>5</b>	<b>Electricity, gas and Water supply</b>	<b>118812</b>	<b>154030</b>	<b>143696</b>	<b>120821</b>	<b>124462</b>	<b>109600</b>	<b>122145</b>	<b>126000</b>	<b>127118</b>
	<b>Industry (B+2)</b>	<b>356962</b>	<b>377679</b>	<b>381372</b>	<b>381173</b>	<b>400457</b>	<b>460938</b>	<b>508411</b>	<b>568474</b>	<b>632554</b>
<b>C.</b>	<b>Tertiary Sector (6+7+8+9+10+11)</b>	<b>718739</b>	<b>755631</b>	<b>754779</b>	<b>826945</b>	<b>850462</b>	<b>878478</b>	<b>944972</b>	<b>995785</b>	<b>1058080</b>
<b>6</b>	<b>Trade, hotels and restaurants</b>	<b>120651</b>	<b>117969</b>	<b>123233</b>	<b>122257</b>	<b>130482</b>	<b>142976</b>	<b>161221</b>	<b>173153</b>	<b>190317</b>
<b>7</b>	<b>Transport, storage &amp; communication</b>	<b>52527</b>	<b>58597</b>	<b>63448</b>	<b>73640</b>	<b>81886</b>	<b>89430</b>	<b>122641</b>	<b>136491</b>	<b>162716</b>
7.1	Railways	234	277	257	294	310	364	550	825	984
7.2	Transport by other means	36651	38791	38608	40816	42451	44500	49085	51886	61855
7.3	Storage	536	547	524	494	487	467	576	542	646
7.4	Communication	15106	18982	24059	32036	38638	44099	72430	83238	99231
<b>8</b>	<b>Banking &amp; Insurance</b>	<b>58380</b>	<b>63478</b>	<b>67518</b>	<b>77811</b>	<b>77471</b>	<b>84314</b>	<b>86689</b>	<b>105005</b>	<b>116478</b>
<b>9</b>	<b>Real estate, ownership of dwellings and business services</b>	<b>106011</b>	<b>112332</b>	<b>115674</b>	<b>116971</b>	<b>117792</b>	<b>121869</b>	<b>120066</b>	<b>117464</b>	<b>117391</b>
<b>10</b>	<b>Public Administration</b>	<b>239386</b>	<b>246366</b>	<b>231377</b>	<b>257920</b>	<b>246337</b>	<b>236950</b>	<b>245002</b>	<b>247040</b>	<b>247385</b>
<b>11</b>	<b>Other services</b>	<b>141784</b>	<b>156889</b>	<b>153529</b>	<b>178346</b>	<b>196494</b>	<b>202939</b>	<b>209353</b>	<b>216632</b>	<b>223793</b>
<b>12</b>	<b>Gross State Domestic Product (a+b+c)</b>	<b>1565981</b>	<b>1621301</b>	<b>1653081</b>	<b>1737931</b>	<b>1827757</b>	<b>1923390</b>	<b>2042075</b>	<b>2169761</b>	<b>2306047</b>
<b>13</b>	<b>Population (in lakhs)</b>	<b>9795000</b>	<b>10042000</b>	<b>10291000</b>	<b>10395000</b>	<b>10556000</b>	<b>10717000</b>	<b>10877000</b>	<b>11035000</b>	<b>11192000</b>
<b>14</b>	<b>Per Capita Income at constant prices</b>	<b>15988</b>	<b>16145</b>	<b>16063</b>	<b>16719</b>	<b>17315</b>	<b>17947</b>	<b>18774</b>	<b>19663</b>	<b>20604</b>

P = Provisional ,Q= Quick and A = Advanced Estimates

**Annexure- (1) 3**  
**Sectoral Composition of Gross State Domestic Product (GSDP) at Current prices (Rs. in crore)**

<b>Year</b>	<b>Primary Sector</b>	<b>Secondary Sector</b>	<b>Tertiary Sector</b>	<b>Total</b>
1999-00	4934.80	3537.62	7187.39	15659.81
2000-01	5101.74	3891.05	7706.74	16699.53
2001-02	5498.70	4368.19	8172.46	18039.35
2002-03	6322.95	4623.03	9379.93	20325.91
2003-04	7079.54	5082.23	10032.66	22194.43
2004-05	7371.28	6308.96	10584.80	24265.04
2005-06	7772.90	6989.97	11774.35	26537.22
2006-07 (Q)	8145.56	7997.57	12886.61	29029.74
2007-08 (A)	8542.00	9207.22	14043.82	31793.04

**Annexure- (1) 4**  
**Sectoral Composition of Gross State Domestic Product (GSDP) at Constant (1999-00) prices (Rs in crore)**

<b>Year</b>	<b>Primary Sector</b>	<b>Secondary Sector</b>	<b>Tertiary Sector</b>	<b>Total</b>
1999-00	4934.80	3537.62	7187.39	15659.81
2000-01	4900.66	3756.04	7556.31	16213.01
2001-02	5190.55	3792.47	7547.79	16530.81
2002-03	5320.08	3789.78	8269.45	17379.31
2003-04	5791.25	3981.70	8504.62	18277.57
2004-05	5867.54	4581.58	8784.78	19233.90
2005-06	5920.57	5050.46	9449.72	20420.75
2006-07 (Q)	6097.56	5642.20	9957.85	21697.61
2007-08 (A)	6206.46	6273.21	10580.80	23060.47

**Annexure- (1) 5**  
**Percentage Distribution of Sectoral Composition of Gross State Domestic Product (GSDP) at**  
**Current prices (Rs. in crore)**

<b>Year</b>	<b>Primary Sector</b>	<b>Secondary Sector</b>	<b>Tertiary Sector</b>	<b>Total</b>
1999-00	31.51	22.59	45.90	100.00
2000-01	30.55	23.30	46.15	100.00
2001-02	30.48	24.21	45.31	100.00
2002-03	31.11	22.74	46.15	100.00
2003-04	31.90	22.90	45.20	100.00
2004-05	30.38	26.00	43.62	100.00
2005-06	29.29	26.34	44.37	100.00
2006-07 (Q)	28.06	27.55	44.39	100.00
2007-08 (A)	26.87	28.96	44.17	100.00

**Annexure- (1) 6**  
**Percentage Distribution of Sectoral Composition of Gross State Domestic Product (GSDP) at**  
**Constant (1999-00) prices (Rs. in crore)**

<b>Year</b>	<b>Primary Sector</b>	<b>Secondary Sector</b>	<b>Tertiary Sector</b>	<b>Total</b>
1999-00	31.51	22.59	45.90	100.00
2000-01	30.23	23.17	46.60	100.00
2001-02	31.40	22.94	45.66	100.00
2002-03	30.61	21.81	47.58	100.00
2003-04	31.69	21.78	46.53	100.00
2004-05	30.51	23.82	45.67	100.00
2005-06	28.99	24.73	46.28	100.00
2006-07 (Q)	28.11	26.00	45.89	100.00
2007-08 (A)	26.92	27.20	45.88	100.00

**Annexure- (1) 7**  
**Growth rate of Gross State Domestic Product (GSDP)**

Year	Gross State Domestic Product (Rs. in Crores)		%age Increase or Decrease over the Previous Year	
	At Current Prices	At Constant (1999-00) Prices	At Current Prices	At Constant Prices (1999-00)
1999-00	15659.81	15659.81	-	-
2000-01	16699.53	16213.01	6.64	3.53
2001-02	18039.35	16530.81	8.02	1.96
2002-03	20325.91	17379.31	12.68	5.13
2003-04	22194.43	18277.57	9.19	5.17
2004-05	24265.04	19233.90	9.33	5.23
2005-06	26537.22	20420.75	9.36	6.17
2006-07 (Q)	29029.74	21697.61	9.39	6.25
2007-08 (A)	31793.04	23060.47	9.52	6.28

**Annexure- (1) 8**  
**Comparative Estimates of Gross State Domestic Product (GSDP) and Gross National  
Product(GNP) at current Prices**

Year	GSDP / GNP at Current Prices (Rs. in Crores)		%age Increase or Decrease over the Previous Year	
	J&K	All India	J&K	All India
1999-00	15660	1786525	-	-
2000-01	16700	1925017	6.64	7.75
2001-02	18039	2097726	8.02	8.97
2002-03	20326	2261415	12.68	7.80
2003-04	22194	2538171	9.19	12.24
2004-05	24265	2877706	9.33	13.38
2005-06(P)	26537	3275670	9.36	13.83
2006-07 (Q)	29030	3790063	9.39	15.70
2007-08 (A)	31793	4303654	9.52	13.55



**Annexure- (1) 9**  
**Comparative Estimates of Gross State Domestic Product (GSDP) and Gross National Product(GNP) at constant(1999-00) Prices**

Year	NSDP / NNP at Constant Prices (Rs. in Crores)		%age Increase or Decrease over the Previous Year	
	J&K	All India	J&K	All India
1999-00	15660	1786525	-	-
2000-01	16213	1864300	3.53	4.35
2001-02	16531	1972606	1.96	5.81
2002-03	17379	2048287	5.13	3.84
2003-04	18278	2222758	5.17	8.52
2004-05	19234	2388384	5.23	7.45
2005-06(P)	20421	2612847	6.17	9.40
2006-07 (Q)	21698	2864309	6.25	9.62
2007-08 (A)	23060	3122862	6.28	9.03

**Annexure- (1) 10**

**Percentage Distribution of GSDP Estimates By Economic Activity at Current prices (Rs. in lakh)**

S.N o.	Industry	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-07 (Q)	2007-08 (A)
<b>A.</b>	<b>Primary Sector (1+2)</b>	<b>31.51</b>	<b>30.55</b>	<b>30.48</b>	<b>31.11</b>	<b>31.90</b>	<b>30.38</b>	<b>29.29</b>	<b>28.06</b>	<b>26.87</b>
<b>1</b>	<b>Agr. and Allied Activities</b>	<b>31.31</b>	<b>30.40</b>	<b>30.33</b>	<b>31.00</b>	<b>31.79</b>	<b>30.26</b>	<b>29.13</b>	<b>27.88</b>	<b>26.65</b>
1.1	Agriculture including Live stock	27.94	27.32	27.11	27.84	28.92	27.48	26.33	25.24	24.09
1.2	Forestry & logging	2.62	2.39	2.54	2.51	2.17	2.07	2.10	1.93	1.85
1.3	Fishing	0.74	0.69	0.68	0.65	0.70	0.70	0.70	0.71	0.72
2	Mining & quarrying	0.20	0.15	0.15	0.11	0.10	0.12	0.16	0.18	0.22
<b>B.</b>	<b>Secondary Sector (3+4+5)</b>	<b>22.59</b>	<b>23.30</b>	<b>24.21</b>	<b>22.74</b>	<b>22.90</b>	<b>26.00</b>	<b>26.34</b>	<b>27.55</b>	<b>28.96</b>
3	Manufacturing	4.71	4.38	4.12	3.98	4.15	5.64	5.74	6.25	6.56
3.1	Manu-Registered	1.52	1.17	1.16	1.13	1.20	2.63	2.71	2.93	3.09
3.2	Manu-Unregistered	3.20	3.21	2.95	2.86	2.95	3.01	3.03	3.33	3.46
4	Construction	10.29	9.89	11.45	11.42	11.94	14.00	14.60	15.56	16.99
5	Electricity, gas and Water supply	7.59	9.03	8.65	7.34	6.81	6.36	6.00	5.74	5.41
<b>1</b>	<b>Industry (B+2)</b>	<b>22.79</b>	<b>23.45</b>	<b>24.36</b>	<b>22.85</b>	<b>23.00</b>	<b>26.12</b>	<b>26.50</b>	<b>27.73</b>	<b>29.18</b>

<b>C.</b>	<b>Tertiary Sector (6+7+8+9+10+11)</b>	<b>45.90</b>	<b>46.15</b>	<b>45.30</b>	<b>46.15</b>	<b>45.20</b>	<b>43.62</b>	<b>44.37</b>	<b>44.39</b>	<b>44.17</b>
6	Trade, hotels and restaurants	7.70	7.30	7.33	7.11	7.18	7.42	8.18	8.23	8.60
7	Transport, storage & communication	3.35	3.45	3.64	3.63	3.70	3.69	4.00	4.09	4.22
7.1	Railways	0.01	0.02	0.01	0.02	0.02	0.02	0.02	0.04	0.04
7.2	Transport by other means	2.34	2.37	2.36	2.33	2.33	2.34	2.51	2.58	2.66
7.3	Storage	0.03	0.03	0.03	0.03	0.03	0.02	0.03	0.03	0.03
7.4	Communication	0.96	1.03	1.23	1.25	1.32	1.31	1.43	1.45	1.50
8	Banking & Insurance	3.73	3.88	4.14	4.40	4.36	4.00	3.69	4.03	3.94
9	Real estate, ownership of dwellings and business services	6.77	6.89	6.89	6.44	6.15	5.97	5.79	5.57	5.38
10	Public Administration	15.29	15.03	14.10	14.63	13.40	12.38	12.50	12.22	11.85
11	Other services	9.05	9.59	9.20	9.93	10.42	10.18	10.22	10.25	10.18
<b>12</b>	<b>Gross State Domestic Product (a+b+c)</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

Q= Quick Estimates, A= Advance Estimates

#### Annexure- (I) 11

#### Percentage Distribution of GSDP Estimates By Economic Activity at constant (1999-00) prices (Rs. in lakh)

S.No.	Industry	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-07 (Q)	2007-08 (A)
<b>A.</b>	<b>Primary Sector (1+2)</b>	<b>31.51</b>	<b>30.23</b>	<b>31.40</b>	<b>30.61</b>	<b>31.69</b>	<b>30.51</b>	<b>28.99</b>	<b>28.10</b>	<b>26.91</b>
<b>1</b>	<b>Agr. and Allied Activities</b>	<b>31.31</b>	<b>30.10</b>	<b>31.27</b>	<b>30.49</b>	<b>31.56</b>	<b>30.36</b>	<b>28.83</b>	<b>27.91</b>	<b>26.69</b>
1.1	Agriculture including Live stock	27.94	27.05	28.06	27.32	28.79	27.72	26.24	25.44	24.32
1.2	Forestry & logging	2.62	2.35	2.52	2.50	2.13	2.04	2.01	1.92	1.85
1.3	Fishing	0.74	0.70	0.70	0.67	0.64	0.61	0.58	0.54	0.51
2	Mining & quarrying	0.20	0.13	0.13	0.13	0.13	0.14	0.16	0.20	0.23
<b>B.</b>	<b>Secondary Sector (3+4+5)</b>	<b>22.59</b>	<b>23.17</b>	<b>22.94</b>	<b>21.81</b>	<b>21.78</b>	<b>23.82</b>	<b>24.73</b>	<b>26.00</b>	<b>27.20</b>
3	Manufacturing	4.71	4.43	4.35	4.37	4.42	5.77	5.84	6.52	6.81
3.1	Manu-Registered	1.52	1.17	1.21	1.21	1.27	2.65	2.69	2.97	3.13

3.2	Manu- Unregistered	3.20	3.26	3.15	3.16	3.15	3.13	3.15	3.55	3.68
4	Construction	10.29	9.24	9.89	10.48	10.55	12.35	12.91	13.68	14.88
5	Electricity, gas and Water supply	7.59	9.50	8.69	6.95	6.81	5.70	5.98	5.81	5.51
	<b>Industry (B+2)</b>	<b>22.79</b>	<b>23.29</b>	<b>23.07</b>	<b>21.93</b>	<b>21.91</b>	<b>23.96</b>	<b>24.90</b>	<b>26.20</b>	<b>27.43</b>
<b>C.</b>	<b>Tertiary Sector (6+7+8+9+10 +11)</b>	<b>45.90</b>	<b>46.61</b>	<b>45.66</b>	<b>47.58</b>	<b>46.53</b>	<b>45.67</b>	<b>46.28</b>	<b>45.89</b>	<b>45.88</b>
6	Trade, hotels and restaurants	7.70	7.28	7.45	7.03	7.14	7.43	7.89	7.98	8.25
7	Transport, storage & communicatio n	3.35	3.61	3.84	4.24	4.48	4.65	6.01	6.29	7.06
7.1	Railways	0.01	0.02	0.02	0.02	0.02	0.02	0.03	0.04	0.04
7.2	Transport by other means	2.34	2.39	2.34	2.35	2.32	2.31	2.40	2.39	2.68
7.3	Storage	0.03	0.03	0.03	0.03	0.03	0.02	0.03	0.02	0.03
7.4	Communicatio n	0.96	1.17	1.46	1.84	2.11	2.29	3.55	3.84	4.30
8	Banking & Insurance	3.73	3.92	4.08	4.48	4.24	4.38	4.25	4.84	5.05
9	Real estate, ownership of dwellings and business services	6.77	6.93	7.00	6.73	6.44	6.34	5.88	5.41	5.09
10	Public Administration	15.29	15.20	14.00	14.84	13.48	12.32	12.00	11.39	10.73
11	Other services	9.05	9.68	9.29	10.26	10.75	10.55	10.25	9.98	9.70
12	<b>Gross State Domestic Product (a+b+c)</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

Q= Quick Estimates, A= Advance Estimates

**Annexure- (I) 12**  
**Annual Growth of Gross State Domestic Product (GSDP) By Economic Activity at Current prices**  
**(Rs. in lakh)**

S.No	Industry	2000- 2001	2001- 2002	2002- 2003	2003- 2004	2004- 2005	2005- 2006	2006-07 (Q)	2007-08 (A)
<b>A.</b>	<b>Primary Sector (1+2)</b>	<b>3.38</b>	<b>7.78</b>	<b>14.99</b>	<b>11.97</b>	<b>4.12</b>	<b>5.45</b>	<b>4.79</b>	<b>4.87</b>
<b>1</b>	<b><i>Agr. and Allied Activities</i></b>	<b>3.55</b>	<b>7.79</b>	<b>15.14</b>	<b>11.99</b>	<b>4.05</b>	<b>5.29</b>	<b>4.69</b>	<b>4.70</b>
1.1	Agriculture including Live stock	4.26	7.19	15.71	13.43	3.89	4.79	4.87	4.51
1.2	Forestry & logging	-2.62	14.77	11.21	-5.62	4.54	10.61	0.41	5.19
1.3	Fishing	-1.24	7.38	7.16	18.21	9.35	9.27	10.96	9.86
2	Mining &	-22.16	6.26	-16.70	5.62	24.95	45.29	23.63	31.28

	quarrying								
<b>B.</b>	<b>Secondary Sector (3+4+5)</b>	<b>9.99</b>	<b>12.26</b>	<b>5.83</b>	<b>9.93</b>	<b>24.14</b>	<b>10.79</b>	<b>14.41</b>	<b>15.13</b>
3	Manufacturing	-0.85	1.45	9.05	13.75	48.47	11.41	19.16	14.82
3.1	Manu-Registered	-17.69	7.29	8.92	16.50	139.11	12.86	18.12	15.83
3.2	Manu-Unregistered	7.16	-0.68	9.10	12.67	11.57	10.14	20.09	13.94
4	Construction	2.48	25.09	12.39	14.12	28.23	14.03	16.58	19.61
5	Electricity, gas and Water supply	26.91	3.47	-4.38	1.35	2.14	3.14	4.61	3.30
	<b>Industry (B+2)</b>	<b>9.70</b>	<b>12.22</b>	<b>5.70</b>	<b>9.91</b>	<b>24.14</b>	<b>10.95</b>	<b>14.47</b>	<b>15.23</b>
<b>C.</b>	<b>Tertiary Sector (6+7+8+9+10+11)</b>	<b>7.23</b>	<b>6.04</b>	<b>14.77</b>	<b>6.96</b>	<b>5.50</b>	<b>11.24</b>	<b>9.45</b>	<b>8.98</b>
6	Trade, hotels and restaurants	1.05	8.49	9.32	10.14	12.98	20.65	10.01	14.54
7	Transport storage & communication	9.60	13.95	12.51	11.13	9.07	18.53	11.93	13.17
7.1	Railways	15.38	-2.59	19.01	8.63	22.65	50.12	69.97	13.16
7.2	Transport by other means	7.91	7.78	11.32	9.02	9.62	17.57	12.17	13.17
7.3	Storage	3.92	3.77	-0.52	3.30	0.00	31.65	0.00	13.17
7.4	Communication	13.80	28.72	15.08	15.27	8.11	19.58	10.79	13.17
8	Banking & Insurance	10.98	15.25	19.90	8.15	0.16	0.92	19.61	6.90
9	Real estate, ownership of dwellings and business services	8.60	7.92	5.41	4.25	6.02	6.05	5.28	5.78
10	Public Administration	4.88	1.34	16.83	0.01	1.01	10.42	7.00	6.15
11	Other services	12.98	3.63	21.56	14.62	6.80	9.83	9.71	8.78
<b>12</b>	<b>Gross State Domestic Product (a+b+c)</b>	<b>6.64</b>	<b>8.02</b>	<b>12.68</b>	<b>9.19</b>	<b>9.33</b>	<b>9.36</b>	<b>9.39</b>	<b>9.52</b>
13	Population (in lakhs)	2.52	2.48	1.01	1.55	1.53	1.49	1.45	1.42
<b>14</b>	<b>Per Capita Income at current prices</b>	<b>4.02</b>	<b>5.41</b>	<b>11.55</b>	<b>7.53</b>	<b>7.69</b>	<b>7.76</b>	<b>7.83</b>	<b>7.98</b>

Q= Quick Estimates, A= Advance Estimates

**Annexure- (1) 13**  
**Annual Growth of Gross State Domestic Product (GSDP) by Economic Activity at Constant (1999-00) prices (Rs. in lakh)**

S.No	Industry	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-07 (Q)	2007-08 (A)
<b>A.</b>	<b>Primary Sector (1+2)</b>	<b>-0.69</b>	<b>5.92</b>	<b>2.50</b>	<b>8.86</b>	<b>1.32</b>	<b>0.90</b>	<b>2.99</b>	<b>1.79</b>
<b>1</b>	<b>Agr. and Allied Activities</b>	<b>-0.47</b>	<b>5.93</b>	<b>2.49</b>	<b>8.88</b>	<b>1.24</b>	<b>0.81</b>	<b>2.86</b>	<b>1.64</b>
1.1	Agriculture	0.22	5.75	2.36	10.83	1.32	0.53	2.99	1.61

	including Live stock								
1.2	Forestry & logging	-7.14	9.21	4.30	-10.21	0.44	4.69	1.86	2.33
1.3	Fishing	-2.73	2.02	1.15	0.24	0.05	0.68	0.29	0.34
2	Mining & quarrying	-35.16	2.41	3.29	4.19	21.56	21.04	26.42	23.01
<b>B.</b>	<b>Secondary Sector (3+4+5)</b>	<b>6.17</b>	<b>0.97</b>	<b>-0.07</b>	<b>5.06</b>	<b>15.07</b>	<b>10.23</b>	<b>11.72</b>	<b>11.18</b>
3	Manufacturing	-2.74	0.26	5.51	6.47	37.34	7.40	18.55	11.13
3.1	Manu-Registered	-20.02	4.76	5.39	10.98	118.60	7.74	17.40	12.04
3.2	Manu-Unregistered	5.47	-1.36	5.55	4.74	4.45	7.11	19.53	10.36
4	Construction	-7.05	9.21	11.40	5.84	23.15	11.00	12.59	15.58
5	Electricity, gas and Water supply	29.64	-6.71	-15.92	3.01	-11.94	11.45	3.16	0.89
	<b>Industry (B+2)</b>	<b>-28.98</b>	<b>3.38</b>	<b>3.22</b>	<b>9.26</b>	<b>36.62</b>	<b>31.28</b>	<b>38.14</b>	<b>34.20</b>
<b>C.</b>	<b>Tertiary Sector (6+7+8+9+10+11)</b>	<b>5.13</b>	<b>-0.11</b>	<b>9.56</b>	<b>2.84</b>	<b>3.29</b>	<b>7.57</b>	<b>5.38</b>	<b>6.26</b>
6	Trade, hotels and restaurants	-2.22	4.46	-0.79	6.73	9.58	12.76	7.40	9.91
7	Transport, storage & communication	11.56	8.28	16.06	11.20	9.21	37.14	11.29	19.21
7.1	Railways	18.38	-7.22	14.40	5.44	17.42	51.10	50.00	19.27
7.2	Transport by other means	5.84	-0.47	5.72	4.01	4.83	10.30	5.71	19.21
7.3	Storage	2.05	-4.20	-5.73	-1.42	-4.11	23.34	-5.90	19.19
7.4	Communication	25.66	26.75	33.16	20.61	14.13	64.24	14.92	19.21
8	Banking & Insurance	8.73	6.36	15.24	-0.44	8.83	2.82	21.13	10.93
9	Real estate, ownership of dwellings and business services	5.96	2.98	1.12	0.70	3.46	-1.48	-2.17	-0.06
10	Public Administration	2.92	-6.08	11.47	-4.49	-3.81	3.40	0.83	0.14
11	Other services	10.65	-2.14	16.16	10.18	3.28	3.16	3.48	3.31
<b>12</b>	<b>Gross State Domestic Product (a+b+c)</b>	<b>3.53</b>	<b>1.96</b>	<b>5.13</b>	<b>5.17</b>	<b>5.23</b>	<b>6.17</b>	<b>6.25</b>	<b>6.28</b>
13	Population (in lakhs)	2.52	2.48	1.01	1.55	1.53	1.49	1.45	1.42
<b>14</b>	<b>Per Capita Income at constant prices</b>	<b>0.99</b>	<b>-0.51</b>	<b>4.08</b>	<b>3.56</b>	<b>3.65</b>	<b>4.61</b>	<b>4.73</b>	<b>4.79</b>

Q= Quick Estimates, A= Advance Estimates

**Annexure – (1) 14**  
**Net State Domestic Product (NSDP) Estimates of J&K State at current prices (Rs. in lakh)**

S. No.	Sector	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006(P)	2006-07(Q)	2007-08(A)
A.	Primary Sector (1+2)	458107	472950	509929	579713	641718	670429	714720	748815	788933
1	Agr. and Allied Activities	455575	470957	507727	577873	639778	667951	711120	744364	783048
1.1	Agriculture including Live stock	405788	422195	452538	516971	579541	604224	640837	672015	706027

1.2	Forestry & logging	39348	38452	44114	49034	46308	48304	53430	53649	56391
1.3	Fishing	10439	10310	11075	11868	13929	15423	16853	18700	20630
2	Mining & quarrying	2532	1993	2202	1840	1940	2478	3600	4451	5885
B.	Secondary Sector (3+4+5)	269647	291455	335029	359870	397344	497510	551115	632283	732126
3	Manufacturing	51407	47704	46100	48529	53317	93900	105520	125428	145594
3.1	Manu-Registered	20695	16068	17078	18637	21960	57658	65601	77488	90332
3.2	Manu-Unregistered	30712	31636	29022	29892	31357	36242	39919	47940	55262
4	Construction	156957	160664	202261	224566	255563	326819	374790	432783	516503
5	Electricity, gas and Water supply	61283	83087	86668	86775	88464	76791	70805	74072	70029
	Industry (B+2)	272179	293448	337231	361710	399284	499988	554715	636734	738011
C.	Tertiary Sector (6+7+8+9+10+11)	625543	668435	700684	800404	860110	904454	996467	1093615	1188932
6	Trade, hotels and restaurants	116468	117555	127692	140153	154298	173771	210484	231544	265313
7	Transport, storage & communication	38834	42934	48327	54223	58052	65949	78302	87558	100445
7.1	Railways	147	183	168	206	213	261	391	665	763
7.2	Transport by other means	27348	28680	30116	33910	34157	40698	48210	54049	62004
7.3	Storage	400	404	408	411	392	426	565	565	648
7.4	Communication	10939	13667	17635	19696	23290	24564	29136	32279	37030
8	Banking & Insurance	56687	62657	72325	86965	94066	93889	94863	113742	121609
9	Real estate, ownership of dwellings and business services	78679	83217	84626	84937	88550	92429	98022	103196	108600
10	Public administration	199637	209946	211031	245495	250800	247448	266254	284892	297488
11	Other services	135238	152126	156683	188631	214344	230968	248542	272683	295477
12	Total NSDP (a+b+c)	1353297	1432840	1545642	1739987	1899172	2072393	2262302	2474713	2709991
13	Population (in lakhs)	9795000	10042000	10291000	10395000	10556000	10717000	10877000	11035000	11192000
14	Per Capita Income at current prices	13816	14268	15019	16739	17991	19337	20799	22426	24214

#### Annexure- (1) 15

#### Net State Domestic Product (NSDP) Estimates of J&K State at constant (1999-00) prices (Rs. in lakh)

S.No.	Sector	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006(P)	2006-07(Q)	2007-08(A)
A.	Primary Sector (1+2)	458107	453440	480280	490831	526581	532596	540249	556343	566912
1	<i>Agr. and Allied Activities</i>	455575	451848	478562	488960	524629	530228	537349	552677	562388
1.1	Agriculture including Live stock	405788	405076	428234	436662	476778	482229	487457	502022	510749

1.2	Forestry & logging	39348	36617	39964	41814	37342	37485	39307	40039	40987
1.3	Fishing	10439	10155	10364	10484	10509	10514	10585	10616	10652
2	Mining & quarrying	2532	1592	1718	1871	1952	2368	2900	3666	4524
<b>B.</b>	<b>Secondary Sector (3+4+5)</b>	<b>269647</b>	<b>281564</b>	<b>289692</b>	<b>289415</b>	<b>304034</b>	<b>360999</b>	<b>394926</b>	<b>435713</b>	<b>485057</b>
3	Manufacturing	51407	47451	46576	48697	50570	78140	85622	101273	113146
3.1	Manu-Registered	20695	15694	16375	17219	18839	45039	50222	58959	66489
3.2	Manu-Unregistered	30712	31757	30201	31478	31731	33101	35400	42314	46657
4	Construction	156957	145545	159667	175396	185121	226505	249162	277826	318446
5	Electricity, gas and Water supply	61283	88568	83449	65322	68343	56354	60142	56614	53465
	<b>Industry (B+2)</b>	<b>272179</b>	<b>283156</b>	<b>291410</b>	<b>291286</b>	<b>305986</b>	<b>363367</b>	<b>397826</b>	<b>439379</b>	<b>489581</b>
<b>C.</b>	<b>Tertiary Sector (6+7+8+9+10+11)</b>	<b>625543</b>	<b>656744</b>	<b>648518</b>	<b>710470</b>	<b>736702</b>	<b>758328</b>	<b>814547</b>	<b>863686</b>	<b>916739</b>
6	Trade, hotels and restaurants	116468	113837	119078	118270	126201	138050	155592	167107	183537
7	Transport, storage & communication	38834	44641	47570	55919	63216	68990	102154	114826	136930
7.1	Railways	147	193	166	195	209	261	376	547	652
7.2	Transport by other means	27348	28493	27099	28472	29251	30005	35445	37449	44658
7.3	Storage	400	401	368	345	336	315	415	391	466
7.4	Communication	10939	15554	19937	26907	33420	38409	65918	76439	91154
8	Banking & Insurance	56687	61452	65393	75525	75088	81522	84385	102576	114077
9	Real estate, ownership of dwellings and business services	78679	81633	80286	81187	81756	84573	79046	77333	75978
10	Public administration	199637	206011	191151	211379	205793	194563	196715	198351	196024
11	Other services	135238	149170	145040	168190	184648	190630	196655	203493	210193
<b>12</b>	<b>Total NSDP (a+b+c)</b>	<b>1353297</b>	<b>1391748</b>	<b>1418490</b>	<b>1490716</b>	<b>1567317</b>	<b>1651923</b>	<b>1749722</b>	<b>1855742</b>	<b>1968708</b>
13	Population (in lakhs)	9795000	10042000	10291000	10395000	10556000	10717000	10877000	11035000	11192000
<b>14</b>	<b>Per Capita Income at constant prices</b>	<b>13816</b>	<b>13859</b>	<b>13784</b>	<b>14341</b>	<b>14848</b>	<b>15414</b>	<b>16086</b>	<b>16817</b>	<b>17590</b>

**Annexure- (1) 16**

**Sectoral Composition of Net State Domestic Product (NSDP) at Current prices (Rs. in Crores)**

<b>Year</b>	<b>Primary Sector</b>	<b>Secondary Sector</b>	<b>Tertiary Sector</b>	<b>Total</b>
1999-00	4581.07	2696.47	6255.43	13532.97

2000-01	4729.5	2914.55	6684.35	14328.40
2001-02	5099.29	3350.29	7006.84	15456.42
2002-03	5797.13	3598.70	8004.04	17399.87
2003-04	6417.18	3973.44	8601.10	18991.72
2004-05	6704.29	4975.10	9044.54	20723.93
2005-06	7147.2	5511.15	9964.67	22623.02
2006-07 (Q)	7488.15	6322.83	10936.15	24747.13
2007-08 (A)	7889.33	7321.26	11889.32	27099.91

**Annexure- (1) 17**  
**Sectoral Composition of Net State Domestic Product (NSDP) at Constant (1999-00) prices**  
**(Rs in crore)**

Year	Primary Sector	Secondary Sector	Tertiary Sector	Total
1999-00	4581.07	2696.47	6255.43	13532.97
2000-01	4534.40	2815.64	6567.44	13917.48
2001-02	4802.80	2896.92	6485.18	14184.90
2002-03	4908.31	2894.15	7104.70	14907.16
2003-04	5265.81	3040.34	7367.02	15673.17
2004-05	5325.96	3609.99	7583.28	16519.23
2005-06	5402.49	3949.26	8145.47	17497.22
2006-07 (Q)	5563.43	4357.13	8636.86	18557.42
2007-08 (A)	5669.12	4850.57	9167.39	19687.08

**Annexure- (1) 18**  
**Percentage Distribution of Sectoral Composition of Net State Domestic Product (NSDP) at**  
**Current prices (Rs in crore)**

Year	Primary Sector	Secondary Sector	Tertiary Sector	Total
1999-00	33.85	19.93	46.22	100.00
2000-01	33.01	20.34	46.65	100.00
2001-02	32.99	21.68	45.33	100.00
2002-03	33.32	20.68	46.00	100.00
2003-04	33.79	20.92	45.29	100.00
2004-05	32.35	24.01	43.64	100.00
2005-06	31.59	24.36	44.05	100.00
2006-07 (Q)	30.26	25.55	44.19	100.00
2007-08 (A)	29.11	27.02	43.87	100.00

**Annexure- (1) 19**



**Percentage Distribution of Sectoral Composition of Net State Domestic Product (NSDP) at Constant (1999-00) prices (Rs in crore)**

Year	Primary Sector	Secondary Sector	Tertiary Sector	Total
1999-00	33.85	19.93	46.22	100.00
2000-01	32.58	20.23	47.19	100.00
2001-02	33.86	20.42	45.72	100.00
2002-03	32.93	19.41	47.66	100.00
2003-04	33.60	19.40	47.00	100.00
2004-05	32.24	21.85	45.91	100.00
2005-06	30.88	22.57	46.55	100.00
2006-07 (Q)	29.98	23.48	46.54	100.00
2007-08 (A)	28.80	24.64	46.56	100.00

**Annexure- (1) 20**

**Growth rate of Net State Domestic Product (NSDP)**

Year	Net State Domestic Product (Rs. in Crores)		%age Increase or Decrease over the Previous Year	
	At Current Prices	At Constant (1999-00) Prices	At Current Prices	At Constant (1999-00) Prices
1999-00	13532.97	13532.97	-	-
2000-01	14328.40	13917.48	5.88	2.84
2001-02	15456.42	14184.90	7.87	1.92
2002-03	17399.87	14907.16	12.57	5.09
2003-04	18991.72	15673.17	9.15	5.14
2004-05	20723.93	16519.23	9.12	5.40
2005-06	22623.02	17497.22	9.16	5.92
2006-07 (Q)	24747.13	18557.42	9.39	6.06
2007-08 (A)	27099.91	19687.08	9.51	6.09

**Annexure- (1) 21**

**Comparative Estimates of Net State Domestic Product (NSDP) and Net National Product (NNP) at current Prices**

Year	NSDP / NNP at Current Prices (Rs. in Crores)		%age Increase or Decrease over the Previous Year	
	J&K	All India	J&K	All India
1999-00	13532.97	1605103.00	-	-
2000-01	14328.40	1723200.00	5.88	7.36
2001-02	15456.42	1869428.00	7.87	8.49
2002-03	17399.87	2010938.00	12.57	7.57
2003-04	18991.72	2258189.00	9.15	12.30
2004-05	20723.93	2548783.00	9.12	12.87
2005-06(P)	22623.02	2896866.00	9.16	13.66
2006-07 (Q)	24747.13	3355595.00	9.39	15.84
2007-08 (A)	27099.91	-	9.51	-

**Annexure- (1) 22**

**Comparative Estimates of Net State Domestic Product (NSDP) and Net National Product (NNP) at**

**constant (1999-00) Prices**

Year	NSDP / NNP at Constant Prices (Rs. in Crores)		%age Increase or Decrease over the Previous Year	
	J&K	All India	J&K	All India
1999-00	13532.97	1605103.00	-	-
2000-01	13917.48	1670448.00	2.84	4.07
2001-02	14184.90	1764137.00	1.92	5.61
2002-03	14907.16	1824635.00	5.09	3.43
2003-04	15673.17	1981389.00	5.14	8.59
2004-05	16519.23	2126018.00	5.40	7.30
2005-06(P)	17497.22	2326581.00	5.92	9.43
2006-07 (Q)	18557.42	2549648.00	6.06	9.59
2007-08 (A)	19687.08	-	6.09	-

**Annexure- (1) 23**

**Per Capita Income at Current Prices : J&K v/s All India**

Year	Per Capita Income at Current Prices		%age Increase or Decrease over the Previous Year	
	J&K	All India	J&K	All India
1999-00	13816	15881	-	-
2000-01	14268	16688	3.27	5.08
2001-02	15019	17782	5.26	6.56
2002-03	16739	18885	11.45	6.20
2003-04	17991	20895	7.48	10.64
2004-05	19337	23199	7.48	11.03
2005-06(P)	20799	25956	7.56	11.88
2006-07 (Q)	22426	29642	7.82	14.20
2007-08 (A)	24214	-	7.97	-

**Annexure- (1) 24**

**Per Capita Income at Constant(1999-00) Prices : J&K v/s All India**

Year	Per Capita Income at Constant(1999-00) Prices		%age Increase or Decrease over the Previous Year	
	J&K	All India	J&K	All India
1999-00	13816	15881	-	-
2000-01	13859	16172	0.31	1.83
2001-02	13784	16764	-0.54	3.66
2002-03	14341	17101	4.04	2.01
2003-04	14848	18317	3.54	7.11
2004-05	15414	19325	3.81	5.50
2005-06(P)	16086	20858	4.36	7.93
2006-07 (Q)	16817	22553	4.54	8.13
2007-08 (A)	17590	-	4.60	-

**Annexure- (1) 25**

**Percentage Distribution of Net State Domestic Product (NSDP) By Economic Activity at Current prices (Rs in lakh)**

S.No.	Industry	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-07(Q)	2007-08(A)
<b>A.</b>	<b>Primary Sector (1+2)</b>	<b>33.85</b>	<b>33.01</b>	<b>32.99</b>	<b>33.32</b>	<b>33.79</b>	<b>32.35</b>	<b>31.59</b>	<b>30.26</b>	<b>29.11</b>
1	<i>Agr. and Allied Activities</i>	33.66	32.87	32.85	33.21	33.69	32.23	31.43	30.08	28.89
1.1	Agriculture including Live stock	29.99	29.47	29.28	29.71	30.52	29.16	28.33	27.16	26.05
1.2	Forestry & logging	2.91	2.68	2.85	2.82	2.44	2.33	2.36	2.17	2.08
1.3	Fishing	0.77	0.72	0.72	0.68	0.73	0.74	0.74	0.76	0.76
2	Mining & quarrying	0.19	0.14	0.14	0.11	0.10	0.12	0.16	0.18	0.22
<b>B.</b>	<b>Secondary Sector (3+4+5)</b>	<b>19.93</b>	<b>20.34</b>	<b>21.68</b>	<b>20.68</b>	<b>20.92</b>	<b>24.01</b>	<b>24.36</b>	<b>25.55</b>	<b>27.02</b>
3	Manufacturing	3.80	3.33	2.98	2.79	2.81	4.53	4.66	5.07	5.37
3.1	Manu-Registered	1.53	1.12	1.10	1.07	1.16	2.78	2.90	3.13	3.33
3.2	Manu-Unregistered	2.27	2.21	1.88	1.72	1.65	1.75	1.76	1.94	2.04
4	Construction	11.60	11.21	13.09	12.91	13.46	15.77	16.57	17.49	19.06
5	Electricity, gas and Water supply	4.53	5.80	5.61	4.99	4.66	3.71	3.13	2.99	2.58
	<b>Industry (B+2)</b>	<b>20.11</b>	<b>20.48</b>	<b>21.82</b>	<b>20.79</b>	<b>21.02</b>	<b>24.13</b>	<b>24.52</b>	<b>25.73</b>	<b>27.23</b>
<b>C.</b>	<b>Tertiary Sector (6+7+8+9+10+11)</b>	<b>46.22</b>	<b>46.65</b>	<b>45.33</b>	<b>46.00</b>	<b>45.29</b>	<b>43.64</b>	<b>44.05</b>	<b>44.19</b>	<b>43.87</b>
6	Trade ,hotels and restaurants	8.61	8.20	8.26	8.05	8.12	8.39	9.30	9.36	9.79
7	Transport, storage & communication	2.87	3.00	3.13	3.12	3.06	3.18	3.46	3.54	3.71
7.1	Railways	0.01	0.01	0.01	0.01	0.01	0.01	0.02	0.03	0.03
7.2	Transport by other means	2.02	2.00	1.95	1.95	1.80	1.96	2.13	2.18	2.29
7.3	Storage	0.03	0.03	0.03	0.02	0.02	0.02	0.02	0.02	0.02
7.4	Communication	0.81	0.95	1.14	1.13	1.23	1.19	1.29	1.30	1.37
8	Banking & Insurance	4.19	4.37	4.68	5.00	4.95	4.53	4.19	4.60	4.49
9	Real estate, ownership of dwellings and business services	5.81	5.81	5.48	4.88	4.66	4.46	4.33	4.17	4.01
10	Public Administration	14.75	14.65	13.65	14.11	13.21	11.94	11.77	11.51	10.98
11	Other services	9.99	10.62	10.14	10.84	11.29	11.14	10.99	11.02	10.90
<b>12</b>	<b>Net State Domestic Product (a+b+c)</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

Q= Quick Estimates, A= Advance Estimates

**Annexure- (1) 26**

**Percentage Distribution Net State Domestic Product (NSDP) By Economic Activity at constant (1999-00) prices (Rs in lakh)**

S.No.	Industry	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-07 (Q)	2007-08 (A)
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<b>A.</b>	<b>Primary Sector (1+2)</b>	<b>33.85</b>	<b>32.58</b>	<b>33.86</b>	<b>32.93</b>	<b>33.60</b>	<b>32.24</b>	<b>30.88</b>	<b>29.98</b>	<b>28.80</b>
<b>1</b>	<b>Agr. and Allied Activities</b>	<b>33.66</b>	<b>32.47</b>	<b>33.74</b>	<b>32.80</b>	<b>33.47</b>	<b>32.10</b>	<b>30.71</b>	<b>29.78</b>	<b>28.57</b>
1.1	Agriculture including Live stock	29.99	29.11	30.19	29.29	30.42	29.19	27.86	27.05	25.94
1.2	Forestry & logging	2.91	2.63	2.82	2.80	2.38	2.27	2.25	2.16	2.08
1.3	Fishing	0.77	0.73	0.73	0.70	0.67	0.64	0.60	0.57	0.54
2	Mining & quarrying	0.19	0.11	0.12	0.13	0.12	0.14	0.17	0.20	0.23
<b>B.</b>	<b>Secondary Sector (3+4+5)</b>	<b>19.93</b>	<b>20.23</b>	<b>20.42</b>	<b>19.41</b>	<b>19.40</b>	<b>21.85</b>	<b>22.57</b>	<b>23.48</b>	<b>24.64</b>
3	Manufacturing	3.80	3.41	3.28	3.27	3.23	4.73	4.89	5.46	5.75
3.1	Manu-Registered	1.53	1.13	1.15	1.16	1.20	2.73	2.87	3.18	3.38
3.2	Manu-Unregistered	2.27	2.28	2.13	2.11	2.02	2.00	2.02	2.28	2.37
4	Construction	11.60	10.46	11.26	11.77	11.81	13.71	14.24	14.97	16.18
5	Electricity, gas and Water supply	4.53	6.36	5.88	4.38	4.36	3.41	3.44	3.05	2.72
	<b>Industry (B+2)</b>	<b>20.11</b>	<b>20.35</b>	<b>20.54</b>	<b>19.54</b>	<b>19.52</b>	<b>22.00</b>	<b>22.74</b>	<b>23.68</b>	<b>24.87</b>
<b>C.</b>	<b>Tertiary Sector (6+7+8+9+10+11)</b>	<b>46.22</b>	<b>47.19</b>	<b>45.72</b>	<b>47.66</b>	<b>47.00</b>	<b>45.91</b>	<b>46.55</b>	<b>46.54</b>	<b>46.57</b>
6	Trade, hotels and restaurants	8.61	8.18	8.39	7.93	8.05	8.36	8.89	9.00	9.32
7	Transport, storage & communication	2.87	3.21	3.35	3.75	4.03	4.18	5.84	6.19	6.96
7.1	Railways	0.01	0.01	0.01	0.01	0.01	0.02	0.02	0.03	0.03
7.2	Transport by other means	2.02	2.05	1.91	1.91	1.87	1.82	2.03	2.02	2.27
7.3	Storage	0.03	0.03	0.03	0.02	0.02	0.02	0.02	0.02	0.02
7.4	Communication	0.81	1.12	1.41	1.80	2.13	2.33	3.77	4.12	4.63
8	Banking & Insurance	4.19	4.42	4.61	5.07	4.79	4.93	4.82	5.53	5.79
9	Real estate ownership of dwellings and business services	5.81	5.87	5.66	5.45	5.22	5.12	4.52	4.17	3.86
10	Public Administration	14.75	14.80	13.48	14.18	13.13	11.78	11.24	10.69	9.96
11	Other services	9.99	10.72	10.22	11.28	11.78	11.54	11.24	10.97	10.68
<b>12</b>	<b>Net State Domestic Product (a+b+c)</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

Q= Quick Estimates, A= Advance Estimates

#### Annexure- (1) 27

#### Annual Growth of Net State Domestic Product (NSDP) by Economic Activity at Current prices (Rs in lakh)

S.No	Industry	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-07(Q)	2007-08(A)
<b>A.</b>	<b>Primary Sector (1+2)</b>	<b>3.24</b>	<b>7.82</b>	<b>13.69</b>	<b>10.70</b>	<b>4.47</b>	<b>6.61</b>	<b>4.77</b>	<b>5.36</b>
1	<b>Agr. and Allied Activities</b>	<b>3.38</b>	<b>7.81</b>	<b>13.82</b>	<b>10.71</b>	<b>4.40</b>	<b>6.46</b>	<b>4.67</b>	<b>5.20</b>
1.1	Agriculture including Live stock	4.04	7.19	14.24	12.10	4.26	6.06	4.87	5.06
1.2	Forestry & logging	-2.28	14.72	11.15	-5.56	4.31	10.61	0.41	5.11
1.3	Fishing	-1.24	7.42	7.16	17.37	10.73	9.27	10.96	10.32
2	Mining & quarrying	-21.29	10.49	-16.44	5.43	27.73	45.28	23.64	32.22
<b>B.</b>	<b>Secondary Sector (3+4+5)</b>	<b>8.09</b>	<b>14.95</b>	<b>7.41</b>	<b>10.41</b>	<b>25.21</b>	<b>10.77</b>	<b>14.73</b>	<b>15.79</b>
3	Manufacturing	-7.20	-3.36	5.27	9.87	76.12	12.37	18.87	16.08
3.1	Manu-Registered	-22.36	6.29	9.13	17.83	162.56	13.78	18.12	16.58
3.2	Manu-Unregistered	3.01	-8.26	3.00	4.90	15.58	10.15	20.09	15.27
4	Construction	2.36	25.89	11.03	13.80	27.88	14.68	15.47	19.34
5	Electricity, gas and Water supply	35.58	4.31	0.12	1.95	-13.20	-7.80	4.61	-5.46
	<b>Industry (B+2)</b>	<b>7.81</b>	<b>14.92</b>	<b>7.26</b>	<b>10.39</b>	<b>25.22</b>	<b>10.95</b>	<b>14.79</b>	<b>15.91</b>
<b>C.</b>	<b>Tertiary Sector (6+7+8+9+10+11)</b>	<b>6.86</b>	<b>4.82</b>	<b>14.23</b>	<b>7.46</b>	<b>5.16</b>	<b>10.17</b>	<b>9.75</b>	<b>8.72</b>
6	Trade, hotels and restaurants	0.93	8.62	9.76	10.09	12.62	21.13	10.01	14.58
7	Transport, storage & communication	10.56	12.56	12.20	7.06	13.60	18.73	11.82	14.72
7.1	Railways	24.49	-8.20	22.62	3.40	22.54	49.81	70.08	14.74
7.2	Transport by other means	4.87	5.01	12.60	0.73	19.15	18.46	12.11	14.72
7.3	Storage	1.00	0.99	0.74	-4.62	8.67	32.63	0.00	14.69
7.4	Communication	24.94	29.03	11.69	18.25	5.47	18.61	10.79	14.72
8	Banking & Insurance	10.53	15.43	20.24	8.17	-0.19	1.04	19.90	6.92
9	Real estate, ownership of dwellings and business services	5.77	1.69	0.37	4.25	4.38	6.05	5.28	5.24
10	Public Administration	5.16	0.52	16.33	2.16	-1.34	7.60	7.00	4.42
11	Other services	12.49	3.00	20.39	13.63	7.76	7.61	9.71	8.36
12	<b>Net State Domestic Product (a+b+c)</b>	<b>5.88</b>	<b>7.87</b>	<b>12.57</b>	<b>9.15</b>	<b>9.12</b>	<b>9.16</b>	<b>9.39</b>	<b>9.51</b>
13	Population (in lakhs)	2.52	2.48	1.01	1.55	1.53	1.49	1.45	1.42
14	<b>Per Capita Income at current prices</b>	<b>3.27</b>	<b>5.26</b>	<b>11.45</b>	<b>7.48</b>	<b>7.48</b>	<b>7.56</b>	<b>7.82</b>	<b>7.97</b>

Q= Quick Estimates, A = Advance Estimates

**Annexure- (1) 28**  
**Annual Growth of Net State Domestic Product (NSDP) by Economic Activity at Constant (1999-00)**

prices (Rs in lakh)

S. No.	Industry	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-07(Q)	2007-08(A)
<b>A.</b>	<b>Primary Sector (1+2)</b>	<b>-1.02</b>	<b>5.92</b>	<b>2.20</b>	<b>7.28</b>	<b>1.14</b>	<b>1.44</b>	<b>2.98</b>	<b>1.90</b>
1	<b>Agr. and Allied Activities</b>	<b>-0.82</b>	<b>5.91</b>	<b>2.17</b>	<b>7.29</b>	<b>1.07</b>	<b>1.34</b>	<b>2.85</b>	<b>1.76</b>
1.1	Agriculture including Live stock	-0.18	5.72	1.97	9.19	1.14	1.08	2.99	1.74
1.2	Forestry & logging	-6.94	9.14	4.63	-10.69	0.38	4.86	1.86	2.37
1.3	Fishing	-2.72	2.06	1.16	0.24	0.05	0.68	0.29	0.34
2	Mining & quarrying	-37.12	7.91	8.91	4.33	21.31	22.47	26.41	23.40
<b>B.</b>	<b>Secondary Sector (3+4+5)</b>	<b>4.42</b>	<b>2.89</b>	<b>-0.10</b>	<b>5.05</b>	<b>18.74</b>	<b>9.40</b>	<b>10.33</b>	<b>11.32</b>
3	Manufacturing	-7.70	-1.84	4.55	3.85	54.52	9.58	18.28	11.72
3.1	Manu-Registered	-24.17	4.34	5.15	9.41	139.07	11.51	17.40	12.77
3.2	Manu-Unregistered	3.40	-4.90	4.23	0.80	4.32	6.95	19.53	10.26
4	Construction	-7.27	9.70	9.85	5.54	22.36	10.00	11.50	14.62
5	Electricity, gas and Water supply	44.52	-5.78	-21.72	4.62	-17.54	6.72	-5.87	-5.56
	<b>Industry (B+2)</b>	<b>4.03</b>	<b>2.92</b>	<b>-0.04</b>	<b>5.05</b>	<b>18.75</b>	<b>9.48</b>	<b>10.45</b>	<b>11.43</b>
<b>C.</b>	<b>Tertiary Sector (6+7+8+9+10+11)</b>	<b>4.99</b>	<b>-1.25</b>	<b>9.55</b>	<b>3.69</b>	<b>2.94</b>	<b>7.41</b>	<b>6.03</b>	<b>6.14</b>
6	Trade hotels and restaurants	-2.26	4.60	-0.68	6.71	9.39	12.71	7.40	9.83
7	Transport, storage & communication	14.95	6.56	17.55	13.05	9.13	48.07	12.40	19.25
7.1	Railways	31.29	-13.99	17.47	7.18	24.88	44.06	45.48	19.20
7.2	Transport by other means	4.19	-4.89	5.07	2.74	2.58	18.13	5.65	19.25
7.3	Storage	0.25	-8.23	-6.25	-2.61	-6.25	31.75	-5.78	19.18
7.4	Communication	42.19	28.18	34.96	24.21	14.93	71.62	15.96	19.25
8	Banking & Insurance	8.41	6.41	15.49	-0.58	8.57	3.51	21.56	11.21
9	Real estate, ownership of dwellings and business services	3.75	-1.65	1.12	0.70	3.45	-6.54	-2.17	-1.75
10	Public Administration	3.19	-7.21	10.58	-2.64	-5.46	1.11	0.83	-1.17
11	Other services	10.30	-2.77	15.96	9.79	3.24	3.16	3.48	3.29
12	<b>Net State Domestic Product (a+b+c)</b>	<b>2.84</b>	<b>1.92</b>	<b>5.09</b>	<b>5.14</b>	<b>5.40</b>	<b>5.92</b>	<b>6.06</b>	<b>6.09</b>
13	Population (in lakhs)	2.52	2.48	1.01	1.55	1.53	1.49	1.45	1.42
14	<b>Per Capita Income at constant prices</b>	<b>0.31</b>	<b>-0.54</b>	<b>4.04</b>	<b>3.54</b>	<b>3.81</b>	<b>4.36</b>	<b>4.54</b>	<b>4.60</b>

Q= Quick Estimates, A = Advance Estimates

**Annexure- (1) 29**  
**Index of Net State Domestic Product (NSDP) by Economic Activity at Current prices with base year (1999-00=100)**

S. No.	Sector	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-07 (Q)	2007-08 (A)
1	Agriculture including Live stock	104.04	111.52	127.40	142.82	148.90	157.92	165.61	173.99
2	Forestry & logging	97.72	112.11	124.62	117.69	122.76	135.79	136.34	143.31
3	Fishing	98.76	106.09	113.69	133.43	147.74	161.44	179.14	197.62
	<b>Agr and Allied</b>	<b>103.38</b>	<b>111.45</b>	<b>126.84</b>	<b>140.43</b>	<b>146.62</b>	<b>156.09</b>	<b>163.39</b>	<b>171.88</b>
4	Mining & quarrying	78.71	86.97	72.67	76.62	97.87	142.18	175.79	232.42
(a)	<b>Sub - total of Primary</b>	<b>103.24</b>	<b>111.31</b>	<b>126.55</b>	<b>140.08</b>	<b>146.35</b>	<b>156.02</b>	<b>163.46</b>	<b>172.22</b>
5	Manufacturing	<b>92.80</b>	<b>89.68</b>	<b>94.40</b>	<b>103.72</b>	<b>182.66</b>	<b>205.26</b>	<b>243.99</b>	<b>283.22</b>
5.1	Manu-Registered	77.64	82.52	90.06	106.11	278.61	316.99	374.43	436.49
5.2	Manu-Unregistered	103.01	94.50	97.33	102.10	118.01	129.98	156.10	179.94
6	Construction	102.36	128.86	143.07	162.82	208.22	238.79	275.73	329.07
7	Electricity, gas and Water supply	135.58	141.42	141.60	144.35	125.31	115.54	120.87	114.27
(b)	<b>Sub - total of Secondary</b>	<b>108.09</b>	<b>124.25</b>	<b>133.46</b>	<b>147.36</b>	<b>184.50</b>	<b>204.38</b>	<b>234.49</b>	<b>271.51</b>
	<b>Industry</b>	<b>107.81</b>	<b>123.90</b>	<b>132.89</b>	<b>146.70</b>	<b>183.70</b>	<b>203.81</b>	<b>233.94</b>	<b>271.15</b>
8	<b>Transport, storage &amp; communication</b>	<b>110.56</b>	<b>124.45</b>	<b>139.63</b>	<b>149.49</b>	<b>169.82</b>	<b>201.63</b>	<b>225.47</b>	<b>258.65</b>
8.1	Railways	124.49	114.29	140.14	144.90	177.55	265.99	452.38	519.05
8.2	Transport by other means	104.87	110.12	123.99	124.90	148.82	176.28	197.63	226.72
8.3	Storage	101.00	102.00	102.75	98.00	106.50	141.25	141.25	162.00
8.4	Communication	124.94	161.21	180.05	212.91	224.55	266.35	295.08	338.51
9	Trade ,hotels and restaurants	100.93	109.64	120.34	132.48	149.20	180.72	198.80	227.80
10	Banking & Insurance	110.53	127.59	153.41	165.94	165.63	167.35	200.65	214.53
11	Real estate, ownership of dwellings and business services	105.77	107.56	107.95	112.55	117.48	124.58	131.16	138.03
12	Public administration	105.16	105.71	122.97	125.63	123.95	133.37	142.71	149.01
13	Other services	112.49	115.86	139.48	158.49	170.79	183.78	201.63	218.49
(c)	<b>Sub - total of Tertiary</b>	<b>106.86</b>	<b>112.01</b>	<b>127.95</b>	<b>137.50</b>	<b>144.59</b>	<b>159.30</b>	<b>174.83</b>	<b>190.06</b>
14	<b>Total NSDP (a+b+c)</b>	<b>105.88</b>	<b>114.21</b>	<b>128.57</b>	<b>140.34</b>	<b>153.14</b>	<b>167.17</b>	<b>182.87</b>	<b>200.25</b>

**Index of Net State Domestic Product (NSDP) by Economic Activity at constant (1999-00) prices**

S. No.	Sector	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-07(Q)	2007-08(A)
1	Agriculture including Live stock	99.82	105.53	107.61	117.49	118.84	120.13	123.72	125.87
2	Forestry & logging	93.06	101.57	106.27	94.90	95.27	99.90	101.76	104.17
3	Fishing	97.28	99.28	100.43	100.67	100.72	101.40	101.70	102.04
	<b>Agr and Allied</b>	<b>99.18</b>	<b>105.05</b>	<b>107.33</b>	<b>115.16</b>	<b>116.39</b>	<b>117.95</b>	<b>121.31</b>	<b>123.45</b>
4	Mining & quarrying	62.88	67.85	73.89	77.09	93.52	114.53	144.79	178.67
(a)	<b>Sub - total of Primary</b>	<b>98.98</b>	<b>104.84</b>	<b>107.14</b>	<b>114.95</b>	<b>116.26</b>	<b>117.93</b>	<b>121.44</b>	<b>123.75</b>
5	<b>Manufacturing</b>	<b>92.30</b>	<b>90.60</b>	<b>94.73</b>	<b>98.37</b>	<b>152.00</b>	<b>166.56</b>	<b>197.00</b>	<b>220.10</b>
5.1	Manu-Registered	75.83	79.13	83.20	91.03	217.63	242.68	284.89	321.28
5.2	Manu-Unregistered	103.40	98.34	102.49	103.32	107.78	115.26	137.78	151.92
6	Construction	92.73	101.73	111.75	117.94	144.31	158.75	177.01	202.89
7	Electricity ,gas and Water supply	144.52	136.17	106.59	111.52	91.96	98.14	92.38	87.24
(b)	<b>Sub - total of Secondary</b>	<b>104.42</b>	<b>107.43</b>	<b>107.33</b>	<b>112.75</b>	<b>133.88</b>	<b>146.46</b>	<b>161.59</b>	<b>179.89</b>
	<b>Industry</b>	<b>104.03</b>	<b>107.07</b>	<b>107.02</b>	<b>112.42</b>	<b>133.50</b>	<b>146.16</b>	<b>161.43</b>	<b>179.87</b>
8	Transport, storage & communication	114.95	122.50	143.99	162.79	177.65	263.05	295.68	352.60
8.1	Railways	131.29	112.93	132.65	142.18	177.55	255.78	372.11	443.54
8.2	Transport by other means	104.19	99.09	104.11	106.96	109.72	129.61	136.94	163.30
8.3	Storage	100.25	92.00	86.25	84.00	78.75	103.75	97.75	116.50
8.4	Communication	142.19	182.26	245.97	305.51	351.12	602.60	698.78	833.29
9	Trade, hotels and restaurants	97.74	102.24	101.55	108.36	118.53	133.59	143.48	157.59
10	Banking & Insurance	108.41	115.36	133.23	132.46	143.81	148.86	180.95	201.24
11	Real estate, ownership of dwellings and business services	103.75	102.04	103.19	103.91	107.49	100.47	98.29	96.57
12	Public administration	103.19	95.75	105.88	103.08	97.46	98.54	99.36	98.19
13	Other services	110.30	107.25	124.37	136.54	140.96	145.41	150.47	155.42
(c)	<b>Sub - total of Tertiary</b>	<b>104.99</b>	<b>103.67</b>	<b>113.58</b>	<b>117.77</b>	<b>121.23</b>	<b>130.21</b>	<b>138.07</b>	<b>146.55</b>
14	<b>Total NSDP (a+b+c)</b>	<b>102.84</b>	<b>104.82</b>	<b>110.15</b>	<b>115.81</b>	<b>122.07</b>	<b>129.29</b>	<b>137.13</b>	<b>145.47</b>



**Annexure- (1) 31**  
**Comparative Per Capita Income of States, Union Territories & All India at current prices (Figures in Rupees)**

S.No	States/ UT's	1999-00	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-07(Q)	2007-08(A)
1	Andhra Pradesh	15507	17243	18630	19568	22041	23755	26226	29582	NA
2	Arunachal Pradesh	13990	15260	17664	17124	19322	22185	22335	25836	27427
3	Assam	12282	12803	13059	14421	15487	17013	18211	20166	NA
4	Bihar	5789	6418	6204	6934	6861	7400	7930	9702	10153
5	Jharkhand	11435	10294	10972	11865	12941	17493	19066	20811	NA
6	Goa	42296	43735	44110	48839	54577	66135	70112	NA	NA
7	Gujarat	18864	18392	19823	22683	26922	28846	32991	37532	NA
8	Haryana	23121	25484	27964	30380	33910	37648	41988	49038	NA
9	Himachal Pradesh	20806	22795	24608	26627	28333	31139	33806	36782	NA
10	<b>Jammu &amp; Kashmir</b>	<b>13816</b>	<b>14268</b>	<b>15019</b>	<b>16739</b>	<b>17991</b>	<b>19337</b>	<b>20799</b>	<b>22426</b>	<b>24214</b>
11	Karnataka	16603	17496	17923	19338	20900	23848	27101	NA	NA
12	Kerala	19294	19917	21047	23207	25645	27864	30668	33609	NA
13	Madhya Pradesh	12384	11862	12697	12303	14306	14476	15304	16578	NA
14	Chattisgarh	11761	10985	12443	13145	16098	18068	20151	NA	NA
15	Maharashtra	23011	22777	24076	26063	29165	32481	36090	41331	NA
16	Manipur	13260	12369	12970	13250	14728	18386	20326	22495	NA
17	Meghalaya	14611	16100	17936	18756	20729	21915	23420	25141	NA
18	Mizoram	16443	17826	19430	20896	21963	22417	24029	25682	27501
19	Nagaland	13819	16903	18961	20407	20821	20998	NA	NA	NA
20	Orrisa	10567	10452	11075	11788	14252	16306	17610	20240	NA
21	Punjab	25611	27865	28949	29316	31182	33158	36759	40566	NA
22	Rajasthan	13619	13020	14098	13128	16507	16515	17306	19512	21565
23	Sikkim	14890	16077	17324	19428	21476	23791	26628	29788	33553
24	Tamil Nadu	19378	20927	20924	21813	24106	27137	29958	32733	NA
25	Tripura	14119	15983	18368	19059	21138	22836	24706	NA	NA
26	Uttar Pradesh	9719	9799	9980	10632	11425	12023	13316	14685	NA
27	Uttarakhand	13672	15482	16408	18819	20519	22093	24585	27879	NA
28	West Bengal	15826	16521	17826	18746	20806	22522	25223	NA	NA
29	A & N Islands	23728	25177	27112	30050	33150	31004	34853	NA	NA
30	Chandigarh	41386	46660	52385	58772	66512	75181	86629	NA	NA
31	Delhi	38673	40337	42012	45099	48566	53309	58655	66728	NA
32	Pondicherry	30865	36220	39138	44903	48547	44908	48477	52669	NA
	<b>All India</b>	<b>15881</b>	<b>16688</b>	<b>17782</b>	<b>18885</b>	<b>20895</b>	<b>23199</b>	<b>25956</b>	<b>29642</b>	NA

**Comparative Per Capita Income of States, Union Territories & All India at constant(1999-00) prices  
(Figures in Rupees)**

S.No	States/ UT's	1999-00	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-07(Q)	2007-08(A)
1	Andhra Pradesh	15507	16622	17260	17486	18961	19871	21334	22835	NA
2	Arunachal Pradesh	13990	14726	16793	15829	17333	19336	18390	20431	20679
3	Assam	12282	12447	12529	13072	13675	14149	14786	15623	NA
4	Bihar	5789	6557	5997	6662	6125	6724	6765	8056	7928
5	Jharkhand	11435	9937	10360	10571	11144	14343	14990	15904	NA
6	Goa	42296	38989	39339	40602	42206	45394	47507	NA	NA
7	Gujarat	18864	17227	18200	19509	22387	23346	25487	27027	NA
8	Haryana	23121	24328	25557	26622	28484	30502	32724	35779	NA
9	Himachal Pradesh	20806	21824	22543	23234	24377	26053	27163	28415	NA
10	Jammu & Kashmir	13816	13859	13784	14341	14848	15414	16086	16817	17590
11	Karnataka	16603	17405	17553	18183	18505	20315	21629	NA	NA
12	Kerala	19294	19724	20519	21699	22848	24217	25657	27284	NA
13	Madhya Pradesh	12384	11150	11715	10880	11870	12068	12290	12577	NA
14	Chattisgarh	11758	11037	12234	11836	13811	14710	16365	NA	NA
15	Maharashtra	23011	21892	22242	23422	24707	26359	28433	30750	NA
16	Manipur	13260	12157	12641	12319	13389	16482	17950	19625	NA
17	Meghalaya	14611	15200	15932	16177	17062	17790	18274	18944	NA
18	Mizoram	16443	16635	17245	18429	18555	18904	18616	19220	19750
19	Nagaland	13819	15746	16540	17122	19758	18147	NA	NA	NA
20	Orrisa	10567	10211	10701	10575	11951	13329	13967	15096	NA
21	Punjab	25611	25990	25994	26065	26955	27851	28872	30158	NA
22	Rajasthan	13619	12840	13933	12054	15579	14752	14660	15420	16260
23	Sikkim	14890	15305	15953	17065	18159	19332	20777	22167	23761
24	Tamil Nadu	19378	20249	19691	19628	20672	22835	24308	25898	NA
25	Tripura	14119	14933	16947	17752	18554	19825	21231	NA	NA
26	Uttar Pradesh	9719	9700	9651	9780	10080	10250	10605	11189	NA
27	Uttarakhand	13672	15091	15527	16639	17683	18780	20328	22066	NA
28	West Bengal	15826	16184	17173	17515	18231	19174	20485	NA	NA
29	A & N Islands	23728	23810	24097	25474	27690	25462	27310	NA	NA
30	Chandigarh	41386	45051	48377	52037	56197	61723	67910	NA	NA
31	Delhi	38673	38623	38627	40492	40898	43745	46239	50565	NA
32	Pondichery	30865	34408	36230	39159	40338	34863	36397	38488	NA

	All India	1588 1	16172	16764	17101	18317	19325	20858	22553	NA
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**Annexure- (2) 1**  
**State plan provision and expenditure (Rs. in lakhs)**

S. No.	Head/Sub-head	7th Plan (1985-90)		Annual Plan (1990-91)		Annual Plan (1991-92)	
		Outlay	Expdt.	Outlay	Expdt.	Outlay	Expdt.
	1. Agriculture						
1.1	Agricultural Production	10694.00	17543.70	4879.00	4847.60	4792.60	5334.56
1.2	Minor Irrigation	4700.00	6269.23	1635.00	1635.00	1651.00	1856.00
1.3	Animal husbandry, milk supply & diary	2871.00	3833.37	1310.00	1310.00	1341.00	1345.00
1.4	Forest and soil conservation	4372.00	5544.65	1998.00	1936.00	2131.00	2486.95
1.5	Fisheries	450.00	548.04	146.00	146.00	226.00	236.00
1.6	Command Area Development	550.00	506.17	170.00	170.00	187.00	187.00
	Total: (1)	23637.00	34245.16	10138.00	10044.60	10328.60	11445.51
	2. C.D. and Co-operation:						
2.1	C.D. and N.E.S.	900.00	858.46	240.00	238.00	196.00	241.00
2.2	Co-operation	650.00	929.40	221.00	221.20	243.00	463.00
	Total: (2)	1550.00	1787.86	461.00	459.20	439.00	704.00
	3. Irrigation and Power:						
3.1	Major & Medium irrigation	7286.00	7155.09	1554.00	1554.00	1620.00	1729.00
3.2	Flood Control	2000.00	2749.76	741.00	741.00	756.00	761.00
3.3	Power	29222.00	42316.88	16780.00	16093.00	21648.00	21554.50
	Total: (3)	38508.00	52221.73	19075.00	18388.00	24024.00	24044.50
	4. Industries and Mining:						
4.1	Large & Medium Industries	3415.00	4308.00	1180.00	1180.00	1278.10	2335.10
4.2	Mining and metalurgical industries	460.00	972.33	311.00	311.00	300.40	302.96
4.3	Village & Small Scale Industries	3400.00	4676.91	2052.00	2052.00	2037.00	2607.72
	Total: (4)	7275.00	9957.24	3543.00	3543.00	3615.50	5245.78
	5. Transport & Communication						
5.1	Roads/Road Transport Inland water transport	13020.00	18197.49	4880.00	5053.65	5196.00	7473.25
5.2	Tourism	2550.00	7090.99	1725.00	1740.00	1728.00	1831.81
	Total: (5)	15570.00	25288.48	6605.00	6793.65	6924.00	9305.06
	6. Social Services:						
6.1	Education	8262.00	14157.67	5318.00	5368.49	5698.70	6054.47
6.2	Health	6306.00	9436.27	2650.00	2657.00	2926.00	3644.40
6.3	Housing & Urban Development	6787.00	16307.34	7391.00	7391.00	7558.00	9060.00
6.4	Welfare of backward classes and scheduled castes	594.00	742.33	256.00	256.00	270.00	359.38
6.5	Water Supply (Rural & Urban)	17230.00	18691.47	4580.00	4577.10	5044.00	5608.00
6.6	Social welfare including nutrition	1018.00	1481.33	146.00	175.60	490.00	1465.60
6.7	Labour & Labour Welfare	44.00	68.24	20.00	20.00	29.00	29.00

Total: (6)	40241.00	60884.65	20361.00	20445.19	22015.70	26220.85
Miscellaneous	13219.00	16238.19	4597.00	4595.52	5525.20	6782.15
Grand Total:	140000.00	200623.31	64480.00	64269.16*	72872.00	83747.85
				52202.00 @	58939 @	*

\* : Anticipated, @: Actual Documents

Source: Plan

**Annexure - (2) 2**  
**State plan provision and expenditure (Rs. in lakhs)**

S.No.	Head/Sub-head	8th Plan (1992-97)	
		Outlay	Expenditure
1	2	3	4
	1. Agriculture:		
1.1	Agricultural Production	19110.00	20290.87
			56026.89
1.2	Minor Irrigation	8420.00	9954.83
1.3	Animal husbandry, milk supply & diary	6400.00	6735.33
1.4	Forestry and soil conservation	14890.00	16776.00
1.5	Fisheries	920.00	1134.84
1.6	Command Area Development	1000.00	1135.02
	Total: (1)	50740.00	56026.89
	2. C.D. and Co-operation:		
2.1	C.D. and N.E.S.	1200.00	1954.93
2.2	Co-operation	1000.00	3219.43
	Total: (2)	2200.00	5174.36
	3. Irrigation and Power:		
3.1	Major and medium Irrigation	7057.00	8684.12
3.2	Flood Control	4075.00	6072.78
3.3	Power	117748.00	129188.12
	Total: (3)	128880.00	143945.02
	4. Industries and Mining:		
4.1	Large & Medium Industries	8090.00	7024.43
4.2	Mining & Metallurgical Industries	1160.00	1259.80
4.3	Village & Small Scale Industries	10150.00	12291.31
	Total: (4)	19400.00	20575.54
	5. Transport and Communication:		
5.1	Roads/Road Transport!	28060.00	48975.29

	Inland water transport		
5.2	Tourism	6830.00	4909.68
	Total: (5)	34890.00	53884.97
	6. Social Services:		
6.1	Education	35570.00	41984.58
6.2	Health/Med. Education	17990.00	21754.83
6.3	Housing & Urban Dev.	28680.00	16272.66
6.4	Welfare of backward classes and Schedules castes	1830.00	1302.54
6.5	Water supply	29280.00	37853.46
6.6	Social welfare incld. nutrition	3340.00	3890.37
6.7	Labour & labour welfare	1640.00	1636.62
	Total: (6)	118330.00	124695.06
	Total: (1-6)	354440.00	404301.84
	7. Miscellaneous:	45560.00	47705.87
	Grand Total:	400000.00	452007.71

**Annexure - (2) (Cond.)**

**State plan provision and expenditure(Rs. in Lakhs)**

S.No.	Sector	9th FYP (1997-2002)		10th FYP (2002-2007)	
		Outlay	Expdt.	Total	Cap.
1	2	3	4	5	6
	<b>I. AGRI &amp; ALLIED ACTIVITIES</b>				
1	1 AGRICULTURE, JAMMU	9283.00	8409.63	11516.20	1680.00
2	2 AGRICULTURE, KASHMIR	10905.00	11054.61	15639.50	1680.00
3	3 NAEP (STATE UNIT)	63.00	66.67	86.79	0.00
4	4 HORTICULTURE	10500.00	4659.38	6554.85	2016.00
5	5 HORTICULTURE DEPTT. JAMMU	0.00	0.00	0.00	0.00
6	6 HORTICULTURE DEPTT. KASHMIR	0.00	0.00	0.00	0.00
7	7 AGROS	600.00	125.00	70.00	70.00
8	8 ASSTT. TO <i>S/M</i> FARMERS	0.00	0.00	0.00	0.00
9	9 AGRICULTURE LANDS	0.00	0.00	0.00	0.00
10	10 AGRICULTURE LANDS, JAMMU	857.00	800.42	885.90	100.00
11	11 AGRICULTURE LANDS, KASHMIR	527.00	348.84	419.39	100.00
12	12 DTE. OF SOIL CONSERVATION	2641.00	1894.01	2895.50	1295.00
13	13 INTG. WATERSHED DEV. PROJ.	4736.00	13972.18	19680.75	16947.25
14	14 ANIMAL HUSBANDRY, JAMMU	5200.00	3832.18	5258.05	753.55
15	15 ANIMAL HUSBANDRY, KASHMIR	4800.00	2597.34	4272.00	1764.00
16	16 SHEEP HUNBANDRY, JAMMU	3400.00	2117.02	3250.43	900.00
17	17 SHEEP HUSBANDRY, KASHMIR	2800.00	1381.73	2227.65	900.00
18	18 SHEEP PRODUCTS DEV. BOARD	550.00	208.25	165.00	165.00
19	19 JAMMU COOP. MILK FED.LTD.	780.00	282.76	148.00	148.00
20	20 KMR.VALLEY M.P.COOP.FED.	750.00	266.25	148.00	148.00
21	21 FISHERIES	2500.00	2378.42	4536.72	3150.00
22	22 FORESTRY (TERRITORIAL)	14034.00	7485.00	13323.50	6300.00
23	23 FOREST PROTECTION FORCE	10510.00	5905.53	9435.00	2450.00
24	24 STATE FOREST INSTITUTE	670.00	284.41	687.22	500.00
25	25 SOCIAL FORESTRY	9700.00	8986.67	11175.00	1000.00
26	26 WILDLIFE PRESERVATION	1832.00	797.88	1737.00	1000.00
27	27 FOREST LANDS	0.00	0.00	0.00	0.00
28	28 FOOD STORAGE & WAREHOUSING	980.00	387.54	405.00	119.00
29	29 S.K.AGRICULTURE UNIVERSITY	9000.00	6880.06	13713.98	5000.00

	KMR				
30	30 AGRI. UNIVERSITY JAMMU	1000.00	1336.58	10617.97	6000.00
31	31 AGRICULTURE ECO. & STS.	110.00	117.21	213.50	21.00
32	32 CO-OPERATIVE	4000.00	2265.88	2775.50	2000.00
33	33 HORT. PLANNING & MARKETING	1900.00	1329.14	8794.70	7500.00
34	34 J & K HPMC	920.00	222.50	147.00	147.00
	SUB-TOTAL:	115548.00	90393.09	150780.10	63853.80
	II RURAL DEVELOPMENT				
35	1 APPLD. NUTRITION PROGRAMME	515.00	619.42	853.55	0.00
36	2 DPAP, DODA	800.00	547.46	843.17	700.00
37	3 DPAP, UDHAMPUR	562.00	209.77	783.97	665.00
38	4 INT.RURAL ENER.PROG.(IREP)	300.00	289.53	417.86	35.00
39	5 DRDA (ADMN), JAMMU	0.00	0.00	0.00	0.00
40	6 DRDA (ADM), KASHMIR	0.00	0.00	0.00	0.00
41	7 SGSY (LRDP) JAMMU	1800.00	776.12	1136.11	565.92
42	8 SGSY (IRDP) KASHMIR	1520.00	728.74	1440.12	918.00
43	9 LAY (JRY) JAMMU	1750.00	1446.87	2783.83	2783.83
44	10 LAY (JRY) KASHMIR	1800.00	1193.12	2783.83	2783.83

**Annexure - (2) (Cond.)  
State plan provision and expenditure(Rs. in Lakhs)**

S.No.	Sector	9th FYP (1997-2002)		10th FYP (2002-2007)	
		Outlay	Expdt.	Outlay	Expdt.
1	2	3	4	3	4
45	11 SGRY (EAS) JAMMU	5700.00	1780.25	2996.00	2996.00
46	12 SGRY (EAS) KASHMIR	5000.00	1691.31	2807.00	2807.00
47	13 LAND REFORMS	3120.00	3944.11	6370.00	1200.00
48	14 CD & PANCHAYATS JAMMU	3400.00	4986.73	4917.00	0.00
49	15 CD & PANCHAYATS KASHMIR	4500.00	7383.20	9277.73	0.00
50	16 INT. WASTE LAND DEV. PROGRAMME	0.00	0.00	0.00	0.00
51	17 RURAL ROADS	0.00	345.71	0.00	0.00
52	18 RURAL SANITATION	1260.00	533.70	647.50	400.00
	SUB-TOTAL:	32027.00	26476.04	38057.67	15854.58
	III SPECIAL AREA PROGRAMMES				
53	1 WEL. OF PAHARI SPEAKING PEOPLE	500.00	156.06	223.75	100.00
54	2 LEH	19000.00	21521.65	34183.58	26352.13
55	3 KARGIL	19000.00	19532.38	33229.79	24672.34
56	4 G&B	3130.00	2267.78	3167.00	1099.00
57	5 TRIBAL SUB PLAN	0.00	1696.78	6383.00	6383.00
	SUB-TOTAL:	41630.00	45174.65	77187.12	58606.47
	IV IRRIGATION & FLOOD CONTROL				
58	1 RAVI TAWI IRRIGATION CANAL	3300.00	2487.38	2810.11	500.00
59	2 MAJ/MED. IRRIGATION JAMMU	6800.00	4355.83	6006.26	4998.00
60	3 MAJ/MED IRRIGATION KMR.	8200.00	6008.21	14927.05	11599.00
61	4 MINOR IRRIGATION JAMMU	5600.00	4350.87	12639.61	10500.00
62	5 MINOR IRRIGATION KASHMIR	10000.00	9936.18	20666.66	10150.00
63	6 COMMAND AREA DEV. JAMMU	1350.00	1263.90	2422.66	1198.14
64	7 COMMAND AREA DEV. KASHMIR	1000.00	793.13	1796.80	883.80
65	8 FLOOD CONTROL JAMMU	4000.00	2573.73	8131.25	6671.00
66	9 FLOOD CONTROL KASHMIR	4500.00	5061.42	11178.50	6608.00
	SUB-TOTAL:	44750.00	36830.65	80578.90	53107.94
	V ENERGY				
67	1 POWER (SURVEY & INVESTIG.)	3500.00	2439.96	3548.00	50.00

68	2 POWER DEV. (GENERATION)	120200.00	79546.13	162819.50	151000.00
69	3 POWER (TRANS. & DISTRI.)	100000.00	50216.00	61581.00	26920.00
70	4 POWER (RURAL ELECTRIFI.)	15000.00	9848.53	60000.00	60000.00
71	5 NEW/RENWBLE SOURCES OF ENRG.	430.00	314.99	625.43	200.00
	SUB-TOTAL:	239130.00	142365.61	288573.93	238170.00
	VI INDUSTRY & MINERALS				
72	1 HANDICRAFTS DEPARTMENT	6210.00	5285.00	7760.40	1462.90
73	2 HANDICRAFTS (S&E) CORP.	600.00	337.10	400.00	400.00
74	3 HANDLOOM	2000.00	1359.30	2059.26	754.00
75	4 HANDLOOM DEV. CORPORATION	600.00	331.10	250.00	250.00
76	5 DICS(VIL.& SMALL)-SSI SEC.	10700.00	9246.16	14160.00	9100.00
77	6 SICOP	800.00	439.50	250.00	250.00
78	7 KHADI & VILL. IND. BOARD	550.00	515.72	722.73	113.00
79	8 SERICULTURE	4150.00	3036.33	4650.73	2000.00
80	9 INFRA STRUCTURE DEV (DIC)G.C.	7300.00	1996.28	10000.00	10000.00
81	10 J&K INDUSTRIES LTD.	500.00	0.00	0.00	0.00
82	11 J&K CEMENT	200.00	0.00	0.00	0.00
83	12 SIDCO	1900.00	1019.50	600.00	600.00
84	13 HIMALAYAN WOOL COMBERS LTD	90.00	33.25	0.00	0.00

**Annexure - (2) (Cond.)**

**State plan provision and expenditure(Rs. in Lakhs)**

S.No.	Sector	9th FYP (1997-2002)		10th FYP (2002-2007)	
		Outlay	Expdt.	Outlay	Expdt.
1	2	3	4	3	4
85	14 STATE FINANCIAL CORP.	2000.00	250.00	0.00	0.00
86	15 ASSTT TO PUBL SECTOR UND.	0.00	0.00	0.00	0.00
87	16 J & K BANK LTD.	0.00	0.00	0.00	0.00
88	17 GEOLOGY AND MINING	900.00	1122.74	2487.09	1000.00
89	18 J & K MINERALS LTD.	1000.00	345.00	225.00	225.00
	SUB-TOTAL:	39500.00	25316.98	43565.21	26154.90
	VII TRANSPORT				
90	1 CIVIL AVIATION	330.00	252.73	625.00	350.00
91	2 DESIGN DIRECTORATE	570.00	582.15	887.50	200.00
92	3 R & B JAMMU	34500.00	29238.55	73093.34	64486.94
93	4 R & B KASHMIR	37500.00	40367.29	75103.29	67228.00
94	5 MECHANICAL ENGINEERING	0.00	0.00	0.00	0.00
95	6 MECHANICAL ENGG.JAMMU	2000.00	990.75	979.87	560.00
96	7 MECHANICAL ENGG.KASHMIR	2000.00	1222.24	830.08	700.00
97	8 SPL.PROGRAM.BRIDGES RECONST.	0.00	5987.30	9100.00	9100.00
98	9 INLAND WATER TRANSPORT	1000.00	769.56	1160.50	0.00
99	10 STATE MOTOR GARAGES	1390.00	1004.42	1440.53	863.03
100	11 ROAD TRANSPORT CORPORATION	3600.00	2157.50	500.00	500.00
101	12 MOTOR VEHICLES DEPARTMENT	0.00	66.94	350.00	350.00
	SUB-TOTAL	82890.00	82639.43	164070.11	144337.97
	VIII SCIENCE,TECHN. & ENVRMN				
102	1 SCIENCE & TECHNOLOGY	320.00	256.14	490.98	109.50
103	2 ECOLOGY & EIRONMENT	1332.00	860.09	942.75	500.00
104	3 POLLUTION CONTROL BOARD	1745.00	983.76	2185.48	500.00
	SUB-TOTAL:	3397.00	2099.99	3619.21	1109.50
	IX GENERAL ECONOMIC SERVICES				
105	1 INVESTMENT IN AGRI.CREDIT	0.00	0.00	0.00	0.00
106	2 REHABILITATION	0.00	0.00	0.00	0.00
107	3 PLANNING MACHINERY	2124.00	2190.30	8727.52	5600.00
108	4 INFORMATION TECHNOLOGY	0.00	0.00	20000.00	20000.00

109	5 BORDER AREA DEVELOPMENT	10340.00	14782.85	50000.00	50000.00
110	6 TOURISM	7720.00	8306.09	15679.17	12990.00
111	7 PATNITOP DEVELOPMENT AUTHORITY	0.00	112.07	721.00	721.00
112	8 PAHALGAM DEV. AUTHORITY	0.00	0.00	0.00	0.00
113	9 GULMARG DEV. AUTHORITY	0.00	0.00	0.00	0.00
114	10 SONAMARG DEV. AUTHORITY	0.00	0.00	0.00	0.00
115	11 KOKERNAG DEV. AUTHORITY	0.00	0.00	0.00	0.00
116	12 CABLE CAR CORPORATION	100.00	147.15	196.00	196.00
117	13 ROYAL SPRINGS GOLF COURSE	0.00	0.00	0.00	0.00
118	14 S.K.I.C.C.	180.00	2598.66	161.00	161.00
119	15 TOURISM DEV. CORPORATION	1500.00	527.50	300.00	300.00
120	16 PARKS AND GARDENS	3350.00	3753.76	5444.75	1515.00
121	17 SURVEY AND STATISTICS	973.00	622.06	935.00	522.50
122	18 WEIGHTS AND MEASURES	172.00	147.17	326.22	100.00
123	19 BLOCK LEVEL PLANNING	500.00	538.64	50000.00	50000.00
124	20 CONSTDEVELOPMENTSCHHEME	17500.00	12481.50	21000.00	21000.00
	SUB-TOTAL:	44459.00	46207.75	173490.66	163105.50

**Annexure - (2) (Cond.)  
State plan provision and expenditure(Rs. in Lakhs)**

S.No.	Sector	9th FYP (1997-2002)		10th FYP (2002-2007)	
		Outlay	Expdt.	Outlay	Expdt.
1	2	3	4	3	4
	X SOCIAL SERVICES				
125	1 ELEMENTARY EDUCATION	0.00	0.00	0.00	0.00
126	2 ELEMENTARY EDUCATION JAMMU	23171.00	22862.87	37021.50	10000.00
127	3 ELEMENTARY EDUCATION KASHMIR	17553.00	15800.86	26692.50	10000.00
128	4 SECONDARY EDUCATION	35610.00	31070.99	41760.00	2600.00
129	5 SECONDARY EDUCATION JAMMU	0.00	0.00	0.00	0.00
130	6 SECONDARY EDUCATION KASHMIR	0.00	0.00	0.00	0.00
131	7 TEACHERS EDUCATION	641.00	246.83	561.16	282.75
132	8 TEACHERS EDUCATION JAMMU	0.00	0.00	0.00	0.00
133	9 TEACHERS EDUCATION KASHMIR	0.00	0.00	0.00	0.00
134	10 ADULT EDUCATION	478.00	495.48	118.36	5.00
135	11 ADULT EDUCATION JAMMU	0.00	0.00	0.00	0.00
136	12 ADULT EDUCATION KASHMIR	0.00	0.00	0.00	0.00
137	13 DIRECTION & ADMINISTRATION	1566.00	126.89	154.01	50.00
138	14 DIRECTION & ADMN. JAMMU	0.00	0.00	0.00	0.00
139	15 DIRECTION & ADMN. KASHMIR	0.00	0.00	0.00	0.00
140	16 HIGHER/COLLEGE EDUCATION	6690.00	7400.73	9246.00	3900.00
141	17 TECHNICAL EDUCATION	5235.00	3261.20	9506.88	5236.71
142	18 CRAFTSMAN TRAINING-I.T.I.	3264.00	1859.94	2911.00	700.00
143	19 PHYSICAL EDUCATION	4787.50	3717.35	6129.79	1610.00
144	20 ARTS AND CULTURE	1071.00	938.43	2511.60	2285.00
145	21 HEALTH JAMMU	22358.00	15866.67	25401.60	3675.00
146	22 HEALTH KASHMIR	24545.00	17160.67	26884.90	4550.00
147	23 DRUGS & FOOD CONTROL	491.00	412.92	509.12	83.20
148	24 INDIAN SYSTEM OF MEDICINE	753.00	579.87	1025.00	200.00
149	25 MEDICAL COLLEGE JAMMU	4053.00	5293.12	5256.05	1296.05
150	26 MEDICAL COLLEGE SRINAGAR	1500.00	2603.15	2481.55	1260.00
151	27 DENTAL COLLEGE JAMMU	0.00	0.00	0.00	0.00
152	28 DENTAL COLLEGE SRI NAGAR	1568.00	1106.32	1172.50	210.00
153	29 ASSOC HOSPITALS, JAMMU	2419.00	1447.46	2375.00	1000.00



154	30 ASSOC HOSPITALS, SRI NAGAR	4913.00	2220.58	2462.50	1500.00
155	31 INSTT. OF MEDICAL SCIENCES	3000.50	2720.51	6017.50	5000.00
156	32 JEHLUM VALLEY MEDICAL COLLEGE	0.00	1634.62	6080.00	3000.00
157	33 PHE JAMMU	25720.00	23640.69	40332.47	24444.89
158	34 PHE KASHMIR	24500.00	22471.06	39229.47	25300.00
159	35 SEWERAGE	2500.00	2087.58	10204.00	10204.00
160	36 DRAINAGE	9640.00	9280.70	10773.25	4368.00
161	37 HOUSING	2000.00	1965.76	2387.00	2387.00
162	38 CENTRAL AREA DEV.JAMMU	0.00	0.00	0.00	0.00
163	39 CORE AREA DEV.SRINAGAR	0.00	0.00	0.00	0.00
164	40 URBAN DEVELOPMENT	9497.00	11324.22	20821.70	20000.00
165	41 DAL DEVELOPMENT	1900.00	8774.76	20000.00	20000.00
166	42 URBAN POVERTY ALLEVIATION	1590.00	735.10	1167.92	1050.00
167	43 FIRE SERVICES	800.00	738.15	239.61	222.50
168	44 INFORMATION & PUBLICITY	545.00	428.56	820.10	500.00
169	45 WEL. OF SCH. CASTES & OBC	3156.00	2594.88	4309.50	850.00
170	46 WEL.OF SCH.CASTES & OBC JAMMU	0.00	0.00	0.00	0.00
171	47 WEL.OF SCH.CASTES & OBC KMR.	0.00	0.00	0.00	0.00

**Annexure - (2) (Cond.)**

**State plan provision and expenditure(Rs. in Lakhs)**

S.No.	Sector	9th FYP (1997-2002)		10th FYP (2002-2007)	
		Outlay	Expdt.	Outlay	Expdt.
1	2	3	4	3	4
172	48 SC/ST DEVELOPMENT CORPORATION	0.00	0.00	0.00	0.00
173	49 LABOUR WELFARE	330.00	298.32	525.76	130.20
174	50 EMPLOYMENT EXCHANGES	106.00	52.82	170.25	140.00
175	51 SELF EMPLOYMENT	4516.00	3085.32	10808.50	10000.00
176	52 SOCIAL WELFARE	10820.00	7562.44	15927.70	2000.00
177	53 SOCIAL WELFARE JAMMU	0.00	0.00	0.00	0.00
178	54 SOCIAL WELFARE KASHMIR	0.00	0.00	0.00	0.00
179	55 COUNCIL REHVICTIMS MILITANCY	0.00	0.00	0.00	0.00
180	56 WOMEN DEV. CORPORATION	0.00	0.00	0.00	0.00
181	57 NUTRITION	4000.00	4069.38	7000.00	7000.00
182	58 NUTRITION JAMMU	0.00	0.00	0.00	0.00
183	59 NUTRITION KASHMIR	0.00	0.00	0.00	0.00
184	60 RASHTRIYA SHRAM VIKAS YOJANA	0.00	0.00	0.00	0.00
	SUB-TOTAL:	267287.00	237937.20	400995.75	187040.30
	XI GENERAL SERVICES				
185	1 GOVERNMENT PRESS JAMMU	385.00	154.67	271.78	250.00
186	2 GOVERNMENT PRESS SRINAGAR	400.00	175.47	500.00	500.00
187	3 STATIONERY & CIVIL SUPP.	90.00	55.44	58.91	0.00
188	4 PWD (NFB) JAMMU	5000.00	3602.47	4500.00	4500.00
189	5 PWD (NFB) KASHMIR	5000.00	3287.89	6000.00	6000.00
190	6 POLICE	0.00	2821.75	0.00	0.00
191	7 JAILS	0.00	58.02	0.00	0.00
192	8 UPGRADATION GRANTS	17897.00	388.94	16480.00	16480.00
193	9 TRANSFER TO NON-PLAN	0.00	7856.00	0.00	0.00
194	10 UNTIED FUNDS	0.00	0.00	0.00	0.00
195	11 ADDL.PAY JAN/FEB,98 (PAY REV)	60000.00	0.00	0.00	0.00
196	12 INSTT OF MANAGEMENT & P.A.	610.00	330.54	270.65	0.00
197	13 FINANCE-COMPUTER.OF TREASURIES	0.00	115.17	0.00	0.00
198	14 REVOLVING FUND FOR PSUS	0.00	0.00	1000.00	1000.00

	Sub-total:	89382.00	18846.36	29081.34	28730.00
	Grand total:	1000000.00	754287.75	1450000.00	980070.96

**Annexure - (2) (Cond.)  
State plan provision and expenditure(Rs. in Lakhs)**

S.No.	Sector	Outlay 2006-07	Expdt. 2006-07	11th FYP Outlay 2007-12
1	2	3	4	5
	I AGRI & ALLIED ACTIVITIES			
1	1 AGRICULTURE, JAMMU	2701.74	2840.76	12770.48
2	2 AGRICULTURE, KASHMIR	3380.03	3524.43	16430.89
3	3 NAEP (STATE UNIT)	20.69	20.14	127.75
4	4 HORTICULTURE	0.00	0.00	0.00
5	5 HORTICULTURE DEPTT. JAMMU	597.81	586.97	2731.65
6	6 HORTICULTURE DEPTT. KASHMIR	824.87	761.37	4097.48
7	7 AGROS	50.00	75.00	341.46
8	8 ASSTT. TO SIM FARMERS	0.00	0.00	0.00
9	9 AGRICULTURE LANDS	0.00	0.00	0.00
10	10 AGRICULTURE LANDS, JAMMU	218.39	224.32	1101.54
11	11 AGRICULTURE LANDS, KASHMIR	114.48	126.87	699.99
12	12 DTE. OF SOIL CONSERVATION	354.00	353.85	1707.28
13	13 INTG. WATERSHED DEV. PROJ.	5142.00	181.07	66160.53
14	14 ANIMAL HUSBANDRY, JAMMU	1252.00	1359.35	6441.33
15	15 ANIMAL HUSBANDRY, KASHMIR	879.11	901.66	5691.21
16	16 SHEEP HUNBANDRY, JAMMU	740.28	685.70	3756.02
17	17 SHEEP HUSBANDRY, KASHMIR	451.21	448.12	2884.64
18	18 SHEEP PRODUCTS DEV. BOARD	55.00	55.00	204.87
19	19 JAMMU COOP. MILK FED. LTD.	40.00	0.00	0.00
20	20 KMR. VALLEY M.P. COOP. FED.	40.00	0.00	0.00
21	21 FISHERIES	700.00	940.00	4908.37
22	22 FORESTRY (TERRITORIAL)	1000.00	1062.00	6829.13
23	23 FOREST PROTECTION FORCE	445.00	225.97	2868.24
24	24 STATE FOREST INSTITUTE	100.00	100.00	580.48
25	25 SOCIAL FORESTRY	400.00	416.19	2390.20
26	26 WILDLIFE PRESERVATION	230.00	254.54	1502.41
27	27 FOREST LANDS	0.00	0.00	0.00
28	28 FOOD STORAGE & WAREHOUSING	171.41	137.78	1475.09
29	29 S.K. AGRICULTURE UNIVERSITY KMR	2460.00	2621.68	13658.27
30	30 AGRI. UNIVERSITY JAMMU	2200.00	2400.00	12087.56
31	31 AGRICULTURE ECO. & STS.	44.77	38.24	203.51
32	32 CO-OPERATIVE	416.39	674.66	3045.79
33	33 HORT. PLANNING & MARKETING	1140.37	818.32	6988.25

34	34	J & K HPMC	44.00	44.00	136.58
		Sub-total:	26213.55	21877.99	181821.00
		II RURAL DEVELOPMENT			
35	1	APPLD. NUTRITION PROGRAMME	250.54	232.91	1441.61
36	2	DPAP, DODA	176.16	88.70	1188.27
37	3	0 P AP, UDHAMPUR	223.49	34.65	904.37
38	4	INT.RURAL ENER.PROG.(IREP)	13.00	53.18	170.73
39	5	DRDA (ADMN), JAMMU	96.83	96.95	1230.85
40	6	DRDA (ADMN), KASHMIR	90.78	177.87	1198.51
41	7	SGSY (IRDP) JAMMU	192.20	170.58	956.08
42	8	SGSY (IRDP) KASHMIR	221.50	213.70	1092.66
43	9	IAY (JRY) JAMMU	255.50	255.16	1171.20

**Annexure - (2) (Cond.)  
State plan provision and expenditure(Rs. in Lakhs)**

S.No.	Sector	Outlay 2006-07	Expdt. 2006-07	11th FYP Outlay 2007-12
1	2	3	4	5
44	1t IAY (JRY) KASHMIR	240.00	449.06	2321.91
45	11 SGRY (EAS) JAMMU	630.00	669.65	2799.95
46	12 SGRY (EAS) KASHMIR	667.00	662.23	3824.32
47	13 IAND REFORMS	1640.00	1602.18	10926.62
48	14 CD & PANCHAYATS JAMMU	4634.01	4590.04	8899.73
49	15 CD & PANCHAYATS KASHMIR	5690.35	5025.24	21853.24
50	16 INT. WASTE LAND DEY. PROGRAMME	50.00	54.50	1580.95
51	17 RURAL ROADS	0.00	0.00	0.00
52	18 RURAL SANITATION	207.09	43.82	3762.85
	Sub-total:	15278.45	14420.42	65323.85
	III SPECIAL AREA PROGRAMMES			
53	1 WEL. OF PAHARI SPEAKING PEOPLE	109.32	194.07	1365.83
54	2 LEH	8198.98	8474.42	35765.30
55	3 KARGIL	8185.35	7737.61	37901.68
56	4 G&B	706.70	713.65	3073.10
57	5 TRIBAL SUB PLAN	1230.05	1580.04	9237.04
57a	6 BADP	10000.00	10619.80	34145.66
	Sub-total:	28430.40	29319.59	121488.61
	IV IRRIGATION & FLOOD CONTROL			
58	1 RAVI TAWI IRRIGATION CANAL	400.00	320.35	2731.64
59	2 MAJ/MED. IRRIGATION JAMMU	1890.00	1185.06	11268.01
60	3 MAJ/MED IRRIGATION KMR.	3300.00	2399.56	12292.38
61	4 MINOR IRRIGATION JAMMU	3100.00	2016.29	11950.92
62	5 MINOR IRRIGATION KASHMIR	3200.00	2103.51	15365.47
63	6 COMMAND AREA DEY. JAMMU	634.35	699.64	3449.45
64	7 COMMAND AREA DEV. KASHMIR	584.22	562.12	2581.06
65	8 FLOOD CONTROL JAMMU	950.00	1289.64	4985.24
66	9 FLOOD CONTROL KASHMIR	1000.00	1313.40	8877.83
	Sub-total:	15058.57	11889.57	73502.00
	V ENERGY			
67	1 POWER (SURVEY & INVESTIG.)	80.00	80.00	682.91
68	2 POWER DEV. (GENERATION)	45048.00	24893.15	558282.30
69	3 POWER (TRANS. & DISTRI.)	50049.55	21137.90	239019.95
70	4 POWER (RURAL ELECTRIFI.)	2000.00	2443.94	21026.93

71	5	NEW/RENWBLE SRCI;S OF ENRG.	115.00	205.64	682.91
		Sub-total:	97292.55	48760.63	819695.00
		VI INDUSTRY & MINERALS			
72	1	HANDICRAFTS DEPARTMENT	1777.37	1724.25	8604.66
73	2	HANDICRAFTS (S&E) CORP.	95.00	120.00	546.33
74	3	HANDLOOM	502.03	424.19	2595.06
75	4	HANDLOOM DEV. CORPORATION	80.00	120.00	546.33
76	5	DICS(VIL.& SMALL)-SSI SEC.	2850.50	3260.63	16936.16
77	6	SICOP	80.00	80.00	614.62
78	7	KHADI & VILL. IND. BOARD	215.12	215.12	990.22
79	8	SERICUL TURE	948.23	899.89	3959.91
80	9	INFRA STRUC DEV (DIC)G.C.	2749.79	2831.88	15024.02

**Annexure - (2) (Cond.)  
State plan provision and expenditure(Rs. in Lakhs)**

S.No.	Sector	Outlay 2006-07	Expdt. 2006-07	11th FYP Outlay 2007-12
		3	4	5
81	10 J&K INDUSTRIES LTD.	0.00	0.00	0.00
82	11 J&K CEMENT	0.00	0.00	0.00
83	12 SIDCO	250.00	250.00	1502.40
84	13 HIMALAYAN WOOL COMBERS LTD	0.00	0.00	0.00
85	14 STATE FINANCIAL CORP.	0.00	0.00	0.00
86	15 ASSTT TO PUBL SECTOR UNO.	0.00	0.00	0.00
87	16 J & K BANK LTD.	0.00	0.00	0.00
88	17 GEOLOGY AND MINING	539.08	465.81	2663.35
89	18 J & K MINERALS LTD.	67.70	225.70	341.45
89(A)	19 ENTREPRENEUR DEV.INST.	0.00	118.71	763.49
	Sub-total:	10154.82	10736.18	55088.00
	VII TRANSPORT			
90	1 CIVILAVIATION	1406.21	1636.68	2588.25
91	2 DESIGN DIRECTORATE	28.00	4.00	92.19
92	3 R & B JAMMU	21230.00	17543.88	122924.81
93	4 R & B KASHMIR	15080.00	18550.95	122924.81
94	5 MECHANICAL ENGINEERING	0.00	0.00	0.00
95	6 MECHANICAL ENGG.JAMMU	300.00	349.90	2048.75
96	7 MECHANICAL ENGG.KASHMIR	400.00	619.98	2048.75
97	8 SPL.PROGRAM.BRIDGES RECONS	1000.00	1930.00	7375.49
98	9 INLAND WATER TRANSPORT	0.00	00.00	0.00
99	10 STATE MOTOR GARAGES	315.23	455.93	2185.33
100	11 ROAD TRANSPORT CORPORATION	100.00	100.00	3414.58
101	12 MOTOR VEHICLES DEPARTMENT	93.53	91.91	478.04
	Sub-total:	39952.97	41283.23	266081.00
	VIII COMMUNICATION			
102	INFORMATION TECHNOLOGY	1133.72	105.84	4234.00
	Sub-total:	1133.72	105.84	4234.00
	IX SCIENCE,TECHN. & ENVRMN			
103	1 SCIENCE & TECHNOLOGY	9.00	163.22	1024.50
104	2 ECOLOGY & ENVIRONMENT	88.00	86.74	594.20
105	3 POLLUTION CONTROL BOARD	86.00	43.00	751.30
	Sub-total:	183.00	292.96	2370.00

	X	GENERAL ECONOMIC SERVICES			
106	1	INVESTMENT IN AGRICREDIT	0.00	0.00	0.00
107	2	REHABILITATION	10000.00	2145.00	11184.76
108	3	PLANNING MACHINERY	21353.59	721.47	137571.01
109	4	TOURISM	2625.00	3105.67	11950.98
110	5	PATNITOP DEVELOPMENT AUTHORITY	200.00	380.00	1297.54
111	6	PAHALGAM DEV. AUTHORITY	450.00	439.00	2390.20
112	7	GULMARG DEV. AUTHORITY	350.00	419.95	2390.20
113	8	SONAMARG DEV. AUTHORITY	100.00	133.84	478.04
114	9	KOKERNAG DEV. AUTHORITY	50.00	72.62	614.62
115	10	CABLE CAR CORPORATION	200.00	200.00	1707.28
116	11	ROYAL SPRINGS GOLF COURSE	200.00	200.00	682.91
117	12	S.K.I.C.C.	100.00	129.50	751.20

**Annexure - (2) (Cond.)**  
**State plan provision and expenditure(Rs. in Lakhs)**

S.No.	Sector	Outlay 2006-07	Expdt. 2006-07	11th FYP Outlay 2007-12
1	2	3	4	5
118	13 TOURISM DEV.CORPORATION	250.00	250.00	1707.28
119	14 PARKS AND GARDENS	1500.00	1342.25	7512.05
120	15 SURVEY AND STATISTICS	223.55	182.63	1273.94
121	16 WEIGHTS AND MEASURES	43.66	59.15	597.55
122	17 BLOCK LEVEL PLANNING	0.00	0.00	0.00
123	18 CONSTDEVELOPMENTSCHME	4340.00	4340.00	14819.22
124	19 SPL. INFRASTRUCTURE DEV. FUND	3300.00	3191.83	13658.27
124(A)	20 NEW DEVELOPMENT AUTHORITY		687.53	15707.01
124(B)	21 CREATION OF NEW DISTT	-	-	47803.94
	Sub-total:	45285.00	18000.24	274098.00
	X SOCIAL SERVICES			
125	1 ELEMENTARY EDUCATION	0.00	0.00	0.00
126	2 ELEMENTARY EDUCATION JAMMU	12019.00	1 0521 .18	64841.20
127	3 ELEMENTARY EDUCATION KASHMIR	10228.00	8212.18	60209.69
128	4 SECONDARY EDUCATION	0.00	0.00	0.00
129	5 SECONDARY EDUCATION JAMMU	601.00	477.83	13232.90
130	6 SECONDARY EDUCATION KASHMIR	599.00	1162.56	13232.90
131	7 TEACHERS EDUCATION	0.00	0.00	0.00
132	8 TEACHERS EDUCATION JAMMU	58.42	56.43	463.15
133	9 TEACHERS EDUCATION KASHMIR	66.27	60.74	479.69
134	10 ADULT EDUCATION	0.00	0.00	0.00
135	11 ADULT EDUCATION JAMMU	4.73	50.00	132.33
136	12 ADULT EDUCATION KASHMIR	3.73	0.00	0.00
137	13 DIRECTION & ADMINISTRATION	0.00	0.00	0.00
138	14 DIRECTION & ADMN. JAMMU	19.66	19.00	238.19
139	15 DIRECTION & ADMN. KASHMIR	24.41	33.33	271.27
140	16 HIGHER/COLLEGE EDUCATION	4982.00	4522.50	25076.34
141	17 TECHNICAL EDUCATION	1083.16	1438.09	13762.21
142	18 CRAFTSMAN TRAINING-I.T.I.	-	1419.29	6728.95
143	19 PHYSICAL EDUCATION	450.00	602.91	14556.19
144	20 ARTS AND CULTURE	289.00	460.43	2811.99
145	21 HEALTH JAMMU	8900.00	10784.41	40974.83
146	22 HEALTH KASHMIR	9656.78	12750.10	51901.45
147	23 DRUGS & FOOD CONTROL	39.00	39.00	1376.49

148	24	INDIAN SYSTEM OF MEDICINE	73.00	71.44	819.50
149	25	MEDICAL COLLEGE JAMMU	200.00	2548.15	5634.04
150	26	MEDICAL COLLEGE SRI NAGAR	351.00	660.40	5497.46
151	27	DENTAL COLLEGE JAMMU	350.00	335.45	2253.60
152	28	DENTAL COLLEGE SRI NAGAR	110.00	175.97	1365.83
153	29	ASSOC HOSPITALS, JAMMU	254.39	449.13	2219.47
154	30	ASSOC HOSPITALS, SRI NAGAR	350.00	629.38	3532.71
155	31	INSTT. OF MEDICAL SCIENCES	500.00	1442.65	14617.77
156	32	JEHLUM VALLEY MEDICAL COLLEGE	580.00	408.51	5121.85
157	33	PHE JAMMU	8717.76	8386.13	57842.75
158	34	PHE KASHMIR	7712.74	6904.78	57364.70

**Annexure - (2) (Cond.)  
State plan provision and expenditure(Rs. in Lakhs)**

S.No.	Sector	Outlay 2006-07	Expdt. 2006-07	11th FYP Outlay 2007-12
1	2	3	4	5
159	35 SEWERAGE	800.00	588.69	4721.45
160	36 DRAINAGE	2400.00	2523.40	16936.25
161	37 HOUSING	300.00	294.20	990.00
162	38 CENTRAL AREA DEV.JAMMU	0.00	0.00	0.00
163	39 CORE AREA DEV.SRINAGAR	0.00	0.00	0.00
164	40 URBAN DEVELOPMENT	6179.66	3092.32	78839.00
165	41 DAL DEVELOPMENT	1000.00	1000.00	9626.45
166	42 URBAN POVERTY ALLEVIATION	256.30	433.00	1620.45
167	43 FIRE SERVICES	49.85	148.62	529.68
168	44 INFORMATION & PUBLICITY	311.48	239.55	1668.58
169	45 WEL. OF SCH. CASTES & OBC	0.00	0.00	0.00
170	46 WEL.OF SCH.CASTES & OBC JAMMU	528.06	620.51	2567.05
171	47 WEL.OF SCH.CASTES & OBC KMR.	359.27	374.44	1796.94
172	48 SC/ST DEVELOPMENT CORPORATION	160.00	163.00	500.58
173	49 LABOUR WELFARE	118.10	88.63	641 .76
174	50 EMPLOYMENT EXCHANGES	29.29	28.75	417.18
175	51 SELF EMPLOYMENT	1584.93	1360.94	8894.06
176	52 SOCIAL WELFARE	0.00	0.00	0.00
177	53 SOCIAL WELFARE JAMMU	3028.00	2680.05	13477.03
178	54 SOCIAL WELFARE KASHMIR	4303.00	3270.28	16814.20
179	55 COUNCIL REH.vICTIMS MILITANCY	150.00	150.00	705.94
180	56 WOMEN DEV. CORPORATION	150.00	174.00	395.79
181	57 NUTRITION	0.00	0.00	0.00
182	58 UTRITION JAMMU	2344.40	1264.01	8342.92
183	59 NUTRITION KASHMIR	2421.60	1892.75	10332.39
184	60 RASHTRIYA SHRAM VIKAS YOJANA	4500.00	3326.62	20487.39
	Sub-total:	99196.60	98335.97	666864.54
	XI GENERAL SERVICES			
185	1 GOVERNMENT PRESS JAMMU	27.35	27.24	254.04
186	2 GOVERNMENT PRESS SRI NAGAR	77.22	206.51	419.99
187	3 STATIONERY & CIVIL SUPP.	114.82	112.06	427.18
188	4 PWD (NFB) JAMMU	4000.00	928.39	13658.29
189	5 PWD (NFB) KASHMIR.	1800.00	1422.75	13658.29
190	6 POLICE	0.00	0.00	0.00

191	7	JAILS	0.00	0.00	0.00
192	8	UPGRADATION GRANTS	7464.00	2698.96	0.00
193	9	TRANSFER TO NON-PLAN	40000.00	40000.00	20489.45
194	10	UNTIED FUNDS	0.00	0.00	0.00
195	11	ADDL.PAY JAN/FEB,98 (PAY REV)	0.00	0.00	0.00
196	12	INSTT OF MANAGEMENT & PA	142.71	129.84	512.19
197	13	FINANCE-COMPUTER.OF TREASURIES	0.00	0.00	0.00
198	14	REVOLVING FUND FOR P.S.U's	1000.00	0.00	3414.57
		Sub-total:	54626.10	45525.75	52834.00
		Grand total:	434767.00	340618.57	2583400.00

**Annexure-3 (a) (i)**  
**Land use Pattern in J and K State (Unit '000' hectares)**

<i>Use</i>	<i>Area</i>									
	<i>2003-04</i>		<i>2004-05</i>		<i>2005-06 (P)</i>		<i>2006-07</i>		<i>2007-08</i>	
	<i>Area</i>	<i>%age</i>	<i>Area</i>	<i>%age</i>	<i>Area</i>	<i>%age</i>	<i>Area</i>	<i>%age</i>	<i>Area</i>	<i>%age</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>		
1. Area under Forest	658	27.24	658	27.24	658	27.23	658	27.25	658	27.23
2. Area not available for cultivation										
a) Area put to Non-Agricultural uses	293	12.13	293	12.13	293	12.12	293	12.13	293	12.12
b) Barren and uncultivable land	289	11.96	289	11.96	289	11.98	289	11.97	289	11.98
Total (2)	582	24.09	582	24.09	582	24.09	582	24.1	582	24.10
3. Other un-cultivated land excluding fallows										
a) Permanent pastures and other grazing lands	125	5.17	125	5.17	127	5.28	128	5.26	126	5.23
b) Land under Misc. tree crops not included in area sown.	72	2.98	72	2.98	72	2.97	72	2.98	66	2.73
c) Culturable waste land	142	5.88	141	5.84	145	6.01	146	6.05	147	6.08
d) Marshy and water logged land									Neg	Neg.(0.01)
e) Land under still water									6	0.26
f) Social Forestry									3	0.12
Total (3)	339	14.03	338	13.99	344	14.26	345	14.29	348	14.42
4. Follow lands										
a) Follow lands other than current fallows	12	0.49	13	0.54	15	0.63	15	0.62	26	1.09
b) Current fallows	78	3.23	73	3.02	82	3.41	74	3.06	67	2.78
Total (4)	90	3.72	86	3.56	97	4.04	89	3.68	93	3.87
5. Net Area Sown	747	30.92	752	31.12	734	30.37	741	30.68	734	30.38
Reporting Area (1 to5)	2416	100.00	2416	100.00	2416	100.00	2416	100.00	2416	100.00

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Neg.: Negligible  
(Revenue ), J&K

Source :- Financial Commissioner



**Annexure-3 (a) (ii)**  
**Land Utilization (Area in 000 hectares)**

Year	Reporting area		Net area sown		Gross area sown		Area Irrigated			
	Total	Per capita (hect)	Total	Per capita (hect)	Total	Per capita (hect)	Gross		Net	
							Total	% age of Gross Area sown	Total	% age of Net Area sown
1	2	3	4	5	6	7	8	9	10	11
1950-51	2356	0.724	622	0.191	646	0.198	263	40.59	261	41.96
1955-56	2397	0.704	614	0.180	745	0.219	299	40.13	290	47.20
1960-61	2416	0.678	657	0.184	810	0.227	308	38.02	274	41.70
1977-78	2414	0.437	714	0.129	966	0.175	397	41.10	305	42.72
1980-81	2414	0.404	715	0.120	974	0.163	392	40.25	304	42.52
1995-96	2416	0.276	734	0.083	1073	0.122	440	41.01	307	41.83
1999-00	2416	0.249	733	0.076	1078	0.111	438	40.63	303	41.34
2000-01	2416	0.238	748	0.073	1115	0.110	449	40.29	311	41.58
2001-02	2416	0.232	748	0.071	1106	0.106	448	40.51	310	41.44
2002-03	2416	0.226	733	0.068	1078	0.101	434	40.30	300	40.91
2003-04	2416	0.220	747	0.068	1102	0.100	446	40.46	307	41.04
2004-05	2416	0.214	752	0.066	1102	0.099	453	41.11	311	41.32
2005-06	2416	0.211	734	0.064	1101	0.096	N.A	N.A	N.A	N.A
2006-07	2416	0.218	741	0.067	1126	0.102	459	40.76	309	41.70
2007-08	2416	0.198	734	0.060	1134	0.093	463	40.85	308	41.97

Source: Financial Commissioner (Rev) J&K

**Annexure – 3 (a) (iii)**  
**Agricultural census J&K State)**

Category of holdings	J&K			All India Level
	No. of operational holding's (in 000)	Area operated (000 hectares)	Average size of operational holdings (hectares)	Average holding size
1	2	3	4	5
<u>Marginal</u> (Less than one hectare)	1174.74 (81.42)	429.15 (44.59)	0.37	0.40
<u>Small</u> (1.0 to 2.0 hectare)	178.71 (12.39)	249.73 (25.95)	1.40	1.41
<u>Semi Medium</u> (2.0 to 4.0 hec)	75.98 (5.26)	201.92 (20.98)	2.66	2.72
<u>Medium</u> (4.0 to 10.0 hectares)	12.89 (0.89)	69.44 (7.22)	5.39	5.80
<u>Large</u> (10.0 hectares & above)	0.58 (0.04)	12.17 (1.26)	20.98	17.18
All holdings (2000-01)	1442.99 (100.00)	462.41 (100.00)	0.67	1.32
All holdings (1995-96)	1335.77	1012.53	0.76	1.41

Figures in brackets indicate %age.  
2000-01

Source :- Agriculture Census

**Annexure-3 (a) (iv)**  
**Operational holdings –2000-01**  
**District-wise number and area of holdings**

<i>S. No</i>	<i>District</i>	<i>No. of holdings</i>	<i>Area (ha)</i>	<i>Average holding size (ha).</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
1	Anantnag	182846	79414	0.43
2	Pulwama	108962	64858	0.60
3	Srinagar	100893	25783	0.26
4	Budgam	103096	55695	0.54
5	Baramulla	183544	91845	0.50
6	Kupwara	103927	46286	0.45
7	Leh	16909	12761	0.75
8	Kargil	19470	13392	0.69
9	Jammu	178738	148548	0.83
10	Udhampur	115753	132182	1.14
11	Doda	123004	78746	0.64
12	Kathua	89655	92563	1.03
13	Rajouri	67785	77967	1.15
14	Poonch	48312	42372	0.88
	<b>Total J&amp;K State</b>	<b>1442894</b>	<b>962412</b>	<b>0.67</b>

Source : Agriculture Census 2000-01

**Annexure-3 (a) (v)**  
**Area under Principal crops (000 ha)**

<i>Year</i>	<i>Area Under</i>							<i>Gross area under all crops</i>
	<i>Rice</i>	<i>Maize</i>	<i>Wheat</i>	<i>Oilseeds</i>	<i>Pulses</i>	<i>Fruits</i>	<i>Vegetables</i>	
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>
1950-51	171	147	100	37	51	3	9	648
1955-56	196	203	150	37	44	7	11	745
1960-61	226	216	172	32	52	8	13	810
1977-78	259	274	195	58	53	32	15	966
1980-81	265	275	202	53	49	36	15	974
1995-96	273	304	244	68	33	47	15	1073
1999-00	251	317	246	76	29	51	15	1078
2000-01	244	330	281	74	27	51	16	1115
2001-02	250	326	260	78	27	57	17	1106
2002-03	236	329	248	66	29	58	17	1078
2003-04	260	321	255	63	28	61	15	1102
2004-05	250	323	253	64	31	63	14	1102
2005-06	259	253	321	39	29	61	15	1101
2006-07	253	324	266	64	29	66	18	1126
2007-08	263	302	278	63	30	70	19	1134

Source: Financial Commissioner (Rev)J&K

**Annexure-3 (a) (vi)**  
**Cropping pattern in Jammu and Kashmir State by District (Major Crops)**

S.No.	District	Area Sown Under important Crops During for the year 2007-08 (ha)					
		Rice	Wheat	Maize	Fruit/ vegetables	Oil Seeds	Gross area sown
1	2	3	4	5	6	7	8
1	Anantnag	25086	-	12566	8869	15299	72041
2	Kulgam	17961	-	4928	6779	4165	37756
3	Pulwama	16734	350	5509	10793	13663	56984
4	Shopian	556	-	1479	18507	3649	25186
5	Srinagar	2100	3	116	2698	453	6366
6	Ganderbal	8363	-	3397	2413	1631	18431
7	Budgam	23092	380	12012	7224	6102	53677
8	Baramulla	21205	231	22199	18881	1331	67467
9	Bandipora	9588	-	5144	3173	525	21564
10	Kupwara	15241	-	24730	4699	-	45705
11	Leh	-	2676	-	432	74	10619
12	Kargil	-	1603	4	359	-	10614
13	Jammu	50716	80558	11275	1460	392	169444
14	Samba	11236	29011	3219	137	334	60262
15	Udahmpur	8649	28735	36188	669	1855	80259
16	Reasi	1721	11353	23540	55	-	38783
17	Doda	1868	3701	25281	673	1518	38606
18	Ramban	1261	3997	16912	37	782	24937
19	Kishtwar	943	2579	11962	46	83	22750
20	Kathua	27573	55982	21305	290	2865	128055
21	Rajouri	15684	42196	36967	131	1070	98459
22	Poonch	3669	14946	23712	42	691	45970
	J & k State	263246	278301	302445	88367	56482	1133935
	% age of Gross sown	23.22	24.54	26.67	7.79	4.98	100.00

Source: Financial Commissioner (Rev) J&K

**Annexure-3 (a) (vii)**  
**Average Yield of Principal Crops Region-wise Average yield (Qtls./ha)**

S. No	Year	Rice			Maize			Wheat		
		Jammu	Kashmir	State	Jammu	Kashmir	State	Jammu	Kashmir	State
1	2	3	4	5	6	7	8	9	10	11
1	1990-	11.86	26.83	21.02	16.43	12.40	15.06	12.29	7.58	12.22
2	1995-	18.34	18.74	18.50	23.36	8.20	17.64	16.43	7.36	16.35
3	1996-	12.96	17.42	15.58	18.24	8.00	14.90	16.94	7.92	16.71
4	1997-	16.80	22.23	19.94	17.11	7.65	14.18	16.44	8.24	16.20
5	1998-	15.96	26.13	21.82	21.25	8.00	17.09	15.36	7.70	15.18
6	1999-	13.27	17.45	15.62	20.17	4.30	14.85	17.91	8.03	17.67
7	2000-	17.39	16.72	17.02	19.67	8.89	15.92	5.21	9.15	5.29
8	2001-	16.68	17.08	16.90	20.83	7.91	16.48	13.28	10.35	13.21
9	2002-	14.30	20.26	17.84	17.00	8.19	14.11	16.48	9.79	16.33
10	2003-	17.48	20.96	19.43	19.13	11.31	16.59	18.21	9.90	18.04
11	2004-	16.12	22.44	19.71	18.29	9.07	15.25	19.10	9.29	18.92
12	2005-	16.02	25.95	21.52	19.36	9.71	14.13	18.27	10.16	18.10
13	2006-	16.33	26.43	21.96	17.33	10.05	15.05	18.92	9.98	18.72
14	2007-	17.45	24.79	21.35	17.97	10.47	15.69	17.99	8.90	17.82

Source:- Financial Commissioner's Office ( Rev.) J&K

**Annexure-3 (a) (viii)**  
**Cropping pattern in J & K State (Area sown under crops) (Thousand hectare)**

S.No.	Crop	2004-05		2005-06		2006-07		2007-08	
		Area	%age	Area	%age	Area	%age	Area	%age
1	2	3	4	5	6	7	8		
1	Rice	250.04	22.70	259.014	23.53	252.516	22.42	263.25	23.22
2	Wheat	252.78	22.95	252.826	22.97	266.106	23.62	278.30	24.54
3	Maize	322.7	29.29	320.924	29.15	323.598	28.73	302.45	26.67
4	Other cereals & millets	47.63	4.32	38.715	3.52	44.256	3.93	40.44	3.57
5	Pulses	30.9	2.80	29.267	2.66	29.058	2.58	30.15	2.66
6	Total food Grains	904.05	82.06	900.746	81.82	915.534	81.28	914.60	80.66
7	Fruit and vegetables	76.86	6.98	76.504	6.95	83.955	7.45	88.37	7.79
8	Oil seeds(all)	64.49	5.85	63.012	5.72	64.297	5.71	63.28	5.58
9	Fodder Crops	52.41	4.76	52.907	4.81	55.358	4.91	60.73	5.36
10	Others	3.83	0.35	7.708	0.70	7.262	0.64	6.97	0.61
	Total	1101.64	100.00	1100.877	100.00	1126.406	100.00	1133.94	100.00

Source: - Financial Commissioner (Revenue), J&K

**Annexure-3 (a) (ix)**  
**Production and yield rates of important crops**

<i>Item</i>	<i>Unit</i>	<i>2003-04</i>	<i>2004-05</i>	<i>2005-06</i>	<i>2006-07</i>	<i>2007-08</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>
A. Production						
1. Rice	000 Qtls	5048	4928	5574	5546	5620
2. Maize	-do-	5326	4922	4534	4869	4745
3. Wheat	-do-	4594	4782	4575	4959	4959
4. Other cereals/Millet	-do-	225	243	201	238	230
5. Pulses	-do-	132	152	141	139	153
Total food grains	-do-	15325	15027	15025	15751	15707
B. Yield Rate						
1. Rice	Qtls/ha	19.43	19.71	21.52	21.96	21.35
2. Maize	-do-	16.59	15.25	14.13	15.05	15.69
3. Wheat	-do-	18.04	18.92	18.10	18.71	17.82

Source :- Financial Commissioner (Revenue ), J&K

**Annexure-3 (a) (x)**  
**Cropping Intensity ( 2003-04 to 2007-08 )**

<i>S.No</i>	<i>Classification</i>	<i>Area under Land Utilization ( 000 Hectares )</i>				
		<i>2003-04</i>	<i>2004-05</i>	<i>2005-06</i>	<i>2006-07</i>	<i>2007-08</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>
1	Reporting Area	2416	2416	2416	2416	2416
2	Area Under Forest	658	658	658	658	658
3	Net Area Sown	747	752	734	741	734
4	Area Sown more than once	355	349	367	385	400
5	Total Gross Cropped Area (3+4)	1102	1101	1101	1126	1134
6	Cropping Intensity ( 5/3 ) * 100	147.52%	146.41%	150.00%	152.00%	154.50%

Source : Digest of Statistics 2007-08

**Annexure-3 (a) (xi)**  
**Gross area irrigated as percentage of gross area sown**

S. No.	District/ Region	Gross area sown (Ha) 2007-08	Gross area irrigated (Ha) 2007-08	Gross area irrigated as %age of gross area sown 2007-08
1	2	3	4	5
1	Kargil	10614	10614	100.00
2	Leh	10619	10619	100.00
3	Srinagar	6366	5228	82.12
4	Ganderbal	18431	14163	76.84
5	Shopian	25186	18393	73.03
6	Anantnag	72041	51741	71.82
7	Kulgam	37756	26292	69.64
8	Pulwama	56984	38931	68.32
9	Budgam	53677	35031	65.26
10	Jammu	169444	102391	60.43
11	Bandipora	21564	11746	54.47
12	Kupwara	45705	22851	50.00
13	Baramulla	67467	31307	46.40
14	Kathua	128055	39153	30.58
15	Samba	60262	14996	24.88
16	Poonch	45970	6518	14.18
17	Kishtwar	22750	3072	13.50
18	Doda	38606	3826	9.91
19	Rajouri	98459	8312	8.44
20	Reasi	38783	2370	6.11
21	Ramban	24937	1453	5.83
22	Udhampur	80259	4172	5.20
	J&K	1133935	463179	40.85

**Annexure-3 (a) (xii)**  
**Area sown more than once**

S. No.	District/Region	Net area sown (ha) 2007-08	Area sown more than once (ha) 2007-08	Area sown more than once as %age of of net area sown 2007-08
1	2	3	4	5
1	Samba	28464	31798	111.71
2	Kathua	61010	67045	109.89
3	Jammu	81192	88252	108.70
4	Rajouri	53638	44821	83.56
5	Pulwama	32245	24739	76.72
6	Poonch	27565	18405	66.77
7	Udhampur	48508	31751	65.46
8	Anantnag	46502	25539	54.92
9	Srinagar	4293	2073	48.29
10	Reasi	26346	12437	47.21
11	Ramban	18242	6695	36.70
12	Kishtwar	17544	5206	29.67
13	Shopian	19544	5642	28.87
14	Doda	30107	8499	28.23
15	Ganderbal	14418	4013	27.83
16	Budgam	42687	10990	25.75
17	Kulgam	30707	7049	22.96
18	Kargil	9751	863	8.85
19	Bandipora	20347	1217	5.98
20	Leh	10212	407	3.99
21	Baramulla	64976	2491	3.83
22	Kupwara	45705	-	-
	J&K	734003	399932	54.49

**Annexure-3 (a) (xiii)**  
**Cropping intensity by Districts during (2007-08)**

S. No.	District/Region	Gross area sown (ha) 2007-08	Net area sown (ha) 2007-08	Cropping intensity
1	2	3	4	5
1	Samba	60262	28464	211.71
2	Kathua	128055	61010	209.89
3	Jammu	169444	81192	208.70
4	Rajouri	98459	53638	183.56
5	Pulwama	56984	32245	176.72
6	Poonch	45970	27565	166.77
7	Udhampur	80259	48508	165.46
8	Anantnag	72041	46502	154.92
9	Srinagar	6366	4293	148.29
10	Reasi	38783	26346	147.21
11	Ramban	24937	18242	136.70
12	Kishtwar	22750	17544	129.67
13	Shopian	25186	19544	128.87
14	Doda	38606	30107	128.23
15	Ganderbal	18431	14418	127.83
16	Budgam	53677	42687	125.75
17	Kulgam	37756	30707	122.96
18	Kargil	10614	9751	108.85
19	Bandipora	21564	20347	105.98
20	Leh	10619	10212	103.99
21	Baramulla	67467	64976	103.83
22	Kupwara	45705	45705	100.00
	J&K	1133935	374003	154.49

Source :- Financial Commissioner (Revenue ), J&K



**Annexure-3(b) (i)**  
**Area and Production of Major Horticulture Produce for the year**  
**(Area in Hectares and Production in tonnes)**

S. No.	Crop	2004-05		2005-06		2006-07		2007-08	
		Area	Production	Area	Production	Area	Production	Area	Production
1	2	3	4	5	6	7	8	9	10
I	Fresh Fruit								
1	Apple	107925	1093275	111879	1151341	1190411190	1222176	127795	1311845
2	Pear	10541	40250	10995	42358	11250	43089	12102	45860
3	Apricot	4932	11975	5155	12375	5428	13153	4780	12766
4	Cherry	2554	7365	2588	8150	2753	8731	3137	10629
5	Mango	7984	13292	8863	17388	9334	17581	10323	21044
6	Ber	7967	12799	7898	16844	7935	18286	7815	16245
7	Citrus	10397	15157	10373	17701	11026	18445	11806	19208
8	Peach	1940	2130	2090	2244	2238	2442	2234	4256
9	Plum	3391	3710	3574	4124	3858	4711	3841	7810
10	Grapes	229	333	262	363	237	380	-	-
11	Olive	306	5	361	10	407	12	-	-
12	Other Fresh	9195	17313	10194	23461	11208	24672	12303	28257
	Total Fresh (1 – 12)	167361	1217604	174232	1296359	184715	1373678	196136	1477920
II	Dry Fruits								
1	Walnut	74894	100596	77217	108274	81393	114926	82045	146781
2	Almond	15433	13473	15549	14331	16374	15183	16405	11261
3	Other Dry	416	188	413	193	602	224	555	241
	Total Dry (1 – 3)	90743	114257	93179	122798	98369	130333	99005	158283
	Total (I+II)	258104	1331861	267411	1419157	283084	1504011	295141	1636203

Source : Director, Horticulture (Jammu and Kashmir)

**Annexure-3(b) (i) (Contd.)**  
**Area and Production of Major vegetables (Area in Hectares and Production in tonnes)**

S.No	Crop	Prod. Tonnes					
		2005-06		2006-07		2007-08	
		Area	Production	Area	Production	Area	Production (P)
1	2	3	4	5	6	7	8
B)	Vegetables						
1	Potatoes	1560	16538.20	1803	20700.80	2475	22589.20
2	Onion	320	629.40	377	810.60	521	1050.50
3	Turnip	546	284.40	439(P)	195.00	105	227.20
4	Peas (Mutter)	541	639.30	*(P)	*	*	*
5	Radish	159	240.80	23(P)	36.20	498	253.60
6	Green Vegetables	10328	11324.60	14046(P)	15472.60	14545	16631.80
7	Carrot	29	39.60	9(P)	8.20	12	12.70
8	Tomato	0	0	*(P)	*	*	*
9	Other Vegetables	1042	1268.30	804(P)	1061.90		
	Total: ( B )	14525	30964.60	17696	38285.30	18720	41709.10
C)	Oil Seeds	63012	36560.7	64297	40381.40	62992	35846.90
D)	Fodder Crops	52907	74880.7	55358	75630.00	60733	87689.60

\* Adjusted

Source : F.C. (Revenue), J&K

**Annexure-3(b) (i) (Concl.)**  
**Area and Production of other Major Crops (Area in Hectares and Production in tonnes)**

S.No	Crop	2005-06		2006-07		2007-08	
		Area	Production	Area	Production	Area	Production
1	2	3	4	5	6	7	8
E)	Other Major Crops						
1	D) Spices						
a)	Chillies	996	1006.10	560	576.40	674	673.50
b)	Turmeric	12	12.10	6	6.10	22	22.30
c)	Piaz	904	930.40	*	876.80	1069	978.00
d)	Thom (Garlic)	543	464.40	555	484.10	707	594.30
e)	Ginger	38	44.10	4	6.80	75	88.70
f)	Other spices	588	469.40	1585	436.90	523	213.60
	Total spices	3081	2926.5	2710	2387.10	3070	2570.40
2	Saffron	2989	8.852	2928(P)	4.80	2436	9.10
3	Sugarcane	239	810.70	159	776.30	69	221.30
4	Total Fibre	276	154.80	402	203.30	575	311.70

Note : The Area & Production of corresponding \* is included in the category of others Source : F.C. (Rev), J&K

P: Provisional

**Annexure-3(b) (ii)**  
**District-wise area under fruit (Horticulture Census)**

S.No.	District	Area under fruit (ha)	%age to total area	Cumulative %age
1	2	3	4	5
1.	Anantnag	13309.99	15.69	15.69
2.	Pulwama	11169.46	13.17	28.86
3.	Srinagar	3692.38	4.35	33.21
4.	Budgam	5230.15	6.17	39.38
5.	Baramulla	25505.64	30.07	69.45
6.	Kupwara	6077.96	7.17	76.62
7.	Leh	334.57	0.40	77.02
8.	Kargil	566.26	0.67	77.69
9.	Jammu	4872.19	5.75	83.44
10.	Udhampur	3055.07	3.60	87.04
11.	Doda	3934.54	4.64	91.68
12.	Kathua	2975.52	3.51	95.19
13.	Rajouri	1105.72	1.30	96.49
14.	Poonch	2974.70	3.51	100.00
	Total :	84804.15	100.00	

Source:- Horticulture Census 1999-00

**Annexure-3(b) (iii)**  
**Specie-wise area under fruit**

<i>S. No.</i>	<i>Specie</i>	<i>Area (Ha)</i>	<i>%age covered</i>	<i>Cumulative %age</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
1.	Apple	46614.507	54.97	54.97
2.	Walnut	18779.142	22.14	77.11
3.	Mango	6078.538	7.17	84.28
4.	Almond	4801.951	5.66	89.94
5.	Pear	2296.099	2.71	92.65
6.	Cherry	1202.570	1.42	94.07
7.	Apricot	1141.162	1.35	95.42
8.	Orange	635.157	0.75	96.17
9.	Plum	564.849	0.67	96.84
10.	Peach	555.017	0.65	97.49
11.	Lime	543.798	0.64	98.13
12.	Pomegranate	214.883	0.25	98.38
13.	All others	1376.486	1.62	100.00
	All Kinds	84804.159	100.00	-

Source:- Horticulture Census 1999-00)

**Annexure-3 (b) (iv) (Contd.)**  
**District-wise and kind-wise area under fruit 2006-07(P)**

District	Area under Fresh Fruit (ha)									Fresh fruit as %age of total	Area under Dry fruit (ha)					Grand total	%age to total
	Apple	Pear	Apricot	Cherry	Mango	Ber	Citrus	Other Fresh	Total fresh		Walnut	Almond	Other Dry	Total	% share		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Anantnag	23330	1263	315	176	-	-	-	1116	26200	14.18	19288	654	-	19942	20.27	46142	16.30
Pulwama	20478	381	74	293	-	-	-	83	21309	11.54	6591	7438	-	14029	14.26	35338	12.48
Srinagar	5832	532	169	1661	-	-	-	986	9180	4.97	3926	974	247	5147	5.23	14327	5.06
Budgam	12557	1497	49	168	-	-	-	1496	15767	8.54	6978	6344	-	13322	13.54	29089	10.28
Baramulla	29165	656	138	297	-	-	15	506	30777	16.66	4832	493	-	5325	5.41	36102	12.75
Kupwara	15815	378	40	125	-	-	25	398	16781	9.09	8122	20	-	8142	8.28	24923	8.80
Leh	604	5	839	-	-	-	-	9	1457	0.79	69	4	-	73	0.07	1530	0.54
Kargil	193	29	1878	11	-	-	-	17	2128	1.15	31	4	-	35	0.04	2163	0.76
Jammu	-	-	-	-	3673	4552	2128	1811	12164	6.59	-	-	-	-	-	12164	4.30
Udhampur	1443	1033	297	1	1603	312	2654	2210	9553	5.17	5924	44	23	5991	6.09	15544	5.49
Doda	7130	2355	614	18	-	-	99	1497	11713	6.34	12029	323	-	12352	12.56	24065	8.50
Kathua	529	610	29	-	1376	26	963	668	4201	2.27	3220	14	24	3258	3.31	7459	2.64
Rajouri	480	977	141	-	432	613	2520	1956	7119	3.85	3673	17	63	3753	3.82	10872	3.84
Poonch	1485	1520	845	3	-	-	263	3192	7308	3.96	6710	45	245	7000	7.12	14308	5.06
RTCA	-	14	-	-	2250	2432	2359	2003	9058	4.90	-	-	-	-	-	9058	3.20
J&K State	119041	11250	5428	2753	9334	7935	11026	17948	184715	100.00	81393	16374	602	98369	100.00	283084	100.00
%age in total fresh and Dry	42.05	3.97	1.92	0.97	3.30	2.80	3.89	6.34	65.25	-	28.75	5.78	0.21	34.75	-	100.00	

Source: Directorate of Horticulture (J&K)

**Annexure-3 (b) (iv) (Concl.d.)  
District-wise and kind-wise area under fruit 2007-08 (P)**

District	Area under Fresh Fruit (ha)									Fresh fruit as %age of total	Area under Dry fruit (ha)					Grand total	%age to total
	Apple	Pear	Apri-cot	Cherry	Mango	Ber	Citrus	Other fresh	Total fresh		Walnut	Almond	Other dry	Total	% share		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Anantnag	12578	776	223	108	-	-	-	713	14398	7.34	13647	652	-	14299	14.44	28697	9.72
Kulgam	12341	607	113	64	-	-	-	476	13601	6.93	5325	-	-	5325	5.38	18926	6.41
Pulwama	7162	410	67	12	-	-	-	60	7711	3.93	3115	6838	-	9953	10.05	17664	5.98
Shopian	19332	402	22	759	-	-	-	12	20527	10.47	3485	61	-	3546	3.58	24073	8.16
Srinagar	2152	442	149	1165	-	-	-	533	4441	2.26	623	870	77	1570	1.59	6011	2.04
Ganderbal	3682	208	68	457	-	-	-	372	4787	2.44	3453	62	19	3534	3.57	8321	2.82
Budgam	12957	1547	49	168	-	-	-	1496	16217	8.27	6359	6996	-	13355	13.49	29572	10.02
Baramulla	23595	559	120	207	-	-	19	259	24759	12.62	3008	264	-	3272	3.30	28031	9.50
Bandipora	4123	96	19	66	-	-	-	178	4482	2.29	1535	199	15	1749	1.77	6231	2.11
Kupwara	16540	377	49	100	25	-	-	305	17396	8.87	8175	12	-	8187	8.27	25583	8.67
Leh	579	2	740	-	-	-	-	7	1328	0.68	49	2	-	51	0.05	1379	0.47
Kargil	194	13	1216	9	-	-	-	7	1439	0.73	12	3	-	15	0.02	1454	0.49
Jammu	-	-	-	-	3949	2759	2022	1760	10490	5.35	-	-	-	-	0.00	10490	3.55
Samba	-	-	-	-	1176	3378	1434	901	6889	3.51	-	-	-	-	0.00	6889	2.33
Udhampur	626	666	169	1	931	228	1452	1207	5280	2.69	3159	19	34	3212	3.24	8492	2.88
Reasi	795	285	82	0	716	89	1347	697	4011	2.04	2091	26	2	2119	2.14	6130	2.08
Doda	4137	1296	302	8	-	-	62	779	6584	3.36	5739	215	-	5954	6.01	12538	4.25
Kisthwar	1689	629	192	7	-	-	7	255	2779	1.42	3883	61	-	3944	3.98	6723	2.28
Ramban	2573	487	148	3	-	-	34	615	3860	1.97	4065	51	-	4116	4.16	7976	2.70
Kathua	581	637	29	-	3061	735	2456	2347	9846	5.02	3481	14	47	3542	3.58	13388	4.54
Rajouri	1577	1542	852	3	-	-	282	3242	7498	3.82	7039	42	255	7336	7.41	14834	5.03
Poonch	582	1121	171	-	490	626	2666	2157	7813	3.98	3802	18	106	3926	3.97	11739	3.98
RTCA																	
J&K State	127795	12102	4780	3137	10323	7815	11806	18378	196136	100.00	82045	16405	555	99005	100.00	295141	100.00
%age to total fresh and dry	43.30	4.10	1.62	1.06	3.50	2.65	4.00	6.22	66.45		27.80	5.56	0.19	33.55		100.00	

Source: Director, Horticulture (J&K)

**Annexure-3 (b) (v)**  
**District-wise and kind-wise production of fruit 2007-08**

District	Area under Fresh Fruit (ha)									Area under Dry fruit (ha)				Grand total	%age to total
	Apple	Pear	Apri-cot	Cherry	Mango	Ber	Citrus	Other fresh	Total fresh	Walnut	Almond	Other dry	Total		
1	2	3	4	5	6	7	8	9	10	12	13	14	15	17	18
Srinagar	19100	2230	62	2415	-	-	-	3434	27241	1830	77	141	2048	29289	1.79
Ganderbal	33250	2200	330	1100	-	-	-	2620	39500	6150	14	2	6166	45666	2.80
Budgam	61614	7117	99	212	-	-	-	900	69942	8354	6272	-	14626	84568	5.18
Baramulla	459953	1894	154	387	-	-	1	791	463180	6400	3	-	6403	469583	28.75
Bandipora	54298	659	31	111	-	-	-	1286	56385	2505	4	-	2509	58894	3.61
Kupwara	152163	2262	59	501	-	-	5	1565	156555	22103	-	-	22103	178658	10.94
Anantnag	101141	4992	1648	643	-	-	-	3210	111634	41180	196	-	41376	153010	9.37
Kulgam	98625	4861	761	256	-	-	-	2069	106572	18752	-	-	18752	125324	7.67
Pulwama	93959	1188	986	52	-	-	-	240	96425	7051	4621	-	11672	108097	6.62
Shopian	215448	2694	121	4930	-	-	-	25	223218	7267	44	-	7311	230529	14.12
Leh	3635	8	2990	-	-	-	-	17	6650	109	1	-	110	6760	0.41
Kargil	972	5	4557	6	-	-	-	10	5550	11	1	-	12	5562	0.34
Jammu	-	-	-	-	5037	2259	1947	3135	12378	-	-	-	-	12378	0.76
Samba	-	-	-	-	5951	11221	5271	4232	26675	-	-	-	-	26675	1.63
Kathua	932	2301	98	-	8248	1689	7333	7310	27911	2861	4	-	2865	30776	1.88
Doda	4430	717	124	4	-	-	22	675	5972	3559	4	-	3563	9535	0.58
Kishthwar	2861	575	127	-	-	-	-	202	3765	2641	1	-	2642	6407	0.39
Ramban	4381	1121	94	9	-	-	13	691	6309	2011	9	-	2020	8329	0.51
Poonch	213	1794	118	-	1242	701	1263	1564	6895	1485	6	76	1567	8462	0.52
Rajouri	2650	7090	82	1	-	-	270	2711	12804	6600	1	6	6607	19411	1.19
Udhampur	1517	1964	227	2	323	305	229	1911	6478	3757	-	16	3773	10251	0.63
Reasi	703	188	98	-	243	70	784	725	2811	2155	3	-	2158	4969	0.30
J&K State	1311845	45860	12766	10629	21044	16245	17138	39323	1474850	146781	11261	241	158283	1633133	100.00
%age to total fresh and dry	80.33	2.81	0.78	0.65	1.29	0.99	1.05	2.41	90.31	8.99	0.69	0.01	9.69	100.00	

Source: Directorate of Horticulture Jammu/Kashmir

**Annexure-3 (b) (vi)**  
**Export of fruits outside State(Lakh Metric Tonnes)**

<i>Year</i>	<i>Fresh</i>	<i>Dry</i>	<i>Total</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>
1989-90	5.01	0.17	5.18
1995-96	6.87	0.28	7.15
1999-00	7.72	0.13	7.85
2001-02	6.47	0.16	6.63
2003-04	7.62	0.13	7.75
2004-05	8.20	0.14	8.34
2005-06	7.59	0.092	7.68
2006-07	6.78	0.14	6.92
2007-08	7.34	0.16	7.50
2008-09 (P)	11.01	0.16	11.17

P : Provisional      Source : Agriculture Deptt. J&K

**Annexure-3 (b) (vii)**  
**Number of Fruit Growers Co-operative Societies 2006-07**

<i>S.No</i>	<i>District</i>	<i>No of Societies</i>	<i>%age</i>	<i>Membership (Nos)</i>	<i>Fruit Marketed (lakh tones)</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>
1	Anantnag	35	13.41	2826	NA
2	Pulwama	27	10.35	1757	NA
3	Srinagar	9	3.45	608	NA
4	Budgam	23	8.81	2027	NA
5	Baramulla	60	22.99	4988	NA
6	Kupwara	27	10.34	2240	NA
7	Leh	-	-	-	NA
8	Kargil	4	1.53	59	NA
9	Jammu	20	7.66	939	2650
10	Udhampur	18	6.90	1158	214
11	Doda	14	5.36	874	1450
12	Kathua	8	3.07	431	836
13	Rajouri	6	2.30	408	734
14	Poonch	10	3.83	879	1040
	Total	261	100.00	19194	6924*

**Annexure-3 (c) (i)**  
**Specie-wise Live Stock Population**

<i>S. No.</i>	<i>Category</i>	<i>Number in Lakhs</i>		
		<i>16th Live Stock Census 1997</i>	<i>17th Live Stock Census 2003</i>	<i>Increase / Decrease in %age</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
1	Cattle	31.754 (34.61)	30.839 (31.15)	-2.88
2	Buffaloes	7.878 (8.59)	10.395 (10.50)	31.95

3	Sheep	31.695 (34.54)	34.107 (34.45)	7.61
4	Goats	18.095 (19.72)	20.549 (20.76)	7.74
5	Horses & Ponies	1.412 (1.54)	1.717 (1.73)	21.60
6	Donkeys/Mules	0.432 (0.47)	0.641 (0.65)	48.38
7	Pigs	0.118 (0.13)	0.017 (0.02)	-85.59
8	Yaks/Mithun	0.330 (0.36)	0.712 (0.72)	115.76
9	Camels	0.037 (0.04)	0.016 (0.02)	-56.76
	Total Live Stock Population	91.751 (100.00)	98.993 (100.00)	7.89

Figures in brackets indicate %age.  
Census

Source :- Live Stock

**Annexure- 3 (c) (ii)**  
**Live Stock Population by Districts 1997 and 2003**

S. No.	District	Live Stock Lakh Nos.				Live Stock (2003) per Sq. Km of area (No)	Average Live Stock (2003) per 2001 census household (No)
		2003	%age	1997	Increase/ decrease (%age) over 1997		
1	Anantnag	6.750	6.82	7.569	-10.82	169	4
2	Pulwama	3.695	3.73	4.675	-20.96	264	4
3	Srinagar	2.564	2.59	2.726	-5.94	115	2
4	Budgam	3.289	3.32	4.170	-21.13	240	4
5	Baramulla	6.948	7.02	7.682	-9.55	151	4
6	Kupwara	3.174	3.21	4.806	-33.96	133	4
7	Leh	3.991	4.03	2.527	57.93	9	17
8	Kargil	2.520	2.55	3.630	-30.58	18	15
9	Jammu	7.487	7.56	11.030	-32.12	242	2
10	Udhampur	16.168	16.33	10.748	50.43	355	13
11	Doda	15.053	15.21	9.765	54.15	129	14
12	Kathua	7.435	7.51	10.003	-25.67	280	8
13	Rajouri	11.811	11.93	7.514	57.19	449	15
14	Poonch	8.108	8.19	4.906	65.27	484	14
	J & K State	98.993	100.00	91.751	7.89	98	6

Source:- Live Stock Census (1997 and 2003)

**Annexure- 3 (c) (iii)**  
**Animal Care Facilities in J&K**

S. No.	Particulars	Unit	2004-05	2005-06	2006-07 (P)	2007-08
1	2	3	4	5	6	7
1	Veterinary Dispensaries	Nos.	311	347	324	318
2	Mobile Dispensaries	Nos.	56	56	47	48
3	First Aid Centres	Nos.	84	118	158	166
4	Intensive Care Dev. Centres	Nos.	349	350	371	369



5	Live Stock Dev. Centres	Nos.	185	231	239	244
6	Frozen Semen Centres	Nos.	116	135	134	132
7	Others	Nos.	620	527	579	634
8	Patients treated (Lakhs) (P)					
	a) Treated against various diseases	Lakh	44.07	34.98	55.08	47.84
	b) Dosed against Liver fluke	Lakh	89.54	89.46	105.70	96.91
	c) Vaccinated against rinderpest	Lakh	13.62	13.08	-	26.10

Source: Directorate of Animal Husbandry/Sheep Husbandry

**Annexure- 3 (c) (iv)**  
**Estimated Live Stock Products**

<i>S. No.</i>	<i>Particulars</i>	<i>Unit</i>	<i>Magnitude</i>				
			<i>2002-03</i>	<i>2003-04</i>	<i>2005-06</i>	<i>2006-07</i>	<i>2007-08</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>
1	Milk Production	000 Mts	1392.679	1403.339	1430.43	1485.16	1515.29
2	Percapita daily availability of milk	Mgs	357	350	360 ml	343	341
3	Wool Production	Lakh Kgs	60.336	69.604	67.19	68.57	70.83
4	Egg Production	Lakh Nos.	5999.671	5581.552	5211.58	6263.63	6667.74
5	Dung Production	000 Tonnes	6983.461	6151.011	5977.27	6138.87	6284.49
6	Meat Production	Lakh Kg	212.567	210.503	204.268	209.30	215.59
	a. Red	- do -	56.472	54.598	55.379	56.82	59.83
	b. White	- do -	269.039	265.101	259.65	266.12	275.42
	Total (a + b)	- do -					

Source : Directorate of Eco. & Sts. J&K

**Annexure- 3 (c) (v)**  
**Import of Live Stock (Nos)**

<i>S.No.</i>	<i>Year</i>	<i>Sheep &amp; Goats</i>	<i>%Increase</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>
1	1999-00	1257445	
2	2000-01	1431096	13.81
3	2001-02	1293074	(-) 9.64
4	2002-03	1402964	8.50
5	2003-04	1377847	(-) 1.79
6	2004-05	1361728	(-) 1.17
7.	2005-06	1466237	7.67
8.	2006-07	1454741	(-)0.78
9.	2007-08	1628342	11.93

Source: Excise Commissioner, J&K

**Annexure- 3 (c) (vi)**  
**Poultry Co-operative Societies (2007-08)**

<i>S. No.</i>	<i>District</i>	<i>No. of Societies</i>	<i>Percentage</i>	<i>Members (No)</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
1	Anantnag	7	2.27	100
2	Kulgam	2	0.65	100
3	Pulwama	26	8.41	620
4	Shopian	6	1.94	230
5	Srinagar	7	2.27	350
6	Ganderbal	23	7.44	761
7	Budgam	70	22.65	1550
8	Baramuulla	11	3.56	480
9	Bandipora	22	7.12	230
10	Kupwara	12	3.88	299
11	Leh	0	0.00	0
12	Kargil	5	1.62	118
13	Jammu	43	13.92	732
14	Samba (CAD)	3	0.97	33
15	Udhampur	6	1.94	67
16	Reasi	1	0.32	10
17	Doda	3	0.97	78
18	Kisthwar	1	0.32	42
19	Ramban	4	1.29	144
20	Kathua	9	2.91	172
21	Rajouri	16	5.18	280
22	Poonch	20	6.47	209
23	Tawi Command Area Dev. (Kathua)	12	3.88	134
	Total	309	100	6739

Source : Registrar Co-operative Societies (Jammu and Kashmir)

**Annexure – 3 (d) (i)**  
**Distribution of forests by District**

<i>S. No.</i>	<i>District</i>	<i>Geographical area Sq. Kms.</i>	<i>Forest Area Sq. Kms</i>	<i>Percentage of Forest Area to total forests</i>	<i>Forest area as Percentage of Geographical area</i>
<b>( A ) Kashmir Division</b>					
1	Anantnag	3984	2068	10.22	51.90
2	Pulwama	1398	810	4.00	57.94
3	Srinagar	2228	380	1.88	17.06
4	Budgam	1371	477	2.36	34.79
5	Baramulla	4588	2690	13.30	58.63
6	Kupwara	2379	1703	8.42	71.58
	Total "A".	15948	8128	40.18	50.97
<b>( B ) Ladakh Division</b>					
7	Leh	45110	29	0.14	0.06
8	Kargil	14036	7	0.04	0.05
	Total "B"	59146	36	0.18	0.06
<b>( C ) Jammu Division</b>					
9	Jammu	3097	959	4.74	30.97
10	Udhampur	4550	2343	11.58	51.49
11	Doda	11691	5555	27.46	47.52
12	Kathua	2651	991	4.90	37.82
13	Rajouri	2630	1267	6.26	48.17
14	Poonch	1674	951	4.70	56.81
	Total "C".	26293	12066	59.64	45.89
<b>Grand Total (A+B+C)</b>		<i>101387</i>	<i>20230</i>	<i>100.00</i>	<i>19.95</i>

All figures indicate area on this side of control line and exclude area under illegal occupation of China and Pakistan.

Source: Census Department

**Annexure-3 (d) (ii)**  
**Export of Minor Forest Produce**

<i>S.No</i>	<i>Produce</i>	<i>Unit</i>	<i>2001-02</i>	<i>2002-03</i>	<i>2003-04</i>	<i>2004-05</i>	<i>2005-06</i>	<i>2006-07</i>	<i>2007-08</i>
1	Anardana	Qtls	2154.00	100.00	1629.00	2120.00	980.00	909.84	1172.56
2	Bunafosha	-do-	643.00	237.00	225.00	3.40	-	-	-
3	Brahmibooti	-do-	443.00	411.00	472.00	74.00	-	-	-
4	Dios coria	-do-	1896.00	2213.00	1336.00	626.00	-	3300.08	-
5	Kuth	-do-	260.00	236.00	92.00	2123.00	8.00	63.24	-
6	Dhoop	-do-	1763.00	1284.00	491.00	233.00	8.85	422.49	-
7	Rasount	-do-	980.00	833.00	770.00	137.00	54.00	-	84.00
8	Resin	-do-	2250.00	8157.00	1260.00	90.00	1626.00	-	11645.72
9	Timber	000 Cums	11.47	11.58	0.00	4.87	-	3.11	-
10	Cricket bats	Lakh Nos	7.90	9.47	11.82	5.75	-	-	-
11	Tarpene oil	litres	944373.00	746070.00	554194.00	997594.00	598097.00	191058.00	243.33 (Qtls)
12	Kour	Qtls	282.00	478.00	212.00	0.00	8.00	153.31	-
13	Rosin	Qtls	88333.00	66763.00	39717.00	42408.00	83504.00	31147.80	12318.67
14	Deodar oil	litres	0.00	275.00	0.00	3397.00	-	-	-
15	Kushkbala	Qtls	0.00	0.00	195.00	0.00	-	11.15	-
16	Kikarosighi	Qtls	0.00	0.00	104.00	276.00	-	-	-
17	Aftinoon	Qtls	0.00	0.00	31.00	38.00	-	-	-
18	Revand	Qtls	0.00	0.00	69.00	108.00	-	-	-
19	Vilveriagras	Qtls	0.00	0.00	186.00	3.00	-	-	-
20	Beloodona	Qtls	0.00	0.00	117.00	15.00	-	-	-
21	Chillian oil	Litres	0.00	0.00	0.00	760.00	-	93.39	33.31 (Qtls)
22	Rosion oil	Litres	0.00	0.00	0.00	44800.00	-	-	-
23	Pine oil	Litres	0.00	0.00	0.00	122766.00	-	71200.00	-
24	Guichian	Qtls	0.00	0.00	0.00	6754.00	-	-	34.06
25	Velerina Roots	Qtls	0.00	0.00	0.00	3.00	-	-	-
26	Semifinishe d Crafts	Nos	0.00	0.00	0.00	112264.00	-	-	-
27	Walnut Gunbutts	Pieces	0.00	0.00	0.00	3264.00	10086.00	-	-
28	Others	Qtls/ltrs	2822.00	3715.00	2292.00	3069.00	2778/ 2994.195	11419.89 / 42900	2960.75 7769.84

Source: DFO Forest Statistics Division J & K

**Annexure-3 (e) (i)**  
**District-wise Number of Fishing Licence-Holders**

S.No	District	2006-07		2007-08		2008-09 (ending 12/2008)	
		Number of Licence holders	Percentage Share	Number of Licence holders	Percentage Share	Number of Licence holders	Percentage Share
1	2	3	4	5	6	7	8
1	Anantnag	1091	7	976	7	857	7
2	Pulwama	585	4	423	3	476	4
3	Srinagar	3444	24	2089	16	2097	16
4	Budgam	438	3	434	3	446	3
5	Baramulla	3807	26	1515	12	1363	10
6	Kupwara	380	2	337	3	352	3
7	Leh	232	1	28	0.2	20	Neg.
8	Kargil	123	1	38	0.3	50	Neg.
9	Jammu	1311	9	921	7	973	7
10	Udhampur	853	6	513	4	524	4
11	Doda	544	4	323	2	326	3
12	Kathua	753	5	665	5	530	4
13	Rajouri	670	5	617	5	595	5
14	Poonch	412	3	370	3	330	3
15	Kulgam	-	-	210	2	266	2
16	Shopian	-	-	19	0.1	15	Neg.
17	Ganderbal	-	-	1146	9	1322	10
18	Bandipora	-	-	1802	14	1850	14
19	Samba	-	-	150	1	158	1
20	Reasi	-	-	253	2	269	2
21	Kishtwar	-	-	106	1	108	1
22	Ramban	-	-	93	1	99	1
	<b>Total</b>	<b>14643</b>	<b>100</b>	<b>13028</b>	<b>100</b>	<b>13026</b>	<b>100</b>

Neg. Negligible

**Annexure-3 (f) (i)**  
**Co-operative Societies and their features (2007-08) (P)**

<i>S. No</i>	<i>District</i>	<i>No. of Societies</i>	<i>% age of total</i>	<i>Area per society (Sq. Km.)</i>	<i>Membership (Lakh No.)</i>	<i>Average No. of members</i>	<i>Owned funds (lakh Rs.)</i>	<i>Working capital (lakh Rs.)</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>
1	Anantnag	55	3.20	53.04	0.480	873	89.80	700.64
2	Kulgam	29	1.69	36.79	0.280	966	22.41	82.41
3	Pulwama	85	4.94	12.78	0.350	412	100.53	105.10
4	Shopian	37	2.15	8.43	0.230	622	45.97	42.20
5	Srinagar	182	10.58	6.50	0.170	93	35.42	139.29
6	Ganderbal	27	1.57	38.70	0.100	370	72.11	190.64
7	Budgam	127	7.38	10.80	0.480	378	6.67	55.81
8	Baramulla	77	4.48	54.42	0.620	805	1253.01	21487.11
9	Bandipora	50	2.91	7.96	0.090	180	48.42	144.00
10	Kupwara	47	2.73	50.62	0.270	426	38.77	94.28
11	Leh	107	6.22	421.59	0.200	93	471.13	621.30
12	Kargil	106	6.16	132.42	0.100	670	3.06	18.46
13	Jammu	214	12.44	10.92	0.710	112	139.69	1718.00
14	Samba	39	2.27	23.33	0.240	590	119.72	420.39
15	Udahmpr	100	5.81	24.73	0.230	85	138.15	1176.95
16	Reasi	32	1.86	53.13	0.085	459	20.80	182.07
17	Doda	58	3.37	51.47	0.147	207	26.80	80.96
18	Kishtwar	16	0.93	483.56	0.120	681	8.45	19.37
19	Ramban	29	1.69	46.41	0.109	276	22.61	51.08
20	Kathua	40	2.33	62.55	0.080	875	41.08	102.71
21	Rajouri	108	6.28	24.35	0.350	185	82.92	347.00
22	Poonch	80	4.65	20.93	0.200	313	35.26	448.78
23	Tawi Command Area Dev	75	4.36	58.95	0.250	333	86.96	287.15
		1720	100.00		5.891	343	2909.74	28515.70

P : Provisional Societies, J&K

Source: Registrar Co operative

**Annexure-3 (g) (i)**  
**District-wise details (in hectares) of Net Area Sown, Net Area Irrigated, Gross Area Sown And**  
**Gross Area Irrigated for the year 2007-08**

<i>District</i>	<i>Net Area Irrigated</i>	<i>Net Area Sown</i>	<i>Percentage NAI/NAS</i>	<i>Gross Area Irrigated</i>	<i>Gross Area Sown</i>	<i>Percentage GAI/GAS</i>
1	2	3	4	5	6	7
Anantnag	30016	46502	64.55	51741	72041	71.82
Kulgam	20176	30707	65.70	26292	37756	69.64
Pulwama	21629	32245	67.08	38931	56984	68.32
Shopian	13262	19544	67.86	18393	25186	73.03
Srinagar	3750	4293	87.35	5228	6366	82.12
Ganderbal	10957	14418	76.00	14163	18431	76.84
Budgam	27249	42687	63.83	35031	53677	65.26
Baramulla	29523	64976	45.44	31307	67467	46.40
Bandipora	11435	20347	56.20	11746	21564	54.47
Kupwara	22851	45705	50.00	22851	45705	50.00
Leh	10212	10212	100.00	10619	10619	100.00
Kargil	9751	9751	100.00	10614	10614	100.00
Jammu	52547	81192	64.72	102391	169444	60.43
Samba	6724	28464	23.62	14996	60262	24.88
Udhampur	2744	48508	5.66	4172	80259	5.20
Doda	2830	30107	9.40	3826	38606	9.91
Kathua	17653	61010	28.93	39153	128055	30.58
Ramban	1289	18242	7.07	1453	24937	5.83
Rajouri	4988	53638	9.30	8312	98459	8.44
Reasi	1693	26346	6.43	2370	38783	6.11
Kishtwar	3072	17544	17.51	3072	22750	13.50
Poonch	3693	27565	13.40	6518	45970	14.18
J&K	308044	734003	41.97	463179	1133935	40.85

*Source: Financial Commissioner (Revenue), J&K*

**Annexure-8(g) (ii)**  
**Area (in hectares) under Crops and Area Irrigated (2006-07)**

<i>S. No</i>	<i>Crop</i>	<i>Area under the crop</i>	<i>Area irrigated under the crop</i>	<i>Area irrigated under the crop as %age to area sown under the same crop</i>	<i>Area irrigated under the crop as %age of total area irrigated under all crops</i>
1	2	3	4	5	6
1	Rice	252516	230847	91.42	50.32
2	Wheat	266106	47033	17.67	10.25
3	Maize	323598	21679	6.70	4.73
4	Oil Seeds	64297	44266	68.85	9.65
5	Fruit & Vegetables	83955	34434	41.01	7.51
6	Others	135934	80478	59.20	17.54
	<b>Total</b>	<b>1126406</b>	<b>458737</b>	<b>40.73</b>	<b>100.00</b>

**Annexure 4 (a) (i)**  
**District profile of SSI registered units**

Name of the District	No. of Units				Employment (No.)			
	2006-07	2007-08	2008-09	%age share (2008-09)	2006-07	2007-08	2008-09	%age share (2008-09)
1	2	3	4	5	6	7	8	9
Anantnag	3942	4003	4078	7.97	17178	17409	17752	7.50
Pulwama	2500	2577	2660	5.20	11541	12068	12567	5.31
Srinagar	9141	9368	9605	18.77	44413	45566	46548	19.67
Budgam	3662	3798	3918	7.66	25305	26047	26626	11.25
Baramulla	3868	3944	4020	7.86	15978	16255	16536	6.99
Kupwara	1645	1686	1731	3.38	5649	5780	5906	2.50
Leh	931	937	942	1.84	2582	2598	2634	1.11
Kargil	627	639	646	1.26	1620	1679	1709	0.72
Jammu	9871	10015	10098	19.74	62779	64559	65709	27.77
Udhampur	3838	3859	3875	7.57	10211	10369	10583	4.47
Doda	1679	1702	1709	3.34	4048	4169	4182	1.77
Kathua	4768	4824	4842	9.46	17790	18342	18556	7.84
Rajouri	1340	1360	1381	2.70	3326	3573	3646	1.54
Poonch	1614	1627	1660	3.24	3543	3588	3699	1.56
Bandipora	NA	26	61	0.12	NA	114	224	0.09
Samba	NA	27	42	0.08	NA	493	712	0.30
Reasi	NA	0	0	0.00	NA	0	0	0.00
Kishtwar	NA	0	3	0.01	NA	0	30	0.01
Ramban	NA	0	1	0.00	NA	0	25	0.01
Ganderbal	NA	25	64	0.13	NA	98	265	0.11
Kulgam	NA	28	53	0.10	NA	130	214	0.09
Shopian	NA	25	52	0.10	NA	78	162	0.07
<b>Total:J&amp;K</b>	<b>49426</b>	<b>50339</b>	<b>51165</b>	<b>100.00</b>	<b>225963</b>	<b>232002</b>	<b>236653</b>	<b>100.00</b>

Source: Department of Industries and Commerce, J&amp;K

NA: the Districts were carved out during the year 2007-08.



**Annexure-4(a) (ii)**  
**Annual Survey of Industries**

<i>Characteristics</i>	<i>Unit</i>	<i>1999-00</i>	<i>2000-01</i>	<i>2001-02</i>	<i>2003-04</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>
Factories	No	393	356	348	342
Fixed capital	Rs.in Lakhs	29300	33860	36401	38200
Working Capital	“	27400	17536	19375	18900
Workers	No	20187	18371	19162	21993
Total Persons engaged	“	26311	23216	24473	26952
Wages to workers	Rs.in Lakhs	7700	7162	7535	8600
Total emoluments	“	11500	10578	11525	12900
Fuel consumed	“	6600	7382	8757	9100
Material consumed	“	104000	94616	104763	127100
Total Inputs	“	139600	114288	133439	176500
Products/by products	“	140800	125091	138113	163700
Value of output	“	164600	134272	154879	199600
Depreciation	“	3800	4036	5203	4400
Net value added	“	21300	15947	16237	18800
Gross value added	“	25000	19984	21440	23100

Source : Publication Annual Survey of Industries

**Annexure- 4 (a) (iv)**  
**Salient features of 5th Economic Census – 2005**

<i>S.No</i>	<i>Particulars</i>	<i>4th EC 1998</i>	<i>5th EC 2005</i>	<i>AAGR* (1995-2005)</i>	
<b>1. Establishments (in number)</b>					
1	Number of Establishments	Rural	110530	183118	7.48
		Urban	105070	141790	4.37
		Combined	215600	324908	6.03
2	Number of Agricultural Establishments	Rural	1769	2152	2.84
		Urban	186	433	12.83
		Combined	1955	2585	4.07
3	Number of Non-Agricultural Establishments	Rural	108761	180966	7.54
		Urban	104884	141357	4.36
		Combined	213645	322323	6.05
<b>2. Employment (in number)</b>					
4	Number of persons employed	Rural	217415	367044	7.77
		Urban	256225	384481	5.97
		Combined	473640	751525	6.82
5	Number of persons engaged in Agricultural Enterprises	Rural	3507	5236	5.89
		Urban	385	1611	22.69
		Combined	3892	6847	8.40
6	Number of persons engaged in Non-Agricultural Enterprises	Rural	213908	361808	7.80
		Urban	255840	382870	5.93
		Combined	469748	744678	6.80
<b>3. Number of Establishments with 10 or more workers in Non-agricultural activities</b>					
7	Number of Establishments with 10 or more workers	Combined	5676	5980	9.34

**Annexure- 4 (d)**  
**:District-wise details of handloom units;**

S. No.	District	Loies		Puttos		Tweeds		Blamkets		Raffal		Pashmina		Dustui Khaddi		Total (A)	
		Units (No.)	Emp.	Units (No.)	Emp.	Units (No.)	Emp.	Units (No.)	Emp.	Units (No.)	Emp.	Units (No.)	Emp.	Units (No.)	Emp.	Units (No.)	Emp.
1	Srinagar	0	0	0	0	0	0	0	0	0	0	145	154	0	0	145	154
2	Budgam	0	0	0	0	0	0	0	0	0	0	10	10	0	0	10	10
3	Pulwama	0	0	0	0	14	14	0	0	14	14	0	0	0	0	28	28
4	Anantnag	0	0	0	0	0	0	0	0	16	16	0	0	0	0	16	16
5	Baramulla	0	0	0	0	9	9	4	4	8	8	10	10	5	5	36	36
6	Kupwara	0	0	0	0	0	0	0	0	6	6	2	2	0	0	8	8
7	Shapian	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	Kulgam	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Ganderbal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	Bandipara	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	Jammu	2	20	0	0	0	0	2	40	1	4	1	14	1	5	7	83
12	Samba	2	30	0	0	0	0	3	60	1	6	1	12	3	23	10	131
13	Kathua	2	20	1	5	1	5	5	105	3	25	2	16	10	90	24	266
14	Rajouri	18	36	0	0	0	0	20	40	4	8	0	0	20	40	62	124
15	Paonch	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16	Udhampur	66	190	0	0	0	0	78	144	10	20	0	0	45	90	199	444
17	Reasi	6	12	0	0	0	0	6	12	0	0	0	0	0	0	12	24
18	Ramban	0	0	0	0	0	0	19	38	0	0	0	0	0	0	19	38
19	Dada	0	0	0	0	0	0	17	841	0	0	0	0	0	0	17	841
20	Kishtwar	0	0	0	0	0	0	3	64	2	67	0	0	0	0	5	131
	<b>Total</b>	<b>96</b>	<b>308</b>	<b>1</b>	<b>5</b>	<b>24</b>	<b>28</b>	<b>157</b>	<b>1348</b>	<b>65</b>	<b>174</b>	<b>171</b>	<b>218</b>	<b>84</b>	<b>253</b>	<b>598</b>	<b>2334</b>

**Annexure 5**  
**Rank Wise Distribution of Estimated Literacy Rate (2008) at Regional Level**

S.No	District	Literacy Rate (%)								
		Rural			Urban			Combined		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
1	2	12	13	14	15	16	17	18	19	20
<b>Kashmir Division</b>										
<b>(A) Kashmir Region</b>										
1	Srinagar	73.88	63.22	68.87	82.17	68.57	75.72	81.56	68.19	75.21
2	Anantnag	77.01	54.32	66.24	74.91	65.92	70.65	76.57	56.75	67.16
3	Shopian	80.00	51.36	66.54	83.50	67.21	75.77	80.20	52.29	67.08
4	Pulwama	68.54	54.04	61.72	82.43	64.47	73.91	70.29	55.38	63.28
5	Baramulla	64.46	47.93	56.69	79.87	50.46	65.91	67.29	48.40	58.39
6	Kulgam	63.93	47.49	56.20	70.58	53.65	62.54	64.13	47.68	56.40
7	Bandipora	64.96	42.57	54.44	82.74	52.87	68.56	67.29	43.94	56.30
8	Ganderbal	61.00	45.21	53.58	70.79	67.69	69.32	61.62	46.67	54.59
9	Budgam	59.16	41.18	50.71	72.88	50.95	62.47	60.46	42.12	51.83
10	Kupwara	54.06	43.77	49.22	76.12	63.82	70.28	54.91	44.56	50.05
<b>Sub Total(A)</b>		<b>65.00</b>	<b>47.82</b>	<b>56.92</b>	<b>80.53</b>	<b>64.88</b>	<b>73.10</b>	<b>69.16</b>	<b>52.45</b>	<b>61.28</b>
<b>(B) Ladakh Region</b>										
1	Leh	70.43	64.91	67.84	90.90	77.67	84.62	75.40	68.05	71.94
2	Kargil	65.68	53.27	59.85	80.02	72.47	76.44	66.96	55.00	61.33
<b>Sub Total(B)</b>		<b>67.82</b>	<b>58.50</b>	<b>63.44</b>	<b>87.95</b>	<b>76.26</b>	<b>82.40</b>	<b>71.14</b>	<b>61.48</b>	<b>66.59</b>
<b>Kmr (A+B) Division</b>		<b>65.13</b>	<b>48.32</b>	<b>57.23</b>	<b>80.73</b>	<b>65.17</b>	<b>73.34</b>	<b>69.24</b>	<b>52.82</b>	<b>61.50</b>
<b>Jammu Region/Division</b>										
1	Jammu	84.66	79.83	82.39	89.53	80.47	85.23	86.95	80.14	83.73
2	Samba	85.35	76.93	81.39	87.80	78.68	83.47	85.96	77.37	81.91
3	Kathua	80.20	55.70	68.68	79.80	73.19	76.66	80.14	58.30	69.86
4	Udhampur	71.34	55.00	63.66	84.36	75.70	80.25	74.04	59.36	67.13
5	Ramban	75.06	55.31	65.78	83.25	75.66	79.65	75.63	56.74	66.74
6	Doda	78.13	47.49	63.73	82.82	73.66	78.48	78.45	49.29	64.74
7	Kisthwar	72.91	50.37	62.31	80.30	64.09	72.61	73.48	51.45	63.12
8	Poonch	68.64	51.82	60.73	72.58	65.36	69.15	68.90	52.69	61.28
9	Reasi	65.28	42.09	54.38	69.30	66.05	67.76	65.61	44.06	55.47
10	Rajouri	62.04	29.76	46.87	79.16	73.32	76.39	62.90	32.00	48.37
<b>Jmu. Region /Division</b>		<b>75.99</b>	<b>57.93</b>	<b>67.51</b>	<b>86.73</b>	<b>78.04</b>	<b>82.61</b>	<b>78.41</b>	<b>62.52</b>	<b>70.92</b>
<b>J&amp;K State</b>		<b>70.08</b>	<b>52.70</b>	<b>61.91</b>	<b>83.15</b>	<b>70.37</b>	<b>77.08</b>	<b>73.30</b>	<b>57.11</b>	<b>65.67</b>

**Annexure- 6 (i)**  
**District-wise distribution of Post Offices in J&K as on March 31, 2008**

<i>District</i>	<i>Head Offices</i>			<i>Sub Offices</i>			<i>Extra Departmental Sub Office</i>			<i>Extra Departmental Branch Offices</i>			<i>Total</i>			<i>Average per Post Office</i>	
	<i>Ur</i>	<i>Ru</i>	<i>To</i>	<i>Ur</i>	<i>Ru</i>	<i>To</i>	<i>Ur</i>	<i>Ru</i>	<i>To</i>	<i>Ur</i>	<i>Ru</i>	<i>To</i>	<i>Ur</i>	<i>Ru</i>	<i>To</i>	<i>Area sq km</i>	<i>Pop Nos</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>	<i>10</i>	<i>11</i>	<i>12</i>	<i>13</i>	<i>14</i>	<i>15</i>	<i>16</i>	<i>17</i>	<i>18</i>
Anantnag	1	-	1	14	7	21	-	-	-	-	138	138	15	145	160	24.90	8576
Pulwama	-	-	-	6	4	10	-	-	-	1	93	94	7	97	104	13.44	7344
Srinagar	1	-	1	35	2	37	3	1	4	13	34	47	52	37	89	25.03	15813
Budgam	-	-	-	12	0	12	-	-	-	3	64	67	15	64	79	17.35	9323
Baramulla	1	-	1	10	6	16	1	1	2	8	167	175	20	174	194	23.65	7057
Kupwara	-	-	-	2	4	6	-	-	-	-	72	72	2	76	78	30.50	9759
Leh	1	-	1	1	4	5	-	-	-	-	48	48	2	52	54	835.37*	2541
Kargil	-	-	-	2	4	6	-	-	-	-	46	46	2	50	52	269.92	2685
Jammu	2	-	2	61	8	69	3	6	9	2	153	155	68	167	235	13.18	7913
Udhampur	1	-	1	12	10	22	2	-	2	1	155	156	16	165	181	25.14	4808
Doda	-	-	-	8	6	14	-	-	-	2	117	119	10	123	133	87.90	6089
Kathua	1	-	1	7	9	16	2	1	3	-	123	123	10	133	143	18.54	4502
Rajouri	1	-	1	4	7	11	-	2	2	1	110	111	6	119	125	21.04	4525
Poonch	-	-	-	1	3	4	-	-	-	1	59	60	2	62	64	26.16	6814
<b>J&amp;K State</b>	<b>9</b>	<b>-</b>	<b>9</b>	<b>175</b>	<b>74</b>	<b>249</b>	<b>11</b>	<b>11</b>	<b>22</b>	<b>32</b>	<b>1379</b>	<b>1411</b>	<b>227</b>	<b>1464</b>	<b>1691</b>	<b>60.00*</b>	<b>7021</b>

Ur = Urban, Ru = Rural, To = Total, Pop = Population \* position of area on this side of line of control.

**Annexure –(7) (i)**  
**Item-wise detail of goods imported since inception of cross LOC trade(21.10.2008) upto 31.05.2009**  
**through Chakkan –da-Bagh Poonch**

S.No.	Item	Quantity	Amount (Pakistani currency)
1.	Rice	125 Bags	535050.00
2.	Onion	1.68 Bags	87940.00
3.	Potato	590 Bags	856050.00
4.	Garlic	21057 Bags	25704794.00
5.	Kinu	3092 Boxes	1051957.00
6.	Amrood	01 Bag	370.00
7.	Anar	200 Kgs	15000.00
8.	Frouter	1500Kgs	37000.00
9.	Malta	05 Bags	2700.00
10.	Chapple	8358 Pair	4220965.00
11.	Carpet	04 Bundles	154812.00
12.	Apple	36 Boxes	29050.00
13.	Shawls	1982 Nos.	910905.00
14.	Janamaz.	1851 Nos.	2257045.00
15.	Herbs	239 Bags	312762.00
16.	Grapes	10 Kg.	4000.00
17.	Peas	861 Kgs.	17200.00
18.	Lemon	200Kgs	9200.00
19.	Ginger	2251 Bags	17327581.00
20.	Muskmelon	105 Bags	61000.00
21.	Dry Dates	403 Bags	1017770.00
22.	Water melon	40 Bags	36000.00
23.	Kaju	01 Bag.	13000.00
24.	Darwakh	55 Bags	84400.00
25.	Mushakbala	176 Bags	891592.00
26.	Jarmora	02 bags	36448.00
27.	Suit Cloth	07 Pcs.	3500.00
28.	Arwal	15 Bags	19000.00
29.	Gulab pitti	04 Bags	58600.00
30.	Ramanchini. .	20 Bags	26600.00
31.	Gulnar	51 Bags	207800.00
32.	Phool Gulab	12 Bags	6585.00
33.	Saramjan	21 Bags	368400.00
34.	Anjir	11 Bags	30200.00
35.	Apricot	06 Boxes	35100.00
36.	Mungi	20351 Bags	56979051.00
37.	Dry fruit	23. Bags	64580.00
38.	Almond	04 Bags	121560.00
39.	Dry Gaps	03 bags	12000.00
40.	Kishmish	11 bags	41000.00
41.	Freight & Labour	--	50400.00
	G.Total		113698967.00

**Annexure – (7) (ii)**

**Itemwise detail of goods exported since inception of trade upto.31.5.2009, through Chakkan-Da-Bagh Poonch**

S.No.	Item	Quantity	Amount
1.	Onion	72820 Bags	20130387.00
2.	Banana	10472 Bags	2892866.00
3.	Carrot	19 Bags	8844.00
4.	Apple	43 boxes	28550.00
5.	Cabbage	12 bags	2236.00
6.	Tomato	3910 Boxes	1098301.00
7.	Rajmash	122 bags.	338633
8.	Shawls	706 pieces	232107
9.	Potato	1160 Bags	289858.00
10.	Peas	5 bags	3402.00
11.	Kali-flower	20 bags	3755.00
12.	Honey	86 tins	64372.00
13.	Rugs	154 Nos.	61376.00
14.	Imli	205 Bags	125490.00
15.	Lady-finger	35 bags	25113.00
16.	Coconut	2798 bags	6007083.00
17.	Gari	1095 bags	3021596.00
18.	Green Chilly	84 bags	31540.00
19.	Narial	180 Bags	495000.00
20.	Grapes	2164 Bags	314707
21.	Pine-apple	2005 box	568704.00
22.	Mango	408 box	645299.00
23.	Papita	245 box	27008.00
24.	Dhania	2331 Bags	6770444.00
25.	Karala	4 Bags	3060.00
26.	Tawasheer	50 bags	69205.00
27.	Moti-elachi	440 Pcs.	2452025.00
28.	Isabgool	20 Bags	239204.00
29.	Sonaf	01 Bag	4866.00
30.	Lemon	4270 Bags	3452852.00
31.	Piplamool	10 Bags	84372.00
32.	Magaz-Kheera	05 Bags	110116.00
33.	Walnut	14 Bags	40460.00
34.	Singada	02 Bags	1938.00
35.	Badam	05 Boxes	16940.00
36.	Anisoo	79 Bags	99260.00
37.	Maize	01 Bags	400.00
38.	Phatkari	226 Bags	309809.00
39.	Dabra	20 bags	15040.00
40.	Labour & Freight charges	-	201818.00
	G.Total		50288036.00

**Annexure – (7) (iii)**

**List of Imported goods from Chakoti POK to Salambad Uri 21.10.2008 to 3.6.2009**

S.No.	Item	Quantity	Qty/Qtls.
1.	Orange	25297	3587.00
2.	Mango	216	21.70
3.	Pear	27	17.94
4.	Banana	-	15.60
5.	Grapes	430	32.80
6.	Guava	178	22.74
7.	Apple	686	109.50
8.	Pomegranate	-	170.40
9.	Onion	-	581.90
10.	Garlic	-	12171.75
11.	Ginger	-	241.18
12.	Rice	-	151.55
13.	Potato	-	54.00
14.	Mixed vegetables (Turnip, Radish, Cauliflower, carrot)	-	55.54
15.	Moong	-	8721.30
16.	Rajmah dal	-	8.00
17.	Maize	-	24.40
18.	Honey,	-	14.23
19.	Dry fruits (Dates, apricots, almond Giri, pista, magaz kishmish Jalgoza, fig & Zirish)	-	350.24
20.	Medicinal Herbs	-	83.00
21.	Jai-Nimaz	11610 No's	
22.	Stole	856 No's	-
23.	Carpet roll	165 pieces	-
24.	Carpet pieces	297 rolls	-
25.	Wall hanging	63 No's	-
26.	Bed sheet	10 sets	-
27.	Cushions	100 No's	-
28.	Peshawari Chapals	4053 pairs	-
	Total	-	26088.00

Number of consignments = 29

Number of Mini truck loads = 586

The cost of the commodities could not be mentioned as the same was not quoted in respect of any commodity by any trade.

<b>Annexure – (7) (iv)</b>			
<b>List of Exported goods from Salambad Uri to Chakoti POK from 21.10.2008 to 3.6.2009</b>			
S.No	Name of the item	Oty.(No./Boxes)	Otv/OtIs.
1	Apple	7052	910.00
2	Banana	-	633.10
3	Pomegranate	440	106.32
4	Grapes	9024	341.60
5	Mango	3010	498.59
6	Pine Apple	1532	418.17
7	Orange	34	4.75
8	Coconut fresh/dry	-	758.31
9	Kiwi fruit	358	4.28
10	Loquat	-	1.50
11	Melons/ water melons	-	75.89
12	Mosambi	-	0.60
13	Cherry	211	2:00
14	Strawberry	82.	0.80
15	Lemon	-	1123.97
16	Rajmah (dal)	-	664.54
17	Onion	-	7239.00
18	Tomato	-	655.65
19	Potato	-	48.51
20	Mixed vegetables (Cabbage. cauliflower. Raddish, turnip. saag & green chilli)	-	142.56
21	Peas	-	197084
22	Moong	-	226.45
23.	Almond girl	-	7.27
24	Walnut	-	7.52
25	Walnut Geri	-	82.50
26	Water chestnut giri	-	2.40
27	Honey	-	5.55
28	Spices/cakes/powder/saunf	-	44.19
29	Saffron	-	120.00 gm.
30	Canned mushroom/ cherry	20 tins	
31	Embroidery suits Shawls/stoles	1840 No's	
32	Tamarind (Emli)		2.00
33	Nambium(Nadru)	-	7.50
34	Dehydrated veg.	-	0.05
35	Cushion cover	100 No's	
36	Papier-mache	500 No's	
	Total		15986

Number of consignments = 29

Number of Mini truck loads = 459

The cost of the commodities could not be mentioned as the same was not quoted in respect of any commodity by any trade.



<b>Annexure – (7) (v)</b>	
<b>Items to be Traded From Salamabad to Chakoti and Chakandabagh to Rawlakote</b>	
S.No	Items
1	Carpets
2	Rugs
3	Wall Hangings
4	Shawls and Stoles
5	Namdas
6	Gabbas
7	Embroidered items (including crewel)
8	Furniture including walnut furniture
9	Wooden handicrafts
10	Fresh fruits and vegetables
11	Dry fruits including walnuts
12	Saffron
13	Aromatic plants
14	Fruit bearing plants
15	Dhania, Moongi, Imlı and Black Mushrooms
16	Kashmiri spices
17	Rajmah
18	Honey
19	Paper Machie products
20	Spring, Rubberised Coir/Foam Mattresses, Cushions, Pillows and Quilts
21	Medicinal Herbs

<b>Annexure – (7) (vi)</b>	
<b>Items to be traded from Chokoti to Salamabad and Rawalakote to Chakan-da-bagh</b>	
S.No	Items
1	Rice
2	Jehnamaz and Tusbies
3	Precious stones
4	Gabbas
5	Namdas
6	Peshawari leather chappals
7	Medicinal Herbs
8	Maize and maize products
9	Fresh fruits and vegetables
10	Dry fruits including walnuts
11	Honey
12	Moongi
13	Imlı
14	Black Mushroom
15	Furniture including walnut furniture
16	Wooden handicrafts
17	Carpets and rugs
18	Wall hangings
19	Embrided items
20	Foam mattresses, cushions and pillows
21	Shawls and stoles

**Annexure- 8**  
**Consumer Price Index Numbers**

<i>Average of months</i>	<i>Industrial workers Base 1982=100</i>		<i>Agricultural Labourers Base 1986-87=100 (July-June Agricultural Year)</i>	
	<i>General Index</i>		<i>General Index</i>	
	<i>All India</i>	<i>J &amp; K</i>	<i>All India</i>	<i>J&amp;K</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>7</i>	<i>8</i>
1999-00	428	471	309	323
2000-01	444	485	304	326
2001-02	463	531	311	331
2002-03	482	551	323	344
2003-04	500	583	332	345
2004-05	520	606	342	348
2005-06	542	637	358	360
2006-07	579(125)	676(120)	388	392
2007-08	616 (133)	710 (126)	417 *	412 *
2008-09	671 (145)	768 (137)	457 *	447 *

Note: The current series of CPI for Industrial workers with 2001 base was introduced w.e.f January 2006 index.

The earlier series on base 1982=100 was simultaneously discontinued. The conversion factor from the current to old series is 4.63 and 5.62 of the General Index respectively for all-India and J&K. CPI-IW within brackets is as per new series

\* Indicates index months average