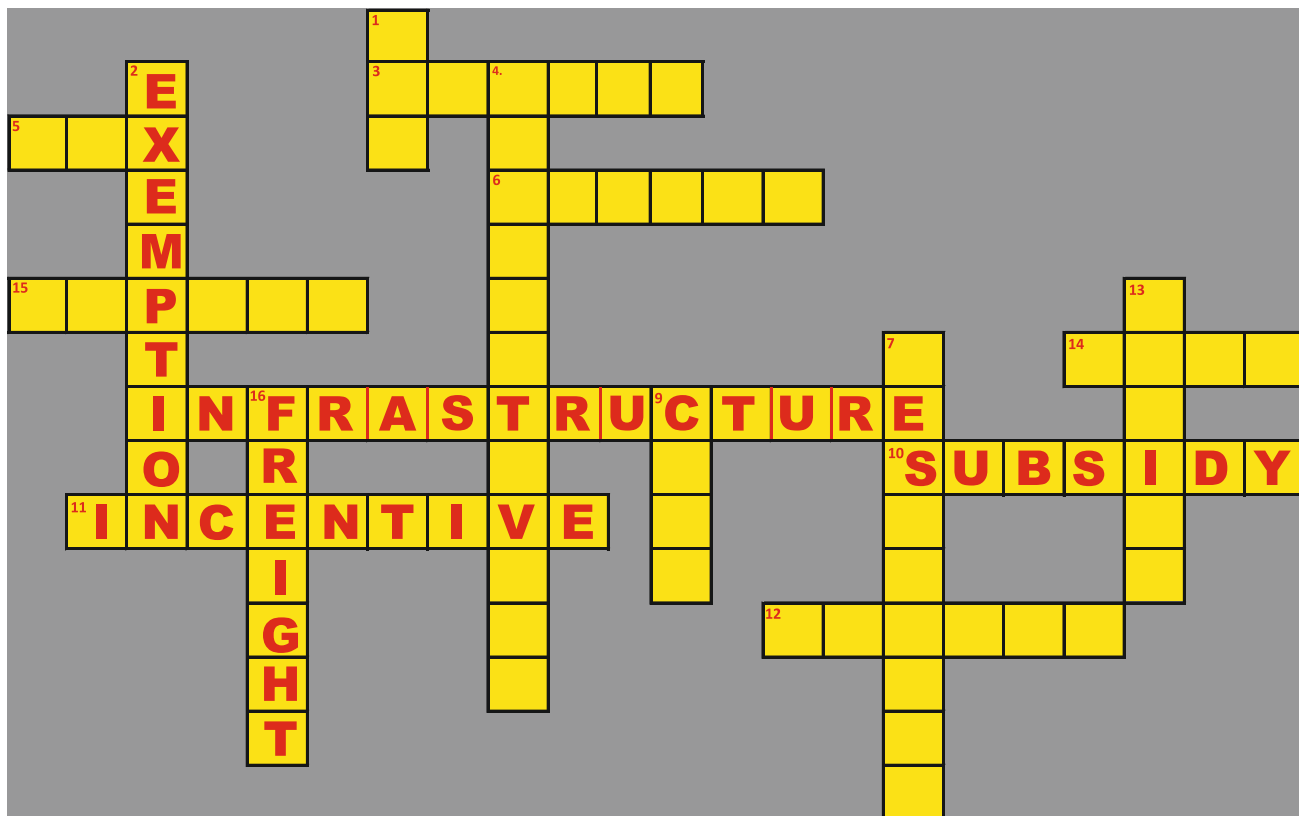




## Government of Jammu & Kashmir



### → Across

- 3 Make (something needed or wanted) available to someone.
- 5 Not sufficiently strict, severe, or careful.
- 6 The amount of something produced by a person, machine, or industry.
- 8 The basic physical and organizational structures and facilities.
- 10 A form of financial aid or support extended to an economic sector by Government.
- 11 A payment or concession to stimulate greater output.
- 12 A tax or duty paid on a particular class of imports.
- 14 A charge payable to use a bridge or road.
- 15 Sending of goods to another country for sale.



### ↓ Down

- 1 An indirect tax levied in India on the sale of goods and services.
- 2 To free from an obligation or liability.
- 4 An economic measure of output per unit of input.
- 7 Service or other assests used to produce goods.
- 9 An additional tax besides the existing tax.
- 13 A course of action adopted or proposed by an organization or individual.
- 16 A charge paid for carriage or transportation of goods

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## **Section 1**

### **Overview**

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## Chapter 1

# Introduction

The current document of Economic Survey 2017 is being presented at a time when the whole country has gone through two major structural reforms namely 1) Demonetisation and 2) introduction of single Tax regime of GST. The state of J&K has also gone through these structural reforms along with rest of the country.

Economic Survey 2017 takes stock of the developments having taken place during the last financial year 2016-17 and current financial year 2017-18 upto Nov, 2017 in J&K economy.

The survey highlights progress made in major developmental programmes launched in 2016-17 and 2017-18 and also showcase the policy initiatives of the Government. In the current edition of the Economy Survey, the initiatives taken by the Government to streamline and improve Financial Management Systems are prominently discussed. The Government has transformed the budget into four main sub-groups which are:

1. Economic Sector
2. Infrastructure sector
3. Social sector and
4. General service sector

Similarly, Budget Estimation, Allocation & Monitoring System (BEAMS) has also been introduced by the Government to put the whole financial system on IT platform. The initiatives of the Government to shift from traditional Treasury System to Pay and Accounts Office System is also showcased and discussed. The initiatives of the Government to introduce Public Finance Management System (PFMS) is also prominent to showcase the progress.

The progress made by the state on the front of Ease of Doing Business which has now improved from 29<sup>th</sup> to 22<sup>nd</sup> place is discussed in the report. The document also highlights the investment made by the Government in major developmental and welfare sectors vis-a-vis Gross Domestic Product of the State (GSDP). This will surely give new direction to the Government while assigning priorities by making decisions on development of overall economy of the state.

With detailed statistical data covering all aspects of the economy-macro as well as sectoral-the report provides an overview of the following issues: -

1. Macro-Economic Outlook
2. Policy Choices
3. New Initiatives
4. Key Policy Concern
5. Sectoral Review

This document would be useful for policy makers, economists, policy analysts, business practitioners, government agencies, students, researchers, the media and all those interested in the development of J&K economy. The current issue of Economic Survey 2017 would also provide a window to the policy makers, decision making authorities and others at the helm of affairs to take factual economic scenario into account while making decisions regarding development of the state.

## Macro Economic Outlook 2018-19

The figurative description of Gross State Domestic Product (GSDP) and its related aggregates are perhaps the only indicators of the state economy that showcase whether the state has made any progress in economic terms over a period of time. It highlights the economic progress made by individuals of the state by indicating the per capita income which reflects changes having taken place in standard of living of the people of the state. GSDP is generally termed as State Income which is grouped into three main sectors namely i) Agriculture and allied activities, ii) Industries sector and iii) Services sector. Updating the data from time to time and shifting the base year to 2011 under the directions and guidance of GoI undertaken by Directorate of Economics & Statistics reflects the structural and sectoral shifts that are likely to take place in a developing economy that could be properly gauged and captured. The shifting of base removes the wide gaps between Base year and the Reporting year caused due to inflation over a period of time.

The SDP estimates of economy over a period of time reveal the extent and direction of the changes in the levels of economic development. GSDP estimates when studied in relation to the total population of the state indicate the level of per capita net output of goods and services available or standard of living of the people of the State.

The Gross State Domestic Product (GSDP) at constant (2011-12) prices for the year 2017-18 is estimated at Rs. 109136.52 crore, as against the estimate of Rs. 100597.57 crore for 2016-17, indicating growth of 8.49 per cent during 2017-18. At current prices, GSDP for 2017-18 is estimated to be Rs. 140886.76 crore as against the estimate of Rs. 126230.91 crore for 2016-17, showing an increase of 11.61 per cent during the year.

The projected estimates for the year 2018-19 at constant (2011-12) prices and current prices of GSDP is Rs. 116637.44 crore and Rs. 157383.77 crore.

The estimate of State Income (i.e. Net State Income) at constant (2011-12) prices for 2017-18 is Rs. 90902.60 crore, as against the estimate of Rs. 83717.39 crore for 2016-17, suggesting a rise of 8.58 per cent during 2017-18. At current prices, the State Income for 2017-18 is estimated at Rs. 119294.71 crore as compared to the estimate of Rs. 106326.40 crore for 2016-17, showing a rise of 12.20 per cent during the year.

The Net State Income at constant (2011-12) prices and current prices are roughly estimated at Rs. 97352.75 crore and Rs. 133596.72 crore respectively for the year 2018-19.

The per capita real income, i.e. per capita net state income at constant (2011-12) prices, for 2017-18 is estimated at Rs. 65615 as against the estimate of Rs 61349 for 2016-17. This indicates a growth of per capita real income of about 6.95 per cent during 2016-17. The per capita income at current prices during 2017-18 is estimated at Rs. 86108 as compared to Rs.77918 in 2016-17 showing a rise of 10.51 per cent.

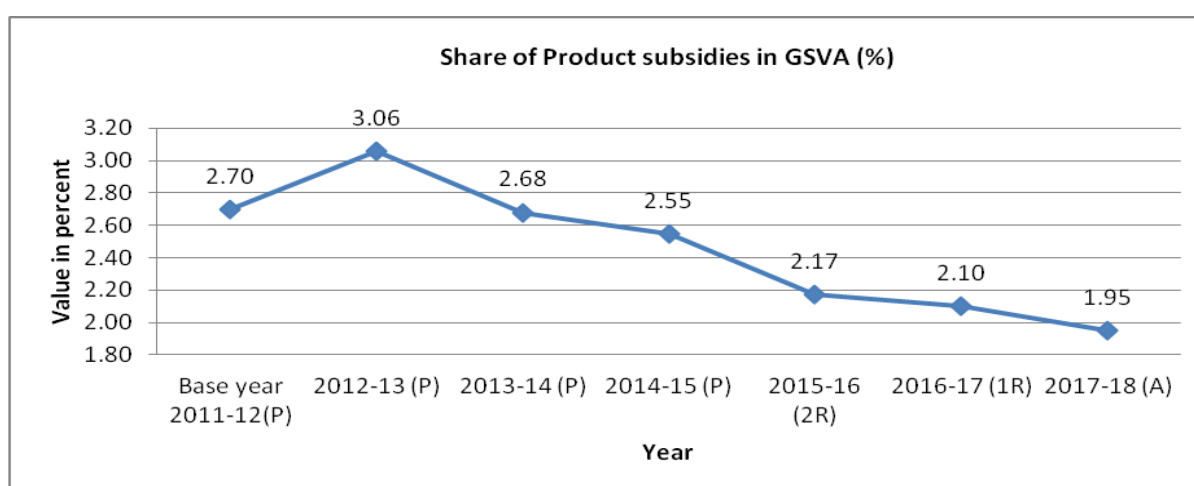
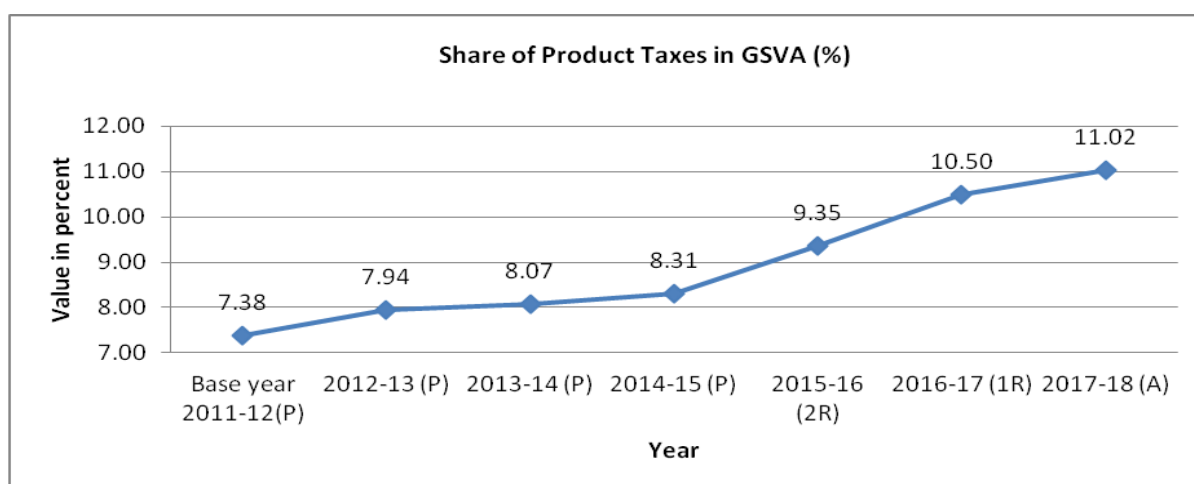
The roughly estimated per capita income at constant (2011-12) prices and current prices of J&K state for the year 2018-19 is Rs 69221 and Rs 94992 respectively

The state economy is expected to register growth of 8.49% (Advanced) during the financial year 2017-18 at constant prices of 2011-12 as compared to growth rate of 3.29% achieved during 2016-17. The projected growth for the year 2018-19 is roughly estimated at 6.87%.

The share of product taxes in total Gross State Value Added (GSVA) at basic price for the year 2016-17 and 2017-18 is 10.50% and 11.02% respectively. The share of product subsidies in total Gross State Value Added (GSVA) at basic price for the year 2016-17 and 2017-18 is 2.10% and 1.95% respectively.

The projected trend in share of product taxes and product subsidies for financial years 2011-12 to 2018-19 is given below:-

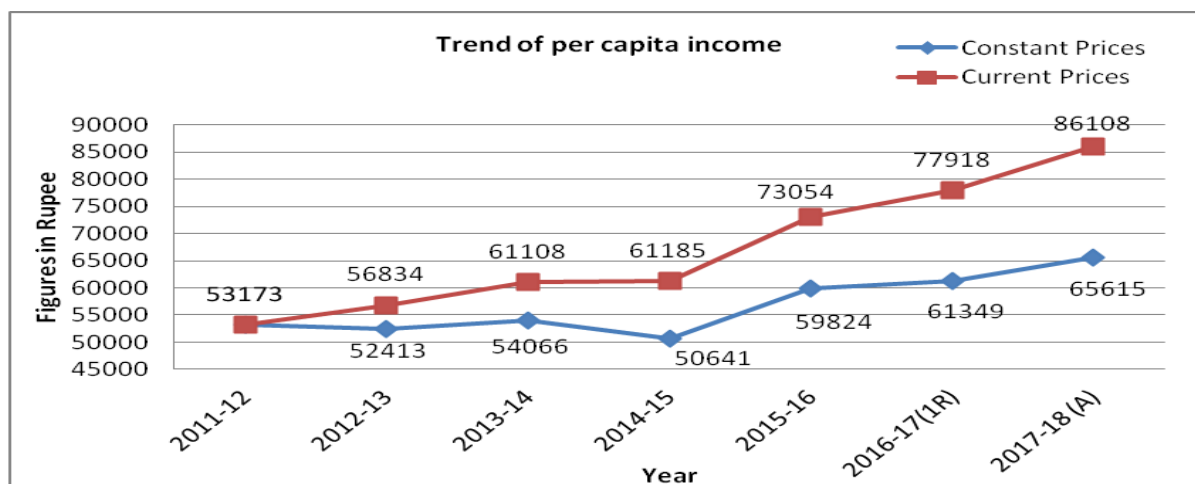
<b>Projected trend in share of product taxes and product subsidies</b>									
S. No	Sector	Base year 2011-12 (P)	2012-13 (P)	2013-14 (P)	2014-15 (P)	2015-16 (2R)	2016-17 (1R)	2017-18 (A)	2018-19(rough est.)
1	Total GSVA at basic prices	74760.73	77015.87	80735.50	77787.15	90865.00	92805.63	100058.97	105999.14
2	Product Taxes (+)	5515.20	6114.26	6515.12	6462.00	8495.81	9744.34	11029.95	12590.70
3	Product Subsidies (-)	2020.38	2355.19	2163.39	1987.00	1971.00	1952.40	1952.40	1952.40
4	GSDP(GSVA + Taxes-Subsidies)	78255.55	80774.94	85087.23	82262.15	97389.81	100597.57	109136.52	116637.44
5	Share of Product Taxes in GSVA (%)	7.38	7.94	8.07	8.31	9.35	10.50	11.02	11.88
6	Share of Product subsidies in GSVA (%)	2.70	3.06	2.68	2.55	2.17	2.10	1.95	1.84



### Per capita income

The per capita income during 2017-18 at constant 2011-12 prices (NSDP) is estimated at Rs.65615 while the per capita income of Rs. 61349 was registered in financial year 2016-17. The per capita income during 2017-18 at current prices is estimated at Rs. 86108 while per capita income during 2016-17 stood at Rs. 77918 at current Prices. The projected per capita income at current and constant 2011-12 prices for the year 2018-19 are roughly estimated at Rs. 94992 and Rs.69221 respectively.

Year	Trend of per capita income (Figures in Rupees)	
	Constant Prices	Current Prices
2011-12	53173	53173
2012-13	52413	56834
2013-14	54066	61108
2014-15	50641	61185
2015-16	59824	73054
2016-17(1R)	61349	77918
2017-18 (A)	65615	86108
2018-19(crude)	69221	94992

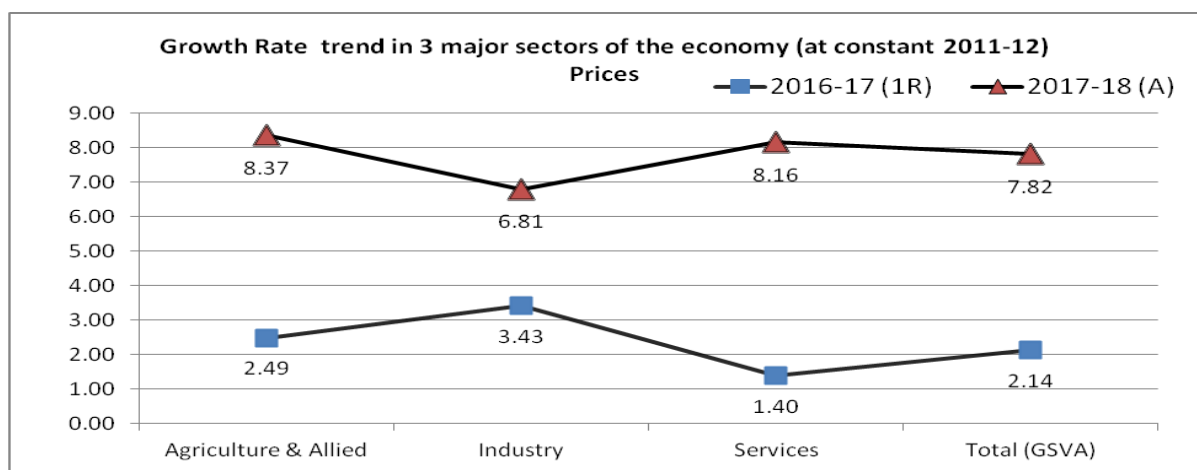


### Agriculture & Allied Sector

At constant 2011-12 prices, agriculture & allied sector is likely to grow at 8.37% in the year 2017-18(A) as compared to growth rate (-)4.24% in 2012-13, 3.99% in 2013-14, (-)10.91% in 2014-15, 24.74% in 2015-16 and 2.49% in 2016-17. The sector is expected to grow at 6.81% as per the rough estimates for the year 2018-19.

Progress trend in 3 major sectors of the economy (at constant 2011-12) Prices									(Rs in Crore)
S. No	Sector	Base year 2011-12(P)	2012-13 (P)	2013-14 (P)	2014-15 (P)	2015-16 (2R)	2016-17 (1R)	2017-18 (A)	2018-19(rough est.)
1	Agriculture & Allied	13063.47	12509.32	13008.74	11588.97	14455.73	14815.93	16056.00	17148.98
		-	(-4.24)	(3.99)	(-10.91)	(24.74)	(2.49)	(8.37)	6.81
2	Industry	20996.73	21559.38	22597.26	20018.59	25254.24	26120.35	27899.41	29571.01
		-	(2.68)	(4.81)	(-11.41)	(26.15)	(3.43)	(6.81)	(5.99)
3	Services	40700.53	42947.17	45129.49	46179.59	51155.04	51869.34	56103.56	59279.15
		-	(5.52)	(5.08)	(2.33)	(10.77)	(1.40)	(8.16)	(5.66)
	<b>Total (GSVA)</b>	<b>74760.73</b>	<b>77015.87</b>	<b>80735.50</b>	<b>77787.15</b>	<b>90865.00</b>	<b>92805.63</b>	<b>100058.97</b>	<b>105999.14</b>
		-	<b>(3.02)</b>	<b>(4.83)</b>	<b>(-3.65)</b>	<b>(16.81)</b>	<b>(2.14)</b>	<b>(7.82)</b>	<b>(5.94)</b>

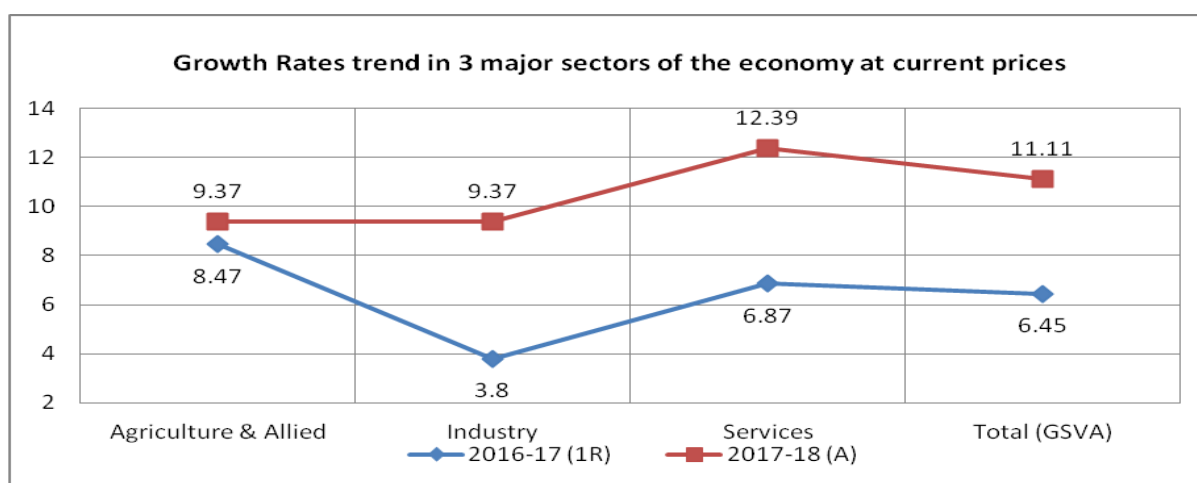
*Note: Figures in brackets indicate growth rate (%) over the previous year*



At current 2011-12 prices, agriculture & allied sector is likely to grow at 9.37% in the year 2017-18(A) as compared to growth rate 20.08% in 2012-13, 8.75 % in 2013-14, (-)11.62% in 2014-15, 39.45% in 2015-16 and 8.47% in 2016-17. The sector is expected to grow at 10.63 % as per rough estimates for the year 2018-19.

Progress trend in 3 major sectors of the economy at current prices									(Rs in Crore)
S. No	Sector	Base year 2011-12(P)	2012-13 (P)	2013-14 (P)	2014-15 (P)	2015-16 (2R)	2016-17 (1R)	2017-18 (A)	2018-19(rough est.)
1	Agriculture & Allied	13063.47	15686.04	17057.91	15075.39	21022.42	22802.34	24938.87	27588.74
		-	(20.08)	(8.75)	(-11.62)	(39.45)	(8.47)	(9.37)	(10.63)
2	Industry	20996.73	21491.67	22264.74	23518.84	25800.47	26781.25	29289.80	31748.90
		-	(2.36)	(3.60)	(5.63)	(9.70)	(3.80)	(9.37)	(8.40)
3	Services	40700.53	45918.88	51299.20	54485.72	63120.96	67454.65	75811.43	85207.21
		-	(12.82)	(11.72)	(6.21)	(15.85)	(6.87)	(12.39)	(12.39)
	Total (GSVA)	74760.73	83096.59	90621.85	93079.95	109943.85	117038.24	130040.10	144544.85
		-	(11.15)	(9.06)	(2.71)	(18.12)	(6.45)	(11.11)	(11.15)

*Note: Figures in brackets indicate growth rate (%) over the previous year*



Among sub sectors “crops” expect a growth rate of 9.86 % while as “livestock” 8.52%, “forestry and logging” 1.41 % and “fishing and aquaculture” 1.64 % in the year 2017-18. The corresponding figures for these sub sectors for the year 2016-17 (advance est.) were (-) 0.16%, 8.30%, (-) 0.88 % and 1.54% respectively. The growth rate for the sector at constant (2011-12) prices for the year 2018-19 is roughly estimated at 6.81 %.

Growth trend of the sector at constant (2011-12) price										(Rs. in Crore)
S. No	Sector	Base year 2011-12(P)	2012-13 (P)	2013-14 (P)	2014-15 (P)	2015-16 (2R)	2016-17 (1R)	2017-18 (A)	2018-19(rough est.)	
a	Crops	7953.39	7349.92	7903.22	5796.44	8020.91	8007.89	8797.50	9396.61	
		-	(-7.59)	(7.53)	(-26.66)	(38.38)	(-0.16)	(9.86)	(6.81)	
b	Livestock	3441.25	3426.55	3321.48	3962.37	4595.11	4976.48	5400.35	5865.32	
		-	(-0.43)	(-3.07)	(19.30)	(15.97)	(8.30)	(8.52)	(8.61)	
c	Forestry and logging	1345.36	1408.88	1460.93	1502.25	1505.45	1492.14	1513.15	1536.15	
		-	(4.72)	(3.69)	(2.83)	(0.21)	(-0.88)	(1.41)	(1.52)	
d	Fishing and aquaculture	323.48	323.97	323.11	327.91	334.26	339.42	345.00	350.90	
		-	(0.15)	(-0.27)	(1.49)	(1.94)	(1.54)	(1.64)	(1.71)	
<b>Agriculture, forestry and fishing</b>		<b>13063.47</b>	<b>12509.32</b>	<b>13008.74</b>	<b>11588.97</b>	<b>14455.73</b>	<b>14815.93</b>	<b>16056.00</b>	<b>17148.98</b>	
		-	<b>(-4.24)</b>	<b>(3.99)</b>	<b>(-10.91)</b>	<b>(24.74)</b>	<b>(2.49)</b>	<b>(8.37)</b>	<b>(6.81)</b>	

*Note: Figures in brackets indicate growth rate (%) over the previous year*

## Industry

Industry is likely to grow at 6.81% during the year 2017-18 (Adv. est) as compared to 2.68% in 2012-13, 4.81% in 2013-14, (-)11.41% in 2014-15, 26.16% in 2015-16 and 3.43% in the year 2016-17 at constant (2011-12) prices.

Among the sub sectors, “mining & quarrying sector” expects a growth rate of 82.96%, while as “manufacturing” 6.25%, “construction “ 4.65% & “electricity, gas & water supply” 6.28% during 2017-18 (Adv. est). The corresponding figures for these sub sectors for the year 2016-17 were (-) 44.42%, 5.46%, 4.62% and 3.79% respectively. The projected growth rate for the sector for the year 2018-19 is roughly estimated at 5.99%.

The following table shows the growth of industry sector by sub sector-wise at constant price (2011-12):-

Growth trend of the sector at constant (2011-12) price										(Rs. In Crore)
S. No.	Sector	Base year 2011-12(P)	2012-13 (P)	2013-14 (P)	2014-15 (P)	2015-16 (2R)	2016-17 (1R)	2017-18 (A)	2018-19 (rough est.)	
1	Mining and quarrying	329.31	405.71	358.76	269.56	615.02	341.82	625.39	680.61	
		-	(23.20)	(-11.57)	(-24.86)	(128.16)	(-44.42)	(82.96)	(8.83)	
2	Manufacturing	7975.60	7438.51	7607.05	7840.25	8751.66	9229.35	9805.90	10442.30	
		-	(-6.73)	(2.27)	(3.07)	(11.62)	(5.46)	(6.25)	(6.49)	



3	Electricity, gas, water supply & other utility services	6162.33	7315.23	7559.85	5174.33	8808.97	9143.27	9717.52	10331.67
			(18.71)	(3.34)	-31.56	70.24	3.79	(6.28)	(6.32)
4	Construction	6529.49	6399.93	7071.60	6734.45	7078.59	7405.91	7750.60	8116.43
			(-1.98)	(10.49)	(-4.77)	(5.11)	(4.62)	(4.65)	(4.72)
	<b>Total Industry Sector</b>	<b>20996.73</b>	<b>21559.38</b>	<b>22597.26</b>	<b>20018.59</b>	<b>25254.24</b>	<b>26120.35</b>	<b>27899.41</b>	<b>29571.01</b>
			<b>(2.68)</b>	<b>(4.81)</b>	<b>(-11.41)</b>	<b>(26.15)</b>	<b>(3.43)</b>	<b>(6.81)</b>	<b>(5.99)</b>

### Services sector

Services sector, the major contributor to the state economy, is likely to grow by 8.16% during the current year 2017-18 (Adv. est) as compared to 5.52% in 2012-13, 5.08% in 2013-14, 2.33% in 2014-15, 10.77% in 2015-16 and 1.40% during the previous year 2016-17.

Among the sub sectors, “trade, repair, hotels and restaurants” expects a growth rate of 14.55%, “transport, storage, communication & services related to broadcasting” 7.88%, “financial services” 7.08%, “real estate, ownership of dwelling & professional services” 2.33%, “public administration and defence” 9.58% and “other services” 8.16% during 2017-18 (Adv. est). The corresponding figures for these sub sectors for the year 2016-17 (1R) were -10.30%, 2.35%, 4.35%, 1.17%, 6.90% and 3.77% respectively. The projected growth rate for the sector for the year 2018-19 is roughly estimated at 5.66%.

The following table shows the growth trend of the sector at constant (2011-12) prices:-

Growth trend of the sector at constant (2011-12) price									
(Rs. In Crore)									
S. No	Sector	Base year 2011-12(P)	2012-13 (P)	2013-14 (P)	2014-15 (P)	2015-16 (2R)	2016-17 (1R)	2017-18 (A)	2018-19(rough est.)
1	Trade, repair, hotels and restaurants	6670.74	7517.09	7874.73	7652.91	8933.53	8013.12	9179.00	9732.50
			(12.69)	(4.76)	(-2.82)	(16.73)	(-10.30)	(14.55)	(6.03)
2	Transport, storage, communication & services related to broadcasting	4717.47	5189.21	5790.17	6447.27	7170.37	7338.69	7917.25	8436.62
			(10.00)	(11.58)	(11.35)	(11.22)	(2.35)	(7.88)	(6.56)
3	Financial services	2260.52	2584.93	3130.41	3575.80	3750.21	3913.46	4190.45	4407.52
			(14.35)	(21.10)	(14.23)	(4.88)	(4.35)	(7.08)	(5.18)
4	Real estate, ownership of dwelling & professional services	9483.48	9858.41	10376.46	10685.03	10937.23	11065.66	11323.26	11626.72
			(3.95)	(5.25)	(2.97)	(2.36)	(1.17)	(2.33)	(2.68)
5	Public administration and defence	11274.70	11357.66	10605.99	10549.19	13028.81	13927.34	15261.35	16347.96
			(0.74)	(-6.62)	(-0.54)	(23.51)	(6.90)	(9.58)	(7.12)
6	Other services	6293.62	6439.87	7351.73	7269.39	7334.89	7611.07	8232.25	8727.83
			(2.32)	(14.16)	(-1.12)	(0.90)	(3.77)	(8.16)	(6.02)
	<b>Total Services Sector</b>	<b>40700.53</b>	<b>42947.17</b>	<b>45129.49</b>	<b>46179.59</b>	<b>51155.04</b>	<b>51869.34</b>	<b>56103.56</b>	<b>59279.15</b>
			<b>(5.52)</b>	<b>(5.08)</b>	<b>(2.33)</b>	<b>(10.77)</b>	<b>(1.40)</b>	<b>(8.16)</b>	<b>(5.66)</b>

### Sectoral contribution in J&K economy

The sectoral composition of the state income has undergone considerable changes over a period of time. Over the last five decades, the share of primary sector has declined steadily from 17.47% in 2011-12 to 16.05% in 2017-18 (Adv. est.) and the share of secondary sector has declined from 28.09% in 2011-12 to 27.88% in 2017-18 (advance estimates), while as the share of services sector has increased from 54.44% in 2011-12 to 56.07% (Adv. est) in 2017-18.

Sectoral percentage contribution to GSDP at constant (2011-12) prices:-

<b>GSDP estimates at constant(2011-12) prices (percentage distribution)</b>									
<b>S. No</b>	<b>Sector</b>	<b>Base year 2011-12(P)</b>	<b>2012-13 (P)</b>	<b>2013-14 (P)</b>	<b>2014-15 (P)</b>	<b>2015-16 (2R)</b>	<b>2016-17 (1R)</b>	<b>2017-18 (A)</b>	<b>2018-19(rough est.)</b>
1	Agriculture, forestry and fishing	17.47	16.24	16.11	14.90	15.91	15.96	16.05	16.18
1.1	Crops	10.64	9.54	9.79	7.45	8.83	8.63	8.79	8.86
1.2	Livestock	4.60	4.45	4.11	5.09	5.06	5.36	5.40	5.53
1.3	Forestry and logging	1.80	1.83	1.81	1.93	1.66	1.61	1.51	1.45
1.4	Fishing and aquaculture	0.43	0.42	0.40	0.42	0.37	0.37	0.34	0.33
2	Mining and quarrying	0.44	0.53	0.44	0.35	0.68	0.37	0.63	0.64
3	Manufacturing	10.67	9.66	9.42	10.08	9.63	9.94	9.80	9.85
4	Electricity, gas, water supply & other utility services	8.24	9.50	9.36	6.65	9.69	9.85	9.71	9.75
5	Construction	8.73	8.31	8.76	8.66	7.79	7.98	7.75	7.66
	<b>Industry</b>	<b>28.09</b>	<b>27.99</b>	<b>27.99</b>	<b>25.74</b>	<b>27.79</b>	<b>28.15</b>	<b>27.88</b>	<b>27.90</b>
6	Trade, repair, hotels and restaurants	8.92	9.76	9.75	9.84	9.83	8.63	9.17	9.18
7	Transport, storage, communication & services related to broadcasting	6.31	6.74	7.17	8.29	7.89	7.91	7.91	7.96
8	Financial services	3.02	3.36	3.88	4.60	4.13	4.22	4.19	4.16
9	Real estate, ownership of dwelling & professional services	12.69	12.80	12.85	13.74	12.04	11.92	11.32	10.97
10	Public administration and defence	15.08	14.75	13.14	13.56	14.34	15.01	15.25	15.42
11	Other services	8.42	8.36	9.11	9.35	8.07	8.20	8.23	8.23
	<b>Services</b>	<b>54.44</b>	<b>55.76</b>	<b>55.90</b>	<b>59.37</b>	<b>56.30</b>	<b>55.89</b>	<b>56.07</b>	<b>55.92</b>
	<b>Total GSVA at basic prices</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>

The comparative growth rates of J&K States vis a vis All India are given in the following table:-

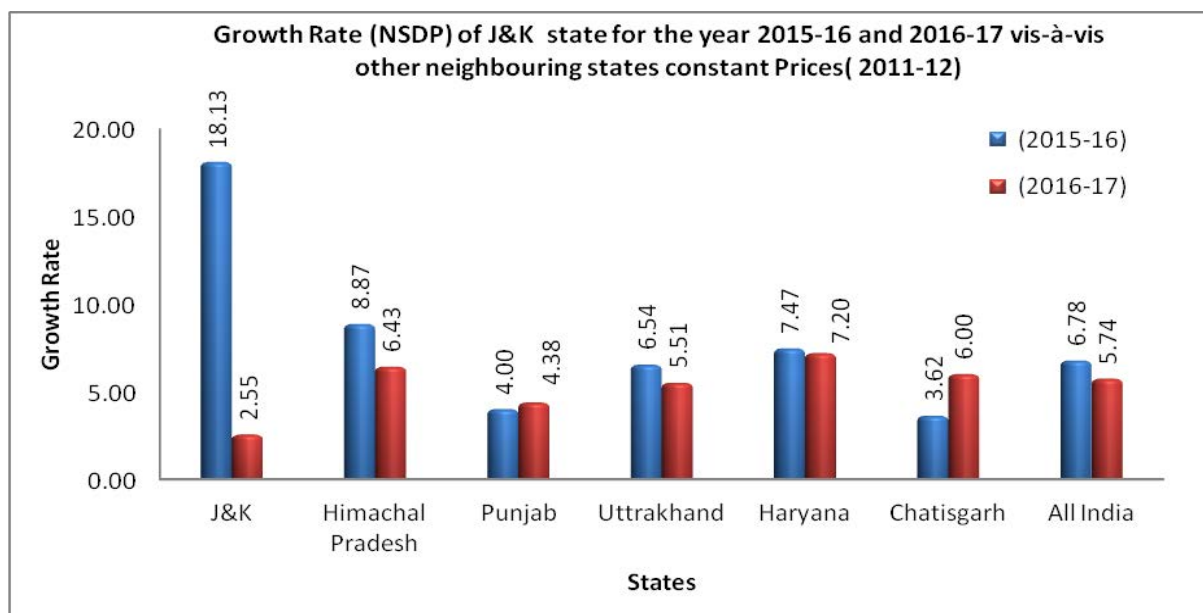
Comparative growth – J&K state vis-à-vis country				
Year	GSDP		GDP	
	Constant 2011-12 prices	Current prices	Constant 2011-12 prices	Current prices
2012-13	3.22	11.36	5.46	13.82
2013-14	5.34	9.72	6.39	12.97
2014-15	-3.32	2.84	7.51	10.79
2015-16	18.39	19.44	8.01	9.94
2016-17	3.29	7.48	7.11	10.98

GSDP OF J&K State in comparison with neighbouring states is given in the following table:-

GSDP OF J&K State vis-à-vis other neighbouring states								
State	GSDP (2015-16)-(Rs in crore)		Growth GDP/GSDP (2015-16)		GSDP (2016-17)-(Rs in crore)		Growth GDP/GSDP (2016-17)	
	Constant 2011-12 prices	Current prices	Constant 2011-12 prices	Current prices	Constant 2011-12 prices	Current prices	Constant 2011-12 prices	Current prices
J&K	97390	117451	18.39	19.44	100598	126231	3.29	7.48
Himachal	97207	112852	9.14	8.78	103914	125227	6.9	10.97
Punjab	328973	391543	5.43	10.32	348487	427870	5.93	9.28
Uttarakhand	152175	176171	7.71	9.13	162824	195192	7	10.8
Haryana	399646	485184	9	10.91	434608	547396	8.75	12.82
Chhattisgarh	209012	260776	6.63	10.98	223932	290140	7.14	11.26
All India (GDP)	11381002	13682035	8.01	9.94	12189854	15183709	7.11	10.98

Comparison of Per capita income (NSDP) of J&K state with some other neighbouring states in the following table:-

Per capita income (NSDP) of J&K state vis-à-vis other neighbouring states								
State	2015-16 (Fig. in rupees)		Growth (2015-16) over previous year		2016-17 (Fig. in rupees)		Growth (2016-17) over previous year	
	Constant 2011-12 prices	Current prices	Constant 2011-12 prices	Current prices	Constant 2011-12 prices	Current prices	Constant 2011-12 prices	Current prices
J&K	59824	73054	18.13	19.40	61349	77918	2.55	6.66
Himachal Pradesh	114478	134376	8.87	8.78	121843	146073	6.43	8.70
Punjab	99372	119261	4.00	9.52	103726	128821	4.38	8.02
Uttarakhand	126562	146826	6.54	8.06	133534	160795	5.51	9.51
Haryana	133591	162034	7.47	9.13	143211	180174	7.20	11.19
Chhattisgarh	67185	84767	3.62	8.67	71214	91772	6.00	8.26
All India	77803	94130	6.78	8.88	82269	103219	5.74	9.66



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## **Section 2**

### **Policy Choices**

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## Chapter 1

# Incentives Vs Infrastructure

The state of Jammu and Kashmir located far away from the market, and the major raw material source base, has historically remained isolated from the major industrial development action happening in the plains. The geographical isolation has restricted state's industrial activity to a selected few sectors in which it either had impressive expertise or had raw material locally available. At one point of time, forests were the main wealth-making resources till the sector was nationalised and new conservation norms took over.

Historically, most of the manufacturing activity in the state has remained restricted to the state's inherent capacities in agriculture and handicrafts. Both the areas remained, and partly still are, restricted to unorganised cottage sector. This has helped the non local corporate houses in respective sectors gradually takeover. The fall of various local dairy products and their takeover by the branded products from the plains and the takeover by Punjab machine made products of the heritage handicrafts sector triggered crises for the local unorganised sector.

In order to help local investors, and in certain cases, major business houses, to set up some manufacturing facilities in the state, the state government provided incentives to introduce industrialisation in J&K state. It started with the offer of developed land for setting up of enterprises, which was followed by concessional power. Since most of the industrial units were relying heavily on the raw material from the plains, the long haul from the railhead would make the production costlier. This necessitated the transport subsidy. The net power deficit encouraged a free alternative system to generate current.

With the passage of time, the policy makers and the industry continued cobbling many other relaxations that led to a variegated basket of industry incentives. At one point of time, state government was offering a set of as many as 14 different incentives to the industry. But the delay in sanctioning of the incentives and the disbursement process would not create the desired results. In certain cases, certain products coming from the plains would still be cheaper in comparison to the local produce simply because the local investors lacked the economies of scale. This made sustaining the incentive basket all the more important for the state government.

It was in this backdrop that the central government announced a comprehensive industry specific package that offered a new set of concessions to the industry. The idea was to make states like North East, Himachal and Jammu & Kashmir attractive for new investments. The package was a major game-changer from the point of view of the state because it offered an

additional window for the policy makers to see some possibility of getting best industrial practices, help exploit local raw material, add to the modest GSDP, and more importantly, help manage part of the unemployment problem.

The central package attracted major manufacturing houses to the state, mostly to Jammu, Samba and Kathua because of its proximity with the market, rail head and the raw material. The overall investment in the small, medium and large sectors was Rs 8070 crore by the end of March 2016. This also encouraged some of the local investors to set up plants in areas which were un-attractive for the major houses.

The Industry got a boost when the then Prime Minister Atal Behari Vajpayee on November 14, 2002 announced a ten year package aimed at helping state manage its massive unemployment and manage its infrastructure deficit. Apart from 100 percent excise duty refund for new ventures and substantial expansion of the existing ones (25% additional expansion); the package offered capital investment incentive of 15 percent within rupees three million; full reimbursement of insurance premium on capital investment; and three percent interest subsidy on capital investment. Besides, the investments were exempted from income tax for five years with concessions for further five years as well.

At one point of time, the central government revisited the incentives packages and made certain corrections. This triggered some judicial interventions as well. On March 27, 2008, an amended notification devoured part of the excise refund and permitted it to the level of value addition only. It reduced the refund off take from an average 10-14% to 0.5 to 1.5%.

Despite the amendment, it continued to be an attraction. By the end of 2015-16, Central Excise had refunded about an amount of Rs 5963.47 crore in J&K, mostly to the industrial sector.

State government has offered around Rs 700 crore of concession on VAT front alone.

In 2016, the state government for the first time, revisited the twin incentive packages and created a comprehensive new policy. Various shifts were affected in areas where incentives were flowing from two ends.

As J&K embraced the new tax system after the GST was introduced across the country, the industry started exhibiting tensions. The GST does not permit any takeaways as a system per se. The state government took the case to the GST Council where a new system got evolved on the sharing of the incentives.

GST is a sort of level player in the industry sector. Without concessions, the sector offers the same set of concessions and privileges to manufacturers and the consumers which is the hallmark of a common market. Setting up an industrial unit in Srinagar or Kanyakumari makes no big difference, given the basics of the GST system that works on linkages on production as well as consumption side.

For any state, extending incentives to industry may remain a temporary phase but cannot be continued in perpetuity because concessions are in clash with the GST structure. Since

most of the manufacturing base that is listed for various concessions, their produce is supplied to the main market in the plains which essentially mains while the state government makes investments, its in-put credit goes to the consumers somewhere else. Almost ninety percent of the products manufactured in J&K move out, some to even off shore markets.

There is an urgent need to initiate a serious rethink on certain issues: What will be the output from the industry for the state government for continuing the concessions set-up? Will it produce for the local market without compromising its viability? Or will the concessions be linked to the quantum of local employment and jobs it will offer? Should the state government start creating a negative list for investment and prefer areas which are close to its market and raw material? These are some of the questions that need to be looked into for answers.

The State government on its part will have to justify the off take from the public exchequer for manufacturing things which are otherwise available to the consumer at a slightly lesser cost. In order to help the government explain its existing systems of takeaways from the system, the industry will have to come forward and link the concessions with certain key things that it will willingly offer in return.

The scene on the jobs front has not been very impressive. When the central package was announced, the main focus was that, new investments will reduce the joblessness. But it did not help much because the industry said it is not getting the people with the requisite skill sets that it requires.

Though most of the ITIs and other training institutions are linked with the industry, it still is not offering a positive outcome. There are serious issues on the wages front as well. Besides, welfare issues also have certain huge questions marks both on the industry front and the systemic side.

This crisis has led to the amendments in the industrial policy permitting investors to get the skilled manpower from outside the state. Though the package is in play for more than one-and-a-half-decade, it has not still triggered the change, it was targeted at. That is the question that needs to be answered by all.

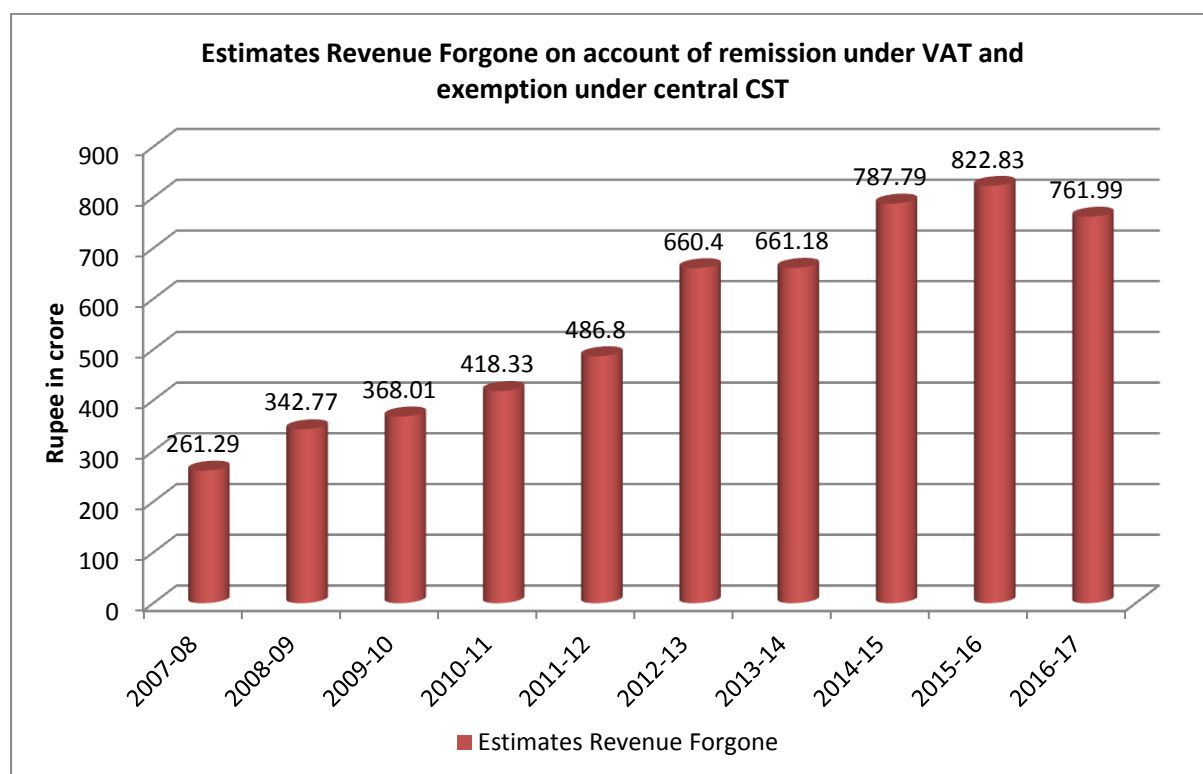
Now the issue is that if Rs 1 crore investment from public kitty, creates X number of jobs in the industry sector, is it more, less or equals the rational expectations. If it falls much below that, then whole policy may require a rethink. If public investment of the state in private sector does not help it manage part of the unemployment load, then planners will have to rediscover another strong reason to keep the concessions intact.

One possibility is to encourage the industry that secures its raw material from outside and supplies within the state. Another possibility is to add to the incentives to the units which have more local employment. Yet another possibility could be preventing certain goods into the state so that local manufacture retains the market without competition. Since the GST has given a level playing field to entire industry, apparently to the disadvantage of the

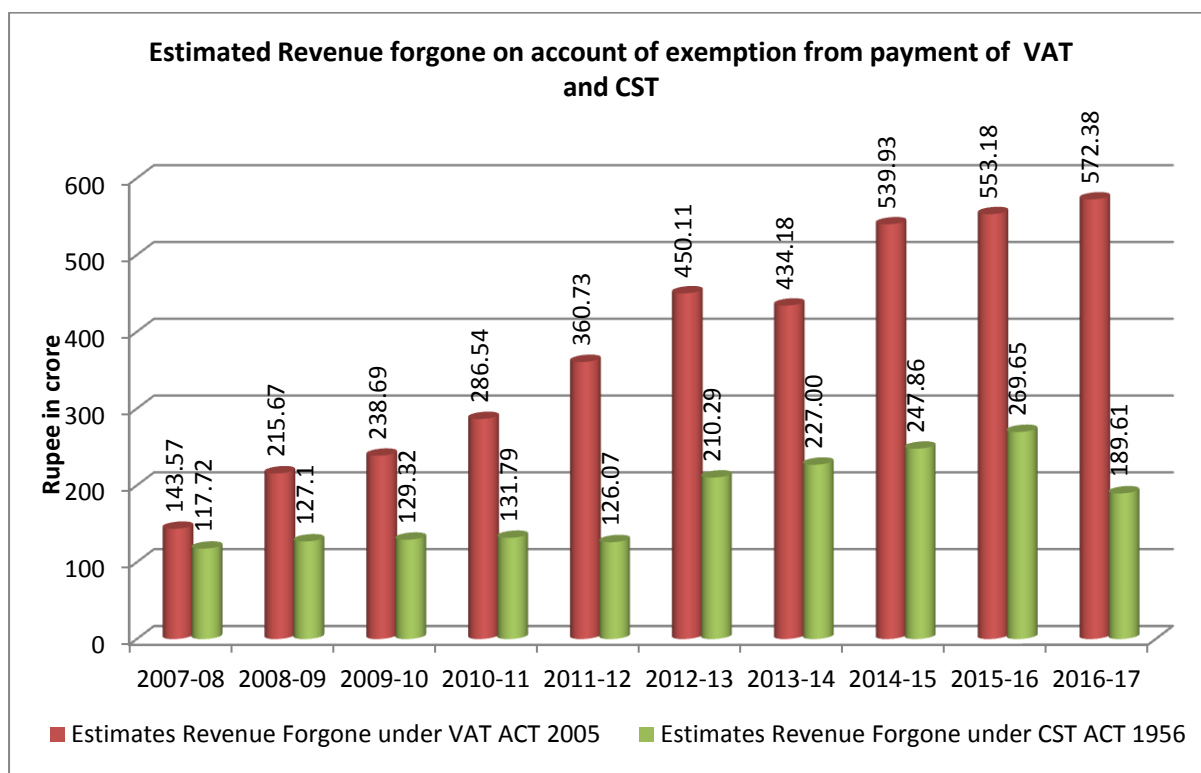


smaller players like J&K, there is a possibility of improved investment in overall infrastructure by debit to the huge kitty that the two governments have been setting aside for industry, over the years. A strong probability is to identify the requirement of the state market and invite industry to help substitute imports.

Estimated Revenue forgone on account of Remission under VAT and exemption under central CST (Rs. In Crore)		
Year	No of SSI Units availing benefits of Tax Remission/ Exemption	Estimates Revenue Forgone
2007-08	2118	261.29
2008-09	3266	342.77
2009-10	3372	368.01
2010-11	3507	418.33
2011-12	3689	486.80
2012-13	4946	660.40
2013-14	3041	661.18
2014-15	3368	787.79
2015-16	3491	822.83
2016-17	3794	761.99



Estimated Revenue forgone on account of allowing of exemption from payment of VAT under J&K VAT Act 2005 and CST under Central Sales Tax Act 1956 (Rs. In Crore)			
Year	No of SSI Units availing benefits of Tax Remission/ Exemption	Estimates Revenue Forgone under VAT ACT 2005	Estimates Revenue Forgone under CST ACT 1956
2007-08	2118	143.57	117.72
2008-09	3266	215.67	127.10
2009-10	3372	238.69	129.32
2010-11	3507	286.54	131.79
2011-12	3689	360.73	126.07
2012-13	4946	450.11	210.29
2013-14	3041	434.18	227.00
2014-15	3368	539.93	247.86
2015-16	3491	553.18	269.65
2016-17	3794	572.38	189.61



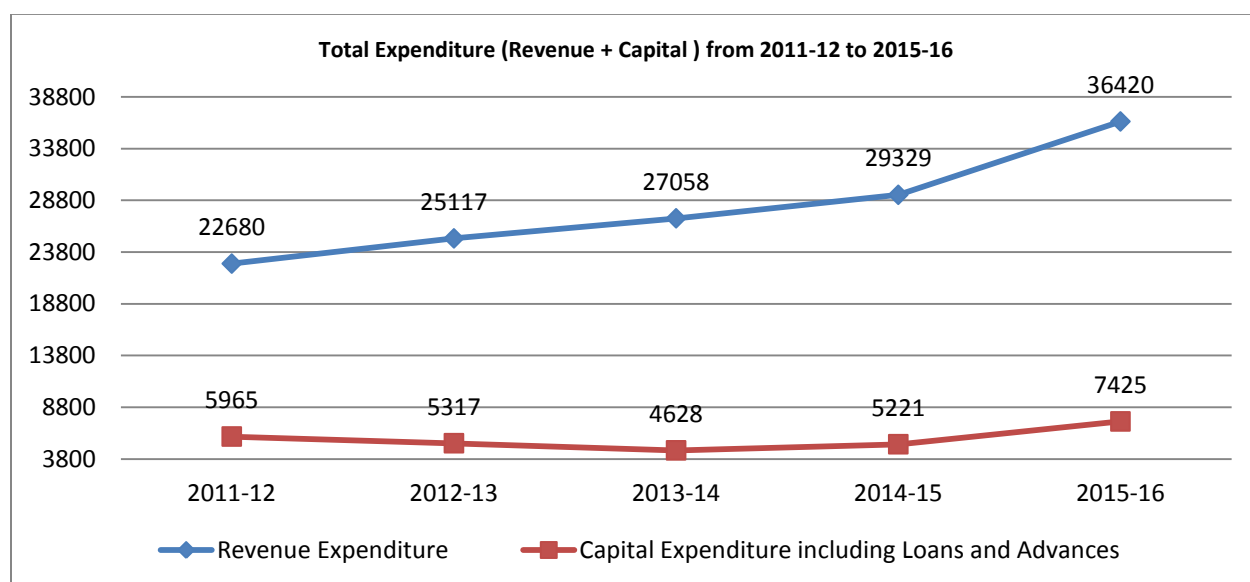
## Chapter 2

# Public Expenditure Policy: Actuals Vs Norms

This chapter, reviewing the Sector wise Public Expenditure in relation to total expenditure of J&K State and Gross State Domestic Product. The total expenditure (Revenue + capital) of J&K State has increased by 53% from Rs. 28645 crore in 2011-12 to Rs. 43845 crore in 2015-16. The Revenue expenditure has increased by 61% from Rs. 22680 crore in 2011-12 to Rs. 36420 crore in 2015-16 whereas the Capital expenditure including loans & advances has increased by 25% from Rs. 5965 crore in 2011-12 to Rs. 7425 crore in 2015-16

Total expenditure (Revenue + Capital) from 2011-12 to 2015-16					(Rs in Crore)
Fiscal Aggregate	2011-12	2012-13	2013-14	2014-15	2015-16
Revenue Expenditure	22680	25117	27058	29329	36420
Capital Expenditure including Loans and Advances	5965	5317	4628	5221	7425
<b>Total</b>	<b>28645</b>	<b>30434</b>	<b>31686</b>	<b>34550</b>	<b>43845</b>

*Source: Comptroller and Auditor General of India*

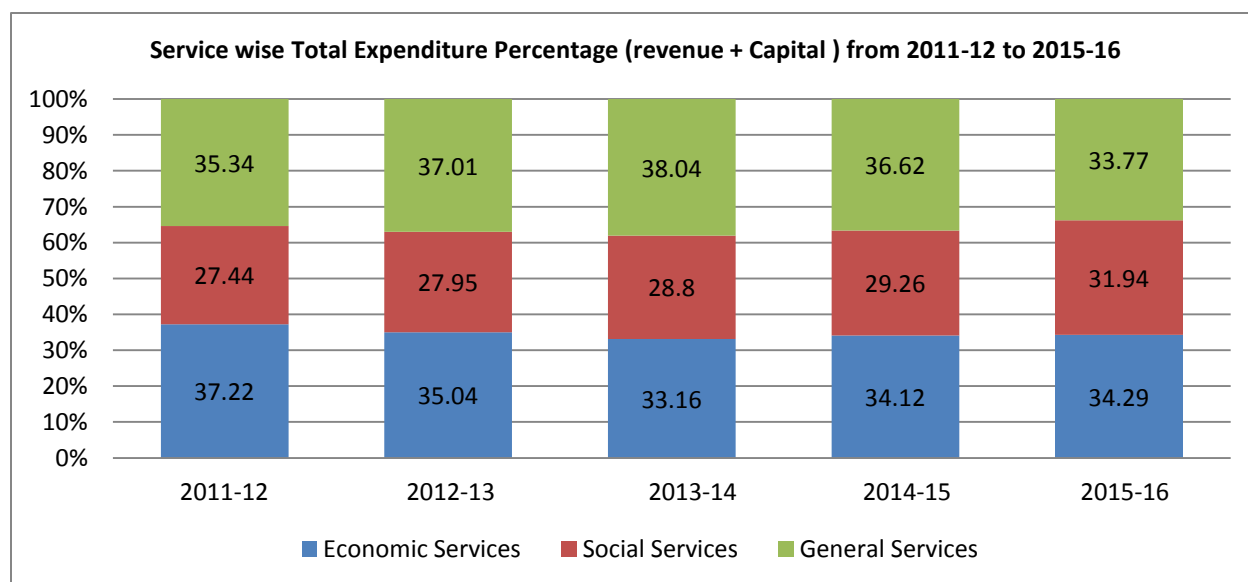


### Sectorwise Total Expenditure (Revenue + Capital)

The table given below reveals that expenditure in “**Economic Services**” has increased by 41% from Rs 10661 Crore in 2011-12 to Rs 15036 Crore in 2015-16 whereas expenditure under “**Social Services**” increased by 78% from Rs. 7861 Crore in 2011-12 to Rs. 14005 Crore in 2015-16 and expenditure under “**General Services**” increased by 46% from Rs. 10123 Crore in 2011-12 to Rs. 14804 Crore in 2015-16. The total Expenditure has increases by 53% from Rs 28710 Crore in 2011-12 to Rs. 43911 Crore in 2015-16.

Sector wise Total Expenditure( Revenue + Capital) from 2011-12 to 2015-16					
Sector/Services	2011-12	2012-13	2013-14	2014-15	2015-16
Economic Services	10661	10665	10506	11788	15036
	(37.22%)	(35.04%)	(33.16%)	(34.12%)	(34.29%)
Social Services	7861	8507	9126	10110	14005
	(27.44%)	(27.95%)	(28.8%)	(29.26%)	(31.94%)
General Services	10123	11262	12055	12652	14804
	(35.34%)	(37.01%)	(38.04%)	(36.62%)	(33.77%)
Total all Services	28645	30434	31686	34550	43845
	(100%)	(100%)	(100%)	(100%)	(100%)

Source: Comptroller and Auditor General of India

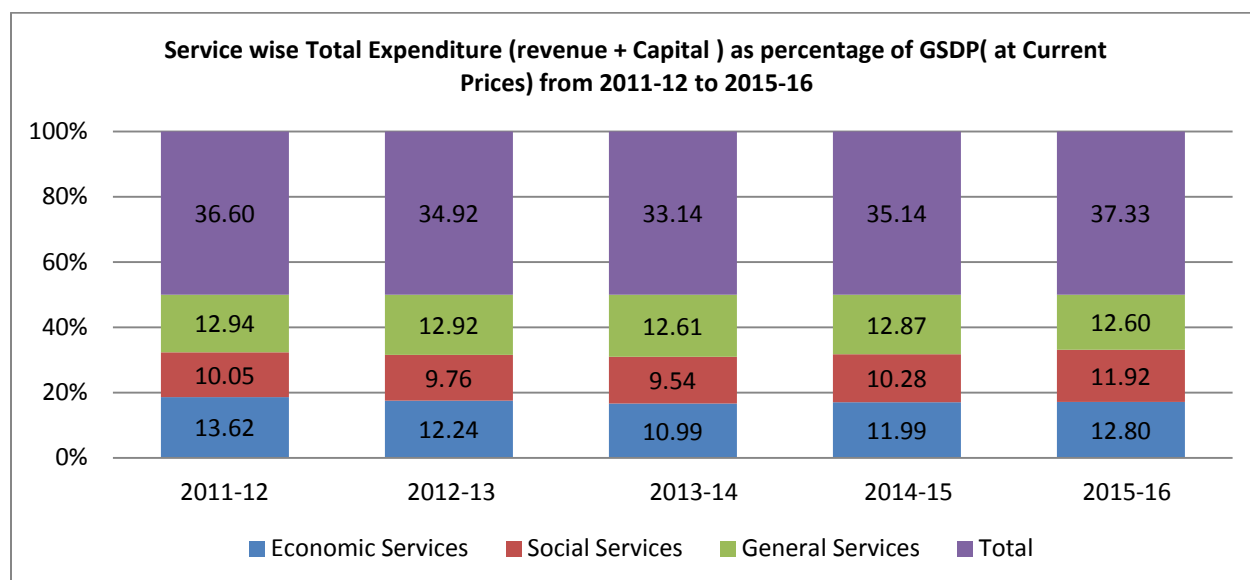


### Sector wise total Expenditure( Revenue + Capital) as percentage of GSDP

The total expenditure as %age of GSDP under “**Economic Services**” in the year 2015-16 stood at 12.82% as compared to 13.62% in the year 2011-12. “**Social Services**” at 11.92% as compared to 10.05% in the year 2011-12, “**General Services**” showed decline from 12.94% to 12.60% during 2011-12 to 2015-16 respectively. The total expenditure as %age of GSDP stood at 37.33% in 2015-16 whereas it was 36.60% in 2011-12.

Sector wise Total Expenditure( revenue + Capital) as per centage of GSDP ( at Current Prices)					
Sector	2011-12	2012-13	2013-14	2014-15	2015-16
Economic Services	13.62	12.24	10.99	11.99	12.80
Social Services	10.05	9.76	9.54	10.28	11.92
General Services	12.94	12.92	12.61	12.87	12.60
<b>Total</b>	<b>36.60</b>	<b>34.92</b>	<b>33.14</b>	<b>35.14</b>	<b>37.33</b>

*Source: Comptroller and Auditor General of India*



### Sector wise total expenditure (Revenue+Capital) as percentage to total expenditure

The share of percentage share of Energy Sector in total expenditure was 15.02%, 16.01%, 14.78%, 14.83% and 16.27% in 2011-12, 2012-13, 2013-14, 2014-15 & 2015-16 respectively, “Agriculture and Allied Activities” 6.39%, 5.55%, 5.65%, 5.71% & 5.59% and “Transport Sector” 4.53%, 2.55%, 1.91%, 3.21%, 1.95% during the said period. The share of percentage expenditure of “General Economic Services” in total expenditure showed decline from 3.01% in 2011-12 to 2.28% in 2015-16.

During 2011-16, the share of “Education, Sports, Art and culture sector” in social services ranged from 12.67% to 15.06% during 2011-12 to 2015-16, “Health & Family Welfare sector” from 5.33% to 5.95%, “Water Supply, Sanitation/H&UDD sector” from 5.09% to 6.59% , “Social Welfare” from 2.66% to 4.90% and “Industries and Minerals” form 1.41% to 1.19 % during the said period.

<b>Sector wise total expenditure ( revenue+ Capital) of the state</b>					
<b>Various items</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>
<b>Economic Services A</b>					
Agriculture and Allied Activities	6.39	5.55	5.65	5.71	5.59
Rural Development	1.94	1.77	1.7	3.11	3.16
Special Areas Programmes	1.83	2.4	2.21	1.76	1.74
Irrigation and Flood Control	2.91	2.59	2.36	1.91	1.99
Energy	15.02	16.01	14.78	14.83	16.27
Industries and Minerals	1.41	1.36	1.39	1.24	1.19
Transport	4.53	2.55	1.91	3.21	1.95
Science, Technology and Environment	0.17	0.14	0.15	0.12	0.13
General Economic Services	3.01	2.68	2.99	2.23	2.28
<b>Total A</b>	<b>37.22</b>	<b>35.04</b>	<b>33.16</b>	<b>34.12</b>	<b>34.29</b>
<b>Social Services B</b>	0	0	0	0.00	0.00
Education, Sports, Art and Culture	13.16	12.67	13.52	13.06	15.06
Health and Family Welfare	5.38	5.33	5.63	5.83	5.95
Water Supply, Sanitation/ H&UD	5.74	6.18	5.09	6.59	5.54
Information and Broadcasting	0.13	0.12	0.16	0.11	0.12
Social Welfare	2.66	3.14	3.83	3.35	4.90
Others Social Services	0.37	0.51	0.55	0.33	0.37
<b>Total B</b>	<b>27.44</b>	<b>27.95</b>	<b>28.8</b>	<b>29.26</b>	<b>31.94</b>
<b>General Services C</b>	<b>35.34</b>	<b>37.01</b>	<b>38.04</b>	<b>36.62</b>	<b>33.77</b>
<b>Total ( A+B+C)</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

*Source: Comptroller and Auditor General of India*

### **Sectorwise Total Expenditure (Revenue + Capital) as percentage of GSDP( Current Prices)**

The below given table reveals that expenditure as percentage of GSDP in respect of “Energy Sector” was 5.5% in 2011-12 and 6.07% in 2015-16, “Agriculture and Allied Activities” 2.34% in 2011-12 and 2.09% in 2015-16, “Rural Development” 0.71% in 2011-12 and 1.18% in 2015-16), “Industries & Minerals” 0.52% in 2011-12 and 0.45% in 2015-16 and “Irrigation and Flood Control” 1.06% in 2011-12 and 0.74% in 2015-16, “Transport Sector” 1.66% in 2011-12 and 0.73% in 2015-16. In case of “General Economic Services” the %age of expenditure as GSDP declined from 1.10% in 2011-12 to 0.85% in 2015-16.

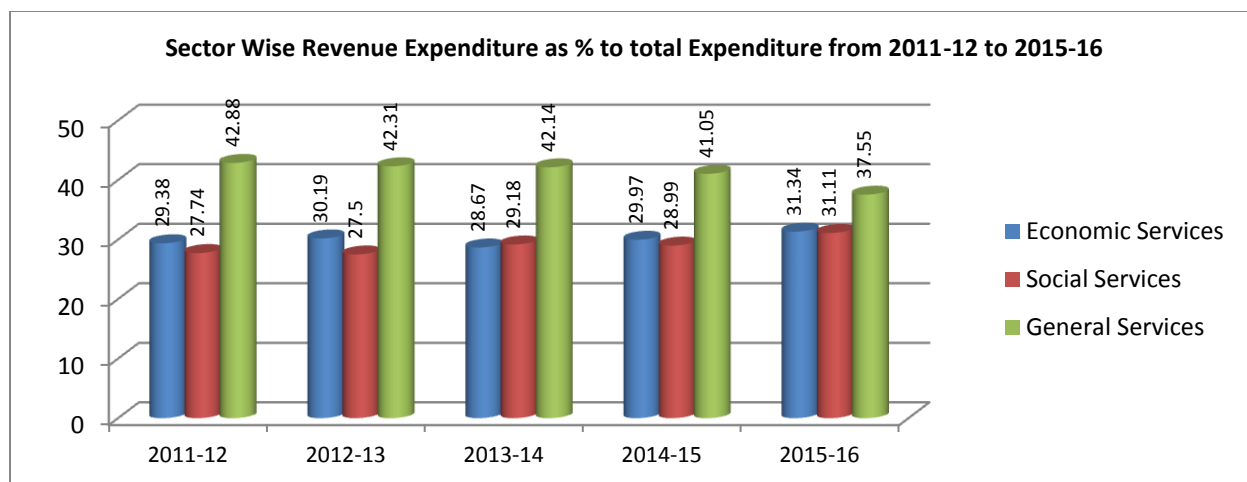
In “Social services”, %age expenditure of GSDP in respect of “Education, Sport, Art and Culture” was 4.82% in 2011-12 and 5.62% in 2015-16), “Health & Family Welfare Sector” 1.97% in 2011-12 and 2.22% in 2015-16) and “Water Supply , Sanitation /H&UD Sector” 2.10% in 2011-12 to 2.07% in 2015-16.

<b>Sectorwise Total Expenditure ( Revenue + Capital) as percentage of GDP( Current Prices)</b>					
<b>Various items</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>
<b>Economic Services C</b>					
<b>Agriculture and Allied Activities</b>	2.34	1.94	1.87	2.01	2.09
Rural Development	0.71	0.62	0.56	1.09	1.18
Special Areas Programmes	0.67	0.84	0.73	0.62	0.65
Irrigation and Flood Control	1.06	0.9	0.78	0.67	0.74
Energy	5.5	5.59	4.9	5.21	6.07
Industries and Minerals	0.52	0.48	0.46	0.43	0.45
Transport	1.66	0.89	0.63	1.13	0.73
Science, Technology and Environment	0.06	0.05	0.05	0.04	0.05
General Economic Services	1.1	0.94	0.99	0.78	0.85
<b>Total C</b>	<b>13.62</b>	<b>12.24</b>	<b>10.99</b>	<b>11.99</b>	<b>12.8</b>
<b>Social Services B</b>					
Education, Sports, Art and Culture	4.82	4.42	4.48	4.59	5.62
Health and Family Welfare	1.97	1.86	1.87	2.05	2.22
Water Supply, Sanitation/ H&UD	2.1	2.16	1.69	2.31	2.07
Information and Broadcasting	0.05	0.04	0.05	0.04	0.04
Social Welfare	0.97	1.1	1.27	1.18	1.83
Others Social Services	0.14	0.18	0.18	0.11	0.14
<b>Total B</b>	<b>10.05</b>	<b>9.76</b>	<b>9.54</b>	<b>10.28</b>	<b>11.92</b>
General Services A	12.94	12.92	12.61	12.87	12.6
<b>Total ( A+B+C)</b>	<b>36.60</b>	<b>34.92</b>	<b>33.14</b>	<b>35.14</b>	<b>37.33</b>
<i>Source: Comptroller and Auditor General of India</i>					

### Sector wise Revenue Expenditure as %age to total revenue expenditure

The expenditure under “Economic Services” has increased from Rs 6663 crore in 2011-12 to Rs 11415 crore(71%) whereas expenditure under “**Social Services**” increased from Rs 6293 crore in 2011-12 to Rs 11331 crore in 2015-16(80%) and “General Services” increased from Rs 9725 crore in 2011-12 to Rs 13675 crore in 2015-16(41%).

<b>Total Revenue expenditure form 2011-12 to 2015-16</b>						<b>Rs in Crore</b>
S.no	Sector/Services	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>
1	Economic Services	6663 (29.38%)	7583 (30.19%)	7759 (28.67%)	8789 (29.97%)	11415 (31.34%)
2	Social Services	6293 (27.74%)	6908 (27.50%)	7896 (29.18%)	8501 (28.99%)	11331 (31.11%)
3	General Services	9725 (42.88%)	10626 (42.31%)	11403 (42.14%)	12039 (41.05%)	13675 (37.55%)
	<b>Total</b>	<b>22680 (100%)</b>	<b>25117 (100%)</b>	<b>27085 (100.00%)</b>	<b>29329 (100.00%)</b>	<b>36420 (100.00%)</b>
<i>Note: - Figures in brackets indicate expenditure as %age to total expenditure</i>						
<i>Source: Comptroller and Auditor General of India</i>						

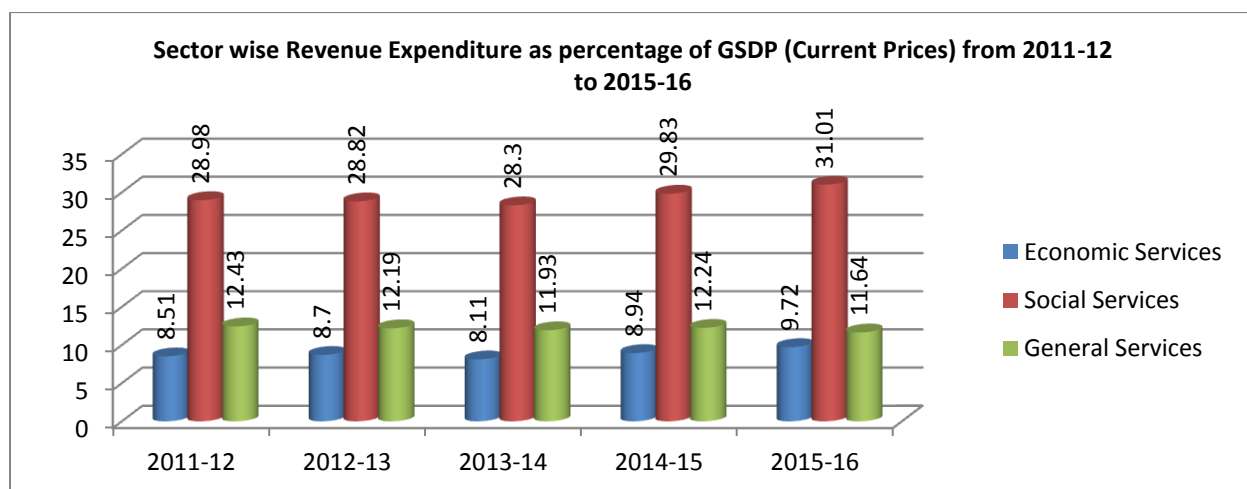


### Sector Wise Revenue Expenditure as percentage of GSDP

The revenue expenditure as %age of GSDP under “**Economic Services**” in the year 2015-16 stood at 9.72% while as it was 8.51% in the year 2011-12. “**Social Services**” stood at 31.01% in 2015-16 as compared to 26.98% in the year 2011-12. The expenditure as percentage of GSDP under “**General Services**” showed decline during 2011 to 2016 from 12.43% to 11.64%. The total revenue expenditure as %age of GSDP stood at 31.01% in 2015-16 and 28.98% in 2011-12.

<b>Sector wise Revenue Expenditure as percentage of GSDP (Current prices) from 2011-12 to 2015-16</b>					
<b>Sector/Services</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>
Economic Services	8.51	8.7	8.11	8.94	9.72
Social Services	28.98	28.82	28.3	29.83	31.01
General Services	12.43	12.19	11.93	12.24	11.64
<b>Total all Services</b>	<b>28.98</b>	<b>28.82</b>	<b>28.3</b>	<b>29.83</b>	<b>31.01</b>

Source: Comptroller and Auditor General of India



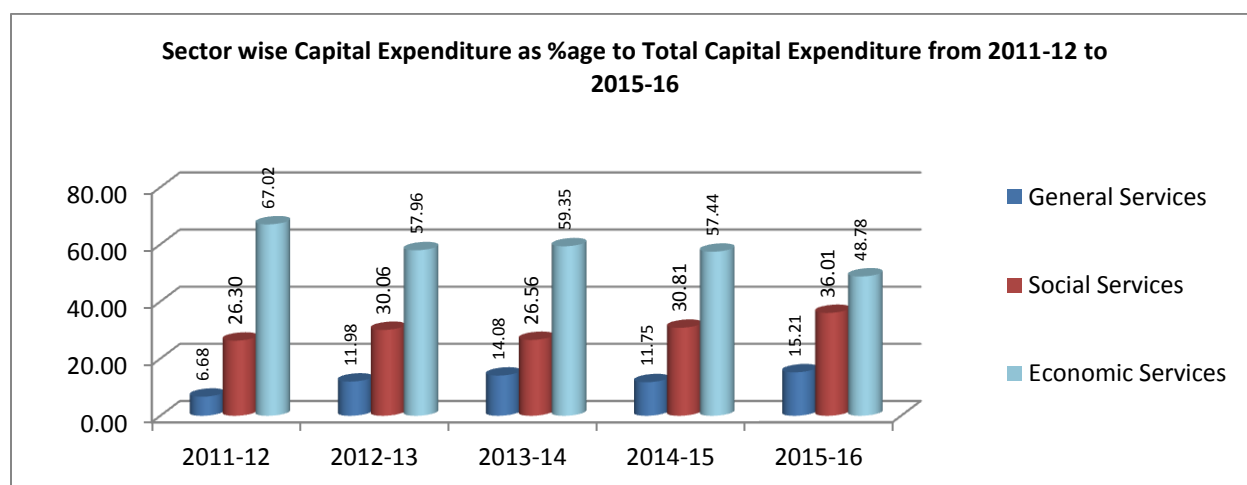


## Sector wise Capital Expenditure

The total Capital expenditure of the state has increased from Rs 5965 crore in 2011-12 to Rs 7425 crore in 2015-16 thus registering an increase of 24% during the same period. The expenditure on “Economic Services” has decreased from Rs 3997 crore in 2011-12 to Rs 3622 crore(-9%) in 2015-16 where as Social Services increased from Rs 1569 crore in 2011-12 to Rs 2674 crore in 2015-16(70%) and General Services from Rs 398 crore in 2011-12 to Rs 1129 crore in 2015-16 (184%).

Total Capital Expenditure of J&K State from 2011-12 to 2015-16						Rs in Crore
S.no	Sector	2011-12	2012-13	2013-14	2014-15	2015-16
1	Economic Services	3997 (67.02%)	3082 (57.96%)	2747 (59.35%)	2999 (57.44%)	3622 (48.78%)
3	Social Services	1569 (26.30%)	1599 (30.06%)	1229 (26.56%)	1609 (30.81%)	2674 (36.01%)
4	General Services	398 (6.68%)	636 (11.98%)	652 (14.08%)	614 (11.75%)	1129 (15.21%)
	<b>Total</b>	<b>5965</b> <b>(100.00%)</b>	<b>5317</b> <b>(100.00%)</b>	<b>4628</b> <b>(100.00%)</b>	<b>5221</b> <b>(100.00%)</b>	<b>7425</b> <b>(100.00%)</b>

Note: - Figures in brackets indicate expenditure as %age to total Capital expenditure  
Source: Comptroller and Auditor General of India



The above table also reveals that share of “Economic Services” in total capital expenditure in 2011-12 was 67.02% which declined to 48.78% in 2015-16. The share of “Social Services” in total capital expenditure in 2011-12 was 26.30% which rose to 36.01% in 2015-16. The share of “General Services” in total capital expenditure in 2011-12 was 6.68% which rose to 15.21% in 2015-16.

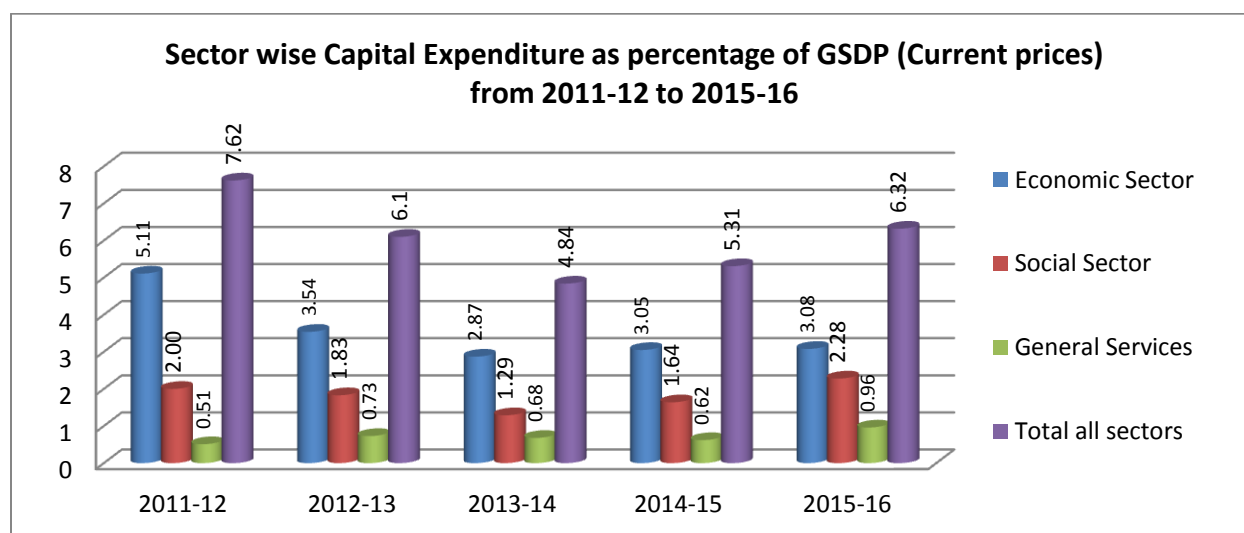
## Capital Expenditure as percentage of GSDP

The Capital expenditure as %age of GSDP in “Economic Services” in the year 2015-16 stood at 3.08% as compared to 5.11% in the year 2011-12, “General Services” was 0.96% in 2015-16 as

compared to 0.51% in the year 2011-12 whereas “**Social Services**” was 2.28% in 2015-16 as compared to 2.00% in the year 2011-12. The total capital expenditure as %age of GDP was 6.32% in 2015-16 as compared to 7.62% in 2011-12.

<b>Sector wise Capital Expenditure as percentage of GDP (Current prices)</b>					
<b>Sector</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>
Economic Services	5.11	3.54	2.87	3.05	3.08
Social Services	2.00	1.83	1.29	1.64	2.28
General Services	0.51	0.73	0.68	0.62	0.96
<b>Total all sectors</b>	<b>7.62</b>	<b>6.10</b>	<b>4.84</b>	<b>5.31</b>	<b>6.32</b>

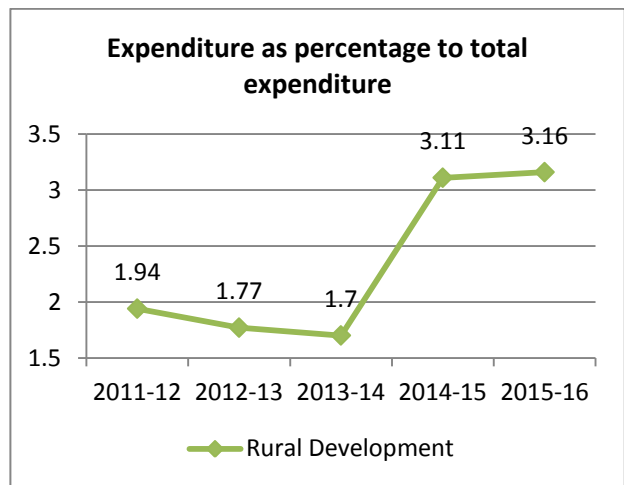
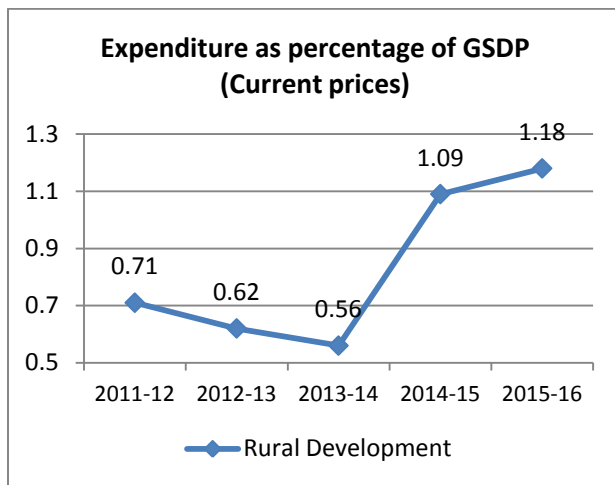
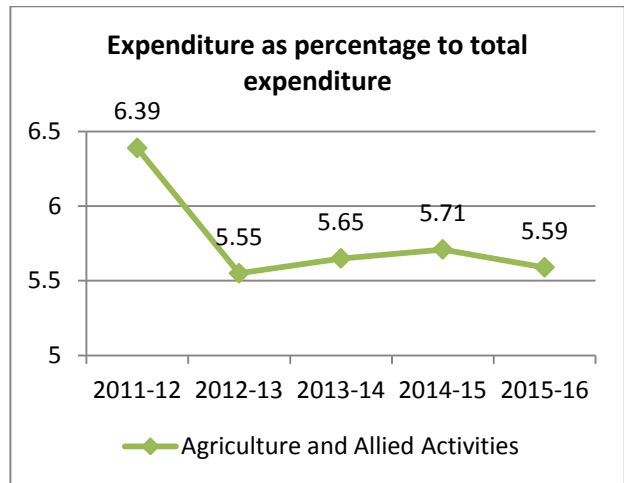
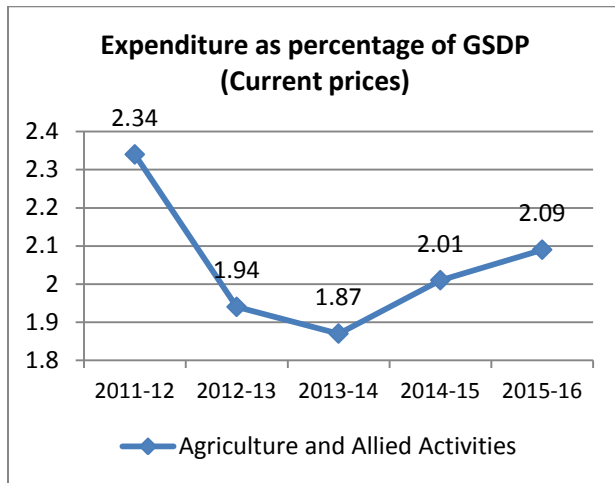
Source: Comptroller and Auditor General of India

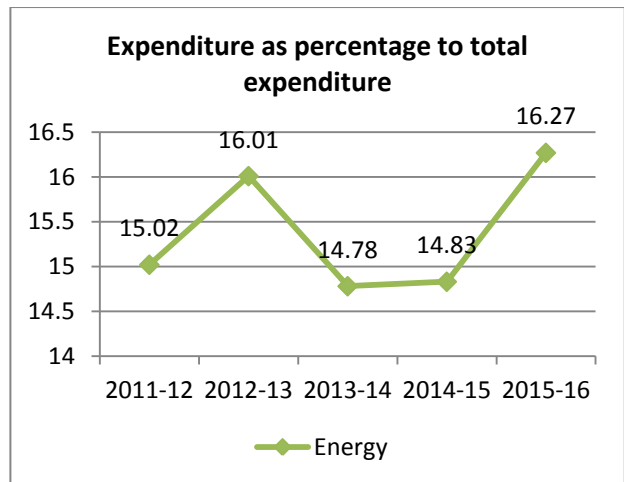
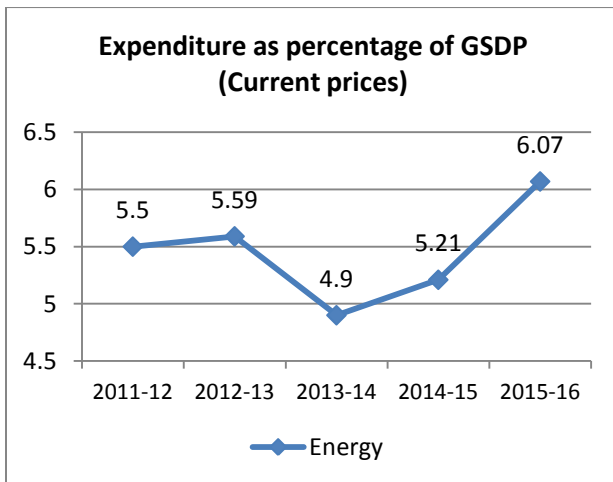
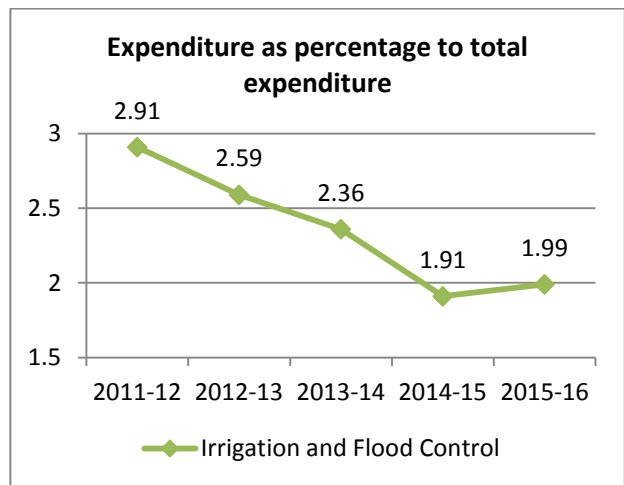
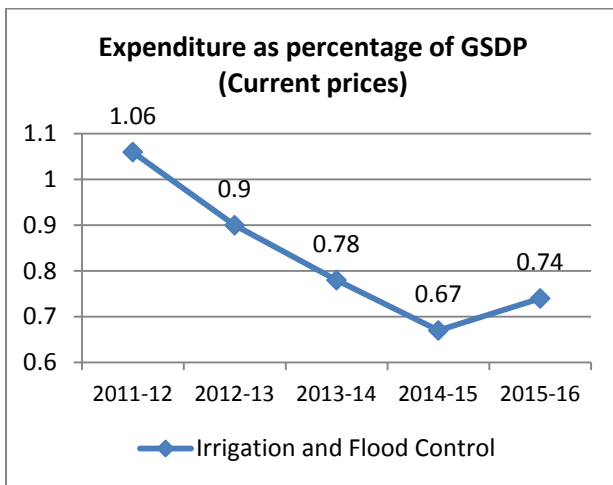
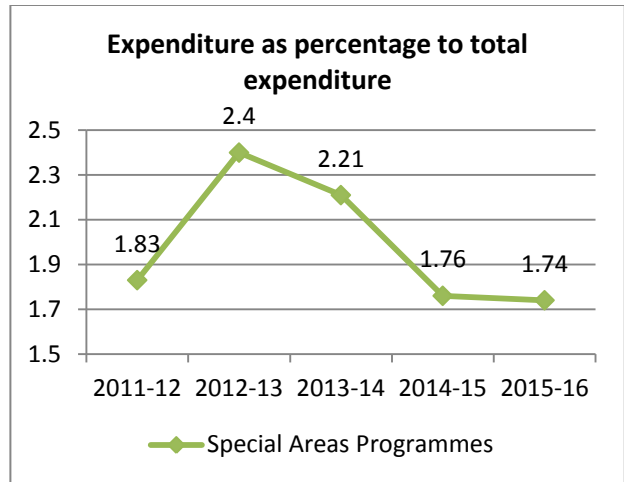
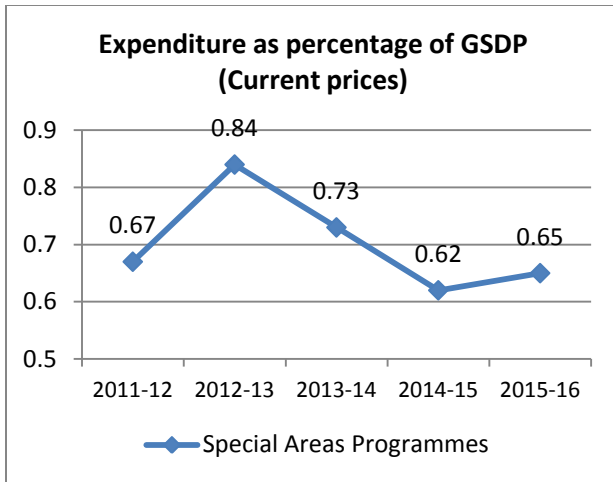


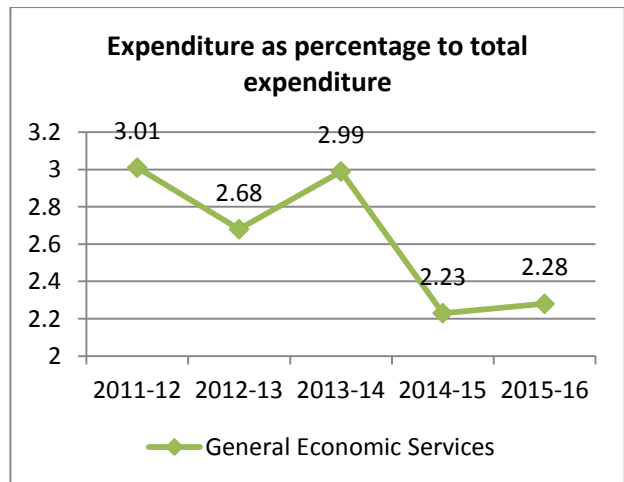
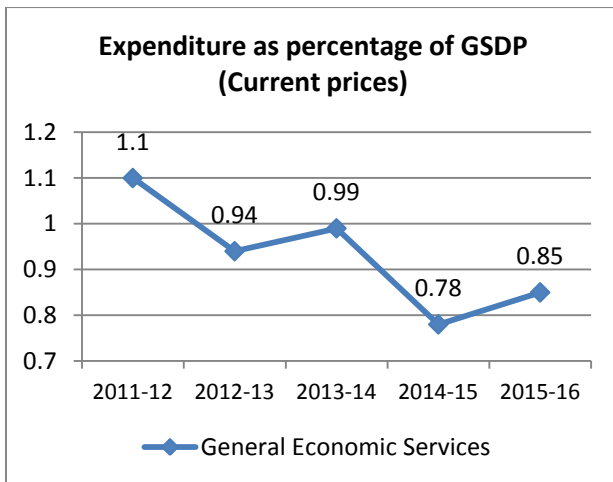
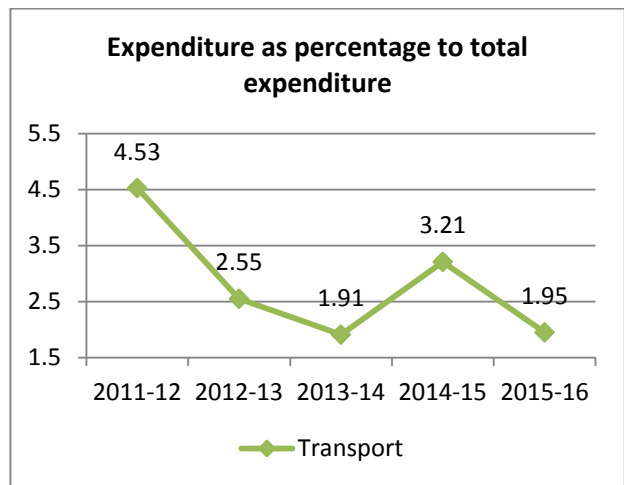
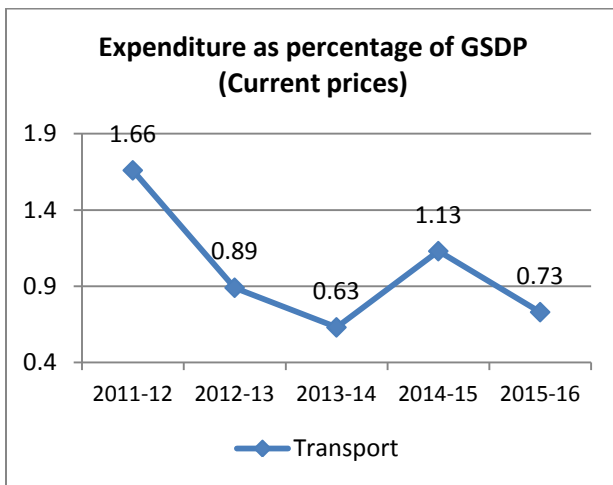
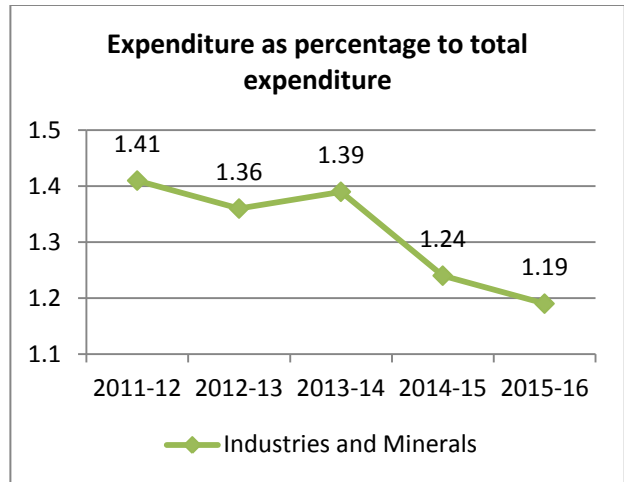
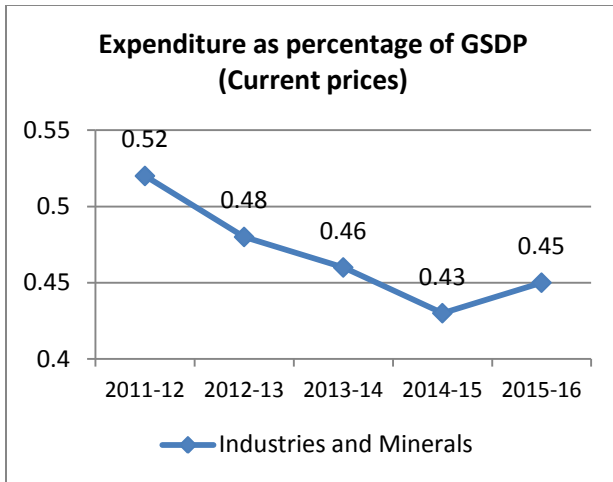
**Graphical Representation of sector wise expenditure as percentage of total expenditure and as percentage of GSDP**

**Sector wise expenditure as percentage of GSDP**      **Sector wise expenditure as percentage of total expenditure**

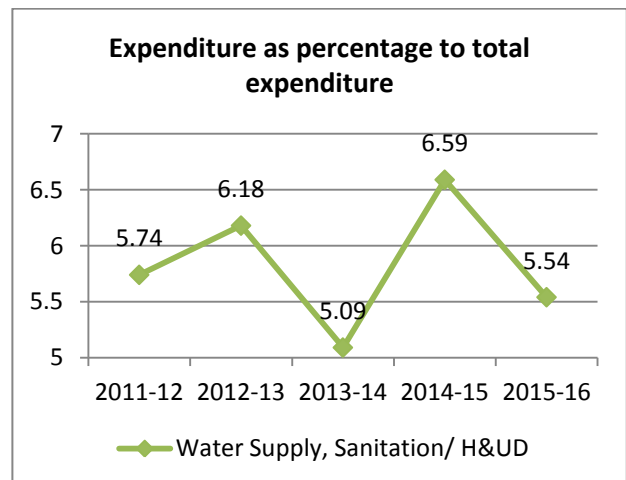
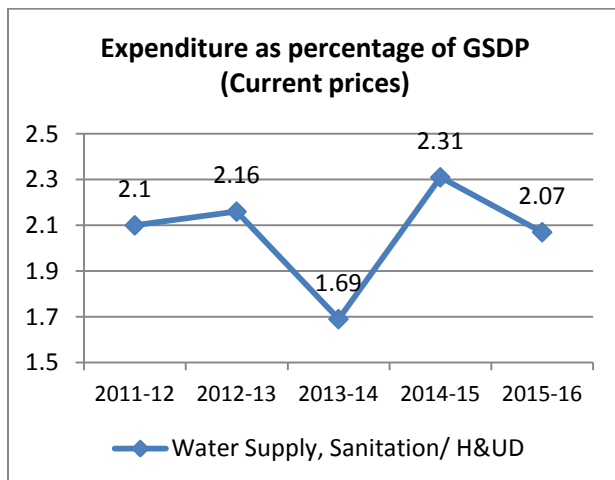
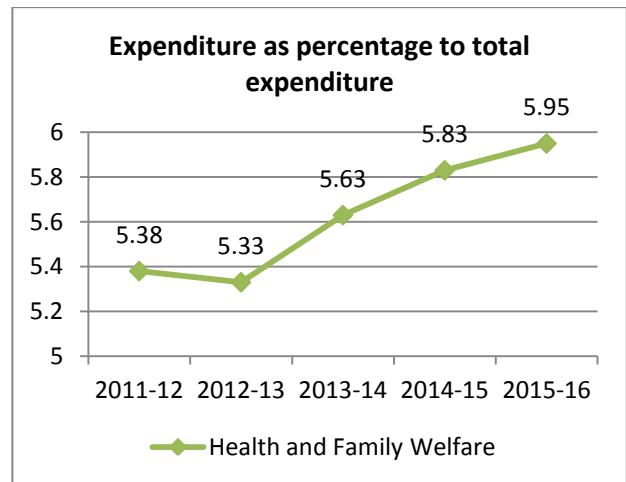
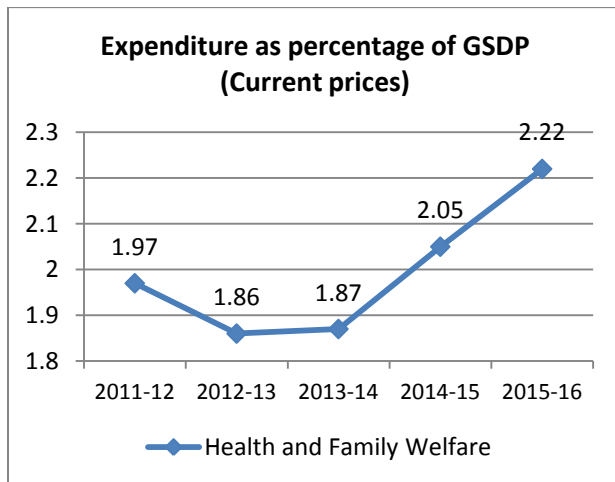
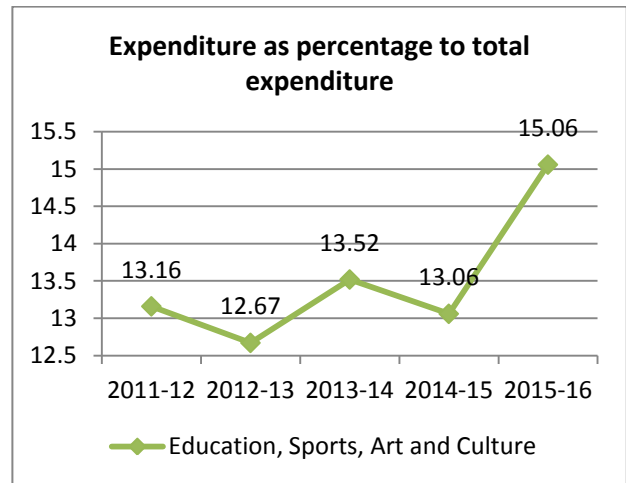
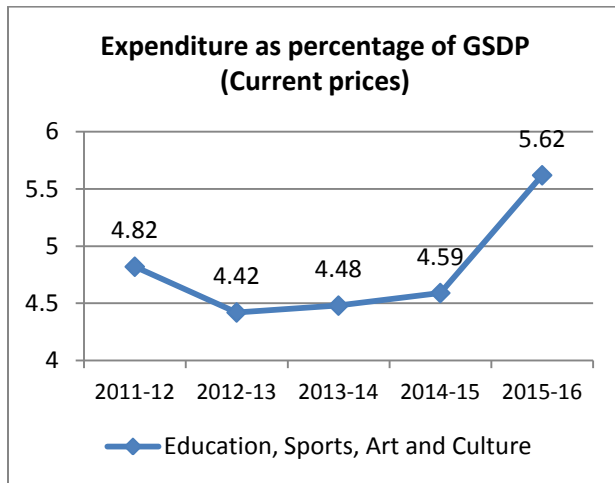
**Economic Services**

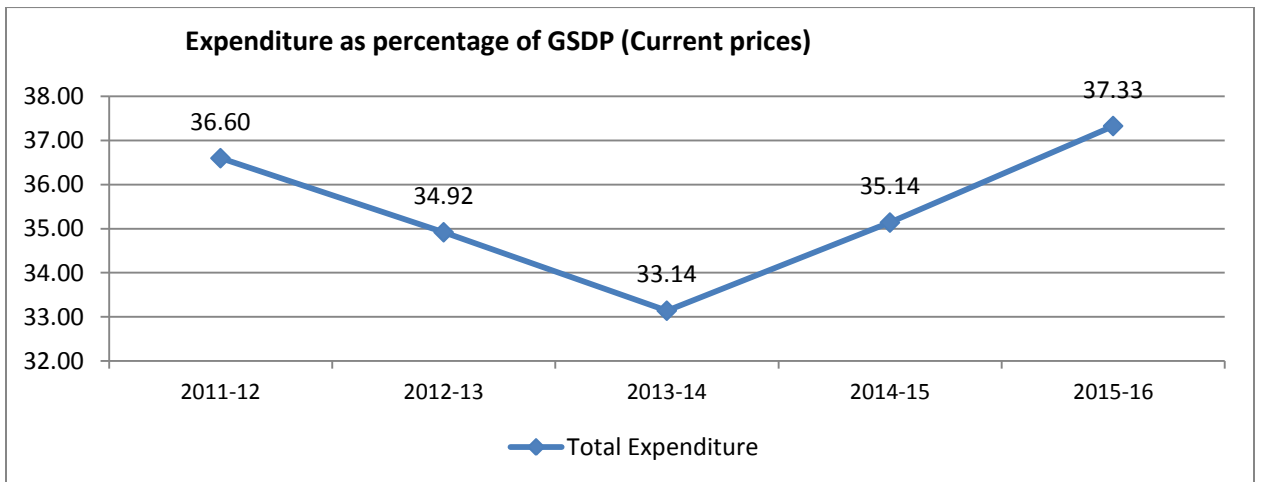
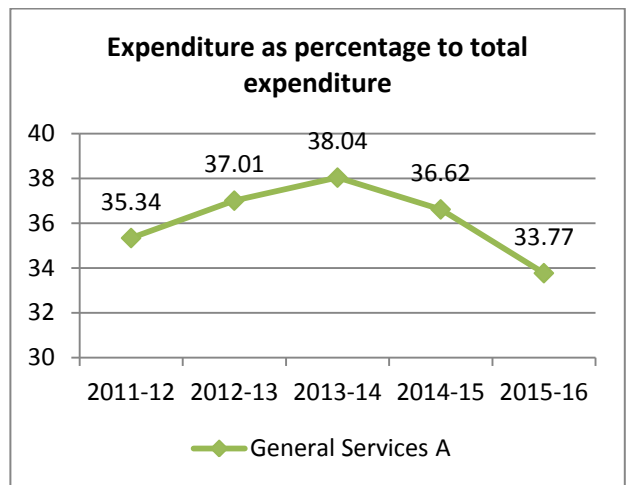
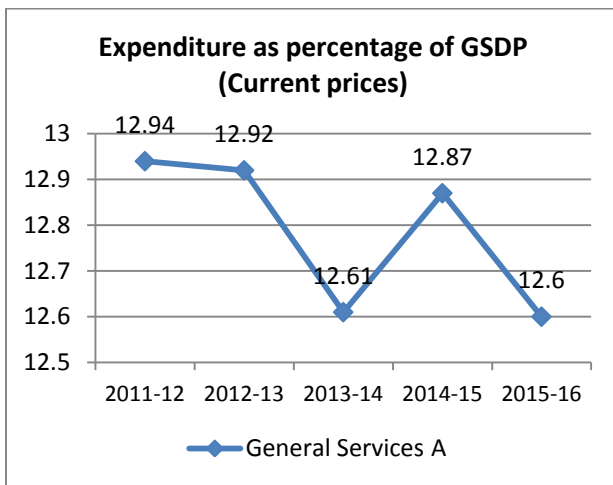
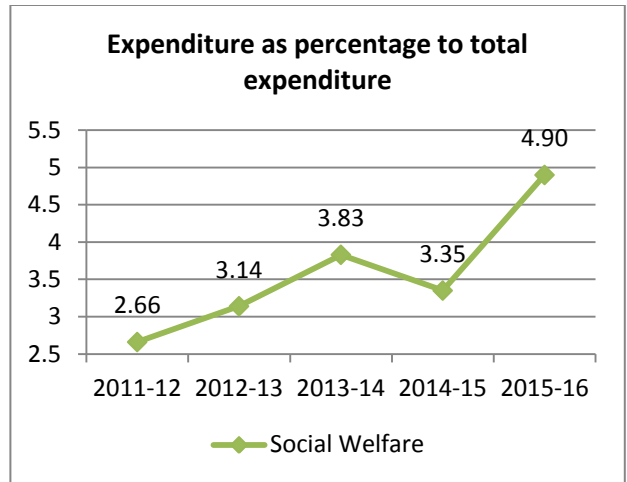
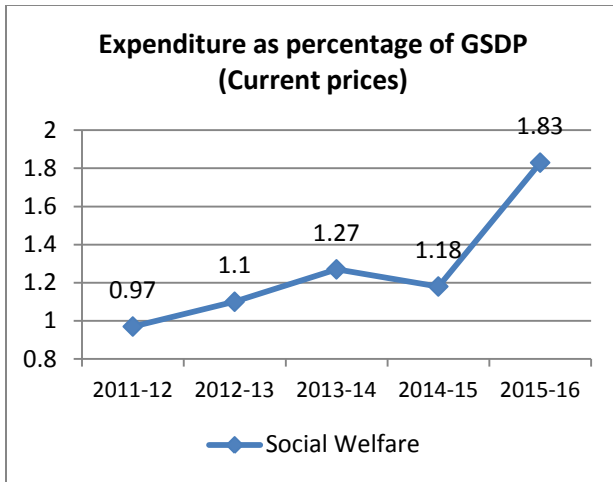






### Social Services





<b>Sector wise total expenditure (Revenue+Capital) of the state</b>					<b>(Rs in crore)</b>
<b>Various items</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>
<b>Economic Services A</b>					
Agriculture and Allied Activities	1830	1689	1792	1972	2450
Rural Development	557	540	540	1074	1385
Special Areas Programmes	525	729	702	608	764
Irrigation and Flood Control	833	788	747	661	871
Energy	4302	4872	4684	5125	7134
Industries and Minerals	405	414	442	427	523
Transport	1299	776	606	1109	855
Science, Technology and Environment	49	42	48	42	55
General Economic Services	861	816	946	769	999
<b>Total A</b>	<b>10661</b>	<b>10665</b>	<b>10506</b>	<b>11788</b>	<b>15036</b>
<b>Social Services B</b>					
Education, Sports, Art and Culture	3771	3856	4285	4512	6603
Health and Family Welfare	1540	1623	1785	2015	2610
Water Supply, Sanitation/ H&UD	1644	1881	1614	2275	2428
Information and Broadcasting	38	35	52	39	51
Social Welfare	762	956	1215	1156	2149
Others Social Services	106	156	176	113	164
<b>Total B</b>	<b>7861</b>	<b>8507</b>	<b>9126</b>	<b>10110</b>	<b>14005</b>
<b>General Services C</b>	<b>10123</b>	<b>11262</b>	<b>12055</b>	<b>12652</b>	<b>14804</b>
<b>Total (A+B+C)</b>	<b>28645</b>	<b>30434</b>	<b>31686</b>	<b>34550</b>	<b>43845</b>
<i>Source: Comptroller and Auditor General of India</i>					



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## **Section 3**

### **New Initiatives**

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## Implementation of GST in J&K State

The Central GST Act 2016 was passed by the Parliament in the present form and was notified by Government of India on 12<sup>th</sup> April 2017 which was applicable to whole of India except state of Jammu and Kashmir. The GST regime was implemented in the whole of India w.e.f 1-07-2017 except Jammu And Kashmir State. The Central GST Act 2016 was not applicable to Jammu & Kashmir as the powers to tax in J&K State are enshrined under Section 5 of J&K state constitution.

After thorough analysis of the issue and taking into account all safeguards, the Govt. of Jammu & Kashmir tabled a resolution in State Assembly on 06-07-2017 whereunder it was unanimously resolved that only those Articles/Clauses of 101<sup>st</sup> Constitution Amendment will be assented to be extended by GoI to J&K state which were extremely necessary to implement Central GST/IGST/ITC in the state of J&K under Article 370 of Constitution of India while keeping intact the powers of J&K state to Tax in the state under section 5 of J&K State constitution. The powers to tax are enshrined in section 5 of constitution of J&K State.

The draft presidential order that could be passed by GoI was also analyzed critically and discussed in the State Assembly in its special session on 06.07.2017. Accordingly, with the assent of J&K State by way of passing of resolution in the State Assembly on 06-07-2017, the presidential order under Article 370(1) of the Constitution was issued by President of India on 6<sup>th</sup> July 2017 with the concurrence of Government of Jammu and Kashmir. The Constitution (Application to Jammu & Kashmir) Amendment Order 2017 was published on 6/07/2017. The powers of J&K State of Jammu & Kashmir to impose tax under section 5 of the constitution of J&K State shall remain intact.

Another two Presidential order were passed on 08-07-2017 whereunder CGST and IGST were made applicable to J&K State w.e.f 8-07-2017. The State of J&K also passed SGST Act 2017 in Jammu & Kashmir State Assembly which has been notified on 06-07-2017. The State GST Council of J&K State stands also constituted in terms of SGST Act 2017.

Thus came GST regime into force in J&K State w.e.f 08-07-2017 after fully safeguarding section 5 of J&K state constitution

In J&K state, GST was implemented w.e.f. 8th of July, 2017 and the existing dealers of VAT are being migrated to GST system. Till date, a total of 45,000 VAT dealers stand migrated to GST Portal. New registration process is also in full swing and till date, a total of 26,400 dealers stand registered on GST Portal. Out of this count of 26,400, while 13, 700 dealers pertain to Central jurisdiction and 12, 700 dealers pertain to J&K State jurisdiction. As of

now, 71,400 dealers (migrated+ new registration) stand registered on the GST Portal taking the tax base count of dealers also to 71,400. Further, in order to make smooth functioning of GST application and hassle free connectivity with tax payers, the Commercial Taxes Department has switched over to MPLS mode of connectivity.

Commercial Taxes Department J&K is proactively assisting taxpayers in the process of transition to new tax regime. The department has taken following initiatives wherein ICT platform is being harnessed in line with our vision:

#### **I. Establishment of facilitation centers in Jammu and Kashmir divisions**

Commercial Taxes Department J&K has set up facilitation centers in both divisions of Jammu and Kashmir that act as the first line of contact for taxpayers in raising their issues. Commercial Taxes Department J&K has deployed its own resources in these facilitation centers. It is pertinent to mention that taxpayers are given hand on support for registration and filling of returns in these facilitation centers.

#### **II. Assisting dealers through social media accounts**

Commercial Taxes Department J&K has launched official social media accounts like Facebook <https://www.facebook.com/jkgst> and Twitter handle <https://www.twittr.com/jkgst>. These social media account are being used to share the relevant information of GST from time to time and the same social media accounts are being used by taxpayers as first level of contact for raising their queries. CTD J&K through its designated officials try to reply with authentic information.

#### **III. SMS alerts to Taxpayers**

Commercial Taxes Department J&K has utilized the media of communication to reach out to the taxpayers of GST by sending them SMS for sharing the schedules of various programs that are being live webcasted through social media accounts. These SMS alerts are being sent to all the registered taxpayers of GST in the state.

#### **IV. Conducting live interactive webcasts**

Commercial Taxes Department J&K has launched a massive drive of interactive live workshops cum demonstration sessions on GST in the state of Jammu & Kashmir on social media accounts. We have already held live interactive sessions for Drawing & Disbursing Officers of the State wherein they were made aware about the registration, returns and GST guidelines. CTD J&K also held live interactive session at IMPA for various government officials of State. Social Media account (Facebook) is being used to make the stakeholders of GST aware about filling of returns like GSTR 3B and GSTR 1. Hands on live demonstrations on GSTR 3B and GSTR 1 were shown in these live webcasts for the references of taxpayers.

#### **V. Establishment of Helpdesk**

Commercial Taxes Department J&K has established a state of the art GST helpdesk with web based ticketing solution which envisions the capability to raise tickets for various issues

faced by taxpayers related to GST, using a centralized solution. The system is being hosted on a robust server which is capable of dealing on real time basis. The system is able to generate tickets and once the ticket is resolved the system reverts back with resolution to the user.

### Revenue Collections on account of SGST /IGST

The State of Jammu and Kashmir together with other States has joined the Goods and Services Tax Regime with effect from July, 2017. The returns for the first quarter in case of VAT and other subsumed taxes are filed together with payment of taxes in the month of July, 2017. So revenue collected during the month of July, 2017 is revenue pertaining to the first quarter of the year 2017-18. Since the revenues for the last quarter of the proceedings year are collected in the month of April, the collections up till July, 2017 are virtually collection for two quarters. From August, 2017 onwards apart from the residual amounts out of the subsumed taxes, the tax collections would be accounted for by the Accounting Authorities. As per the information extracted from the GSTN server and the information received from the GSTN through e-mail, following amounts have been received in the State for the months of August, September and October, 2017:-

Details of Amount received			(Rs in crore)
Month	SGST	IGST(transfer)	Total
August	103.16	83.00	186.16
September	136.54	143.00	279.54
October	113.18	196.00	309.18
November	120.23	119.00	239.23
<b>Total</b>	<b>473.11</b>	<b>541.00</b>	<b>1014.11</b>

## Chapter 2

# Ease of Doing Business

Ease of Doing Business is an index published by the World Bank and it is an aggregate figure that includes different parameters which define the Ease of Doing Business. The ranking on the index is based on the average of 10 sub-indices. The Department of Industrial Policy and Promotion (DIPP) of the Union Ministry of Commerce and Industry is in partnership with the World Bank Group. Earlier this year it released the Business Reform Action Plan (BRAP) under Ease of Doing Business initiative for the current financial year 2017-18. The Action Plan with a total of 372 recommendations was offered for implementation by all the States and Union Territories including Jammu and Kashmir. The report shows that Ease of Doing Business ranking has improved significantly during the current performance on the part of several key departments in J&K state.

Out of total 372 recommendations, J&K state has successfully implemented 270 recommendations and uploaded 262 replies. As per the dynamic ranking by the Department of Industrial Policy and Promotion (DIPP), J&K stands at 22nd rank with 12.71 points as on date moving up seven places from previous year's ranking of 29. There are fair chances that by the end of the year, with further improvement in performance. While most of the departments have shown improvement in performance yet at least departments namely Power Development Department, Revenue and Forest Departments have not shown the desired results. In particular, the Power Development Department has not performed according to expectations and owing to its slackness it has adversely impacted the growth of industries which could have been a good avenue for employment of the youth in the state, which otherwise has immense potential to check growing unemployment among the youth.

<b>Department -Wise Reform Action Points 2017 Implemented/Yet To Be Implemented</b>				
<b>S.No.</b>	<b>Department</b>	<b>Total Reform Action Points</b>	<b>Action Implemented</b>	<b>Yet to be Implemented</b>
1	Industries & Commerce	58	58	Nil
2	Labour	117	106	11
3	PDD	18	1	17
4	Commercial Taxes	20	20	Nil
5	JKSPCB	47	40	7
6	Health (Drug Controller)	12	8	6
7	Fire & Emergency Services	6	6	Nil
8	All Departments	11	4	7
9	Law & Parliamentary Affairs	23	14	9
10	Common to Law & Revenue	8	Nil	8

11	Revenue	3	Nil	3
12	Common to Forest & Revenue	5	2	3
13	Common to Law & SPCB	4	Nil	4
14	PHE	3	Nil	3
15	PWD	2	Nil	2
16	Forest	13	Nil	13
17	Food, Civil Supplies and Consumer Affairs (Legal Metrology)	13	11	2
18	H&UDD (Municipal Bodies)	9	3	6
	<b>Total</b>	<b>372</b>	<b>270 (262 Uploaded)</b>	<b>102</b>

There is significant change for betterment in the business sector and that the Government is responding to the reform points by implementing these so that the Ease of Doing Business scheme becomes responsive in the State. Consequently, it is also important that the departments who have not shown desirable improvement have to gear up and come in line with other departments to ensure that their contribution to the industrial development of the State does not lag behind.

The issue before the Government is unemployment among the educated youth. The improvement in industry sector is bound to provide opening for employment to the youth of the State. The efforts of Government in making reforms are meant to improve industrial culture and atmosphere in the State so that bright opportunities of employment are available. The reforms that have been suggested and have also been implemented, though some remain still in the pipeline, are all in the direction of improving job opportunities in industrial sector and Government in the right direction of handling the problem of unemployment.

## Pay & Accounts Office System

### Introduction

A major restructuring initiative, PAO system is an alternative to archaic system of Treasuries. Huge bundles of budget documents detailing the expenditure of different departments would lose part of the weight, courtesy to the new model being adopted by the government.

The new system will completely change the way government pays its bills of contracts and services. The onus of getting the bill cleared within a specific time is with the official for whom you worked. The new system has devoured the very famous 'drawing and disbursing authority' of almost all, including the Deputy Commissioner's who will now be assisted by Payment Advisers.

The PAO system will help manage better ratios. State government spends its entire budget under 29 grants. In order to see where the public expenditure is being made, the 29 grants are being grouped into five: Administrative Service, Social Service, Infrastructure Service, Economic Service and Financial Service. Corresponding to this structure, there will be administrative structure. The 29 grants would survive for administrative purposes. The social sector grants will include Social Welfare, Health, Education. Infrastructure grant will include Power, Roads & Buildings and Public Health Engineering.

The treasury is a central point for every government department where revenue is deposited, payments are made and even salary disbursed. Gradually, most of this activity has shifted to banks making Treasury Officer to pass bills only. Treasury, a household name is going to be a history.

Specific to geography, an official in particular treasury would deal with all kinds of bills related to different departments. The larger question is: If work is same, why should a payment officer be restricted to a particular geography? The PAO would check if the bill is right, fulfilling all the codal procedures, and will make the payment.

In the new system, "payment will be done by the unknown face" on basis of the submissions made by the officer who is mandated to carry out the work and not the contractor. An officer will receive the bill, check it, converted it into GPF file and upload on the system and the competent authority will check it for all the procedures, and credit the liability to the bank account.

The Hon'ble Finance Minister in his budget speech has announced that the Finance

Department is going to shift to Pay & Accounts System instead of present Treasury system so far as Government payments are concerned.

The overall technological revolution in banking & financial system call for reforms in Government payment system. It was therefore felt that the present Treasury System which is geographically demarcated shall be replaced functionally aligned by PAO system for all receipts and disbursement for the Government. The PAO offices would be departmentally aligned and would deal with those Heads of accounts which are related to the function of their concerned departments only. This would be unlike the current system of geographically defined treasuries dealing with the multiple functional heads of accounts of all the departments instead of receiving the receipts and disbursing the payments of numerous departments in the Treasury system, the PAO system would deal with just one department. This will ensure better understanding of the department resulting in better forecasting, budgeting, accounting and reporting.

The PAO system shall be equipped with a pre-Check system which will help in monitoring and controlling the purpose and objective of payments, budget sanctions, ceilings and proper classifications.

In the present system bills/vouchers are physically carried to a network of treasuries which are within the radius of 5-10 kilometers from the DDO's. This will be replaced by computerized Integrated Financial Management System (IFMS). In the IFMS, bills will be processed online at all levels viz generation of financial sanctions by the competent authority, generation of bill and passing and payment by the PAO. Besides making the payment faster it would bring more transparency and accountability in the system.

The PAO system is in the final stages of implementation and the software is also in the final stages of development and is likely to be rolled out in the very near future. The system has already been explained to all the stakeholders including HOD's/contractors/traders etc who have appreciated the same and assured their full cooperation. Their suggestions have also been taken care of by the department.



# Public Financial Management System

## Introduction

The Public Financial Management System (PFMS), earlier known as Central Plan Schemes Monitoring System (CPSMS), is a web-based online software application. PFMS was initially started during 2009 as a Central Sector Scheme of Planning Commission with the objective of tracking funds released under all Plan schemes of GoI, and real time reporting of expenditure at all levels of programme implementation. Subsequently the scope was enlarged to cover direct payment to beneficiaries under all the schemes. The latest enhancement in the functionalities of PFMS commenced in late 2014, wherein it has been envisaged that digitization of accounts shall be achieved through PFMS and the additional functionalities would be built into PFMS in different stages. The primary objective of PFMS is to facilitate sound Public Financial Management System by establishing an efficient fund flow system as well as a payment cum accounting network. PFMS provides various stakeholders with a real time, reliable and meaningful management information system and an effective decision support system, as part of the Digital India initiative of Government of India. There are various Centrally Sponsored Schemes (CSS) which are implemented by the State Governments and funded by Central Government. For these schemes, the PFMS facilitates instant availability of sanction orders, credit advice and date of payments to State Governments. This supports the administrative Secretaries of State Ministries and to the Finance secretary in the authorization and release of the funds to the executing agencies. PFMS captures payment at each level and transmits the information to the parent agency/ Ministry on real time basis. Till now the process has been dependent on the physical authorizations but due to enhanced technological interventions it has become now more feasible at Central Ministry and at the State Government levels to carry out certain processes under e-governance ecosystem. The link between the Central Ministry and the State Government is now established through exchanging Data electronically. The interface and data exchange process between Central Government Ministries and the State Government Ministries is termed as Public Financial Management System (PFMS). PFMS help for tracking and monitoring fund disbursement and utilization under Central or Centrally Sponsored Schemes on a real time basis. PFMS is a financial management platform for all CSS schemes under which a Data base of all the recipient agencies, integration with core banking solutions, integration with State treasuries and tracking of fund flow efficiently and effectively can be established leading to better monitoring of the schemes implemented by the agencies of the State or Central Government. A real time access to information on

resource availability and utilization can be administered by each executing agency at all the levels of executive management in the Department. PFMS has been implemented across J&K in all the Ministries. The fund flow of various CSS is now being monitored through PFMS portal.

### **Objectives of PFMS**

The scope and extent of PFMS is very vast. State Government can instantly receive details of funds devolved from Government of India. The utilization can be monitored by State Departments for the Schemes where Funds received from Government of India is further transferred to Implementing Agencies. The information on releases will be known to each Department. The scope of work varies from monitoring at the top level of management to removal of ghost beneficiaries at the bottom level through online validation of bank accounts and other online available verification tools.

Few of the objectives of PFMS are enlisted below:

- Tracking of flow of funds to the lowest level of implementation.
- On line information of bank balances to facilitate “just-in-time” provision of funds to implementing agencies.
- E-Payment to ultimate beneficiaries.
- Decision Support System for all levels of programme managers.
- Dissemination of relevant information to citizens.
- Enhance transparency and accountability in public expenditure.

### **Modules of PFMS**

There are various modules of PFMS developed for the user agencies which are discussed below:

#### **Fund Flow Monitoring Module**

This module contains various processes given hereunder:

##### **a) Agency Registration**

This is a registration process under which each agency has to register in the PFMS portal. Each agency is assigned its login for further creation of Management Information System (MIS) scheme wise which is electronically mapped with the CSS or CS scheme of the Government of India.

##### **b) Expenditure-Advance-Transfer (EAT) module**

This is an extremely important functional module of PFMS for monitoring the ultimate utilization of funds. After completion of registration process, the Agencies can create Maker and Checker type users to use Expenditure-Advance-Transfer (EAT) module for transferring

funds or advances to lower level Agencies and e-payments to vendors, employees and beneficiaries. This is the real time financial Management Information System (MIS).

### **c) Fund tracking system for State schemes**

The flow of funds from Central Ministry to each State Department can be tracked online under this module and a reporting system can be generated for monitoring utilization of Funds under fund tracking system. This is an efficient fund flow monitoring and decision support system for effective management of the available resources with less chances of wasteful expenditure and wedge on the diversion of funds.

#### **Direct Benefit Transfer (DBT) Module**

The DBT schemes are under process of implementation in the State for making payments directly to the beneficiaries. The use of PFMS, DBT module enables payment, accounting and reporting under Direct Benefit Transfer. DBT schemes are processed for electronic transfer by creating an e-file in the PFMS payment module.

#### **Bank and Treasury Interface Module**

Treasury Interface enables sharing State Treasury data with PFMS for tracking utilization of funds for all Central Schemes and CSS. PFMS – Core Banking Solution (CBS) interface helps tracking of funds transferred from Central Ministries at each successive stage, starting with the initial release to the level of actual realization. PFMS-Core Banking Solution Interface facilitates online validation of beneficiaries, and Agencies bank account details. Electronic payment files are generated through PFMS for three modes of payments, viz. Print payment Advice (PPA), Digital Signature Certificate (DSC) and Corporate Internet Banking (CINB).

#### **Administrative Structure for the implementation of the PFMS in the State**

PFMS has multi tiered project organizational structure explained hereunder;

##### **State Advisory Committee (SAC) at apex level**

The State Advisory committee is headed at the apex level by the Chief Secretary of the State. The State Advisory Body has been formulated to monitor progress under implementation of PFMS in the State of Jammu and Kashmir.

##### **State Project Management Unit (SPMU) at State level**

State Project Monitoring Unit has been created in the State and manpower to administer the SPMU has been provided by the Government of India, Ministry of Finance and also rest of the staff is augmented by the State Government.

##### **District Project Management Unit (DPMU) at district level**

District Project Management Units are small group of people positioned at the District level to oversee training and co-ordination. Personnel required for the DPMU need to have skill-sets in the areas of training, handholding. SPMU is empowered to provide the manpower through outsourcing as the need arises to DPMU.

## **Conclusion**

The PFMS is under implementation in the Jammu and Kashmir State and almost all the Centrally Sponsored Schemes are covered within the ambit of online PFMS monitoring platform. The funds are now transferred to State Government under all the schemes by Central Ministries through PFMS web application software. However various impediments are coming forth in the expenditure monitoring part due to classification and mapping issues which are under process of rectification and shall be impassive in the coming years. The State Government is focused to have 100 % fund allocation, expenditure monitoring and tracking system in vogue in the coming years so as to have a transparent, efficient and effective financial management system.

With the complete implementation of the PFMS in the State, it is visualized that it will ensure better cash management for government, transparency in public expenditure and real-time information on resource availability and utilization across schemes.

The implementation in right perspective will also result in improved programme administration and management, reduction of float in the system, direct payment to beneficiaries and greater transparency and accountability in the use of public funds. The proposed system will be an important tool for improving governance.

# Budget Estimation Allocation Monitoring System (BEAMS)

## Introduction

In a bid to have paperless budget, Government of Jammu and Kashmir has introduced Budget Estimation Allocation Monitoring System (BEAMS) with the objective of facilitating easy co-ordination among the Drawing and Disbursing Officer, Head of Departments, respective Departments, Finance Department and State Treasuries/PAO offices through Electronic Platform. This system owes its origin from one of the core infrastructure components introduced by the Government of India under National e-governance Plan (NeGP) to support budgeting process more efficiently, improve cash flow management, promote real time reconciliation of accounts, and strengthening management information systems. Improved accuracy and timelines in preparation of accounts, bring transparency and efficiency in public delivery systems and for better financial management along with improved quality of governance in the State.

The BEAMS is an online computerized system to distribute the budget and to authorize expenditure. As soon as the budget is released, the Administrative Departments can allocate funds to their Controlling Officers / Drawing and Disbursing Officers through this system. All the expenditure is thereafter not only checked for budget availability before the bills can be submitted, but also the monthly cash flows are controlled against pre-determined targets.

This system permits the withdrawal/surrender of budget grants. The system provides limited facility to modify cash flows. Management Information System (MIS) within the reporting module gives various reports on budget authorizations, cash flows, fund transfer transactions and authorization slips generation.

## Scope of BEAMS

BEAMS application has a wide scope in comparison to the manual budgeting process which lacks transparency and is construed with difficulties due to time delay in authorizations, ineffective monitoring and budget control mechanism. The new system offers greater flexibility of inputs and in return process for greater emphasis on outputs and performance. The BEAMS application enables to view budget allocation instantly without any time delay just at the click of the button. The flow of information is very reliable, accurate and fast enabling better monitoring, control and sustainable decision support system for better planning and expenditure audit. The BEAMS has inbuilt tools enabling internal budget control and external interface in following manner:

### **Internal Monitoring and Budget control tools**

Following are the functional tools available within the application which augment internal control mechanism

- Budget Estimation
- Budget Allocation
- Withdrawals and Re-allocation
- Excess/Surrender
- Re-appropriations
- Budget Control Register
- Monitoring of the CSS and other resources
- Budget Release order, Discussion Sheets

### **External Interface Support System**

BEAMS enable following external interface mechanisms

- Integration with Treasury/PAO system
- Interface between functional DDO and Payment system
- Reporting and expenditure reconciliation system with AG/Accounting authority

### **Objectives of BEAMS**

Objectives of the BEAMS application can be summed up as under:

- To automate the workflow process of Budget Estimation and Budget Allocation functioning and carry out the processes, defined in a systematic manner.
- To enable exchange of Data between BEAMS and TreasuryNet.
- To generate data for Budget Expenditure monitoring.
- To provide interface for exchange of information with AG/accounting authority.
- To keep the checks and balances on diversion / blockage of funds.
- To monitor the Centrally Sponsored Schemes (CSS) and the generation of utilization certificates.

### **Budgeting Structure levels**

There are various levels of Budget Estimation and Data exchange. The information flows from one level to another in a bidirectional manner. Each level is defined as under:

### Drawing and Disbursing (DDO) level

DDO is the basic expenditure incurring level in the overall budget allocation, monitoring and control system. BEAMS application enables each DDO to frame online Budget Estimates which are approved by the budget controlling officer (BCO) and information flow in upward direction as well as downward direction.

### Budget Controlling Officer (BCO) Level

At this level the Budget is scrutinized which is furnished by each DDO under the jurisdiction of one BCO and the scrutinized Budget after made necessary changes if any are forwarded online by the BCO to the next higher authority which is the Budget Controlling Authority (BCA), most probably Head of the Department.

### Budget Controlling Authority (BCA)

At the level of BCA the Budget of the Department is prepared which comprises of, the budget furnished by each subordinate BCO and the corrections made at each subordinate levels are scrutinized at the level of BCA and the whole Budget Estimates of the Department are furnished by the BCA in the application to the next higher authority which is the Administrative Department (FDA) and ultimately it is the FDA which formulate budget of the whole Department at the State level.

### Finance Department (FD)

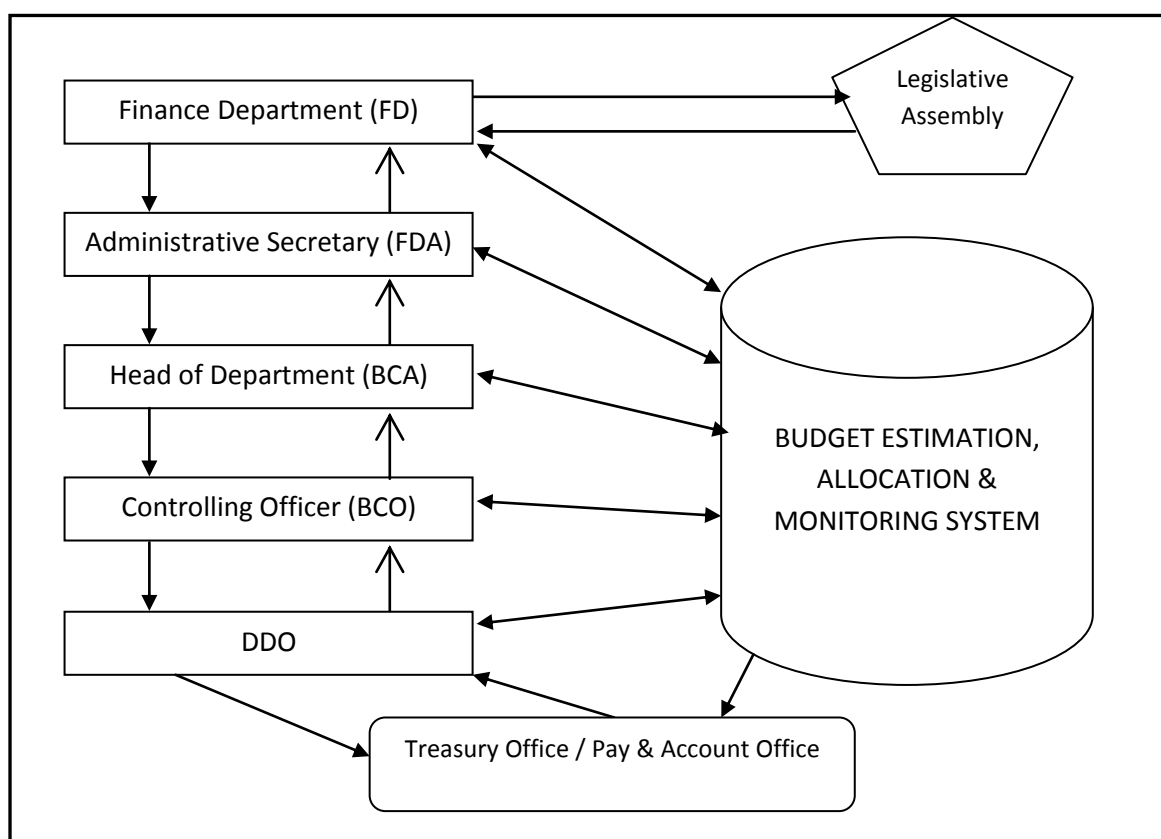
The Budget formulated by the BCAs at the State Level is consolidated thereafter at the Finance Department in tandem with the availability of the resources. The FD level in the application has access to the whole budget of the State and Management Information System (MIS) is developed in the application at FD level. The flow of Information from FD level to down the DDO levels is bidirectional.

The matrix below shows the role of each Functional authority and their nomenclature in the BEAMS Software Application.

<b>Matrix of role of functional authority and their nomenclature</b>				
S No	Role defined in BEAMS	Functional Authority	Job Profile	
			Distribution	Estimation
1	FD	Finance Department	Fund Allocation starts from this point. The FD release the funds for HOD	Final authority to finalize the estimation received from various department and forward to Budget Preparation authority
2	FDA	Administrative Secretaries	Receives the Allocation from the FD and forward to the Heads of the Departments	Finalize the estimation of the Department and forward to the Finance Department
3	BCA	Heads of the	Receives the Allocation	Compiles the estimation of

		Department	and further allocates the funds to District Level Officers or to DDO's	District / Sectoral officer and forward to the administrative secretaries
4	BCO	District / Zonal Officer	Receive the Funds Allocation from the BCA and further distribute the Funds among lower level BCO or DDO	Compiles the estimation received from DDO / Lower level BCO under his jurisdiction and forward to BCA
5	DDO	Drawing and Disbursing Officer	Receive the Funds either from BCA or BCO and book the expenditure against the allocation.	Prepare the Estimation of the office and forward it to the BCO or BCA.

The Budget formulation involves from the actual base unit of expenditure incurring authority to the highest level which authorizes the expenditure that is Legislature of the State. The structural module of BEAMS is shown diagrammatically a under:



### BEAMS Modules

The descriptions of various modules of BEAMS application are given as under:

#### Estimation Module

Under this module, budget estimates in the prescribed formats are formulated. The estimation module involves two modes of processing systems, one is the estimate



formulation by the maker system and another is the scrutinisation/checking of the estimates by the checker system. The two processes in the Budget Estimation Module are:

- a) Budget Estimation Proposals / Compilation
- b) Budget Estimation Approvals

### **Allocation Module**

The budget formulated in the Estimation Module after proper approval is allocated to various Departments through this module. All the levels from the FD to DDO level is involved in the Budget allocation part. The various processes involved in this module involve:

- a) Budget Allocation
- b) Additional Allocation
- c) Common Scheme Allocation
- d) Resources Allocation

### **Expenditure Module**

Under this module expenditure can be monitored on real time basis directly from treasury system. The expenditure progress can be monitored on monthly basis under all the head of accounts from detailed head to the major head of account department-wise. This is an important tool for top management level for ensuring better fund utilization management and liquidity management.

The processes involved in this module include;

- a) Bill Entry
- b) Authorization Slip Generation
- c) Treasury Interface

### **Budget Cut Module**

This module of BEAMS gives position of anticipated excess/ surrender position so that appropriate decision is taken whether to withdraw funds or re-allocate under different head of account. This module involve following three processes:

- a) Withdrawal
- b) Surrender
- c) Re-allocation/re-appropriation

### **Reporting Module**

BEAMS application enables to generate various statements which are vital from the management's perspective and facilitates building a constructive Management Information System which could be explored for effective performance appraisal and valuable for implementation of zero-based Budgeting and performance based Budgeting system. The

reporting module of the BEAMS application generate following reports relevant for effective governance and upto date information which can be utilized for calculation of various developmental indices. These reports are as under;

- a) Budget Release Orders
- b) Budget Allocation and Expenditure Reports
- c) DDO Budget Register
- d) Discussion Sheets
- e) Resources Funds Position
- f) Re-appropriation Orders

### **Interfacing Module**

The BEAMS application can be interfaced with other systems to take mutual benefits of each sub-system in the overall Integrated Financial Management System. The BEAMS application can be integrated with the Public Financial Management System (PFMS) application to obtain information of each Centrally Sponsored Scheme and its corresponding State Share to be adopted for distribution through BEAMS. The BEAMS has to be integrated with the Treasury/PAO system to ensure adherence to proper accounting standards under relevant heads of accounts as per the allocations made by the Finance Department. The expenditure shall be booked in the Treasury/PAO only under the proper classification which shall be easily accessed from the BEAMS application. The BEAMS application shall in due course be also integrated with the Pay-Sys/DDO application to get the exact estimates from the DDOs including Salary Budget as well. Following are the three systems with which BEAMS integration is under progress and shall be a major step forward to develop an efficient and effective Integrated Financial Management System in the State for better public delivery and governance system.

- a) Public Financial Management System (PFMS)
- b) Treasury/PAO System
- c) Pay-Sys/DDO Application.

### **Conclusion**

As soon as the budget session concluded during last financial year, funds to each department under revenue component were released through BEAMS. The departments further allocated funds through this route only. In furtherance to it budget estimates for the next financial year 2018-19 and revised estimates for the current financial year 2017-18 were also received online using BEAMS application. No hard copies of budget proposals were received in Finance Department. All the proposals were received online through BEAMS. The Jammu & Kashmir State has joined elite group of only few States in India who have transitioned from documentary budgeting to paperless budgeting process. Way

forward in this aspect shall be to capture capital budgeting process also within the ambit of BEAMS and monitoring of expenditure upto the lowest level of expenditure incurring authority which is upto the level of the Drawing and Disbursing Officers (DDOs).

The path breaking initiative shall facilitate the Government to set into motion the developmental process in a time bound manner and will be a windfall to vindicate system inefficiencies and shall ensure better cash management, allocation, accounting and effective monitoring at all the levels to enforce better public finance management policy for the betterment of the people of the State.

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## **Section 4**

### **Key Policy Concerns**

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## Chapter 1

# Employment

The comprehensive employment policy launched by J&K State in December, 2009 envisages a holistic programme to tackle un-employment problem laying emphasis on employment in private sector, self-employment and skill development for enhancing employability of the youth.

The Department has District Employment & Counseling Centers which are functioning at district level. The District Employment & Counseling Centers had been conceived to have a dynamic and proactive approach in dealing with the changing scenario of unemployment at each level. The existing staff pattern stands overhauled to meet the requirements of a dynamic organization. More executive staff with well-defined responsibilities has been put in place. The District Employment and Counseling centers encourage the unemployed youth to voluntarily register themselves by offering facilities built in with the registration center and the quarter wise breakup ( Q1, Q2, Q3 and Q4) for the year 2016-17 and Q1, Q2 & Q3 for year 2017-18 is as under:

<b>Year</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Total</b>
2016-17	104140	103278	103894	101969	413281
2017-18 (upto October 2017)	100040	96060	92770	-	196100

In nutshell, registration process has to be incentivized so that every unemployed educated young person is attracted to register himself with the concerned DE&CC to form a database for policy making. The Department has proposed already to incentivize registration process of unemployed educated youth to obtain exact data for policy making.

The Jammu and Kashmir Entrepreneurship Development Institute (JKEDI) is a Society of Government of Jammu and Kashmir established with an objective of fostering inclusive economic growth through development of entrepreneurship culture in the State. In line with its mandate, the Institute strives to develop entrepreneurial culture through entrepreneurship education, skill up-gradation, knowledge dissemination, consultancy services and developing linkages with national and international organizations to make entrepreneurship the mainstay of the State economy.

Currently youth unemployment is one of the major challenges faced by the state of Jammu & Kashmir. With the number of educated unemployed youth running in lakh, the need for employment creation through youth entrepreneurship is undeniable. While hindered by the

overall employment situation in the state, this challenge has its own specific dimensions & therefore requires specific targeted responses.

In addition to the already existing framework of efforts & strategies by the state Government to boost employment & job creation for educated unemployed youth, entrepreneurship is undeniably accepted as an important means & a pivotal strategy to create jobs & improve livelihood with an aim to foster an inclusive economic environment in the overall state.

The crucial role played by the youth entrepreneurship in driving state's economic development & job creation is well understood & with the passage of time efforts are being increased to nurture & foster youth entrepreneurship through specific & well designed framework which need further consolidation. The institute has implemented the following schemes:

**a) Seed Capital Fund Scheme:** The scheme provides for counseling, guidance and training in entrepreneurship to the willing candidates of the age group of 18-37 with minimum qualification of 10+2 for starting self employment ventures. The scheme has a provision for non-refundable seed money up to 35 % of the project cost, up to a maximum of Rs. 3 lakh in respect of undergraduates and Rs. 5 lakh in respect of post-graduates and in respect of technically qualified persons such as Engineers, Doctors and Computer Science & Technology graduates, the maximum limit of Seed Money is Rs. 7.50 lakh and in individual cases where costlier technology is involved, the maximum limit of Seed money is Rs. 10.00 lakh.

Physical/Financial Progress of Seed Capital Fund Scheme (SCFS) during financial year 2016-17 and Q1, Q2, Q3 (oct.) of the year 2017-18.

Physical/Financial Progress of Seed Capital Fund Scheme (SCFS)							
S.No	Quarters	No. of Approved Cases	Total Approved Project Cost (Rs. In lakh)	Total Approved Seed Money (Rs. In lakh)	No. of Released Cases	Total Released Project Cost	Total Released Seed Money
1	2016-17	486	5296.87	1596.55	377	4234.71	1250
2	(2017-18) (ending October)	1425	13219.71	4327.99	878	8057.4	2671.56

Achievements under Seed Capital Fund Scheme				
S.No	Sector	No. of Released Cases	Total Released Project Cost (Rs. In lakh)	Total Released Seed Capital (Rs. In lakh)
<b>2016-17</b>				
1	Agri-allied	37	395.93	123.74
2	Manufacturing	29	621.68	119.91

3	Services	311	3217.1	1006.35
<b>Total</b>		<b>377</b>	<b>4234.7</b>	<b>1250.00</b>
<b>2017-18 (upto 3rd Quarter)</b>				
1	Agri-allied	148	1493.1	476.11
2	Manufacturing	34	462.69	144.72
3	Services	696	6101.61	2050.73
<b>Total</b>		<b>878</b>	<b>8057.4</b>	<b>2671.56</b>

**b) Youth Start-up Loan Scheme:** Under the Scheme, soft loan @6% interest (simple) is being made available to the prospective entrepreneurs in an off –bank mode for the projects up to Rs 8.00 lakh. The pattern of funding is 90% as Loan component and 10% as Beneficiaries contribution with minimum qualification of 10+2 , within the age group of 18-37 years.

<b>Physical/ Financial Progress of Youth Start Up Loan Scheme (YSL)</b>				
<b>Year</b>	<b>No. of Approved Cases</b>	<b>Total Approved Project Cost (Rs. In lakh)</b>	<b>No. of Released Cases</b>	<b>Total Released Project Cost</b>
2016-17	101	715.00	228	1731.50
2017-18 (upto Oct., 2017)	85	571.50	67	469.80

<b>Achievements under Youth Start Up Loan Scheme (YSL)</b>			
<b>S. No</b>	<b>Sector</b>	<b>No. of Released Cases</b>	<b>Total Released Project Cost (Rs. In lakh)</b>
<b>2016-17</b>			
1	Agri-allied	25	180.00
2	Manufacturing	5	36.00
3	Services	208	1515.50
<b>Total</b>		<b>238</b>	<b>1731.50</b>
<b>2017-18 (upto October)</b>			
1	Agri-allied	15	103.80
2	Manufacturing	3	24.00
3	Services	49	342.00
<b>Total</b>		<b>67</b>	<b>469.80</b>

**c) National Minorities Development & Finance Corporation (NMDFC) Schemes:** JKEDI is also functioning as an additional State Channelizing Agency for National Minorities Development & Finance Corporation (NMDFC) Schemes, Ministry of Minority Affairs, Government of India. Presently, the Institute is implementing the Educational and Term Loan Schemes of the said Corporation. Under these Schemes, credit facility is being provided to the targeted beneficiaries of the State belonging to the Minority Communities as per the following details:

Income Level	Term Loan	Education Loan	
		Domestic Course	Foreign Course
Income level of Rs. 1,03,000/- for Urban areas and Rs. 81,000/- for Rural areas	upto Rs. 20.00 Lakh @ 6% interest (simple) per annum	Upto Rs. 15.00 lakh @ 3% (simple) per annum	Upto 20.00 lakh @ 3% interest (simple) per annum
Income level of upto 6.00 lakh per annum	Upto Rs. 30.00 lakh @ 8% interest per annum for male beneficiaries and 6% interest for female beneficiaries.	Upto Rs. 20.00 lakh @ 8% of interest per annum for male beneficiaries and 5% for female beneficiaries	Upto Rs. 30.00 lakh @ 8% interest per annum for male beneficiaries and 5% interest for female beneficiaries

The quantum of finance under the Schemes is 90% as NMDFC Share, 5% as State Share and 5% as beneficiary contribution. The Institute has, till ending March 2016 financed 2206 beneficiaries including 85 beneficiaries under Education Loan Scheme.

Physical/Financial Progress of NMDFC scheme		
Years	No. of Released Cases	Total Released Project Cost (Rs. lakh)
2016-17	828	2345.79
2017-18( upto october2017)	1166	4207.68

Notable Achievements under NMDFC during 2016-17				
S. No	Sector	No. of Cases Disbursed	Project Cost (Rs. In lakh)	Total Amount Released (Rs. In lakh)
1	Agri-allied	129	443.85	367.95
2	Artisan	12	33.95	27.45
3	Small Business	590	1890.45	1630.45
4	Technical Trade	83	288.38	262.68
5	Transport	14	61.11	57.26
<b>Total</b>		<b>828</b>	<b>2717.74</b>	<b>2345.79</b>

Notable Achievements under NMDFC during 2017-18 (upto Oct)			
S.No.	Sector	No. of Cases Disbursed	Project Cost (Rs. In lakh)
1	Agri-allied	171	667.77
2	Artisan	7	24
3	Small Business	893	3158.4
4	Technical Trade	86	321.5
5	Transport	9	36.06
<b>Total</b>		<b>1166</b>	<b>4207.7</b>



## Impact of Schemes

All the schemes implemented by the Institute primarily focus on providing sustainable livelihood opportunities to the educated unemployed youth of state. The Institute guides & mentors young aspiring entrepreneurs by providing them diverse entrepreneurial training & later on provides them access to finance under various Government sponsored schemes.

JKEDI has conducted 71 EDP under SCFS/YLS during the year 2016-17 and has trained 2935 candidates in four quarters of the financial year under reference as per the following breakup:

<b>Training Achievements under SCFS, YLSL/Himayat</b>		
<b>Year</b>	<b>Number of Entrepreneurship Development Programmes (EDP's)</b>	<b>No. Of Candidates Trained</b>
2016-17	71	2935
2017-18(ending oct.)	51	2037
<i>No candidate has been trained in the month of April &amp; May, 2017 under SCFS/YLS.</i>		

A total of 377 cases were released under Seed Capital Fund Scheme (SCFS) during the four quarters of 2016-17 with a total project cost of Rs 4234.71 lakh & seed money of Rs 1250.00 lakh.

In addition to that a total of 833 cases were released in the year 2017-18 ending October with a total project cost of Rs 8057.40 lakh & seed money upto the tune of Rs 2671.56 lakh.

The overall employment generation both direct & indirect, under SCFS in the year 2016-17 including & the year 2017-18 ending October is up to the tune of 6050 people with an average of 5 people employed in each business unit sponsored by JKEDI under SCFS.

Similarly, a total of 238 cases were released under Youth Start Up Loan Scheme (YLS) during the four quarters of 2016-17 with a total project cost of Rs 1731.50 lakh.

In addition to that a total of 67 cases were released in the year 2017-18 ending October with a total project cost of Rs 469.80 lakh.

The overall employment generation both direct & indirect, under YLS in the year 2016-17 & the year 2017-18 ending October is up to the tune of 1525 people with an average of 5 people employed in each business unit sponsored by JKEDI under YLS.

In addition to the above mentioned schemes JKEDI also trained 1458 candidates in the year 2016-17 under Himayat scheme which is a flagship program of Ministry of Rural Development (MoRD), Government of India. In the year 2017-18 ending October, 2037 candidates have been trained under the same scheme.

## Major Initiatives Undertaken

Among the major initiatives that were undertaken by the institute in FY 2016-17 included establishment of Centre for Women Entrepreneurship (CWE), an exclusive centre which will focus on skill development & enhancing entrepreneurial acumen among women. The

setting up of a dedicated women entrepreneurship centre was the need of the hour & the dedicated centre was inaugurated at Jammu by Hon'ble Minister for Industries & Commerce, Government of Jammu & Kashmir. A similar centre is envisioned for Kashmir region where it will operate from the present premises of Directorate of Industries and Commerce in Srinagar.

The second major initiative taken by the Institute is setting up of a full flagged EDI campus at Jammu. For all these years, the Institute was running its operation from Jawahar Lal Nehru Udyog Bhawan at Jammu & the need of a full operational campus at Jammu was much felt over all these years. The new state of art EDI Campus will come up with at Bari Brahmna Jammu which was recently approved by the Government of Jammu & Kashmir.

Lastly, the Institute intends to start a first of its kind 6 months diploma course in entrepreneurship development for the youth of state who want to pursue entrepreneurship as their career goal.

### **Analysis of Strengths, Weakness, Opportunities and Threats (SWOT)**

#### **Strength**

- Growing trend in choosing entrepreneurship as a career goal among the youth.
- Access to customized schemes like Seed Capital Fund Scheme/Youth Start-up Loan Scheme and other schemes which provide a fillip to entrepreneurship development.
- Presence of Jammu and Kashmir Entrepreneurship Development Institute (JKEDI) and other Institutes/Departments of the government which are dedicated towards promotion of entrepreneurial culture in the state.
- The existing infrastructure can be further built up to promote entrepreneurship in the state.
- Recognition of entrepreneurship by the Centre and State governments as an important step towards tackling the menace of unemployment.
- Presence of large untapped resources in the state, which can be utilized by the budding entrepreneurs to create more avenues.

#### **Weakness**

- Unsupportive administrative and regulatory framework and lack of transparency.
- Cumbersome business registration procedures and costs.
- Lack of business assistance services.
- Lack of specialized entrepreneurship courses at school and college level.
- Lack of mentoring and incubation facilities.
- Absence of single clearance window system.

- Lack of exchange networks, forums and meeting places.
- Lack of expert and trained counselors and entrepreneurship development officers for proper guidance and counseling.
- The social legitimacy and acceptance of entrepreneurship as a career option.

### **Opportunities**

- Improvement of access and provision of startup finance and business capital.
- Grant of soft loans and introduction of other financing mechanisms like micro credit guarantee scheme, angel investors and equity financing for start-up businesses.
- Improved regulatory framework with complete transparency, minimization of documents and other registration procedures.
- Promoting entrepreneurial culture among the youth via promotion of role models, success stories, PR campaigns, competitions and youth business events.

### **Threats**

- Uncertain economic and political environment.
- Hostile weather/terrain conditions.
- Lack of infrastructure and information communication tools.
- Absence of expert counselor and trainers with respect to entrepreneurship development.
- Social stigma associated with choosing entrepreneurship as a career option.
- Outdated and unsupportive Industrial policies which inhibit prospective entrepreneurs to take entrepreneurship as a career goal.

# Poverty

Poverty may be defined as a social condition where an individual does not have financial resources to meet the basic requirements of the life. As per World Bank definition, poverty is interconnected with the notion of poverty line/ threshold that may be defined as the minimum figure of income that is required in a particular country for maintaining the socially acceptable quality of life in terms of nutritional, clothing, and sheltering needs.

### **Poverty scenario in J&K as per Tendulkar Methodology**

In its annual report of 2012, the Reserve Bank of India on the basis of Tendulkar poverty line named the state of Goa as having the least poverty of 5.09% and the state Chhattisgarh with the highest %age of poverty. The state of J&K was having a poverty ratio of 10.35% against the national average of 21.92%. The monthly per capita income of J&K State for 2011-12 in rural areas was Rs 891 while it marks 988 in urban areas.

### **Socio economic and caste census (SECC -2011)**

Poverty line is used for the measurement of poverty and is not the basis of identification of the poor. Instead, it is the BPL Census which is used for identification of poor. The last BPL census in 2002 generated criticisms across three major categories, methodological drawbacks in identification, data quality and data content. In an effort to address all these concerns and reduce inclusion/exclusion errors, the Ministry of Rural Development launched the Socio-Economic and Caste Census (SECC) — a door-to-door enumeration across both rural and urban India collecting household-level socio-economic data. The SECC marked a shift from previous censuses by ranking households in three stages (a) Households meeting exclusion criteria (like motorized vehicle, kisan credit card, etc) are automatically excluded, (b) Households satisfying inclusion criteria are included viz, manual scavengers, households without shelter etc. (c) The remaining households are identified through a seven-item binary scoring criteria, using deprivation indicators like households with only one room, female-headed households with no adult male member between 16 and 59, etc. Significantly there is no specific indicator (like income) that suggests a family is BPL, so there is no single number that captures all the below poverty line population. Rather, households are categorized according to a deprivation

indicator (like not having a proper roof). This allows schemes to be targeted for each of the inclusion criteria or deprivation indicator

As per Socio Economic and Caste Census (SECC) 2011, conducted by Ministry of Rural Development Government of India, the number of households in J&K State having no houses is 2518 with 2318 households in Rural area and 263 households in Urban area. The corresponding figure at All India level is 254505 households with 157475 households in Rural area and 97030 households in Urban area.

At All India Level, 73296 households are houseless with shelter and 23684 households without shelter. In J&K State, the corresponding figure is 189 households and 74 households respectively. The State wise comparative position of type of households in Rural and Urban is given in the following table.

<b>Type of Households (Rural And Urban) Secc-2011</b>												
S. No	State Name	Total Households	Total Rural Household	Total Urban Household	Normal Rural	Normal Urban	Institutional Rural	Institutional Urban	Houseless Rural	Houseless Urban	Houseless with Shelter Urban	Houseless without Shelter Urban
1	All India	156763656	179787454	65133952	178850331	64758891	467365	272632	157475	97030	73296	23684
2	Jammu & Kashmir	1802854	1601606	492475	1597021	491166	2755	1042	2318	263	189	74

In the state of J&K 67.44 % (1080174) rural households with monthly income of the highest earning member is less than Rs 5000 per month and 14.35 % (232753) households with monthly income of the highest earning member is between Rs5000 per month and Rs10,000 per month besides 18.02% (288670) households with monthly income of the highest earning member is higher than Rs. 10000 per month. The Same is shown in the table below.

Monthly Income of highest earning household member in all category households Rural							
District/ Country	Total Households	No. of Households with monthly Income of highest earning household member < 5000	No. of Households with monthly Income of highest earning household member 5000 - 10000	No. of Households with monthly Income of highest earning household member > 10000	% of Households with monthly Income of highest earning household member w.r.t Total HH < 5000	% of Households with monthly Income of highest earning household member w.r.t Total HH 5000 - 10000	% of Households with monthly Income of highest earning household member w.r.t Total HH > 10000
All India	179787454	133985215	30894589	14828438	74.52%	17.18%	8.25%
J&K State	1601606	1080174	232753	288670	67.44%	14.53%	18.02%

The Government of India advised states to use SECC data to identify poor households under the National Rural Livelihoods Mission and Pradhan Mantri Aawaas Yojana (PMAY) both in urban and rural areas. For example, in PMAY, the beneficiary family cannot own a properly constructed house to be eligible for the scheme. The rationale for shifting to SECC data is ensuring that schemes are targeted better through deprivation indicators.

### Poverty elevation measures

As the economy grows, poverty diminishes faster when growth is strong, slower when it is not. For this, the values of the development indicators like literacy rate, per capita income, infant survival rate, per capita foodgrain production, per capita net value added by manufacture, etc. is being improved through appropriate and adequate investment in the sectors like education, agriculture, health, industry and transport and communication. To improve the living conditions of the people of the State, inter-district disparity in the levels of living of the people is being reduced to the minimum level and for this more emphasis is laid for the development of backward districts To reduce the higher concentration of rural poverty in the State, adequate funds are being diverted to the rural sector in the form of poverty alleviation programmes viz., MGNREGA/Rural livelihood Mission/PMAY and other rural developmental programmes and at the same time, efforts are being to rectify the present loopholes and problems in the rural developmental programmes.

## Prices and Food Management

### Prices

Price index is a statistical device to measure the relative change in price level with reference to time, geographical location and other characteristics. It is considered as a barometer of economic activities.

The wholesale price index (WPI) which is available on weekly basis, continues to be the most popular measure of headline inflation in India. There are, however, four different consumer price indices, that are specific to different groups of consumers applied for measuring the inflation. The four consumer price indices computed by the designated agencies are Consumer Price Index for Industrial Workers (CPI-IW), Consumer Price Index for Rural Labourers (CPI-RL), Consumer Price Index for Agricultural Labourers (CPI-AL) and Consumer Price Index for Urban Non-Manual Employees (CPI-UNME).

#### **Consumer Price Index for Industrial Workers (CPI-IW)**

CPI-IW is the most well known index as it is used for wage indexation in Govt. and in the organised sectors. Apart from this, these index numbers are also utilized for measuring inflationary trend for policy formulations in the country.

Since its inception in 1946, Labour Bureau, Ministry of Labour, Govt. of India has been compiling and maintaining consumer price index for industrial workers. This series is the most representative in character as it is based on working class family income and expenditure surveys and thus reflects the latest consumption pattern of industrial workers. The data is collected for approximately 392 consumption items from 289 markets of the country. The inflation based on CPI-IW is accepted as an appropriate index to determine the impact of price rise on the cost of living of the common man, as it is based on retail prices. That is why, the index is used to determine dearness allowances of employees in public and private sectors. The CPI-IW is compiled in terms of general standards and guidelines set by International Labour Organisation (ILO) for its member countries.

At All-India Level CPI-IW is the weighted average of 78 centres. From J&K State, CPI-IW is compiled for Srinagar centre comprising of four markets viz Haba Kadal, Zaina kadal, Maharaja Bazar and Pampore. The current series of consumer price index for industrial workers on base 2001=100 had replaced the previous series of CPI-IW on base 1982=100 w.e.f. January 2006 Index.

### Annual Average trend in CPI-IW

The average index at All India level for the year 2016-17 has increased by 09 points over the previous year 2015-16 from 265 to 274. The inflation at the country level was 3.39 % in 2016-17 while as it was 5.58% in the year 2015-16. The relative increase in the Consumer Price Index for Industrial Workers at J&K level during the same period increased by 10 points from 240 in 2015-16 to 250 in 2016-17 thereby registering the inflation rate of 4.16% in 2016-17 against 8.10% in 2015-16. The inflation rate at an average of 5 years (2010-11 to 2014-15) was 8.30% in J&K State as against 9.02% at the All India level. The inflation rate in respect of 2010-11, 2012-13 and 2013-14 is higher at All India level as compared to J&K state, while as it is lower in respect of years 2011-12, 2014-15, 2015-16 and 2016-17.

Consumer Price Index for Industrial Workers for J & K viz-a-viz All India				
Year	J & K		All India	
	Inflation		Inflation	
	Index(Points)	(percent)	Index(Points)	(percent)
2010-11	162	8.72	180	10.43
2011-12	176	8.64	195	8.33
2012-13	193	9.66	215	10.26
2013-14	207	7.25	236	9.76
2014-15	222	7.24	251	6.35
AVERAGE (5 years)		8.30		9.02
2015-16	240	8.10	265	5.58
2016-17	250	4.16	274	3.39

### Monthly Trends in CPI-IW

The monthly inflation rates in J&K in respect of 2014-15 shows that it was 10.77% in May 2014 and the lowest in December 2014 at 4.22%. During the year 2015-16 it was highest in April 2015 at 9.81% and lowest in Oct. 2015 at 5.65%. In respect of 2016-17 the highest inflation was observed in June 2016 at 6.46% and the lowest in Oct 2016 at 2.46%. The average inflation rate was 7.28%, 7.87% and 4.15% for the years 2014-15, 2015-16 and 2016-17 respectively for J&K state. The average at All India level was 6.25% for 2014-15, 5.64% for 2015-16 and 4.14% in respect of 2016-17.

Year on Year Inflation based on CPI- IW for J&K and All India (Base: 2001=100)						
Month	J&K			All India		
	2014-15	2015-16	2016-17	2014-15	2015-16	2016-17
April	7.54	9.81	4.25	7.07	5.78	5.85
May	10.77	7.4	5.60	7.01	5.73	6.58
June	8.54	7.4	6.46	6.49	6.09	6.13
July	7.77	6.3	5.51	7.23	4.36	6.46
August	8.78	6.72	4.62	6.75	4.34	5.30
Sept.	7.21	7.62	3.75	6.3	5.13	4.13
Oct.	10.58	5.65	2.46	4.97	6.32	3.34



Nov.	5.66	8.92	3.27	4.11	6.71	2.59
Dec.	4.22	9	2.48	5.35	6.32	2.23
Jan	5.6	8.4	3.67	7.17	5.9	1.86
Feb.	5.14	9.33	3.66	6.3	5.53	2.62
March	5.6	7.96	4.10	6.27	5.51	2.61
Average.	7.28	7.87	4.15	6.25	5.64	4.14

### **Consumer Price Index Numbers for Agricultural & Rural Labourers**

Consumer Price Index numbers for Agricultural labourers is also compiled, maintained and disseminated by the Labour Bureau, GOI on monthly basis for the country and for 20 states including J&K. These index numbers measure the extent to which the retail prices of a fixed basket of goods and services consumed by agricultural and rural labourers have changed when compared to the base year. CPI-AL is basically used for revising minimum wages for agricultural labourers in different states.

### **Inflation based on Consumer Price Index – Agricultural Labourers**

Consumer Price Index for Agricultural Labourers from 2005-06 to 2014-15 at J&K level has been erratic as it varies considerably between the lowest of 3.16% in 2005-06 and the highest of 15.67% in 2009-10. The index points at the State level have registered an increase throughout the period and the same have also been increasing at the Country level. The percentage change at the National level has been between the lowest of 4.69% and the highest of 14.71%. The decadal percentage change for Agricultural Labourers at J&K level has been between 3.16% and 15.67%. The percentage change of 15.67% has been the highest only in 2009-10 and in all other years of decade it was in single digit except 2012-13 when it was 10.36%. Comparing with All India level, the percentage change during the same decade was in double digit in the years 2008-09, 2009-10, 2012-13 and 2013-14. For all other years it has been in single digit ranging between 4.69% and 8.87%.

### **Inflation on consumer price index for Rural Labourers (CPI-RL)**

The index for Rural Labourers for 2005-06 was 359 at J&K level which increased to 818 during the period of 12 years i.e. it increased by 459 points. Similarly at the country level it increased by 519 points during the same period upto 2016-17. Comparing the statistical figures, the data reveals that J&K recorded the percentage change as low as 3.42% in the year 2015-16 as against 3.65% in the year 2016-17 at the country level. It was highest at both the levels in 2009-10 and stood at 15.52% and 14.50% respectively.

The lowest percentage change for agricultural labourers was recorded in the year 2015-16 and the highest figure of percentage change in 2009-10 at the state level and All India level. In respect of rural labourer the lowest of 3.42% at J&K level was for the year 2015 -16 and for All India level at was 3.65% for 2016-17.

### **Monthly Inflation Trend in CPI-AL**

The month to month inflation rate in terms of CPI-AL for J&K State has overall shown in

increasing trend from Oct 2016 to Feb 2017. In July 2016, it was 4.96% and in the next month decreased to 4.68% and further to 1.63% in Oct 2016. From March 2017 when it was 3.90% it suddenly decreased to 0.99 in June 2017. The average for 2016-17 has been 3.29% for J&K State as against 3.17% for All India Level. So far as month to month inflation rate at All India Level is concerned, the decreasing trend was shown from 6.69% in July 2016 to 2.47% in January 2017. In Feb 2017, it increased to 3.08%, and again decreased from 2.73% in March 2017 to 0.92% in June 2017.

### **Monthly Inflation based on CPI-RL**

The monthly inflation for CPI-RL for J& K State has declined during August, 2016 from 3.91% to 3.87% in Sep., 2016 and further to 1.50% in Oct, 2016. In November 2016 it rose to 3.00% and gradually increased upto Feb.2017 to 5.87%, then slightly decreased during next four months. The average for 2016-17 for J&K was 3.75% against 3.21% for All India Level. At All India Level the inflation rate for CPI-RL has shown the decreasing trend from 6.53% in July, 2016 to 2.58% in January, 2017. Afterwards it again increased to 2.94% in Feb 2017 and then again decreased upto June, 2017.

While comparing the Consumer Price Index for Agricultural Labourers and Rural Labourers for J&K, both are decreasing in Aug and Sep 2016 and then increasing trend November, 2016. At All India Level, the CPI-AL and CPI-RL scaled up from August, 2016 to January, 2017 and then recorded the upward trend in Feb. 2017.

### **Food Inflation based on CPIs**

The inflationary trend on Food items for the year 2015-16 on month to month basis shows that the CPI-IW food inflation trend has been fluctuating throughout the period but it dropped down to 2.41% in Oct. 2015 from the highest which was worked out at 15.06% in April, 2015 at J&K level. On the other hand the behaviour of food inflation at National level was also fluctuating along with State level. At All India level, it was between 3.21% in July, 2015 and 7.94% in Dec, 2015.

The CPI-AL at J&K level was 2.87% in May, 2015 but dropped down to -1.76% in September, 2015 and thereafter it has been increasing gradually and finally reached to 5.51% in June 2016. The similar trend has been recorded at All India level as it has witnessed the lowest of 1.14% in July, 2015 and thereafter it has been increased gradually to 6.01% in Dec, 2015 and thereafter it has again been decreased upto 2.91% in June 2016.

Food inflation in terms of CPI-RL at J&K level has been fluctuating throughout the period under reference with marginal increase / decrease as it recorded the highest of 6.49% in June, 2016 and the lowest of -1.17% in July, 2015. All India level has witnessed as high as 6.36% in Dec, 2015 and as low as 1.40% in July, 2015.

The average inflationary index for 2015-16 for CPI-IW has been 6.13% at All India level as against 8.5% at State level. Similarly the average index for 2015-16 for CPI-AL and CPI-RL at the state of J&K level is 1.4% and 2.18% respectively..

## State Average Daily Retail Prices of Essential Commodities

The Government monitors the Price situation regularly as the price stability remains high on its agenda. Measures taken to control prices of essential commodities include selective ban on exports and future trading in food grains, zero import duty on selected food items, permitting import. Apart from this, State Government is empowered to act against hoarders of food grains. The other steps taken by the Govt. are to address supply side bottle necks. To monitor prices of essential commodities a Price Monitoring Cell (PMC) was established in the Consumer Affairs and Public Distribution Department in 1998. The cell monitors and analyses price data and trends of availability of essential commodities. Prices of 14 essential commodities are monitored. The cell monitors daily retail prices received from 27 state capitals and weekly whole sale/retail prices of 37 centres spread all over the country.

The Directorate of Economics and Statistics, J&K, collects daily retail prices of almost all these commodities through its field functionaries from the capital cities Jammu and Srinagar since July, 2006 and submits these prices to the Price Monitoring Cell (PMC) on daily basis. It is seen that the average price for all the selected items has shown increase in 2016 over the prices of corresponding period of last year. The Percentage varies between the lowest of -44.68% in respect of Onion and highest of 35.87% for Arhar Dal and 28.33% for Gram Dal.

## Food Management

The idea of “Food Management” has been introduced with the basic objective of distribution of food to the needy sections of the society at affordable prices. Government is providing foodgrains to 74.13 lakh population under Antyoda Anna Yojna (AAY) and Priority Households (PHH) categories @ Rs. 2 per Kg for wheat & Rs. 3 per Kg for Rice and to 45 lakh population under Non-Priority category @ Rs. 13 per Kg for Atta and Rs.15 per Kg for Rice.

The Government has introduced “Mufti Mohammad Sayeed Food Entitlement Scheme” (MMSFES) with effect from 1<sup>st</sup> July, 2016 which envisages providing of additional 5 Kgs of foodgrains per soul to bonafide beneficiaries over and above the NFSA scale having family size from 01 (one) to 06 (six) subject to maximum of 35 Kgs per family.

The Government in Food, Civil Supplies & Consumer Affairs is charged with the responsibility of implementing one of the prime social sector programme of providing “Food Security” to one and all in general and to the vulnerable sections of the society in particular by way of providing foodgrains like rice, wheat and Atta and other essential commodities like sugar and kerosene oil at reasonable prices. The Government has established a network of 6593 authorized sale centres/Fair Price Shops, spread in the nook and corner of the state. The Government is making all out efforts to increase the number of sales outlets by involving unemployed youth to make the distribution process more easy.

The Department also looks after the critical areas like Regulation of supply of LPG and other petroleum items; Market control, price checking and quality control; Checking weights and

Measures; Redressal of Consumer Grievances and Protection of Consumer Rights; & Consumer Awareness Programmes.

### Allocation of Foodgrains

The Government of India was allocating foodgrains to the J&K State at the scale of 35 Kg per family per month. But with the implementation of “National food Security Act” (NFSA), the scale of distribution of foodgrains was changed to 5Kg/soul/month for Priority Households (PHH) & Non-Priority Households (NPHH) categories, whereas it remained same for AAY Category. The monthly allocations for the PHH, NPHH & AAY Categories on the basis of Ration Card Count under Various categories and the allocation for April 2017 onwards by Government of India is given below:

Allocation of food grains to various categories							(Unit in MTs)
S. No	Category	Food grains					
		Rice	%age of total	Wheat	%age of total	Total allocation	%age of total
1	AAY	5812.882	13.18	2438.193	13.18	8251.075	13.18
2	PHH	22224.844	50.40	9322.131	50.40	31546.975	50.40
3	NPHH	16056.992	36.42	6735.048	36.42	22792.040	36.42
<b>Total</b>		<b>44094.718</b>	<b>100.00</b>	<b>18495.372</b>	<b>100.00</b>	<b>62590.09</b>	<b>100.00</b>

The monthly allocation is reduced to 62590.09 MTs under NFSA against 63067 MTs per month before implementation of NFSA.

Against the total monthly allocation of 62590.09 MTs, the food grains to the tune of 22792.040 MTs (i.e 36.42%), has been allocated for NPHH rationed families by the Government of India, whereas PHH and AAY rationed families have got the share of 50.40% i.e, 31546.975 MTs and 13.18% i.e 8251.075 MTs of food grains respectively.

### Import of foodgrains

The local production of foodgrains in the State does not keep pace with the requirement, as the agriculture sector faces challenges on various fronts. The deficit is met by imports for meeting commitments under Targeted Public Distribution System, other welfare schemes and emergency relief measures. Import of food grains, thus helps in augmenting supplies, maintaining food security and buffer stock and ensuring price stability.

During the year 2015-16 the import of foodgrains was recorded at 755.85 thousand metric tonnes, which was 0.12% less than the imports of 2014-15. However, due to the implementation of “Mufti Mohammad Mohammad Sayeed Food Entitlement Scheme” w.e.f. from July 2016, the import of foodgrains during the year 2016-17 was recorded at 952.55 thousand metric tonnes, which was 26.02% more than previous year. The import of foodgrains during the year 2017-18 upto October, 2017 has been recorded at 526.74 thousand metric tonnes.

<b>Allocation/Import of foodgrains (000 metric tonnes)</b>			
<b>Year</b>	<b>Rice</b>	<b>Wheat</b>	<b>Total</b>
2014-15	533.17	223.63	756.80
2015-16	532.50	223.35	755.85
2016-17	680.11	272.44	952.55
2017-18 (ending October)	383.77	142.97	526.74

### **Off-take of foodgrains**

Off take of foodgrains is primarily under the “Targeted Public Distribution System” (TPDS) and other welfare schemes. During the year 2015-16, the off-take of foodgrains decreased to 708.64 thousand metric tonnes from 749.39 thousand metric tonnes in the year 2014-15, thereby registering a decrease of 5.43 %. Due to the introduction of NFSA in the State, the offtake of foodgrains in the month of February & March 2016 registered a sharp decline. However during the year 2016-17, due to implementation of Mufti Mohammad Sayeed Food Entitlement Scheme, the off-take of foodgrains rose to 897.22 thousand metric tonnes. During the year 2017-18 upto October, 2017 the off-take of foodgrains has been recorded at 502.17 thousand metric tonnes.

<b>Off take of wheat and Rice (000 Metric Tonnes)</b>			
<b>Year</b>	<b>Rice</b>	<b>Wheat</b>	<b>Total</b>
2014-15	530.78	218.61	749.39
2015-16	508.48	200.16	708.64
2016-17	673.85	223.37	897.22
2017-18 (ending October)	376.70	125.47	502.17

### **Sugar**

The import of sugar declined by around 25% from 82.94 thousand MTs in the year 2014-15 to 62.21 thousand MTs in the year 2015-16. 33% decline was witnessed in import of sugar in the year 2016-17 over the year 2015-16. Off-take of sugar declined by around 24% from 76.34 thousand MTs in the year 2014-15 to 58.29 thousand MTs in the year 2015-16. Further, around 32% decline was witnessed in the year 2016-17 over the year 2015-16. The import and off-take of sugar is 44.40 thousand MTs and 31.66 thousand MTs respectively in the year 2017-18 (ending October 2017).

<b>Allocation /Import and off take of sugar</b>				
<b>Year</b>	<b>Import of sugar (000, MTs)</b>	<b>Annual Growth (percent)</b>	<b>Off-take of sugar (000, MTs)</b>	<b>Annual growth (percent)</b>
2014-15	82.94	0.27	76.34	3.05
2015-16	62.21	-24.99	58.29	-23.64
2016-17	41.66	-33.03	39.90	-31.55
2017-18 (ending October)	44.40	-	31.66	-

### Targeted Public Distribution System (TPDS)

The Government makes all out efforts to implement the TPDS to the best advantage of the beneficiaries with utmost transparency and efficiency. In order to ensure that the benefit accrues to the targeted population, distribution of food grains is done through ration tickets. Food rationing has helped to control the price of the essential commodities in the open market and also to make essential commodities available to the consumers at affordable prices

In Jammu & Kashmir there are 10.91 lakh Non-Priority Household (NPH), 14.36 Priority Household (PHH) and 2.35 lakh Antayodaya Anna Yojana (AAY) ration cards totalling to 27.62 lakh as on ending October, 2017.

### Food subsidy

The two basic objectives of food subsidy, are provision of minimum nutritional support to the poor and ensuring price stability. To fulfill its obligation towards distributive justice, the Government provides huge subsidies on supply of foodgrains. The foodgrains are provided on subsidized rates in accordance with the scales prescribed by the Government, as detailed below:-

Priority Household (PHH) & Antayodaya Anna Yojana (AAY)		
1	Sugar	500 grams per head @ Rs. 25.00 per kg
2	SKO	Presently , 2-3 litres per Ration Card per month @ Rs. 22.55 per litre for PHH Category as the SKO quota released by GOI to the States/State is variably decreased by the GOI.
3	Sale of LPG	@ Rs. 496.00 per cylinder (12 subsidized cylinder per annum), @ Rs.798.00 per cylinder (non –subsidized ) and commercial @ Rs. 1401.50 per cylinder (non-subsidized , 19 kg ) during the month of November, 2017.

### District wise Profile of Rationed Families Registered under TPDS

District wise profile of rationed families under different categories, indicate that district Jammu has claimed the major share of 12.42 % i.e, 337574 ration tickets of all categories taken together, followed by Srinagar district having the share of 9.04% i.e, 245721 ration tickets which is followed by Baramulla, Anantnag, Budgam and Rajouri districts which have recorded the proportion of 8.14%, 6.97% , 6.36 & 5.84% respectively of the total ration tickets. All other districts have shown the combined share of 51.23%. Considering the category wise ration tickets issued by the FCS & CA Department, it has been observed that PHH category accounted for 52.36 % followed by NPHH and AAY categories which have registered the share of 38.92 % & 8.75 % respectively of the total ration tickets.

Under PHH categories, District Jammu has registered the maximum share of 12.44 % i.e 1.77 lakh families against the total of 14.22 lakh rationed families followed by Srinagar having 1.21 lakh rationed families i.e 8.45 %, Anantnag 1.15 lakh families i.e. 8.08 %, Baramulla 1.02 lakh families i.e. 7.20 % and Badgam having 0.91 lakh families i.e 6.38 %. Similarly under AAY

category, district Baramulla has shown the proportion of 11.57 % rationed families which is followed by Kupwara, Anantnag, Budgam and Pulwama Districts which have registered the share of 11.48%, 8.33 %, 7.82% and 6.34 % respectively.

### **Major Initiatives Undertaken during the year 2016-17**

- The Govt. of India decreased the allocation of foodgrains under NFSA to 62590.09 MTs per month as compared to previous years allocation. In order to meet out the requirement of foodgrains of the people/beneficiaries under TPDS, a scheme namely Mufti Mohammad Sayeed Food Entitlement Scheme was started during the year 2016-17 wherein extra ration is provided to beneficiaries in order to compensate the reduction caused due implementation of NFSA.
- The Govt. of India was providing 16218.77 MTs of Rice & 6802.90 MTs of Wheat under NPHH category. However, the people of State particularly residing in Kashmir Division are habitual of taking Rice instead of Wheat/Atta. The State took up the matter with Govt. of India and they provided 100% Rice under NPHH category.
- The Department of FCS & CA is striving hard for bringing in transparency in the distribution of foodgrains and weed out bogus and fake Ration Cards/beneficiaries so that the foodgrains do not get pilfered and black marketed. For this purpose Online supply Chain Management, online allocation of foodgrains and online grievance redressal mechanism are necessary. These will come into force with the implementation of “End to End Computerization of TPDS Operations” which the Department of FCS & CA is going to implement within the shortest possible period and has created software for online allocation of foodgrains, online grievance redressal mechanism, installed computers for implementation of Online Supply Chain Management in entire State shortly.

### **Initiatives Conceptualized for the year 2017-18**

- In order to bring Transparency in Public Distribution System of the State, the Department is Implementing Online Supply Chain Management under Component-I of Centrally Sponsored Scheme “End to End Computerization of TPDS Operations” and installation of Aadhaar enabled Point of Sale (PoS) Devices in all Fair Price Shops. The trail run of installation of PoS devices has been completed in District Samba and for other Four Districts namely Srinagar, Budgam, Ganderbal and Rajouri the trail run is under process.
- The Government is strengthening the functioning of State Commission, District Fora and State Consumer Helplines for protection of Consumer Rights.
- Establishment of Command and Control Rooms in both the Directorates of Department of FCS & CA Jammu/Kashmir for monitoring movement of foodgrains/SKO in Public Distribution System by tracking GPRS fitted vehicles carrying foodgrains & SKO.

## **Notable Achievements during 2016-17 and for the financial year 2017-18 as on ending October, 2017**

### ➤ **Implementation of Centrally Sponsored Scheme “End to End Computerization of TPDS operations” in the State**

The Department has installed Computers/hardwares in all the ADs/TSO offices/Godowns across the State for implementation of Online Supply Chain Management under e-PDS Project and the process for Installation and Management of Point of Sale Devices at FP Shops on pilot basis is underway.

The beneficiary data base has been digitized and hoisted at National Portal, which is the prerequisite for allocation of highly subsidized foodgrains for priority Households under NFSA. In order to provide a single unified information system for achieving total transparency in TPDS by ensuring all information pertaining to the TPDS. The Transparency Portal i.e. [www.jkfcsc.gov.in](http://www.jkfcsc.gov.in) including Grievance Redressal Mechanism has been started. The transparency Portal shows information relating to FPS wise digitized base of ration cards, entitlement of beneficiaries, lifting of food grains, etc.

### ➤ **Implementation of Pradhan Mantri Ujjwala Yojna(PMUJ)**

Under Prime Minister Ujjwala Yojna (PMUJ) 306023 LPG connections had been distributed among the women beneficiaries, which are below poverty line, free of cost in J&K State upto ending 31.05.2017.

### ➤ **GPRS Trackers**

In order to check the pilferage of commodities under TPDS, installation of GPRS in all vehicles transporting foodgrains/SKO meant for Public Distribution System has been made compulsory for proper monitoring and tracking the movement of vehicles transporting foodgrains/SKO for Public Distribution in J&K State.

### ➤ **Nomination Of Members In State Consumer Dispute Redressal Commission (SCDRC)**

Vide SRO 190 Dated: 20<sup>th</sup> of April 2017, the Department has nominated two members for the “State Commission” in term of Section 14 of J&K Consumer Protection Act, 1987 for redressal of the grievance of the consumers of the State.

### ➤ **Nomination Of Members In District Consumer Forums**

The Department has nominated members for 10 District Consumer Forums in terms of section 8 of J&K Consumer Protection Act, 1987 for redressal of the Grievance of the Consumers of the State at district level. In rest of the Districts the nominations of members shall be completed as and when the recommendations/panels of the concerned Selection Committee are received.



### ➤ **Role of Department of FCS&CA during Kashmir unrest in 2016**

During Kashmir unrest in 2016, the Department of FCS&CA played a commendable role in distributing foodgrains and other essential commodities among bonafide beneficiaries of TPDS. The Department distributed 2.28 lakh MTs of rice, 8,885 of atta, 0.19 lakh MTs of Sugar, 78.20 lakh litres of Kerosene Oil (Excluding Ladakh), 22.95 lakh LPG Cylinders, 689.29 lakh litres of Diesel and 492.33 lakh Litres of Petrol (MS) from July 2016 to November 2016 in Kashmir Division.

### **Legal Metrology Sector**

The department of Legal Metrology realized an amount of Rs. 487.17 lakh on account of Revenue ( i.e stamping fee and composition amount), 15979 Challans were booked & 15590 Challans were compounded during the last two years.

### ➤ **Construction of Laboratories at Bemina Srinagar and Transport Nagar Narwal Jammu**

During the year 2016-17 the construction of two Working Standard laboratory buildings one at Transport Nagar Jammu and one at Bemina Srinagar were completed and the laboratories started functioning thereby Strengthening the Legal Metrology Department for performing their functions.

### ➤ **Installation of Gold Testing Equipment in the State**

For testing purity of Gold, the Department of Legal Metrology has installed one “Karat Meter” in Jammu Division.

### ➤ **Construction of R&D Centre, Controller Office & Working Standard Laboratories**

Rs. 6.50 Crore have been received as Central Aid for civil works of one R&D Centre, one Controller office & Five Working Standard Laboratories and one Secondary Standard Laboratory. Four Working Standard Laboratories at Kupwara, Akhnoor, Udhampur and Poonch are complete and other laboratories including Controller Office/R&D Centre are likely to be completed by the end of November, 2017.

### **Strategies of Department**

- Provide quality foodgrains to common masses in general and beneficiaries of TPDS System in particular.
- Bring transparency in Public Distribution System and minimizing the pilferage of commodities meant for Targeted Public Distribution to zero.
- Redress the grievances of Consumers in shortest possible time effectively by establishing best mechanism for this purpose and protect the rights of consumers in all circumstances including Online Grievance Redressal Mechanism.
- Provide the commodities such as foodgrains, LPG etc. under Public Distribution System at door steps of the consumers.

- Implement Electronic-Public Distribution System (e-PDS) for Online Ration Card Management, Online Supply Chain Management and FPS Management.
- Automation of Fair Price Shops under Component-II of “End to End Computerization of TPDS Operations”.

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## **Section 5**

### **Sectoral Review**

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## **Economic Sectors**

## Chapter 1.1

# Agriculture

Around 70% of the population of the State resides in the rural areas and are directly or indirectly dependent upon the sector for their livelihood and employability. The contribution of Agriculture sector towards Gross State Domestic Product (GSDP) has remained constant which is indication of onset of declining trend of the sector.

The production of three major crops paddy, maize and wheat in J&K state is more than 90% of the total food grain production of all crops. The rest is shared by other cereals and pulses.

### Seed Management and Seed Replacement Rate (SRR)

The national average of seed replacement rate has been above 25 percent while the J&K State is pursuing its efforts to consistently achieve the desired level of Seed Replacement Rate (SRR) in case of High Yielding Varieties of major crops. The limitation of availability of breeder and foundation seeds is also a contributory factor. The desirable SRR level 25 percent for self pollinated crops, 35% for cross pollinated crops and 100 percent for hybrids at the national level have now been revised to 50% for cross pollinated crops and 33% for self pollinated crops.

S E A S O N	Seed Replacement Rate Achievements in the State								
	Crop	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17		
							KMR	JMU	Average
K H A R I E F	Paddy	22.4	32.54	25	29.68	32.54	33	42.59	37.795
	Maize	18.15	15.48	16.22	28.05	29.69	30	40.90	35.45
	Pulses	42.89	35	35	20.87	70.38	47	8.33	27.66
	Fodder	15.18	55	55	59.98	61.00	45	69.56	57.28
R A B I	Wheat	26.05	27.34	32.19	40.25	41.84	45	33.80	39.40
	Pulses	9.21	17.53	17.53	3.63	2.56	41	8.33	24.665
	Oilseeds	41.87	40.46	31.7	33.60	39.28	46	64.13	55.065
	Fodder	26.89	24.82	25	32.23	28.75	41	82.73	61.865

Department of Agriculture has registered a 33 % SRR of rice in Kashmir valley and 42.59 in Jammu Division. SRR in respect of maize was observed 30% in Kashmir and 40.90% in

Jammu Division. SRR in respect of Fodder is anticipated at 45% and 69.56 during Kharief Season in Kashmir and Jammu respectively during 2016-17. The SSR in respect of Rabi season for both the divisions is also reflected in the above table.

### Capex Budget 2016-17

From 2015-16, Centrally Sponsored Schemes have been made part of the Capex Budget and Revenue Component has been transferred to Revenue Expenditure Budget (Non-Plan)

Capex Budget 2016-17 has been approved at an outlay of Rs. 447.76 crore which includes Rs. 259.54 crore for Centrally Sponsored Schemes (Central Share Rs. 216.91 Cr & State Share Rs. 42.63 Cr), Rs. 12.00 crore of Negotiated loans (NABARD) and Rs. 176.62 Cr under Regular Schemes

### Centrally Sponsored Schemes

Number of Centrally Sponsored Schemes are being implemented for the welfare of the farmers and growth in the Agriculture Sector:-

#### ➤ Rashtriya Krishi Vikas Youjna (RKVY)

The scheme aims to achieve the goal of reducing the yield gaps in important crops, through focused interventions & good productive practices, to maximize returns to the farmers in Agriculture & allied sectors and brings quantifiable changes in the production & productivity of various components of Agriculture & allied sectors by addressing them in a holistic manner.

The financial targets & achievements registered during 2016-17 is as under:-

During Last Year (2016-17), the department had an unspent balance of Rs 1160.44 lakh against which Rs 848.02 lakh has been revalidated and the expenditure is of Rs 588.163 lakh as per the following breakup-

Financial achievements				(Rs. In lakh)
S.No	Sub Scheme	Un-spent Funds revalidated for utilization during 2016-17	Expenditure ending March 2017	Unspent Balance as on 01-04-2017
1.	Rashtriya Krishi Vikas Youjna (RKVY) (Normal)	94.16	51.46	42.70
2.	National Mission on Saffron	753.86	536.703	217.157
3.	Vegetable initiative for Urban Clusters (VIUC)	0.00	0.00	0.00
4.	National Mission on Protein Supplements (NMPS)	0.00	0.00	0.00
	Total	848.02	588.163	259.857

In addition, during previous year 2016-17 we had a provision of Rs. 9323.00 lakh for the implementation of the Rashtriya Krishi Vikas Youjna (RKVY) ( Rs. 3973.00 lakh RKVY Normal, Rs. 5000.00 lakh under National Mission on Saffron and Rs 350.00 lakh under Foot and

Mouth Disease). Against this an amount of Rs. 4972.48 lakh was released (Rs. 3849.00 lakh Central Share and Rs. 1123.48 lakh as State Share). The expenditure is of the order of Rs. 1996.32 lakh as per the following breakup:-

Details of Expenditure breakup under RKVY								(Rs. In lakh)
S. No	Sub Scheme	Funds released during 2016-17			Expenditure during 2016-17			Unspent Balance as on 01-04-2017 (CS)
		CS	SS	Total	CS	SS	Total	
1.	Rashtriya Krishi Vikas Yojna (RKVY)-Normal	1616.00	370.00	1986.00	1465.43	216.35	1681.78	150.57
2.	National Mission on Saffron	2097.00	723.48	2820.48	218.94	24.60	243.54	1878.06
3.	Foot and Mouth Disease (FMD)	136.00	30.00	166.00	54.40	16.60	71.00	81.60
	<b>Total</b>	<b>3849.00</b>	<b>1123.48</b>	<b>4972.48</b>	<b>1738.77</b>	<b>257.55</b>	<b>1996.32</b>	<b>2110.23</b>

- Work on Saffron Park at Dusso Pulwama has been accelerated in collaboration with National Horticulture Board for which Rs. 24.00 crore were provided. The project is nearly completion.
- Development /Establishment of Model Saffron Village at Samboora Pulwama and Kishtwar are under consideration of the government;
- Sprinkle Irrigation System is in progress for boosting Saffron production under Saffron Mission;

#### ➤ National Mission for Sustainable Agriculture (NMSA)

National Mission for Sustainable Agriculture proposes to achieve various objectives to make agriculture more productive, sustainable remunerative and climate resilient by promoting location specific Integrated/Composite Farming Systems, to conserve natural resources through appropriate soil & moisture conservation measures, to adopt comprehensive soil health management practices based on soil fertility maps, soil test based application of macro & micro nutrients, judicious use of fertilizers etc, to optimize utilization of water resources through efficient water management to expand coverage for achieving 'more crop per drop, to develop capacity of farmers & stakeholders, in conjunction with other on-going Missions and to establish an effective inter and intra Departmental/Ministerial co-ordination for accomplishing key deliverables of National Mission for Sustainable agriculture under the aegis of NAPCC.

The CSS "NMSA" after restructuring is to be implemented under the following heads of development:-

1. Rainfed Area Development Programme (RADP).

2. Climate Change & Sustainable Agriculture Monitoring, Modeling & Networking
3. Soil Health Mission (SHM)
4. Paramparagath Krishi Vikas Yojana (PKVY)

An amount of Rs. 153.65 lakh was available under Rainfed Area Development during 2016-17 which includes Rs. 142.55 lakh unspent balance and Rs. 11.10 lakh as State Share. Against which 96.30 lakh has been utilized during the year.

For the Climate Change Intervention One block each in District Budgam/ Jammu is being covered under Climate Change. Proposal on pilot basis to introduce climate resilient varieties of seeds etc to check the adverse effects of climate on production.

An amount of Rs. 103.94 lakh was available during 2016-17 under Soil Health Management which includes Rs. 25.31 lakh of unspent balance and Rs. 78.63 lakh as State Share. Against which 45.91 lakh has been utilized during the year.

An amount of Rs. 79.85 lakh was available under Soil Health Card Scheme which includes Rs. 56.14 lakh of unspent balance and Rs. 23.71 lakh as State Share. Against which the expenditure during 2016-17 was Rs. 50.02 lakh. The achievements made during the year is as under:-

- ▶ 108690 farmers covered during 2016-17
- ▶ 139295 soil samples taken
- ▶ 74565 samples tested
- ▶ 249920 Soil Health Cards generated/printed during the period

An amount of Rs. 134.87 lakh was available under Paramparagath Krishi Vikas Yojana which includes Rs. 32.96 as un-spent balance, Rs. 87.81 lakh as fresh release and Rs. 14.10 lakh as State Share. Against which the expenditure was Rs. 62.73 lakh.

### **National Mission on Agricultural Extension and Technology (NMAET)**

The scheme aims to extend Agricultural education for transfer of technology, introduction of improved seeds, limited and specific use of pesticides & introduction of modern farm business machinery. The scheme envisages implementation of the core components for ensuring easy availability of inputs (i.e seeds, pesticides & machinery) at reasonable prices. Agricultural Extension & Technology have to go hand in hand and that is the genesis of the National Mission on Agricultural Extension & Technology. So, that delivery of appropriate technology & improved Agronomic Practices are enabled.

The CSS "NMAET" has been restructured & is comprising of sub-schemes viz, Sub-Mission on Agricultural Mechanization; Sub-Mission on Agricultural Extension; Sub-Mission on Seed & Planting Material and Sub-Mission on Plant Protection.

An amount of Rs 3365.46 lakh has been approved for the implementation of NMAET which includes Sub-Mission on Agriculture Mechanization (Rs. 356.67 lakh), Sub-Mission on Agricultural Extension (Rs. 1507.78 lakh) and Sub-Mission on Seed & Planting Material (Rs.



1501.01 lakh) during 2016-17. An amount of Rs. 1904.77 Lakh (including State Share of Rs. 285.79 lakh) has been received by the Department for the implementation of various programmes in a mission mode manner during the year 2016-17. Besides there was unspent balance of Rs. 316.36 lakh. Therefore the total availability during then year was Rs. 2221.13 lakh. Against which an amount of Rs. 1925.50 (Including Rs. 208.67 lakh as State Share) has been utilized during the year.

➤ **National Food Security Mission**

National food Security Mission is under implementation in J&K to increase the disease free Food production of rice , wheat, pulses & course cereals (Maize), to increase the farmers income by making the farm business management more profitable and to generate employability.

During 2016-17 Action Plan has been approved at an amount of Rs. 1584.12 lakh. An amount of Rs 871.26 lakh has been received (Central Share as Rs. 712.85 lakh & State Share Rs 158.41 lakh) against which Rs.7739.41 lakh has been expended during 2015-16 which includes the state share of Rs 110.548 lakh.

➤ **National Mission for Oilseed and Oil Palm (NMOOP)**

Action Plan of Rs. 111.87 lakh was approved for the year 2016-17. No Central Share was released during the year. However there was an unspent amount of Rs. 38.82 lakh against which Rs. 27.09 lakh were utilized during 2016-17. Moreover against State Share of Rs. 11.19 lakh available during 2016-17, Rs. 3.61 lakh were expended.

Under Mini Mission Ist (MM-I) 26 ha wa brought under rape seed and mustard block demonstration crop/ variety wise by way of providing of 50% of the cost of inputs on rape seed and mustard besides one farmers training programme was also organized.

➤ **Pradhan Mantri Fasal Bima Yojana**

The scheme provides uniform premium as only 2% to be paid by the farmers for all Kharif crops , 1.5% for all Rabi crops and in case of annual commercial and horticulture crops the premium is 5% only of sum insured.

<b>Crop-wise financial details of the Farmer's Share, State Share and Central Share</b>									
<b>CROP</b>	<b>Districts</b>	<b>Area to be insured (ha)</b>	<b>Notified SI per ha (Rs)</b>	<b>Total SI (Rs. In lakh)</b>	<b>Premium quoted by Company (%)</b>	<b>Premium Amount (Rs. In Lakh) ( % of TSI)</b>	<b>Farmer's Share @2% of Total SI (Rs. In Lakh)</b>	<b>Central Share (Rs. In Lakh)</b>	<b>State Share (Rs. In Lakh)</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>
PADDY	ALL	32760	35000	11466	4.86-14.40	990.06	229.32	380.37	380.37

MAIZE	ALL	54018	30000	16205.4	5.07-21.00	1367.75	324.11	521.82	521.82
WHEAT	ALL	72335	35000	25317.25	5.07-14.00	2128.97	379.76	874.61	874.61
Mango	All	500	70000	350	26.00-47.00	106.69	17.50	44.60	44.60
<b>Total</b>	<b>159613</b>			<b>53339</b>		<b>4593.48</b>	<b>950.69</b>	<b>1821.40</b>	<b>1821.40</b>

### ➤ Pradhan Mantri Krishi Sinchayee Yojana (PMKSY)

The scheme is for a period of five years from 2015-2020 to achieve “more crop per drop” for overall rural prosperity. The funding for the works proposed under comprehensive water security plan is to be obtained through convergence from existing centrally sponsored schemes e.g. MNREGA, PMKSY, IWMP etc.

As about 75 percent of the net cultivated area of Jammu region and 60 percent of Kashmir region is un-irrigated. The Department has drawn up 22 District Irrigation Plans (DIPs) requiring Rs. 14688.46 crore to be executed in a phased manner to make efficient and judicious use of every drop of irrigation water under the Pradhan Mantri Krishi Sinchayee Yojana (PMKSY).

### Command Area Development & Water Management Programmes

The following projects of Command Area Development are under execution/ are being taken up:-

- ✓ In Kashmir Division 09 projects of CAD are of ongoing nature at Ahaji Bheerwa Kehmil Kupwara, Ferozpora Tangmerg, Sonawari, Ganderbal, Uri, Tongri Shopian, Waishow Kulgam & Kargil.
- ✓ Four projects have been completed and five (05) are of ongoing nature
- ✓ 12 new projects at Arapath, Rambaria Romshi, Devsar, Lar Shkhanag, Nigli Amragad, Shali Ganga & Dood Ganga, Puhroo Kupwara, Sind Valley, Shahoora, Tral, Gurez, Rafiabab are proposed during the current financial year 2016-17.
- ✓ In Jammu Division Ranbir canal CAD Project has been completed
- ✓ New Partap canal CAD project is ongoing project expected to be completed during the current financial year 2016-17.
- ✓ Five new projects at Pargwal Udampur, Rajori, Kishtwar & Ramban have been approved by the Ministry of Water Resources GoI and are under execution during the current financial year 2016-17
- ✓ All the above projects are part of Prime Minister’s Krishi Sinchayee Yojana.

### Sericulture

Jammu and Kashmir is famous for producing high quality Bivoltine silk of international grade. Sericulture is a traditional agro based cottage industry of the State and provides sustainable

livelihood to a sizable section of society. Presently more than 30000 families are associated with this industry. Most of these families belong to economically weaker sections of the society having marginal/small land holdings. Annually about 1000 MT of cocoon is produced in the State.

There are 173 mulberry nurseries in the state spread over an area of 1021 acres. About 12 Lakh quality plants are produced in these nurseries and distributed among farmers and also planted on state/community land to raise mulberry leaf for rearing silkworms. The nurseries/farms also serve as leaf reservoirs for the landless cocoon growers.

Presently about 18000 ounces of quality hybrid silkworm seed (60 percent of total annual requirement) is produced locally.

Government has introduced second crop to enhance the income of cocoon growers. Besides the major cocoon crop raised in spring season, second cocoon crop is raised in autumn.

Special focus is on Post Cocoon Sector so that cocoon produced in the state is fully utilized locally for value addition and employment generation. Department has established 34 silk reeling units out of which only 12 are functional. A comprehensive package is being for the revival of sick reeling units.

State has a cocoon bank facility with a revolving fund of Rs.100 Lakh. Silk Reelers utilize this fund as working capital to purchase cocoon to run their units throughout the year

With a congenial climate for Bivoltine cocoon production, J & K state has the potential to meet the requirement of silk yarn and has the potential to become a leading silk producing state in India. Sericulture being an eco friendly and women friendly operation has a great future ahead especially for a state like J & K. In order to realize its true potential there is need to have a special focus on this industry.

### **Physical and financial progress of State Centrally Sponsored Scheme critical Component of CSS 2016-17**

During the year 2016-17, an amount of Rs.183.29 Lakh allotted for the following three critical components of Central Sector Scheme.

Construction of new Cold Storage at Srinagar	= Rs.108.00 Lakh.
Popularization of 5 Chawki Rearing Centers With incubators	= Rs. 45.00 Lakh.
Supply of rearing appliances- Rotary mount ages	= Rs. 30.29 Lakh.

Out of 05 Chawki Rearing Centres, the Detailed Project Report for their construction has been received for three CRCs only (Three from Executive Engineer, Horticulture Planning and Marketing Division, Srinagar) and Two Detailed Project Report from Executive Engineer, Horticulture Planning and Marketing Division, Jammu are pending.). Out of three Chawki Rearing Centres, two stands completed and taken over by the department in Kashmir division

### Notable Achievements 2016-17

- **Cocoon production:** There has been a Cocoon Production of 944 MT during 2015-16. Despite incessant rains during spring 2015 in Jammu Division and damage to second cocoon crop, state achieved 973 MT during 2016-17. Cocoon production is likely to reach to 1025 MT during 2017-18.
- **Cocoon Prices:** Due to improvement in cocoon quality, farmers in some markets fetched record price of Rs 1000 to 1050 per kg and the average price for “A” grade cocoons was Rs. 582/Kg dry during 2015-16 compared to Rs. 667/Kg during 2016-17 registering a increase of 15%. During 2017-18 average price of A Grade cocoon is expected to Rs 850-900 per kg (Dry)
- **Cocoon productivity** per ounce of silkworm seed has increased to 40 Kg during the year 2016-17 which was 32 Kg during 2008-09.
- **Renditta** (Cocoon required to produce 1 Kg of silk yarn) has come down to 7.5 Kg from 9 Kg during 2008-09 by replacing traditional silkworm races (poor silk yielder) with high yielding double hybrids;
- Raw Silk production increased from 82 MT during the year 2008-09 to 140 MT during 2016-17 showing an increase of 71 %. It is expected to 147 MT in 2017-18.
- Basic Seed Station at Mirgund has been constructed at an estimated cost of Rs114.98 Lakh. for maintenance and multiplication of parental silkworm races at P3 and P2 levels

### NOTABLE ACHIEVEMENTS 2017-18

- The cold storage plant which was sanctioned during 2016-17 at an estimated cost of Rs. 120.00 Lakh, its foundation stone has been laid at Tulsibagh Srinagar by the Hon'ble Minister for Agriculture Production in presence of Hon'ble Minister for Education and other dignitaries on 12-06-2017. On its commissioning, the department will be in a position to preserve 20,000 ounces of silkworm seed in a scientific way which will benefit about 10000 rearing families.
- Mulberry field plantation of 3.36 lakh has been conducted in Kashmir Division.
- Cocoon production of 181 MT has been transacted in different markets of Jammu Division ending 05/2017.

### NABARD funding

- 7 projects have been sanctioned by NABARD under RIDF XIX , XX & XVII for Agriculture Sector involving project cost of Rs. 35.44 Cr. Till date an amount of Rs. 9.50 Cr has been spent on the above seven projects and Rs. 10.94 Cr is required for completion of these projects
- Cold Storage at Lawarance Road New Delhi to be funded under NABARD at a cost of Rs. 16.80 Cr is expected to kick start during 2018-19

- 06 New Projects have been proposed during current financial year 2017-18 which includes Farmers Training Centres at Udhampur and Ganderbal, Ex- Situ Gene Bank at SKUAST- Jammu/ Kashmir and Setting up of Sericulture Training School at Katra and Aluchibagh Srinagar. .

### **State Agriculture Universities**

Two State Agricultural Universities Jammu/Srinagar are providing research & developmental assistance to the Departments of Agriculture/Horticulture, Animal/Sheep, Forestry & allied sectors. The R&D activities are replicated on ground for production growth through extension education discipline of these Universities.

### **Notable Achievements during 2016-17 in respect of Agriculture Production Department**

- **Procurement and Marketing of Mushkbudji Rice:**-The Department has started procurement of Mushkbudji Rice. A total of 1267.50 quintals at the rate of Rs 85 per KG (before milling) has been procured. The milling of paddy is expected to be completed by end of March, 2017. Till date about 50 quintals of Mushkbudji Rice has been sold.
- **Women Self Help Groups (SHGs):**-172 Women Self Help Groups have been formed in the State, involving 2597 women. These Self Help Groups are involved in vegetables (including organic cultivation), Mushrooms, Apiculture, Food Preservation, Flower Cultivation, Kitchen- gardening, etc. These SHGs have generated about ₹ 4.00 crore in 2016-17 (ending January 2017) and employment (91,750 women working days in Kashmir Division) generated. These women Self Help Groups remain more active during vegetable growing seasons i.e. March to October in Kashmir. In Jammu Division groups have been formed recently from November-2016 and inputs are being provided to them.
- **Direct Benefit Transfer (DBT):**- To have transparency in implementing to the schemes and transfer of subsidy to the farmers, the Department has started in a limited way. The transfer of benefit in the form of subsidy to the deserving farmers through direct transfer of the subsidy amount directly into their Bank Accounts. All releases under Centrally Sponsored Scheme post March 31<sup>st</sup>, 2017 would be completely based on Aadhar linked databases of beneficiaries.
- **Integrated Mushroom Centre:**- one of the major obstacle in flourishing of mushroom industry has been the cumbersome nature of pasteurization of the compost. Department of Agriculture is in the final stages of commissioning of Integrated Mushroom Centre at Lalmandi wherein all the facilities like; availability of pasteurized compost, production of spawn etc. will be provided to the farmer under one roof.
- **Establishment of Saffron Spice Park:**- The Department will soon commission the Saffron Spice Park at Dusoo Pampore wherein all the facilities like' research, testing, quality control and e-trading facilities will be provided to saffron growers. Such a step will ultimately result in wiping out the illegal saffron trade from the market.

- **Basic Seed Station (Sericulture):-** Construction of Building of Basic Seed Station at Mirgund, Baramulla has been completed with an estimated cost of Rs 114.98 lakh. It will facilitate the production of P1 Seed to be distributed among the farmers.
- The following special focus programs of Hon'ble Chief Minister are being implemented by the J&K Agriculture Production Department as part of State Capex budget for the first time:-

**i. Basmati Villages**

Two Basmati Villages in Jammu Division under the State Plan at an approximate cost of Rs 12 Crore each in cluster mode.

**ii. Development of Saffron**

Saffron Heritage Centre is being set up under State Plan on a land available close to National Highway in Pulwama District, at an estimated cost of Rs.5 crore over a period of two years.

**iii. Mushkbudji Revival Programme**

Popularization of Mushkbudji is focused so that there is increase in area and flow of benefits to farmers with proper price for their produce.

**iv. Virus Free Potato Seed Village**

Virus free Potato Seed Village is taken up in available land in Kanidajan area of Budgam district at an estimated cost of Rs. 5 crore under the State Plan, spread over three years.

**v. Apiculture Clusters**

For giving a boost to honey production, two Apiculture Clusters, one each in Kupwara and Ramban Districts is being set up under the State Plan. An estimated cost of Rs. 5 crore for each cluster was envisaged over a time period of three years.

**vi. Rajmash Clusters**

For giving focus to Rajmash pulses production, two Rajmash Clusters, one each in Bharderwah Sub Division and in Kishtwar District is being set up under the State Plan. An estimated cost of Rs. 5 crore for each cluster was envisaged over a time period of three years.

**vii. Intensive Vegetable Development Clusters**

Vegetable production needs to be doubled in a period of three years, in the light of commitment made by HCM in the Assembly on 8 June 2016. Five clusters are being focused. These clusters would be in Jammu, Kathua, Revamping of J&K Agriculture Sector Proposal 2017 Page 9 of 30 Srinagar, Pulwama, Budgam and Anantnag Districts. State Plan would provide Rs. 5 crore to each cluster over a period of three years.

**viii. Organic Vegetables Cluster in Leh and Kargil Districts**

Organic vegetable production in protected systems is taken up in Leh and Kargil Districts. State Plan provides Rs 3.00 crore to each cluster over a period of three years.

## **Floriculture**

Floriculture has been the most focused segment of horticulture in view of its vast potential in the State. The demand for flowers as cut, loose, dry, potpourri bulbs, seeds, bunches, bouquets, ornamental, fillers, etc. is increasing quite substantially over the years both in domestic and international markets. This sector has also assumed greater significance as it has not only huge employment potential but surely has an impact to increase the income levels of various tourism related stakeholders.

On the commercial front of Floriculture income of farmers from flower cultivation has seen a phenomenal jump due to ever growing demand for flowers in domestic and international markets and thereby this sector is generating employment. The Government has taken several measures to promote this activity. Vision with the Department is to ensure sustained growth in the field of floriculture through Global technologies and innovated tools by creating enabling frame works in the shape of infrastructure facilities for remunerative farm practices. The activities undertaken so far under the schemes like MIDH, RKVY, ATMA, and PMKSY have brought floricultural activities on a commercial scale, which has resulted, into entrepreneurship of more than 500 unit holders of controlled atmosphere flower cultivation. Volume of business generated is approximately around 20 crore annually on a conservative estimate basis and has also opened newer opportunities for trading in floriculture business. There are two different aspects of Floriculture viz., (i) Ornamental Floriculture and(ii) Commercial Floriculture.

### **Ornamental Floriculture**

Maintenance and development of Gardens and Parks to boost tourism at the prime tourist destinations; like Mughal Gardens (Nishat, Shalimar, Cheshmashahi, Pari Mahal, Verinag, Achabal and Jarokabagh), Botanical Garden, Kokernag, Pahalgam, Manasbal, Tulip Garden, etc.

### **Commercial Floriculture**

Floriculture is playing its role of creating and maintaining various parks and gardens, these assets create a favorable environment for tourism and recreational activities. Floriculture has a vast scope and potential in the valley, which is evident from the fact that during the year 1996, an area of 80 Ha was under flower cultivation in J&K, which has currently expanded to the level of 350 Ha, with an annual turnover of about Rs.1350 lakh. Further, more than 1500 youth are directly engaged under commercial floriculture sector in Kashmir Division. Moreover, an area of about 9.297 Hac. has been covered under protected cultivation, in private sector by raising Tubular Structure Poly Houses; High Tech Poly Houses, Shade Net Houses, etc.

In order to facilitate flower production, Government has introduced contract farming for establishing flower-seed villages. Seeds of different flowers like, Cosmos, Zinnia and Salvia have been provided to the growers of the valley, in the buy-back scheme.

The department of Floriculture is striving hard to percolate the benefits of Centrally Sponsored Scheme to the real progressive growers of the Division, and it is expected that good impact of the CSS will be visualized in near future.

<b>Details of funds released/expenditure incurred under State Plan and various Centrally Sponsored Schemes</b>						
<b>Name of the Scheme</b>	<b>2015-16</b>		<b>2016-17</b>		<b>2017-18 (Ending October 2017)</b>	
	<b>Allocation</b>	<b>Expenditure incurred</b>	<b>Allocation</b>	<b>Expenditure incurred</b>	<b>Allocation</b>	<b>Expenditure incurred</b>
Capex Budget	2258.50	1996.00	1827.50	1599.03	1909.00	933.21
Rashtriya Krishi Vikas Yojana(RKVY)	73.57	70.97	46.76	46.38	53.63	0.00
Mission for Integrated Development of Horticulture (MIDH)	190.00	174.88	134.35	117.79	190.38	63.24
State Extension Programme for Extension Reforms(ATMA)	13.89	11.33	12.00	9.93	30.27	0.00
Pradhan Mantri Krishi Sinchayee Yojana(PMKSY)	2.00	0.49	0.85	0.00	0.00	0.00

#### **Floriculture scenario in Kashmir region**

Studies show that the extent of employment generated by flower crops is in the range of 913-1210 man days per hectare, which is more than the employment generated by food crops i.e. in the range of 105-305 man days per hectare. Similarly, the income generated by flower crops is to the extent of Rs. 8-9 lakh per hectare to Rs. 4000-Rs.52000 in case of food crops.

#### **Floriculture scenario in Jammu region**

Jammu region is also striving hard for paving its way to emerge as an important production base for floriculture products.

The Department is implementing various plan schemes which are primarily focused for the development and popularization of ornamental and recreational floriculture with a view to catch the attention of the tourists and also generate direct and indirect employment opportunities in the State. Development of new parks, beautification of existing parks/gardens, restoration, preservation and maintenance of heritage gardens are the major activities under plan sector.



Floriculture is increasingly regarded as a viable diversification from traditional crops due to increase in per unit returns and is apt to become one of the high value agriculture industries.

### **Some Notable Achievements Of Floriculture In J&K State (2016-17)**

- An amount of Rs. 668.42 lakh was incurred under State Plan for execution of 52 nos. of works in various Parks of Jammu Division. Out of which 12 nos. of works were completed during the year 2016-17.
- Revenue of Rs. 135.61 lakh was generated by way of entry ticket, photographers licence fees, cost of tendered documents, sale of plant materials and parking lots during the year 2016-17.
- Subsidy amounting to Rs. 41.14 lakh has been released in favour of 905 nos. of growers both under Centrally Sponsored Schemes RKVY & MIDH respectively during the year 2016-17. An area of 154.35 hectares has been covered under different varieties of flower crops.
- 13 Nos. individual water sources (Dug Wells) at an estimated cost of Rs.11.68 lakh have been created under Private Sector during 2016-17.
- 3217 nos. of progressive growers have been awared about the significance of cultivation of flower crops by way of organizing of training programmes/awareness camps/Exposure visit at different levels i.e. District level, state level and outside the state. An amount of Rs.10.69lakh has been expended on these training programmes during the year 2016-17 under CSS MIDH ATMA& PMKSY.
- Under Organic Farming, 07 Nos. of Vermi-Compost Permanent Structures have been constructed under Pvt. Sector in Jammu Division and subsidy for an amount of Rs. 3.45 lakh has been disbursed to the beneficiaries.
- An area of 4458 sq m has been brought under the component of shade net house.
- 02 No of Vermi Compost Unit established.
- Cultivation of Carnation and Gerbera/ Rose and Lillium under Poly House/Shade Net House to an area of 5988 sq m.
- Refurbishment of Pratap Park taken up by Godfrey Phillips India Ltd under CSR and completed with a spending of Rs 1.20 crore (approx)
- Establishment of Dahlia Garden at Polo-ground under execution.
- Establishment of Rose Garden at Lidder View Park, Pahalgam is under execution.
- Establishment of exclusive ornamental Cherry Garden on the back terrace of Tulip Garden, Srinagar has been taken up.
- In association with an expert from the Netherlands, experimental station established at Plant Introduction Centre, Cheshmashai.

**Major initiatives undertaken during the years 2016-17 and new initiatives conceptualized for the year 2017-18.**

The Department for the first time in its history has developed Floriculture Development Policy with a focus for 2016-2031 and submitted to the Government for adoption. The policy document contains many recommendations encompassing many important aspects in floriculture development, interalia objects and strategies, investment promotions, fiscal incentives and facilitation. It is because of sustained efforts of the Department that the state Government in Planning, Development & Monitoring Department agreed to provide a capital incentive subsidy to the extent of Rs. 1.00 crore in the year 2017-18 Capex Budget.

## Chapter 1.2

# Horticulture

J&K State is well known for its horticultural produce both in India and abroad. The state offers good scope for cultivation of horticultural crops, covering a variety of temperate fruits like apple, pear, peach, plum, apricot, almond, cherry and subtropical fruits like mango, guava, citrus litchi, phalsa and Ber etc, besides medicinal and aromatic plants, floriculture, mushroom, plantation crops and vegetables. Apart from this, well known spices like saffron and black zeera are also cultivated in some pockets of the state. As a result, there is a perceptible change in the concept of horticulture development in the state.

There are around 7 lakh families comprising of about 33 lakh people which are directly or indirectly associated with horticulture. Horticulture development is one of the thrust area and a number of programmes have been implemented in the past, resulting in the generation of higher incomes in the rural areas, thereby improving the quality of life in villages.

The growth of horticulture sector can be attributed to various initiatives taken by the Govt. and State Govt. like Mission for Integrated Development of Horticulture, Prime Ministers Developmental Package and High Density Plantation Programme. Under these schemes, due attention is being given towards establishment of High Density orchards, better post-harvest management by establishment of fruit mandies and creating Controlled Atmospheric Storage facilities in addition to establishment of Fruit/Vegetables Processing units, technological support, awareness/publicity initiatives, research and extension etc.

Apple is the most important fruit crop of J&K State, about 48% of the area is covered under apple as per the horticulture census 2016-17. It is also important in terms of production (17.26 lakh Mts.) and provides the maximum marketable surplus of about 30% of A grade, 40% of B-grade and 30% of C grade of prefalls and culled apples which accounts for substantial quantum of around 5.18 lakh Mts. which needs to be exploited as raw material for processing industry. The increased production due to various developmental schemes yielded some good results and our export worth approx. Rs 6500 Cr were reported during 2016-17.

Food processing industry offers tremendous opportunity for commercial exploitation of horticulture of the State but commercial processing is around 1% only due to lack of post harvesting and processing facilities as well as unscientific grading and packaging. Therefore, opportunities are open for exploiting the potential under processing to individuals, Joint Venture and Government organisations.

Area under Fruits in J&K State has increased from 2.95 lakh hectares in 2007-08 to 3.38 lakh hectares in 2016-17. The production has increased from 16.36 lakh MTs in 2007-08 to 22.35 lakh MTs in 2016-17.

<b>Area, Production &amp; Productivity of fruits (All fruits) J&amp;K State</b>				
<b>Year</b>	<b>Kind of fruit</b>	<b>Area</b>	<b>Production</b>	<b>Productivity</b>
		<b>(Lakh Ha)</b>	<b>(Lakh MTS)</b>	<b>Per Hect.</b>
2014-15	Fresh	2.44	14.55	5.96
	Dry	1.12	2.57	2.29
	<b>Total</b>	<b>3.56</b>	<b>17.12</b>	<b>4.76</b>
2015-16	Fresh	2.42	22.18	9.16
	Dry	0.96	2.76	2.87
	<b>Total</b>	<b>3.38</b>	<b>24.94</b>	<b>7.38</b>
2016-17	Fresh	2.42	19.59	8.09
	Dry	0.97	2.76	2.84
	<b>Total</b>	<b>3.38</b>	<b>22.35</b>	<b>6.59</b>

#### **Main Thrust Areas during 2015-16 & 2016-17**

- **Market Intervention Scheme (MIS)** has been rolled out on 09.10.2015 on pilot basis for Sopore sub-division (Baramulla District), Shopian Tehsil (Shopain District) and Dachnipora (Anantnag District) through a procurement of 9000 MTs “C-grade” apple during 2015-16 at a cost of Rs. 1090.00 lakh comprising state share Rs. 1000.00 lakh and processors share Rs. 90.00 lakh. to mitigate the hardships of the growers, so that good quality fruit is exported and adequate returns flow to the Horticulture Sector. The scheme was operational upto 31<sup>st</sup> of December 2015. Directorate of Economics and Statistics has conducted an evaluation study on MIS and has submitted the report which is under examination in the department.
- **National Agriculture Market (NAM)** is a game changer under the Agriculture and Horticulture sector and the State has to undertake prior reforms such as single license to be valid across the State, single point levy of market fee and provision for electronic auction as a mode for price discovery. The amendment to the APMC act is under process and proposal to link four (4) major Terminal Mandies at Narwal (Jammu District), Jablipora (Anantnag District), Parimpora (Srinagar District) and Sopore (Baramulla District) in the first phase is also under consideration.
- **Diversification towards High Value Agriculture** During the last several years, diversification of Agriculture in State towards high value commodities, i.e. fruits, vegetables and livestock products is taking place at a faster pace and is reflected in the high share of High Value Commodities (HVCs) in agricultural production in a number of districts. Sustained economic and income growth, urbanization and globalization are fuelling rapid growth in demand for high value commodities in the State. High Value Horticulture has a comparative advantage in production and labour absorption over staple food items and thus is reckoned as an important activity for small orchard

holders. Equally important, the consumption of High Value Commodities (HVCs) is on rise. In 1999, an urban consumer 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 food commodities had increased from 36% to 46% during this period. The share of milk, which is the most important high value food in rural as well as urban areas has 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 be doubled than that was in 2000.

- **Post-Harvest Management (PHM)** The horticulture crops like fruit, vegetables and flowers are perishable in nature and requires special attention in their harvesting, handling, packaging, storage and processing operations. It is viewed by experts that 10% losses occur at field level, 5% during transportation, 2% during packaging, 9% at storage and 4% at processing, aggregating to 30%. Keeping in view wastages at various stages, Govt. is concentrating on development of post-harvest infrastructure like cold storage, pack houses and intensive training programme on Post-Harvest Management (PHM) of horticulture crops. At present above 90 thousand MTs of Controlled Atmosphere Store/Cold store capacity is available in the State. In addition to this, two CA storage of 10 thousand MTs capacity are being established by private entrepreneurs, their cases for sanction of subsidy is being submitted to the Government of India shortly. Subsidy amounting to Rs. 84.175 crore has been released in favour of 07 numbers of CA stores under MIDH/PMDP since April, 2014. During current year, an amount of Rs. 15.00 crore is available under PMDP for release of subsidy in respect of CA storage. Similarly, subsidy of Rs. 4.94 crore was released in favour of sixteen (16) numbers of Food Processing Units under MIDH/PMDP scheme since April, 2014. During current year Rs. 5.00 crore is available as subsidy component for the Food Processing Units. The assistance/subsidy is released after the fulfillment of all the necessary requirements viz. satisfactory joint inspection report, approval by the Administrative Department.
- **Plant Protection Machinery:** Plant Protection Machinery is an essential component of all the Programmes as it plays a significant role in improving the productivity & quality of fruit. Fruit crops have a high return per hectare as compared to the conventional food grain crops. The State Government is implementing various schemes to promote horticulture. The schemes like MIDH/PMDP/SMAM//RKVY/State plan (Capex) envisages providing of plant protection machinery to the farmers/orchardists on subsidized costs.
- **Development of vegetables:** The prices of the vegetables are high during summer in Jammu region due to non-availability of local vegetables and in winter season in Kashmir region. The shortage of vegetables is experienced in urban clusters and the ministry has approved an initiative for development of vegetables and on annual plan basis, adequate funding is provided for vegetable development, during 2016-17, an

amount of Rs. 250.00 lakh was approved for this initiative by Government of India under PMDP.

### ➤ **Fruit and Vegetable Mandies**

- Development of fruit and vegetable mandies scheme was started in Jammu and Kashmir State in the year 1997-98. For developing 36 fruit and vegetable markets, in a phased manner, at a revised estimated cost of Rs. 205.00 crore, with a view to overcome the marketing challenges for the horticulture produce viz. vegetables and fruit, which have increased manifold over the years.
- Sixteen major markets in the country have been accessed viz; Azadpur Delhi, Chandigarh, Amritsar, Jaipur, Patna, Kolkata, Lucknow, Kanpur, Agra, Varanasi, Mumbai, Pune, Bangalore, Indore, Hyderabad and Chennai.
- Nine Satellite Markets established at Kulgam, Shopian, Pulwama, Chari-Sharief, Handwara, Batingoo, and Udampur, Akhnoor Phase-I first and Kathua are complete and will be made functional during next fruit season.
- The work on other ten Fruit & Vegetable Markets at Bishnah, Batote, Akhnoor Phase-II, Rajouri, Poonch, Doda, Zazna (Ganderbal), Baramulla, Leh and Kargil are in progress.
- 3 Terminal Markets established at Sopore, Parimpora & Narwa are functional.
- 8 Apni Mandi at Nunmai (Kulgam), Mari(Reasi), Mandi Poonch, Tapyal, Raya Bagala, Dyala Chak (Chadwal), Pouni (Reasi), Khan Sahib(Budgam) and Gharian (Udhampur) are under process of development.
- Establishment of Kissan Ghar and Multi Commodity Cold Store at Salt Lake Kolkata.
- Providing of additional accommodation at Kissan Ghar Delhi and Jammu.
- Establishment of Kissan Ghar at Rajbagh Srinagar.

Presently the Department is handling 5 lakh metric tons of Fruit through Mandies and efforts are on to cover 100 Percent Dispatches through Mandies.

### **Financial Progress**

<b>Financial Progress for the year 2015-16, 2016-17 &amp; 2017-18 in respect of Horticulture Sector</b>										
<b>Rs. in lakh</b>										
<b>S. No</b>	<b>Item</b>	<b>2015-16</b>			<b>2016-17</b>			<b>2017-18</b>		
		<b>Allocation</b>	<b>Released</b>	<b>Expenditure ending March 2016</b>	<b>Allocation</b>	<b>Released</b>	<b>Expenditure ending March 2017</b>	<b>Allocation</b>	<b>Released</b>	<b>Expenditure ending October 2017</b>
1.	Regular Scheme	2254.29	2464.29	2262.23	3385.89	3468.89	3001.14	6978.00	6978.00	615.01

2.	Negotiated loans	1000.00	770.41	755.33	1000.00	1000.00	600.22	1000.00	0.00	0.00
3.	Central share of CSS	12778.31	4339.83	7430.80	7640.00	5680.64	6456.80	4658.98	2150.00	122.40
4.	Unspent balance of previous year	3440.17	3440.17		925.86	925.86		149.70	149.70	
5.	State Share	511.00	500.00	486.08	849.10	1008.94	895.63	517.66	517.66	13.60

Horticulture Mission for North Eastern and Himalayan States was one of the initiatives upto last financial year which had four Mini Missions but the Government of India has now restructured the scheme and integrated approach has been adopted for the development of horticulture. The new scheme known as “Mission for Integrated Development of Horticulture (MIDH)” has been launched during 2014-15. The scheme was 100% Centrally Sponsored Scheme till 2014-15. From 2015-16 the funding pattern has been changed to 90:10 between Central and State and the financial progress achieved at State level over the years is as under.

Financial progress Under Horticulture Mission				(Rs. in lakh)
S. No.	Year	Approved Outlay	Funds Available	Actual Expenditure
1	2014-15	6000.00	4500.00	2013.19
2	2015-16	13289.31	8005.114	7565.33
3	2016-17	8489.00	7614.57	7352.43
4	2017-18	5176.64	2299.70	710.38(Nov-2017)

During 2016-17, an amount of Rs 8489.00 lakh was earmarked for the scheme and an amount of Rs 7614.57 lakh was available with the State Government against which Rs 7352.43 lakh was spent. During 2017-18, an amount of Rs 5176.64 is approved by GoI against which Rs 2150.00 lakh has been released and Rs 149.70 lakh unspent balance of previous year has been revalidated making total availability of funds to Rs 2299.70 lakh including state share against which an expenditure of Rs 7.10 crore has been incurred upto November,2017.

Under Prime Minister’s Development Package (PMDP), an amount of Rs. 529 crore has been sanctioned under Horticulture sector for J&K State for a period of three years as under:

- a. Subsidy for Solar dryer for Ladakh- Rs. 9.00 crore.

- b. Subsidy for Cold Store for Ladakh- Rs. 20.00 crore.
- c. Development of Horticulture- Rs. 500.00 crore. The details are given in the below table:

Details of fund for development of Horticulture				(Rs. in Crore)
S. No.	Year	Approved Outlay	Funds Available (central share)	Actual Expenditure
1	2016-17	124.29	47.89	35.56
2	2017-18	190.73	87.33	17.15
3	2018-19	184.98	-	-

### Fruit Growers Co-operative Marketing Societies

Government has set up Horticulture, Planning and Marketing Organization which helps the small fruit growers having small holdings and organizes them into co-operative fold, in order to save them from the exploitation by fruit commission agents and moneylenders. These societies help in maintenance of marketing system by which the farmers are ensured of a good price for their produces. These societies also help the growers in grading and packing the fruit, marketing of produce by way of augmenting existing markets and access to new markets, etc. To provide more efficient delivery of extension services, work related to procurement and distribution of machinery, green houses etc. to the orchardists are look after by Directorate of Horticulture. The growers have widest varieties of machinery and equipments to pick from the range of machinery/equipments, approved by the Union Ministry of Agriculture, Government of India.

### Initiatives

- Organizing Buyer-Seller Meets.
- Introduction of Card Board cartons for packaging of apples.
- Introduction of computerized Data dissemination facility and put-up dynamic web-site for promotion of Horticulture Marketing.
- Exhibitions in all metros of the Country and other major market promotion events like Agro Tech, IITF.
- Implementation of APMR Act.
- Market Intervention Scheme.
- CA Stores facility at Kolkata.

### High Density Apple Plantation Scheme

High density plantation in Apple is a new concept involving modern training system, micro irrigation and new high yielding varieties on specialized root stocks having potential to yield 50-60 tonnes per hectare against 10-11 tonnes per ha present average productivity. Almost entire fruit plantation in the State is of seedling origin. The vigorous seedling root stock leads to larger trees which have long juvenility. There is more competition between vegetative growth and fruit production within these trees and their internal self-shading makes them more vulnerable to various kinds of diseases.



Furthermore with the vigorous root stocks, only few trees can be accommodated per hectare making the productivity less profitable. The productivity of major crops in J&K like Apple etc is on the lower side, nearly 10-11 Metric Tonnes/ Hectares, while in most of the advanced countries, it is as high as 70 MT per hectare.

This gap could be bridged by creating high density orchards, through the use of Clonal Root Stock like M-9. High density orchards reduce gestation period (time taken by the plant to bear fruit), from 6-7 years to 3 years, this means that plant reaches fruiting stage within 3 years in contrast to the existing varieties. In the present scenario, an orchard accommodates not more than 250 plants per hectare, with the introduction of clonal root stock the number of plants will be increased to minimum 2222 plants per hectare.

High Density orchards enjoy two following beneficial attributes:

- a) Increasing productivity by 3-4 times.
- b) Decreasing the gestation period for early returns to farmers.

During 2015-16, About 2.22 Lakh clonal root stock imported from Netherland at an cost of Rs.1.72 Crore have been planted in the Advance Centre for Horticulture Development Zainapora for multiplication.

During the year 2016-17, 121000 fruit plants have been imported with the objectives to establish demonstration orchards in the public as well as in private sector for boosting the concept of highdensity farming system with higher rate of adoption in the field.

### **Achievements/Initiatives**

1. Under High Density plantation Rs 1476.00 lakh were allocated and an expenditure of Rs 1332.99 lakh was incurred against 36 hectares of High Density Orchards(31 Ha. Private and 05 Ha. Public Sector).
2. Two Center of Excellence one at Jammu and one at Kashmir were approved and work under progress with an estimated cost of Rs 7.84 and Rs 9.02 crore respectively which will facilitate high quality fruit plants, Micro Irrigation, High-tech Green House technology, tissue Culture Lab, Bio-Control labs, and weather forecasting stations etc.
3. High Density Apple plantation through private enterprise has been rolled out and was launched by the Hon'ble Chief Minister, J&K on 18-02-2017.
4. For demonstration purposes- Centers of Excellences under Indo- Dutch-Collaboration is on the envil of the department and Programmes have been finalized and launched.
5. Law Enforcement for regulation of Sub Standard fertilizers, pesticides has been strengthened and two pesticide laboratories are expected to be established under PM's package.
6. Major focus on all interventions is to increase quality production for sustainable growth.

## Chapter 1.3

# Tourism

J&K is a premier as well as established tourist destination in the country. Kashmir valley in the lap of Himalayas has many internationally acclaimed tourist destinations. The lush green tourist resorts of Gulmarg, Pahalgam, Yousmarg, Kokernag and golden meadows of Sonamarg have remained an attraction for the centuries. Hospitality and Tourism are in fact part of the valley's tradition, culture, and now more importantly, economy.

Jammu region is attracting a large number of pilgrim tourists and the important destination has been the Mata Vaishno Devi Shrine. The other places are Shiv Khori, Sukhrala Mata and Shahdra Sharief. Newly identified and emerging destinations in Jammu are Bhaderwah, Rajouri and Poonch.

The Ladakh region has been a much sought-after destination especially for the foreign Tourists. The region is like a slice of desert high up in the Himalayas, complete with salt water as well as fresh water lakes, sand dunes and camels. . Its monasteries, some of which are very famous like Hemis Gompa, the Lama-Buddhist Culture, the beautiful paintings, sculptures and ancient books preserved in the monasteries are an additional source of attraction to the tourists.

The Department of Tourism in Jammu & Kashmir is a promotional and regulatory organization. In 1988, the State Government specified the duties and functions of the Directorate of J&K Tourism as well as J&K Tourism Development Corporation.

The Department carries out the task of overall planning, promotion publicity and marketing, regulation of travel trade in terms of J&K registration of Tourist Trade Act, 1978/82.

The tourism sector plays important role in the State's Economy. The sector has

- Great potential for employment generation, even for people without specialized skills
- Provides impetus to allied sectors like Handicrafts, Handlooms and Transport
- Indirect and income augmentation activities for the people in vicinity of established resorts i.e. Gulmarg, Pahalgam, Sonamarg during peak tourist seasons.
- Capacity to provide Jobs in the unorganized sector.
- Showcasing States unique and rich cultural and Heritage assets.

Tourism sector accounts for around 6.98% of State's GDP however J&K State is not among top 10 domestic destinations in the country on the basis of number of tourist arrival.

## Tourist Arrivals

The tourist arrivals during the last 6 years are given hereunder:-

Tourists' arrival (ending Oct 2017)					
Year	Kashmir Valley		Jammu	Ladakh	Total State
	Amarnathji	Domestic / Foreign	(Mata Vaishno Devi Ji)	Domestic/ Foreign	
2012	621000	1308765	10394000	178750	12502515
2013	353969	1171130	9287871	137650	10950620
2014	372909	1167618	7803193	181301	9525021
2015	352771	927815	7776604	146501	9203691
2016	220490	1211230	6823540	179142	8434402
2017 (end Oct)	260003	1050480	5739632	259170	7309285

Ministry of Tourism, GoI under SWADESH Darshan scheme envisaging vision to develop theme based tourist circuits on the principles of high tourist value, competitiveness and sustainability in an integrated manner. The Ministry has sanctioned 15 projects at a cost of Rs. 82.97 crore under the Scheme and released 16.59 crore as 20% mobilization Advance for implementation of the projects.

Presently Dev. of Border Tourism at Suchetgarh (4.92 crore), World Class Tourist amenities with smart solar illumination at Katra (3.48 Crore) Const of amusement park at Srinagar (5.37 crore), Hikers and Climbers base camp at Panikar (7.00 crore) and Dev of wayside facilities at Shergole on Kargil Leh Highway (2.50 crore) are in progress.

Ice Skating rink at Pahalgam, Dev. of wayside facilities at Bijbehara and Eco-log Multipurpose hall at site Apple Resort at Chinniwooder has been completed at a cost of Rs. 4.85 crore. Besides Light and Sound Show with Water Fountain at SKICC Ghats at a cost of Rs. 8.00 crore has been set up and trial run is in progress.

### Prime Minister's Development Package (PMDP)

Ministry of Tourism, GoI, has sanctioned following four projects/Circuits along with release of mobilization advance of 20%.

Details of fund released under PMDP for four projects				(Rs in lakh)
Project	Sanct. Cost	Funds Released	Status (Rs. in Crore)	
Int dev of tourist facilities at Mantalai-Sudhmahadev-Patnitop Circuit	97.82	19.56	Work on the most of projects are in progress through NPCC	
Int. dev. of tourist facilities at Baramulla-Kupwara-Leh	96.92	19.38	Work on the some projects are in progress through NBCC	

Dev of Jammu-Rajouri-Shopian-Pulwama Circuit under Himalayan Circuit	96.38	19.28	Work in progress on most of the projects. UC of Rs. 15.86 crore has been submitted to MOT for release of 2 <sup>nd</sup> installment
Int dev of tourist Facilities at Pahalgam-Daksum-Ranjit sagar dam circuit.	96.39	19.28	Work in progress on most of the projects. UC of Rs. 15.60 crore has been submitted to MOT for release of 2 <sup>nd</sup> installment

### Flood damaged/ destroyed assets

Ministry of Tourism, GOI has sanctioned 25 projects for an amount of Rs. 98.70 crore and released an amount of Rs. 19.74 crore for const of permanent infrastructure in lieu of damaged during the 2014 floods. Works on the most of the projects are in progress.

### PMRP Scheme

With the delinking of PIDDC Scheme, the Union Ministry has been approached for release of Rs. 81.85 crore under PMRP for completion of 97 ongoing projects. Against which the Ministry has released an amount of Rs. 43.45 crore during 2016-17. The details are as under:-

Details of PMRP Scheme					(Rs. in crore)
Programme	No of projects	Sanctioned amount	Funds already released	Fund released during 2016-17	Balance required
12 Development Authorities	49	201.40	126.94	42.55	31.91
Circuit Dev. Programme	03	21.79	18.80	0.00	2.99
Rural Tourism Programme	45	27.97	23.56	0.90	3.51
<b>Total</b>	<b>97</b>	<b>251.16</b>	<b>169.3</b>	<b>43.45</b>	<b>38.41</b>

The Ministry of Tourism, Govt. of India have intimated that Ministry is contemplating to consider 'one time dispensation' related to PIDDC Project (Non-PMRP) amounting Rs. 137.40 crore where more than 50% work has been completed in respect of Himalayan States and the North Eastern States for clearance of committed liability. The information as sought by Ministry has been submitted to the Ministry for consideration and release of CFA which is still awaited.

### Development of Hazratbal Shrine Srinagar

Ministry of Tourism, Gol vide sanction No 5-PRASAD(05)/2016 dated 28-12-2016 have conveyed approval to the execution of the project "Development of Hazratbal Srinagar" at a sanctioned cost of Rs. 42.02 Crore under 'PRASAD Scheme'. The Ministry has released 1st installment of Rs. 8.40 crore as 20% mobilization advance for implementation of the project.

The works on Wuzukhana, Pathways, illumination, Ghats Sufi Interpretation Centre, Tourist Interpretation Centre, const of prefabricated shopping kiosks etc are in progress.

### **Development of related issues of Katra Town**

The Department of Tourism has conceived a plan for the Development of Katra under PRASAD Scheme for which the scheme has following main /major components:-

- Installation of entrance gateway
- Wayside facilities/ facilitation centre
- Façade upliftment and beautification along the path leading to Shrine
- Modernization of Existing Taxi- Auto stands at main chowk
- Multilevel private parking at existing TRC complex
- Development of auto stands near Ban Ganga
- Redevelopment of Tourist Reception Centre
- Redevelopment of Old bus stand
- Development of nodal points
- Upgradation of existing tourist bungalow at Shalimar Bagh

### **Incentive Scheme**

Incentive Rules were modified and made applicable from 1st April, 2012. The Incentives available to Private Sector now have:

- Areas extended for eligibility of incentives;
- Incentives in the shape of Capital Subsidy for Taxi Operators for Purchase of New Vehicle as well as replacement/up gradation brought upto a Ceiling of Rs. 7.00 lakh;
- Increase in capital investment subsidy upto Rs. 1.00 crore for setting up of prestigious tourism units costing more than Rs 25.00 crore;
- Investment subsidy for modernization of travel agencies brought to 50% of project cost with an upper ceiling of Rs 4.00 lakh;
- Ceiling of Subsidy for DG sets increased to Rs 4.00 lakh.
- Ceiling of subsidy for adventure equipment increased up to Rs 7.00 lakh

### **Achievements (2017-18)**

- ❖ Post launching of Swadesh Darshan Scheme of MOT, GoI, following projects have been completed/at advance stage of completion:-
  - i. Dev of Sound and Light Show with water fountains at SKICC Ghats
  - ii. Dev. Of Ice Skating Rink in Pahalgam
  - iii. Development of Floating Cafeteria on Dal Lake at SKICC Ghats
  - iv. Development of Wayside amenities in Bijbehara Anantnag
  - v. Dev. Of Eco log Multipurpose hall at Site Apple Resort at Cheniwooder Anantnag.
  - vi. Development of Suchetgarh Border Tourism.

- ❖ Under Prime Minister's Dev Package announced by Hon'ble Prime Minister in 2015 following projects with an estimated cost of Rs. 32.70 crore have been completed/nearing completion:-
  - i. Development of Tourist facilities at SKICC viz Multimedia Audio and Video facilities and HVAC, Gender Based Toilets, Pathways, Illumination.
  - ii. Dev of tourist facilities at Bhagwati Nagar
  - iii. Development of Water Sports at Manasbal Lake
  - iv. Tourist Reception Centre – Srinagar.
  - v. Development of tourist facilities at Dal Lake by way of parapet, pathways and Boulevard lighting –spot illumination.
  - vi. 20 Eco log huts are being completed by the end of December 2017 at 19 Holes Jammu Tawi Golf Course, Jammu.
- ❖ 04 Development Authorities have been created at following destinations for harnessing the tourism potential of these areas :-
  - i. Shopian-Dubjan –Peerki Gali.
  - ii. Bani-Basholi.
  - iii. Tosamaidan.
  - iv. Hygam-Ningli-Tarzo.
- ❖ The proposal for creation of Nobra Development Authority is in pipeline.
- ❖ Jammu Ropeway project is at advanced stage of completion and is expected to be completed during the next financial year.
- ❖ The Department of Tourism participated in 02 International Tourism Event at Berlin, and Thailand. 22 National Travel Marts at Kolkata, New Delhi, Chandigarh, Dehradun, Mumbai, Gurgaon, Chennai, Jaipur, Hyderabad, Pune, Bhubneshwar, Ahmedabad, Surat Vishakapatnam, Jammu, etc. and also organized adventure activities like bike rally, car rally and trekking, rafting championship at Jammu. etc. Department also organized Bheaderwah Festival, Winter Carnival at Patnitop, International Yoga festival at Srinagar and Navratra festival at Jammu etc.
- ❖ Department also conducted live musical concert of Adnan Sami at SKICC.
- ❖ One and a half years Diploma Courses started by Food Craft Institute at Jammu in affiliation with National Council of Hotel Management and Catering Technology, Ministry of Tourism, Govt of India.
- ❖ About 340 students completed skill development training through FCI Jammu and FCI, Leh.
- ❖ Construction of Dak Bungalow at Banihal commissioned and made functional.

- ❖ 04 Nos Bird watchers hut at Garoora Bandipora Completed.
- ❖ Budget Accommodation Athwato Bandipora completed.
- ❖ 133 conferences have been held up to date under MICE tourism at SKICC and is likely to earn a revenue of RS 3.00 crore during the current financial year-which is highest over the last ten years.

# Industries

The Industries Sector is now playing its due role in the economic development of the State and in generating employment opportunities for the unemployed youth. Previously, it used to be only the Handicrafts, Handlooms and Cottage Industry providing livelihood to a large population at different stages of production, sale and export. The Government is working on a defined strategy for exploitation of the potential and development of the sector.

This programme of the State Government is administered by Department of Industries and Commerce through- five (5) Directorates of Industries, Handicrafts, Handlooms and Geology & Mining,- Four (4) Corporations viz SIDCO, SICOP, Handloom Dev. Corp. and Handicrafts (Sales & Exports) Corp.- Public Sector Undertakings of JK Industries Ltd., JK Minerals Ltd., JK Cements Ltd.- Training & Research Institutes like CDI, IICT, EDI and a board KVIB.

## State resource

An expenditure of the order of Rs 352.35 crore (Revenue =Rs 243.19 crore and capital=Rs 109.16 crore) was recorded under the industry sector during 2016-17 against which the level of expenditure under the sector ending 10/2017 is Rs 190.59 crore (Revenue =Rs 131.26 crore & capital Rs 59.33 crore)

## Industries

The snapshot of the progress of industry sector over the years is given below:

No. of SSI Units registered	32226
No. of Large and Medium Units registered	103
Investment (in crore)	12216.97
Employment (in Nos)	182094

The number of industrial units registered upto 2017-18 (10/2017) is 32226 with employment 1.58 lakh. The investment in the small scale industries sector ending 10/2017 is recorded at Rs 5113.39 crore.

The progress for last 03 years and upto 10/2017 of the current financial year is given below:

Year-wise achievement under Small Scale Industries Sector			
Year	No. of Units Registered	Employment Generated	Investment (Rs. in Crore)
2014-15	880	5806	211.19



2015-16	808	6425	266.54
2016-17	627	5419	291.09
2017-18 (ending Oct. 2017)	357	3657	254.10
Total ( 2008-09 to 2017-18 (ending Oct. 2017))	32226	158165	5113.39

The number of industrial units registered under large and medium sector upto 2017-18 (10/2017) is 103 with employment 0.24 lakh. The investment in the large and medium sector ending 10/2017 is recorded at Rs 7103.18 crore.

The progress for last 03 years and upto 10/2017 of the current financial year is given below

<b>Year-wise achievement under Large &amp; Medium Sector</b>			
<b>Year</b>	<b>No. of Units Registered</b>	<b>Employment Generated</b>	<b>Investment (Rs. in Crore)</b>
2014-15	0	0	0
2015-16	14	3769	2627.54
2016-17	3	413	201.72
2017-18 (ending Oct. 2017)	4	1066	289.38
Total ( 2008-09 to 2017-18 (ending Oct. 2017))	103	23929	7103.18

### **Incentive Regime**

The State Government notified and issued new Industrial Policy 2016. The Policy envisages to attract substantial investment especially in high potential areas of food processing, leather, pharmaceuticals, wood based like sports goods/bats/willow wicker, high grade raw silk, woollen fabrics, computer/electronics and information technology. The Policy anticipates creating a new land bank of 20,000 kanals across the state with emphasis on locations outside the urban areas and envisages attracting an investment of Rs 20,000 Crore over the period of next ten years.

The Central Government in 2002 announced its Package of Incentives to entrepreneurs which was extended for further five years up to 15 June 2017 on its expiry of ten years period in June 2012. The issue of extension of the Package to the State as special category has been taken up with Government of India.

The incentives available under the Industrial Policy for setting up of entrepreneurship units are:-

#### *State Fiscal Incentives*

- i. 30% Capital Investment Subsidy.
- ii. 100% Subsidy on DG Set.
- iii. 100% Subsidy on Testing Lab Equipments.
- iv. 60% Subsidy on Pollution Control Devices (PCD).

- v. 3%-5% Interest Subsidy on Working Capital.
- vi. 50% Subsidy on expenditure incurred on Green and Environmental Protection Initiatives.
- vii. 15% Price Preference to MSME units on all Govt. purchases.
- viii. Earnest Money and Tender documents shall be available at 50% of the cost for SSI Units.
- ix. 100% reimbursement on preparation of feasibility report.
- x. 25% Subsidy on expenditure incurred on automation/software/hardware/BPR/IT/ Online Pollution Control Devices.
- xi. 50% Air freight subsidy.
- xii. Creation of Entrepreneur and Skill Development Fund.
- xiii. Special Incentive for Brand Promotion and modernization.
- xiv. Land is being provided at concessional rates.

#### *State Tax Incentives*

- i. Toll Tax Exemption on import of raw material and export of finished products.
- ii. Green Corridor for industries at Lakhanpur.
- iii. VAT remission on sale of finished goods.
- iv. VAT reimbursement on local purchase of raw material by SSI units.
- v. Stamp Duty/Court Fee exemption for Mortgage Deeds.
- vi. Assistance for revival of Sick Units by way of setting up of Asset Reconstruction Company in partnership with J&K Bank.

#### *Central Special Package, 2012 (15-6-2012 to 14-6-2017)*

- i. 15% subsidy on Capital Investment in Plant & Machinery for large Scale Units.
- ii. 30% Subsidy on Capital Investment in Plant & Machinery to MSMEs.
- iii. 3% Interest Subsidy on Working Capital.
- iv. 100% Subsidy on Insurance Premium to Industrial Units.
- v. 90% freight Subsidy.

The following table provides a glance at the incentives provided to the entrepreneurs over the years under State package of incentives.

Incentives at a glance										(Rs in lakh)	
S.No	Incentive	Upto 2015-16		During 2016-17		During 2017-18 (ending Oct. 2017)		Total			
		No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.		
1	100% Subsidy On DG set	1579	5313.34	161	527.53	47	212.62	1787	6053.49		
2	30% Capital Inv. Subsidy	482	2634.08	11	66.09	3	8.80	496	2708.97		
3	3%-5% Interest Subsidy on Working Capital	1288	1612.82	4	24.63	0	0	1292	1637.45		
4	100% Project Report Subsidy	64	20.15	1	1.23	1	0.10	66	21.48		
5	ISO 9000/ISI Marks Free Sub.	20	34.91	0	0	0	0	20	34.91		
6	100% Testing Equip. Subsidy	367	2092.52	27	152.08	12	127.08	406	2371.68		
7	Toll Tax Sub. (SICOP)	9	207.06	0	0	0	0	9	207.06		
8	VAT Remission		13831.00		2510.00		2520.00		18861.00		
<b>Total</b>			<b>25745.88</b>		<b>3281.56</b>	<b>63</b>	<b>2868.60</b>		<b>31896.04</b>		

After implementation of the GST, the Union Government has assured that the demand for relief to the industry. The Government is now finding ways and means to extend incentives to the industry, which were available to them before implementation of the GST. The incentives are likely to be extended in the form of budgetary support and the Government of India could make an announcement to this effect shortly. The decision by the Government of India to extend incentives to industry in post-GST regime would go a long way in helping industrial sector to grow.

### Make in India initiatives

Under the Make in India programme, new initiatives have been taken in 'Ease of Doing Business' to facilitate the investors to boost industrial sector in the state and create employment opportunities for unemployed youth of the state both skilled and unskilled. Employment generation being another focus area of Make in India programme, the Industrial Policy 2016 targets to create 15,000-20,000 employment opportunities per year as compared to an average of 5000 in last decade for the skilled and unskilled youth. This will definitely improve the economic status of the state and the share of the Sector to GSDP.

Under Make in India programme, the other departments involved in the simplification of the procedures like Power Development Department, Forest, Pollution Control Board, Labour, Finance etc are also actively involved in the process. In the last 10 years an employment of more than 50,000 both direct (skilled and unskilled) and indirect have been

created on an investment of Rs. 2300 crore. The Industrial Policy 2016 aims at attracting investment of 2000 Crore per annum and also to generate employment opportunities. Under the new Industrial Policy and Ease of Doing Business, e-Governance interface, effective online allotment mechanism, time bound NOC's, amendment of outdated rules and regulations, elimination of unnecessary procedures, simplification of complicated procedures, making bureaucratic processes shorter and making government more transparent, responsive and accountable to facilitate the industrial growth in the state. Time bound clearances are the major concern under this chapter. The powers have been delegated to the General Managers for various activities.

### Industrial Infrastructure

The State has 53 existing industrial estates spread over an area of 31126 Kanals of land as per position ending March, 2017. Profile of these Industrial Estates is as under:-

<b>Existing Industrial Estates in the State ending October, 2017</b>			
<b>Managing agency</b>	<b>Industrial Estates (No.)</b>	<b>Area (Kanals)</b>	<b>Units Established / Under Establishment (No.)</b>
J&K SIDCO	12	23992	2084
J&K SICOP	41	7134	2223
<b>Total</b>	<b>53</b>	<b>31126</b>	<b>4307</b>

To promote industrialization in the remote and backward areas of the State, the Government is developing Industrial Estates in the rural and industrially backward areas which are at various stages of development/implementation.

The Up-gradation of following Industrial Estates has been taken up through central assistance under Cluster Development Programme of Ministry of Micro Small & Medium Enterprises and through State Plan on the recommendations of the Special Task Force for Jammu Division:

#### a) Micro & Small Enterprises-Cluster Development Programme (MSE-CDP)

<b>Details of Micro &amp; Small Enterprises-Cluster Development Programme (MSE-CDP) (Rs. in Crore)</b>							
<b>S.No</b>	<b>Name of Industrial Estate</b>	<b>Project Cost</b>			<b>Expenditure ending 10/2017</b>		
		<b>Total</b>	<b>State share</b>	<b>Central share</b>	<b>Total</b>	<b>State share</b>	<b>Central share</b>
1	Industrial Estate, Bari-Brahmana, Samba	11.08	6.14	4.94	8.14	6.14	2.00
2	Industrial Estate, Gangyal, Jammu	9.84	4.86	4.98	9.74	4.83	4.90
3	Industrial Estate, Khunmoh, Phase-I & II	11.55	6.81	4.74	8.41	6.81	1.60
4	Electronics Complex, Rangreth	11.86	3.86	8.00	3.86	3.86	0.00

## b) Recommendations of Projects under Special Task Force for Jammu Division:-

Details of Recommendations of Projects under Special Task Force for Jammu (Rs. in Lakh)			
S.No	Name of Industrial Estate	Project Cost	Funds Released (ending 10/2017)
01	Industrial Estate, Digiana, Jammu (DIC J)	358.40	140.50
02	Industrial Estate, Jammu Cantt. (DIC J)	61.72	33.38
03	Industrial Estate, Akhnoor (DIC J)	58.17	58.17
04	Industrial Estate, Samba, (DIC J)	49.48	22.50
05	Industrial Estate, Kathua (DIC J)	133.90	50.00
06	IID Battal-Ballian Phase-II Udhampur (SICOP)	708.50	287.50
07	Industrial Estate, Birpur, Jammu (SICOP)	127.00	127.00
08	Industrial Estate, Kathua (SICOP)	148.80	32.50
09	IGC Samba, Phase-I (SIDCO)	773.60	299.64

c) Industrial Estates/ infrastructure of the Department being upgraded under Prime Minister's Development Package for J&K. An amount of Rs 150.00 crore is approved for up gradation of industrial estates/ infrastructure.

**Rehabilitation of Sick SSI units**

Out of 158 identified sick units, 71 units have been approved by SLRC involving an amount of Rs. 1517.91 lakh. Out of these, 33 cases have been sanctioned involving a soft loan of Rs. 647.32 lakh by the State Level Rehabilitation Committee.

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

The Government of India, Ministry of MSME, New Delhi are funding a Credit Linked Subsidy Scheme called "Prime Minister's Employment Generation Programme (PMEGP)" for generation of employment opportunities through establishment of Micro units in Rural as well as in Urban areas. This scheme is being implemented since 2008-09 by three agencies viz KVIB of State and KVIC of Center in Rural areas and DICs in Urban and Rural Areas. The targets and achievement made by KVIB & DICs is detailed as under:-

Achievements made under PMEGP (Rs. in Crore)									
Implementing agency	Achievements up to March, 2016			Achievements 2016-17			Achievements 2017-18 (ending Oct. 2017)		
	No. of units	Margin Money	Emp. (No.)	No. of units	Margin Money	Emp. (No.)	No. of units	Margin Money	Emp. (No.)
KVIB	8315	112.72	56733	870	14.07	5894	513	9.47	2898
DIC Jammu	1047	18.56	5100	120	2.77	926	88	2.83	352
DIC Kashmir	2976	49.64	16546	618	9.26	2468	151	2.18	1057

## Handlooms

The handloom sector is facing multifaceted challenges primarily due to machine-made fabric and trade liberalization. Poor productivity of weavers, increased cost of production of handloom cloth, cheaper and quality synthetic substitutes in textile sector, changing consumer tastes have put a serious constraint in the development of this sector. To give boost to this Industry, the State Govt. is laying focus on product design and diversification, providing adequate credit facilities, enhancing weavers productivity through up-gradation of skills, use of efficient looms, providing market access through incentives and wide publicity.

Under the National Handloom Development Programme, the Cluster Development Scheme was being implemented prior to 2015. 13 Handloom Clusters and 20 Group approach projects have been taken up at the projected cost of Rs. 932.04 lakh upto 2014-15. Since 2015-16 onwards under revised guidelines for block level cluster under NHDP, 8 No's of Block Level Clusters have been sanctioned and are under implementation in J&K State to benefit 1712 Weavers with approved cost of Rs. 1240.67 lakh.

### Handloom Co-operative Societies

There are 523 registered Handloom Industrial Co-operative Societies in the State with a membership of 15275 weavers and approximately 38,000 Handlooms in the State. During 2016-17, 13.911 million meters of Handloom fabrics valuing Rs. 315.780 Crore were produced in the cooperative sector. The targets for production and value of Handloom fabrics for the financial year 2017-18 is of the order of 10.00 M.Mtrs and Rs. 227.00 Crore respectively.

### Credit Plan Scheme For Handicrafts And Handlooms Sector

The Credit Plan Scheme aims at providing easy and self credit to the Artisans, Weavers, Members of Cooperative Societies and Craftsmen engaged in different Handicrafts/Handloom activities to start their independent ventures. The scheme envisages 90% financial assistance in the form of loan from the Banks and 10% promoters contribution as margin money for setting up of units. There is an element of interest subsidy to the extent of 10% component to be provided by the State Government.

<b>Credit Plan Scheme For Handicrafts And Handlooms Sector</b>			
<b>Year</b>	<b>Cases Sponsored</b>	<b>Cases Sanctioned</b>	<b>Amount Sanctioned (in lakh)</b>
2015-16	2030	1043	1105.32
2016-17	1335	483	412.55
2017-18(ending 10/2017)	1759	663	587.73

### Marketing Support

The Government is encouraging the co-operatives societies to participate in the national level, special handloom expos and State level fairs all over the country by reimbursing the stall rent charges. In order to make handloom cloth competitive in the market, the Government reimburses 10% special rebate to the societies as an incentive on the sale of

handloom cloth/products made at the national level expos and fairs organized by the Development Commissioner Handlooms, New Delhi.

The main objective of the scheme is to provide marketing to the National Level Handloom Organizations/agencies by way of reimbursement of 10% rebate on sale of handloom cloths generated by them through their emporia and other sales outlets and /or by organizing/participating in special fairs, exhibitions, participating in National/Special Handloom Expos, District Level Events etc. This would supplement their ongoing marketing efforts thereby creating scope for keeping the production cycle alive and sustain thereby the existing employment of handloom weavers.

<b>Details of financial status for last three years</b>		
<b>Year</b>	<b>Allocation (Rs in lakh)</b>	<b>Expenditure (Rs in lakh)</b>
2015-16	60.00	59.953
2016-17	50.00	49.809
2017-18(ending 10/2017)	45.00	24.544

### **Training Centers**

There are 109 training centers to impart training in various trades which include readymade garments, handloom weaving, Pashmina spinning and weaving, and Kani shawl weaving. Around 1400 trainees are annually imparted technical skill. During the year 2016-17, 1404 trainees were trained in different trades. Under Block level Cluster Programme of National Handloom Development Programme (previously Integrated Handloom Development Scheme), comprehensive training is also provided to handloom weavers and workers in technical, managerial, cooperative marketing skill to enable them to produce high value and diversified quality products keeping in view the trend of the domestic and international markets.

### **Welfare of weavers**

#### **1. Mahatma Gandhi Bunker Bima Yojana Scheme**

The Scheme namely Mahatma Gandhi Bunker Bima Yojana under implementation now has been merged with Pradhan Mantri Jeevan Jooti Bima Yojna (PMJJBY) and Pradhan Mantri Surakhsha Bima Yojna (PMSBY). However, the scheme continues to be applicable to weavers above age of 50 years.

#### **2. Health insurance Scheme**

The scheme was earlier implemented by ICICI Lombard. In 2014-15, 16,265 weaver families insured. Now from 2015-16 it has been merged with RSBY. The Director, FW is the SNA for J&K. It is proposed to target all weavers families in J&K. APL & BPL weavers' families to be given the benefit of insurance.

### 3. Education Scheme for Girl child of Weavers.

In addition to this, 275 girl students of handloom weavers have been given scholarship to the extent of Rs 1.41 lakh during 2015-16 and 284 girl students during financial year 2016-17 with an amount of Rs. 1.04 lakh under Education Scheme.

#### Weavers' MUDRA Scheme.

Weavers Credit Card Scheme of GoI was being implemented by the Department with an aim to provide adequate and timely credit upto Rs. 2.00 lakh from banking Institutions to the weavers to meet their credit requirement i.e. for investment needs as well as working capital. This scheme has now been merged with the Pradhan Mantri weaver Mudra Scheme. During the year 2016-17, 1598 cases have been sponsored to the banks out of which 501 cases have been sanctioned. Amount disbursed Rs. 538.72 Lakh.

Details of Weaver's MUDRA Scheme			
Year	Cases Sponsored	Cases Sanctioned	Amount Sanctioned (in lakh)
2015-16	2668	1032	771.415
2016-17	1598	501	538.72
2017-18(ending 10/2017)	1858	701	587.63

#### Over-view of Achievements

An overview of the achievements made under Handloom Sector during 2015-16, 2016-17 & 2017-18 is given as under

Details of overall achievement of MUDRA Scheme				
Particulars	Unit	Achievement 2015-16	Achievement 2016-17	Achievement 2017-18 (ending 10/2017)
Cooperative Sector				
(a) Production of Fabrics	M/Mtrs	10.95	13.911	9.498
(b) Value	in Crore	248.501	315.78	215.59
Trainees Trained / Enrollment	Nos.	1399	1404	1494
Organization of Cooperative Societies	Nos.	6	10	3
Membership	Nos.	70	128	99
Modernization of Looms	Nos.	173	185	59
Mahatma Gandhi Bunker Bima Yojana	Nos.	733	1169	80
Health Insurance Scheme	Nos.	0	0	80
Education Scheme	Nos.	275	284	49



## Handicrafts

There were 3163 handicrafts societies registered as on 31.03.2017 with a membership of 31630 out of which 1402 are active societies. The department provides Managerial subsidy on tapering basis @100% (first year), 66% (2<sup>nd</sup> year), 33% (3<sup>rd</sup> year) to the passed out trainees which is paid for formation of cooperative societies. During the year 2016-17, 145 societies were formed with membership of 1450 & during 2017-18, 31 Societies have been formed with membership of 310 upto October, 2017. It also organizes exhibition at international level annually. During the year 2016-17 the department has organized 11 craft bazaars/exhibitions within & outside the state to promote sale of handicraft goods. During 2017-18, 2 Craft Bazaars /Exhibition have been conducted by the department ending 10/2017.

Under skill development activity, 13825 persons are trained annually through 553 training centers in the state. During 2016-17, 7922 persons have been trained in various crafts like sozni, staple, crewel, papier machie, phoolkari, Zari, chain stitching etc. During 2017-18, 3258 trainees trained ending October, 2017.

Production and Export of Handicrafts Goods					(Rs. in Crore)
Year	Carpet	Woolen Shawls	Papier Machie	Other items	Total
<b>Production</b>					
2014-15	717.75	674.25	152.25	630.75	2175.00
2015-16	709.45	698.05	139.52	687.13	2234.15
2016-17	821.50	874.50	164.30	789.70	2650.00
2017-18	-	-	-	-	-
<b>Exports</b>					
2014-15	492.18	368.20	71.70	354.96	1287.04
2015-16	293.29	376.79	24.85	364.48	1059.41
2016-17	369.81	304.05	50.36	426.90	1151.12
2017-18 (ending 2 <sup>nd</sup> quarter)	196.95	126.74	6.82	183.69	514.20

### Self-employment to individual artisans

The scheme envisages financial assistance in the form of loan from various banks and financial institutions to the artisans, weavers, members of cooperative societies and craftsmen engaged in different activities to start their independent venture. The department provides interest subsidy @10% on the loan. 42615 artisans under this scheme have covered with interest subsidy of Rs. 57.36 Crore disbursed. During 2016-17, 1295 cases have been disbursed under Credit Plan/Artisan Credit Card Scheme with Interest Subsidy of Rs 31 Crore. During 2017-18, 655 beneficiaries covered under the scheme ending 10/2017 with interest subsidy disbursement of Rs. 5.00 crore. The department has enforced quality Control Act 1978 to maintain quality of Kashmiri handicrafts.

## Loc Trade

The LoC Trade between Pak and India which started in the year 2008 through Trade Facilitation Centers Salamabad, Uri & Chakkan-da-Bagh, Poonch posts is continuing till date barring few breaks during the said period.

The State Government has taken up the matter of opening of additional routes namely Jammu-Sialkot Border, Chhamb-Jourian to Mirpur, Gurez-Astoor-Gilgit and Jhangar (Nowshera)-Mirpur and Kotli route, Turtuk-Khapulu, Kargil-Skardu and Titwal-Chilhan (Across Neelam Valley) with Government of India.

The LoC trade will open new markets for the export of more items which will go a long way in the development process of the state.

The following table depicts the quantity and value of Imports & Exports between the two countries in the year 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17 and 2017-18 (ending October, 2017):

Quantity and value of Imports & Exports				
Year	Export to Pak		Import from Pak	
	Quantity (Quintals)	Value INR Crore	Quantity (Quintals)	Value (in Crore) Pak currency
2011-12	465272.41	320.19	368535.17	531.24
2012-13	768061.86	371.67	790245.70	657.79
2013-14	624607.15	347.59	352946.78	513.62
2014-15	818001.71	508.84	337886.22	811.01
2015-16	1054410.77	634.34	586691.62	846.75
2016-17	739034.47	527.39	330676.70	858.17
2017-18 (ending 10/2017)	392500.33	304.04	104949.70	252.90

- No. of trading days increased from 2 to 4 days per week.
- 21 items listed as permissible for trading.

NOTE: The trade is barter in nature and the value figures are based on valuation figures provided by the traders

### Infrastructure at Trade Facilitation Centers (TFCs)

- Infrastructure under Phase-I at both the Trade Facilitation Centers Salamabad, Uri & Chakkan-da-Bagh, Poonch has been completed under SRE and ASIDE funding.
- Construction of infrastructure at both the Trade Facilitation Centers i.e. Chakkan-Da-Bagh, Poonch and Salamabad, Uri with an estimated cost of Rs. 10.41 Crore and Rs. 10.73 Crore respectively under Phase-II are in progress.

The basket of goods traded consists of agricultural products and few handicraft and handloom products. A list of 21 more tradable items for inclusion in the Agreed List of Tradable items for Cross LoC has been submitted to Government of India for taking up with the Government of Pakistan. The significant part of LoC trade 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.

## Banking facilities

In a move aimed at boosting interaction between those living on the two sides of Line of Control (LoC), banking facilities for cross LoC trade are under consideration of Government.

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 neighbouring countries and will definitely pave way for the success of SAFTA.

## Khadi & Village Industries

The main objective of J&K Khadi and Village Industries Board, is to create employment opportunities in rural areas by promoting various Khadi and Village Industrial activities and to impart training to the rural artisans in various crafts.

The achievements made by the J&K Khadi & Village industries Board in implementation of various programmes are given below:

### Prime Ministers Employment Generation Programme (PMEGP)

Achievements of PMEGP				
Year	Physical Achievement		Financial Achievement	
	No. of Cases sanctioned		Margin Money released	
	Target	Achievement (Margin Money to No. of Units)	(Rs. In lakh)	
	Target	Achievement	Target	Achievement
2014-15	1184	949.00	1414.91	1588.60
2015-16	726	950.00	1472.90	1640.83
2016-17	324	870.00	647.33	1407.39
2017-18 (Ending 10/2017)	1632	513.00	3261.00	947.19

### Khadi Industry

Performance of J&K Khadi and Village Industries Board for the last three years:-

Performance of J&K KVIB						
Year	Target			Achievement		
	Production (Rs in lakh)	Sale (Rs in lakh)	Employment	Production (Rs in lakh)	Sale (Rs in lakh)	Employment
2014-15	540.00	567.00	1404	614.82	634.22	3208
2015-16	540.00	567.00	1404	621.90	556.22	2519
2016-17	590.00	627.50	1327	478.15	496.77	1270
2017-18 (Ending 10/2017)	660.00	689.50	1385	150.15	49.81	1290

## Geology & Mining

The State of J&K has abundance of variety of minerals. Estimated mineral reserves spread over an area of 13334 Sq. Kms., 60% of which is reported to be commercially viable for mining of various minerals.

### Major Achievements of different wings of the department

#### Geology Wing

The investigation of lime stone marble, gypsum ,granite, coal/lignite, bauxite, are being carried out in eighteen fields in the various parts of the state. The new items of mineral investigation like lead, zinc, china clay and iron ore have been targeted to be carried out during the current field programme

Mineral investigation was carried out to add mineral reserves of Limestone, Gypsum, Coal, Bauxite, China Clay etc., to the existing mineral resources of the State. The department has also taken up investigation of base metals like Lead & Zinc at Boniyar, Baramulla as collaborative programme with Govt. of India.

The department provides Geo-Technical guidance to various Government/semi-government organizations like District Development Commissioners, local bodies and other organizations. The assistance is also being provided to the various departments in post disaster management after earth quakes and land slidings etc.

Details of Geology Wing					
S. No	Item /Sector	Unit	Achievement 2016-17	Target 2017-18	Achievement Ending 10/2017
1	Geological Mapping (Detailed)	Lakh Sq. Mtrs.	26.50	5.00	0.12
2	Geological Mapping (Systematic)	Sq. Kms	250	350	314
3	Pitting and Trenching	Cub.Metres	190	270	13
4	Samples collected	Nos.	445	335	-
5	Samples analyzed	Nos.	403	403	366

Achievements for the last 03 years and 2017-18 (ending October, 2017) is shown in the table below:-

Achievements for the last three years					
Year		2014-15	2015-16	2016-17	2017-18 ending 10/2017
Geological Mapping	Detailed (lakh sq m.)	8.00	16.50	26.50	0.12
	Reconnaissance (Sq.km)	517	292	250	314
Samples	Collected	781	300	445	-
	Analyzed	469	654	403	366

Pitting & Trenching	Cub. Mtrs	430	257	190	13
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### Drilling

Till date, around 474 tube wells both for drinking water and irrigation facilities, have been constructed. In order to utilize services of men and machinery of the drilling division, various initiatives has been taken to bring all the rigs in working condition for the best achievement of drilling targets.

Achievements for the last 3 years and 2017-18 (ending October)- Drilling sector				
Year	2014-15	2015-16	2016-17	2017-18 (ending 10/2017)
Drilling in mtrs.	984.19	1302.26	783.61	318.06

### Mining & Mineral Concession Wing

The details of Royalty on Minerals (revenue) collected for the last three years, are given as under:-

Details of Royalty on Minerals		(Rs. in Crore)
Year	Revenue collected	
2014-15	50.85	
2015-16	55.04	
2016-17	41.86	
2017-18 (ending 10/2017)	28.80	

### Value of Minor minerals extracted

There are number of mineral deposits available within our state with huge potential of their industrial utility. This needs intensive exploration to prove commercial viability of such minerals. There has been tremendous increase in value of minor mineral extraction, the detail of which for last 03 years is as under:-

Details of mineral extracted				(Rs. in lakh)
Year	Jammu Division	Kashmir Division	Total	
2014-15	14856.07	4460.45	19316.24	
2015-16	15738.45	5111.79	20850.24	
2016-17	11921.87	2746.51	14668.38	
2017-18 (ending 10/2017)	NA	NA	NA	

## Public Sector Undertakings

### State level Scenario

In J&K, Public Sector Undertakings (PSUs) were set up as an integral part of developmental strategy, adopted at the national level and in sectors where private investment was not forthcoming. The idea was that these PSUs would generate further surpluses and yield some minimum rate of return on the investment made in them. However, over the years in majority of the cases, they have been found to be earning low or even going on losses. There are 19 public sector undertakings in the State under the administrative control of various Departments and these operate in production/manufacturing, promotional /development, trading/marketing and service utility sectors. Seven PSUs are being provided budgetary support by the State Government to meet their wage bills.

These units have to compete with the private sector but the productivity of labour as well as capital is low. Fresh infusion of technology requires additional funds that are not easily available. Under these circumstances, it has become necessary to carry out reforms of the public sector at a fast pace. The State Government has already signed an MOU with the Government of India to gradually phase out the budgetary support. Presently, seven PSUs are managed and controlled by Industries and Commerce Department, J&K, with total authorized capital of Rs. 81.00 Crore out of which paid up capital is Rs 71.13 Crore. A succinct description of these PSUs is given in the following paragraphs.

#### ➤ **Jammu and Kashmir State Industrial Development Corporation Ltd (SIDCO)**

The authorized share capital and paid up capital of the Corporation is Rs. 20.00 crore and Rs. 17.64 crore respectively. The following activities are being undertaken by SIDCO at present:-

#### **Development of Industrial Infrastructure**

So far, 26839 kanals of land in 12 Industrial Estates have been developed out of which 14478 kanals have been allotted in favour of medium, large and small scale units of the State. The Corporation is in the process of establishing the industrial estate at Ompora (Budgam), Ghatti (Kathua) and Khunmoh, (Phase-III). At Industrial Estate, Ompora (Budgam), 1008 kanals of land are in possession of SIDCO. The project is being taken up for infrastructure development at an estimated cost of Rs. 25.51 crore. Similarly, at Industrial Estate, Ghatti, Kathua, 2886 kanals of land have been transferred to J&K SIDCO. The development cost of project is envisaged at Rs. 58.23 crore. The development works have been taken up and expenditure to the tune of Rs. 28.50 crore has been incurred. The Environmental Clearance of the project have been received from the Ministry of Environment & Forests, Govt. of India. The process of allotment of land stands initiated. In view of the conditions laid by the Ministry of environment and forests, GoI the project is being revised.

For development of Phase-III of Industrial Estate, Khunmoh, 907 kanals of land have been transferred to the Corporation. The project is being taken up for infrastructure development at an estimated cost of Rs. 20.20 crore. The details of land available, area under plots and land allotted in various Industrial Complexes, managed by the Corporation are given as under:-

<b>Details of Land available, area under plots and land allotted in various Industrial Complexes for the year 2017-18</b>					
<b>S. No</b>	<b>Name of the Industrial Complexes</b>	<b>Total Land (in kanals)</b>	<b>Area under plots</b>	<b>Land Allotted (in kanals)</b>	<b>Total No. Of units</b>
1.	(i) I. C. Bari-Brahmana	6008	5890	5890	511
	(ii) EPIP Kartholi	1000	700	700	73
2.	IGC Samba (Ph.I &II)	3494	2818	2818	378
3.	IGC Samba (Ph.III)	2293	1798	604	43
4.	Industrial Estate, Kathua	209	204	204	24
5.	Industrial Estate, Ghatti, Kathua	2886	1500	84	2
6.	I.G.C. Lassipora	6193	3362	2533	487
7.	I.E. Rangreth	1159	932	855	254
8.	I. E. Khunmoh	2084	1444	1368	484
9.	Food Park Khunmoh	210	110	105	48
10.	I. E. Shalteng	94	72	62	41
11.	Food Park Doabgah, Sopore	201	176	165	22
12	Industrial Estate, Ompora, Budgam	1008	700	426	-

The Industrial Estates at Bari-Brahmana (Samba), Gangyal (Jammu), Khunmoh (Phase –I&II) and Rangreth (Budgam) with a State share of Rs.6.14 crore, Rs. 4.86 crore, Rs. 6.81crore and Rs. 3.86 crore respectively are being upgraded under Cluster Development Programme. Common Effluent Treatment Plant at Industrial Growth Centre, Lassipora (Pulwama) at a cost of Rs. 6.42 crore, has been made operational. Similarly I.T Park is being setup at an estimated cost of Rs. 3.10 crore at Industrial Estate, Rangreth for providing integrated facilities for development of Information Technology and related activities.

Setting up of Mega Leather Cluster in Kashmir - As a philip given to the Leather Industry in the State, the Government recently signed an MoU with Council for Leather Exports of India for setting up a Mega Leather Cluster at Industrial Growth Centre, Lassipora Pulwama. One of the main commitments made by the Government in the MoU was to establish a Common Facility Centre (CFC) and Upgradation of Common Effluent Treatment Plant (CETP) on modern lines at a project cost of Rs. 40 Crore at Industrial Growth Center Lassipora.

### **Development Banking**

The Corporation used to provide term loan assistance to Industrial Units under refinance scheme of IDBI/SIDBI. However, most of the units went into default. An amount of Rs.12.90

crore on account of principal is recoverable from 23 units, besides interest of Rs. 377.05 crore (approx) as on 15.09.2017. Only 4 units responded to the One Time Settlement Scheme for the defaulters announced by the Corporation and Rs. 2.81 crore were recovered towards the principal amount.

### Disbursement of Soft loans

J&K SIDCO is the nodal agency of the State Government for disbursement/ recovery of softloans in favour of / from beneficiaries cleared by State Level Rehabilitation Committee (SLRC) for revival / Rehabilitation of Sick units. The Corporation has disbursed an amount of Rs. 475 lakh to 39 sick Industrial Units as soft loans at 1% rate of interest as of now.

### Large & Medium Scale Industry

103 units in large & medium sector have been setup in the State upto 2017-18. The total investment mobilization in all these units is to tune of Rs. 7103.58 crore and total employment generated is of the order of 23929 persons. Similarly, 18 C.A Store projects have been approved by APCC to be established at IGC Lassipora with cumulative capacity of 70000 MTs and envisaged investment of Rs. 538 crore, out of which three C.A's are operational and remaining are at various stages of implementation.

#### ➤ J&K Small Scale Industries Development Corporation Ltd. (SICOP)

The main objectives of the Corporation are to provide marketing support to SSI Units, procurement and supply raw materials, provide testing facilities and develop / upgrade Industrial Estates.

### Development of Infrastructure

SICOP has contributed significantly in creating the basic infrastructure for the SSI Units. The Corporation has developed 9 Industrial Estates, spread over an area of 4617 kanals which have been provided with facilities with power supply, water supply, roads and drains etc. 1209 SSI Units have so far been established in these industrial estates which fall in various sectors like Iron & Steel, Wood Plastic, Ferrous and Non-Ferrous, Food, Textiles, Cement etc. A full fledged engineering wing exists in the Corporation to exclusively look after the affairs of these estates.

### Annual Turnover

The Annual turnover has increased from Rs. 88.63 Crore in 2001-02 to Rs. 684.55 Crore during 2016-17. During 2017-18 (ending 10/2017) the turnover of the SICOP is to the tune of Rs. 479.22 Crore. Activity wise yearly turnover of the Company is given as under:

Annual Turnover					(Rs in Crore)
Year	Raw Material	Marketing	Others	Total	%age Increase
2001-02	53.17	31.50	3.96	88.63	-
2014-15	572.11	258.29	31.52	861.92	-4.74



2015-16	395.69	244.22	16.72	656.63	-23.82
2016-17	403.34	256.38	24.81	684.55	4.25
2017-18 (ending 10/2017)	255.17	195.58	28.46	479.22	39.90

### Profitability

The Corporation showed negative results during 2001-02 and 2002-03 to the extent of Rs. 1.02 Crore and Rs. 0.12 Crore respectively. Thereafter, the Corporation performed well and is showing surplus consistently though fluctuating in volume, on yearly basis. During the year 2017-18 (ending 10/2017), the SICOP has achieved composite turnover of Rs. 479.22 Crore which generated a total income of Rs.25.94 Crore against which total expenditure was recorded at Rs.18.97 Crore, resulting in Cash Surplus of Rs.6.97 Crore.

Yearly Financial results			(Rs in Crore)
Year	Income	Expenditure	Net Results
2001-02	4.32	5.34	-1.02
2002-03	5.34	5.46	-0.12
2014-15	28.36	26.30	2.06
2015-16	25.98	23.80	2.18
2016-17	30.87	29.66	1.21
2017-18 (ending 10/2017)	25.94	18.97	6.97

### ➤ J&K Handicrafts (S&E) Corporation

The Corporation was incorporated with authorized share capital of Rs. 8.00 Crore, out of which paid up capital amounts to Rs. 7.97 Crore. In order to achieve the objectives, the Corporation has established a network of 18 marketing outlets and showrooms, out of which 8 are located in the State and 11 in metropolitan cities of the country as on 2017-18. These showrooms play twin role of sale cum advertisement Centres. The Corporation also undertakes promotional measures like holding of expos, craft bazaars and participates in exhibitions at various places both within and outside the country, to provide additional marketing cover for the goods produced by the artisans/craft-persons.

Domestic Sales turnover ending October, 2017		(Rs. in lakh)
Year	Domestic Sales Turnover	% age increase
2002-03	659.20	-
2013-14	1623.00	2.25
2014-15	1636.39	0.80
2015-16	1426.92	(-)14.67
2016-17	1392.72	(-) 2.45
2017-18 (ending 10/2017)	593.50	

The domestic sales turnover has increased from Rs. 6.59 Crore during 2002-03 to Rs. 13.92 Crore in 2016-17. The Corporation has achieved sales turnover of Rs. 5.93 Crore up to ending October, 2017.

### ➤ J&K State Handloom Development Corporation

Established in the year 1981-82 with authorized share capital of Rs. 300 lakh which was subsequently raised to Rs. 500.00 lakh and paid up capital of Rs. 499.50 lakh, the J&K State Handloom Development Corporation (JKSHDC) aims to assist handloom weavers societies and SSI units in the handloom sector by providing handlooms and accessories for production besides rendering technical support in production and marketing of the products. The Corporation has played a vital role in establishing handloom projects and common facility centres in far-flung areas of the State and also implemented various schemes to uplift the economic conditions of the poor weavers and artisans.

The Corporation has introduced new designs and colour combinations in tweeds, blankets and shawls. Out of 600 documented designs, the Corporation has created 275 designs as Royal Pashmina Shawls. 622 such Royal Pashmina shawls have been produced and show cased in different National / International exhibitions. Basohli Pashmina Project which was defunct for the last ten years has been revived. It is envisaged to introduce finer quality of shawls which will yield good market price for the artisans. Similarly, production activities of Kani Shawls at Kanihama, Batapora and Dobiwan villages, have been revived.

The Corporation contemplates to revive the silk production activity at Govt. Silk Weaving Factory, Srinagar. Renovation of heritage showroom at Silk Factory, Rambagh Srinagar, has also been taken up in hand and it is proposed to renovate other showrooms in a phased manner as per availability of funds. Besides, the Corporation has carried out the renovation of sales outlet at Janpath New Delhi for which the required space was allotted by Development Commissioner, Handlooms, Ministry of Textiles, Gol.

The sales turnover registered by the Corporation over the year has been indicated as under:

<b>Sales Turnover 2003-04 to 2017-18 ending November, 2017 of J&amp;K State Handloom Development Corporation</b>		
<b>(Rs. in lakh)</b>		
<b>Year</b>	<b>Sales Turnover</b>	<b>% increase</b>
2013-14	919.61	-16.25
2014-15	1080.00	17.44
2015-16	1436.00	32.96
2016-17	1304.26	-2.92
2017-18 (ending 11/2017)	1008.00	15.93

### ➤ Jammu and Kashmir Industries Limited

Jammu and Kashmir Industries Limited was incorporated in 1963 as Government undertaking with an authorized share capital of Rs. 20 Crore and paid up capital of Rs. 16.26 Crore. The undertaking started its activities with 15 industrial units which were engaged in manufacturing of textiles, resin, leather goods, woollen fabrics, wooden goods etc Out of these 15 Industrial Units, 9 units stand already closed, four units are functional and 2 are non functional. The undertaking is providing employment to around 926 persons which is inclusive of 450 persons on deputation in various Govt. Departments.

## Production & Sales

Both on production and sales front, the JKI has not performed well over the years due to variegated reasons. Although, the value of production recorded increase from Rs. 2124.16 lakh in 2000-01 to Rs. 3234.10 lakh during 2015-16 but it now reduced to only Rs. 1113.90 lakh in 2016-17.

The sales volume of the undertaking were of the order of Rs. 1722.63 lakh during 2001-02 and in subsequent years, it started decreasing quite sharply and reached to only Rs. 364.17 lakh in 2008-09. Although, during 2009-10, the sales recovered marginally and stood at Rs. 409.89 lakh, but again fell to Rs. 263.18 lakh in 2010-11. However, it was encouraging that during the financial year 2017-18, JKI performed as the sales touched Rs. 1121.34 lakh ending Oct 2017. The table below depicts the position of production and sales from 2000-01 to Oct. 2017.

Production and Sales		(Rs. In lakh)
Year	Production	Sales
2000-01	2124.16	584.01
2008-09	1589.40	364.17
2009-10	1515.78	409.89
2010-11	1188.07	263.18
2016-17	1113.90	812.46
2017-18 (October, 2017)	637.01	1121.34

## Financial Status

The Company has been continuously running into losses due to various reasons including surplus staff, low productivity, obsolete and worn out machinery and equipment, closure of most of the units, non-availability of technical staff. The position with regard to losses incurred with effect from 2000-01 to Oct. 2017 are given here under:

Losses incurred by Jammu and Kashmir Industries Limited		(Rs. In lakh)
Year	Loss incurred	
2000-01	2179.48	
2001-02	3622.55	
2002-03	4286.85	
2003-04	4230.79	
2004-05	4644.45	
2005-06	4704.11	
2006-07	2329.57	
2007-08	1534.96	
2008-09	2897.71	
2009-10	3878.68	
2010-11	2828.38	
2011-12	2165.28	
2012-13	1604.00	

2013-14	894.00
2014-15	826.38
2015-16	863.97
2016-17	1386.70
2017-18 (Oct.2017)	358.15

### ➤ J&K MINERALS LIMITED

J&K Minerals limited was incorporated in 1960 as the first public sector undertaking of the State. The company was initially registered with an authorized share capital of Rs. 500 lakh which was subsequently raised to Rs. 800 lakh during 1964-65. The Principal business of the Corporation is to exploit the mineral resources and to establish mineral based industries in the State.

Coal Mines Kalakot (Rajouri), Gypsum Mines Assar (Doda) and Parlanka (Ramban), Lime Stone Quarry Khrew (Pampore) and Sapphire Mine Paddar (Kishtwar), are the projects which are presently, operational & in Pipeline.

### Coal Mines

The Corporation started exploitation of Coal from various Coal mines in Kalakot area of District Rajouri from the year 1961. Moghla Coal Mine is the only productive at present, The performance of Coal Mine activity during the year 2016-17 in comparison to previous two financial years and during current fiscal year (2017-18) ending Oct, 2017 is as under:-

Coal Production, Sales & Revenue (Achievements) (Qty. in Mts)						(Rs. in lakh)
S. No	Particulars	2014-2015	2015-16	2016-17	Target 2017-18	Achievement 2017-18 (ending Oct,, 2017)
A)	Production	13995.00	14396.00	9717.200	14000.000	7945.900
i)	Manpower Utilized	654	641	629	631	629
ii)	Manpower/Production Ratio (rounded off)	1.21	1.22	1.15	1:22	1:12
B)	Sale Bookings	13796.00	12681.000	10961.860	20000.000	13010.090
C)	Revenue Generated	Rs. 887.62	Rs.798.35	Rs.646.22	RS.987.00	Rs.722.33

There is decline in production during 2016-17 owing to poor sale of coal/ low demand in the market due to import of high energy coal in the state from Indonesia, America and other collieries of CIL. The sale of coal picked up due to introduction of rebate scheme which facilitated disposal of accumulated stocks of 6000 Mts in admixture with ROM production during the current year.

### Gypsum Mines (Assar & Parlanka)

The corporation has been operating Gypsum Mines at Assar (Doda) and Parlanka (Ramban) since 1974 and 2007 respectively to meet the demand of Gypsum within the state. The

performance of Gypsum mine activity during the year 2016-17 in comparison to previous two financial years and during current fiscal year (2017-18) ending Oct, 2017 is as under:-

<b>Gypsum Mining Activity (Achievements) (Qty in Mts.)</b>						<b>(Rs. in lakh)</b>
<b>S.No</b>	<b>Particulars</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>Target 2017-18</b>	<b>Achievement 2017-18 (ending Oct,2017)</b>
A)	Production/ Dispatches	24272.504	44986.965	66443.543	100000.000	60939.044
B)	Sale Bookings	30842.804	44986.965	66443.543	100000.000	60939.044
C)	Revenue	RS. 249.69	Rs. 364.20	Rs. 551.50	Rs.830.00	Rs. 505.079

The Corporation has worked out a contingency programme for extraction of Gypsum from Parlanka (Ramban) which is likely to submerge under Sawlakot Hydro Electric Dam Project. During current fiscal the annual production plan from the area is fixed at 1.00 tonnes. In order to ensure timely excavation of 5 million tons of Gypsum from the project site, the corporation has been sub-divided dam site area in two sub-blocks for which tendering process is being initiated for extraction of gypsum and sale of Gypsum in joint venture under PPP mode with annual target of 1.0 million tonnes . This arrangement will ensure excavation of submergible areas with 5 to 7 years period.

### **Sapphire Mine**

The Sapphire mine at Paddar is being presently operated on small scale and the recoveries of rough Sapphire corundum, are being put to sale through open auction. The details of recoveries made during last three years alongwith fiscal year (2017-18) ending Oct, 2017 and revenue generated through sale is given below:-

<b>Sapphire Mining Activity (Achievements) (Qty in gms)</b>					<b>(Rs. in lakh)</b>
<b>S.No</b>	<b>Particulars</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18 (ending 10/2017)</b>
A)	Recoveries	3335.00	0.00	4085.000	5080.00
B)	Sale	0.00	11702.38 grms.	0.00	0.00
C)	Revenue	0.00	88.62	0.00	0.00

The Corporation invited EOI at global level in April, 2013 and the response received from six parties has been evaluated and five parties shortlisted. (RFP) has also been circulated among shortlisted parties for the purpose of obtaining final bid and received from two shortlisted parties which stands technically evaluated and is presently under consideration of BODS for taking final view of the mater.

### **Financial Health**

Since the corporation had been incurring colossal loss every year right from its inception, therefore it had precarious financial health. However, from 2009-10 onwards, the corporation has improved its liquidity position manifolds. Consequently, the corporation is

remitting monthly salary/ wages to its working employees timely, besides setting in motion the process of releasing retirement dues to the retirees. The retirement dues of retiree's stand cleared upto June, 2017. The corporation is in the process of disposal of its land assets that is in excess of the requirement & lying idle so that through the funds realized on this account, the pending statutory liabilities are knocked off and also funds redeployed on growth of companies business. Besides, the corporation contemplating to exploit rich lime stone deposits at Khrew on commercial lines to enhance its revenue generations for meeting the processing financial obligations.

#### ➤ **J&K Cements Limited**

Jammu and Kashmir Cements limited (JKCL) was incorporated as a fully owned Government Company in December, 1974 with the objective to exploit the abundant deposits, make the quality cement available to the consumers at reasonable rates, besides filling up the gap between demand and supply.

The cement plant of 600 Tonnes per day capacity installed at Khrew, is listed as heavy sector industry which 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 Company is manufacturing OPC Gr. 43 and has obtained license for manufacturing Fly Ash based blended cement from Bureau of Indian standards (BIS).

To bridge the gap between the demand and supply of Cement in the State, the Company has expanded its capacity by installing additional unit of 600 tonnes per day plant at the existing location. The project had the approval of the State Cabinet at a cost of Rs. 87.52 crore comprising of Rs. 26.27 Crore as contribution from State Government towards Company's share capital and Rs. 61.25 Crore, as term loan from Jammu and Kashmir Bank.

The JKCL is one of the largest employers 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, the company in the sale promotion of its product, has engaged a good number of distributors and sub-distributors. The company plays a significant role in the development of State by providing cement for the construction of major developmental projects undertaken in the State.

#### **Cement Production**

The figures related to cement sold as also the value of sale have been quite encouraging and these stood at 168317.00 MTs and Rs. 11600.00 lakh during 2012-13 as against 114562 MTs and Rs. 3688.14 lakh in 2002-03 respectively. During the current year till ending November, 2017, 100989.25 MTs of cement has been sold valuing Rs 8096.51 lakh.

Achievements of J&K Cements Limited Unit MT/Lakh					
Year	Installed Capacity (MTs)	Cement Production (MTs)	% age of Installed Capacity	Cement Sold (MTs)	Sale Value (Rs. in lakh)
2002-03	200000	113832.50	56.91	114561.61	3688.14
2012-13	400000	167906.00	41.98	168317.00	11600.00
2013-14	400000	135712.00	33.93	131313.90	9329.00
2014-15	400000	103382.00	25.78	103138.20	8028.03
2015-16	400000	108607.00	27.49	109986.36	8493.24
2016-17	500000	91019.00	23.64	92207.30	9230.79
2017-18 (Ending 11/2017)	500000	99468.00	19.00	100989.25	8096.51

### Financial Health

The JKCL has been earning profits over the years, though the trend is dwindling.

Financial Health of J&K Cements Limited		(Rs. in lakh)
Year	Profit	
2011-12	435.51	
2012-13	253.00	
2013-14	-1692.80	
2014-15	-2627.82	
2015-16	-2359.37	
2016-17	-3173.62	
2017-18 (Ending 11/2017)	Under compilation	

In addition to this, J&K Cements Limited has acquired 20 kanals of land from M/s SIDCO on lease basis for installing a 300 TPD clinker cum grinding unit at Samba, at a premium cost of Rs. 12.58 lakh. The unit has started its commercial production since, January 2016. The unit has already sold 31036.05 Mts. of Cement by the end of November, 2017 and earned a revenue of Rs. 2417.88 lakh.

### ➤ Jammu and Kashmir Entrepreneurship Development Institute (JKEDI)

The main objective of the Institute is to create awareness and facilitate entrepreneurship in Jammu and Kashmir by imparting entrepreneurship education, skill up-gradation trainings, disseminating knowledge and bringing about behavioural changes towards the concept of entrepreneurship at the social level.

The Institute also develops linkages with national and international organizations working in the field of enterprise creation.

The Institute has taken a gigantic leap in its entrepreneurship training activities as is revealed in the figures below.

Details of activities of Jammu and Kashmir Entrepreneurship Development Institute (JKEDI)						
Year	EAPS		EDPs		EOPs	
	No. of Programmes	No. of Participants	No. of Programmes	No. of Participants	No. of Programmes	No. of Participants
2011-12	58	4422	105	2941	26	1184
2012-13	191	8359	88	2707	15	600
2013-14	175	11014	102	3167	15	1833
2014-15	319	21840	101	3228	9	328
2015-16	674	30272	127	5072	7	326
2016-17	401	29021	102	4393	9	292
2017-18 (ending 10/2017)	176	9857	51	2043	3	72
<b>Total</b>	<b>2353</b>	<b>142124</b>	<b>918</b>	<b>32591</b>	<b>242</b>	<b>10111</b>
<i>EDPs: Entrepreneurship Development Programmes, EOPs: Entrepreneurship Orientation Programmes, EAPS: Entrepreneurship Awareness Programmes</i>						

Besides, JKEDI implements a host of government sponsored employment schemes, which inter-alia include Seed Capital Fund Scheme (SCFS) of the Sher-e-Kashmir Employment and Welfare Programme for Youth and the Youth Start-up Loan Scheme. It also implements Education and Term Loan schemes of the National Minorities Development and Finance Corporation (NMDFC), Ministry of Minority Affairs.

## Notable Achievements/Major Initiatives of industry sector

### Industrial Policy and Promotion

1- The State Government notified and issued new Industrial Policy 2016. Subsequently procedural Guidelines for the Policy document was issued on 07-06-2017 having major thrust on Ease of Doing Business. The Policy envisages to attract substantial investment especially in high potential areas of food processing, leather, pharmaceuticals, wood based like sports goods/bats/willow wicker, high grade raw silk, woolen fabrics, computer/electronics and information technology. The Policy anticipates creating a new land bank of 20,000 kanals across the State with emphasis on locations outside the urban areas and envisages attracting an investment of Rs 20,000 Crore over the period of next ten years.

### 2- J&K's leap towards ease of doing business

A paradigm shift has been observed in Jammu & Kashmir on the ease of doing business front recently. The State has successfully implemented around 270 business reforms out of the 372-point Business Reform Action Plan(BRAP)-2017 issued by the Department of Industrial Policy and Promotion, Union Ministry of Commerce and Industry.

Thanks to these reforms, almost entire procedure of setting up an industry in the state is conducted online now. There is not a single offline formality that an entrepreneur has to



complete during the process of setting up an industry. Following services are provided online without a physical touch point:

**E-Services provided by Industries & Commerce Department through online Single Window Portal [www.udyogjk.com](http://www.udyogjk.com):**

- Online Provisional Registration of Industrial Units/ EM-1
- Online Permanent Registration of Industrial Units/ EM-2
- Online of issuance of land and allotment certificates for all Industrial Estates across the State
- Online water supply connection in all Industrial Estates
- Online Fire NOC for Unit establish in all Industrial Estates
- Online Building Permission in all Industrial Estates
- Online Partnership Registration under J&K Partnership Act
- Online Society Registration under J&K Societies Act
- Online application for pre-construction / Plinth Level/ Completion Inspections and approval for constructions in all Industrial Estates.
- Online application and approval of Industrial Incentives.

**E-Services provided by J&K Pollution Control Board under EoDB initiative:**

- Online Consent Management System has been operationalized for online application submission with required documents, payment of fee, Tracking and Monitoring of file progress.
- Online issuance of final Consent to Establish (CTE) and Consent to Operate (CTO) and renewals thereof under the Water Act-1974 and Air Act-1981.
- Online issuance of Authorization under the Hazardous and other Waste (Management and Transboundary Movement) Rules-2016.
- Online system allows users to download the final signed approved certificate from the portal ([www.jkcomms.nic.in](http://www.jkcomms.nic.in)).
- All approved certificates of past two years are kept in Public Domain and can be downloaded from the portal by any 3<sup>rd</sup> Party for verification.

**E-Services provided by J&K Legal Metrology:**

- Online Registration of Manufacturers/ Packers of Packaged Commodities under Rule 27 of Legal Metrology (Packaged Commodities) Rules, 2011.
- Computerized Risk based Inspections of Business Units under J&K Legal Metrology Act and Rules.

**E-Services provided by J&K Labour Department:**

- Online Registrations/ Permissions/ Renewals under various Labour Laws applicable in J&K.
- Online Registrations/ renewals under J&K Boiler Act, 1991.
- Computerized Risk based assessment of units for Inspection under various Labour Laws.
- Online Viewing/downloading of inspection reports under various Labour Laws.

**E-Services provided by J&K Finance (Commercial Taxes) Department:**

- Online GST registration.
- Online GST return filing through State portal linked with the Central portal.
- Online GST Payments.
- Risk based assessment of Business Units for tax related inspections.
- All GST Amendments/notifications are available online.

All above e-services are available through single portal “udyogjk.com” in addition to respective departmental portals. Among other notable steps taken for the ease of doing business is the GIS mapping of all industrial estates in Jammu & Kashmir. GIS mapping helps in knowing various operational industrial units, vacant plots and closed units in an industrial estate, just by clicking the mouse. The Industries and Commerce Department has also created a land bank to make land available to entrepreneurs for setting up industrial units. Not long ago, entrepreneurs were finding it difficult to get land for setting up their units.

Out of 372-action point Business Reform Action Plan (BRAP) 2017 issued by DIPP in April 2017 to be implemented by all States and UTs, J&K has implemented 270 Business Reforms this year till 31st October 2017 (the last date fixed by DIPP to implement and report the status for evaluation of yearly EoDB State rankings). Out of 270 implemented reforms J&K has submitted 262 reforms on the DIPP web portal till the timeline of 31st October for evaluation of annual State EoDB ranking. Till 30 Nov Out of 262 submitted reforms DIPP has already approved 74 reforms and remaining are in the evaluation process.

At present (30th Nov) the EoDB ranking is 23rd among 36 States and UTs which is dynamic and continuously changing with further evaluation and approval of implemented business reforms by States/UTs. In the final EoDB rankings for 2017 which shall be awarded by ending December, J&K is expected to attain a respectable rank this year against a dismal 29<sup>th</sup> rank in 2015 and 31<sup>st</sup> rank in 2016.

All these business reforms have brought transparency in the functioning of the Industries and Commerce Department apart from saving the entrepreneur from the difficulties which are inherent in offline dealings.

- 3- 317 small scale industrial units have been registered during the CFY 2017-18 involving an investment of the order of Rs. 236.87 crore creating employment opportunities for 3342 persons.
- 4- The Apex Project Clearance Committee (APCC) of the Department cleared proposals worth Rs. 3119 Crore for setting up of 21 numbers of Medium & Large Scale Units in the State during last two years.
- 5- The Industry has been provided with Central Incentives from 2004 which amounts to Rs 272.77 Crore and Rs 127.19 Crore has been sanctioned during 2016-18. An amount of Rs. 130.21 Crore has been provided to the entrepreneurs with State Incentives which includes Rs. 21.22 Crore provided during the last two years alone.
- 6- Post GST, Central Scheme for “Budgetary Support” has been notified. State Govt. has also announced balance payment of 42% under “Budgetary Support Scheme”. Additionally 100% SGST refund has been agreed to. The State cabinet has also approved for nullifying, with suitable mechanism, 2% CST available to Industry in Pre- GST regime.
- 7- MOU signed between the State Government and the Indian Council for Leather Exports for establishment of Common Facility Centre for Leather Cluster at Industrial Estate, Lassipora to facilitate the entrepreneurs to set up the Leather Goods manufacturing units there. DPR with project cost of Rs 40 Crore is under consideration of DIPP, GoI for sanction.
- 8- Data Centre of Industries and Commerce Department established for making following services available:
  - a. Online implementation of Business Reforms Action Plan (EoDB)
  - b. Online Udyog Registration Portal
  - c. Online GIS with MIS of Industrial Estates of J&K.
  - d. Enterprise Resource Planning for SICOP
  - e. Online E-Challaning System of Traffic Police
  - f. E-Office with Digitization of old records.
  - g. CCTV System at Udyog Bhawan, Jammu.
  - h. Universal WiFi at Udyog Bhawan, Jammu.

## **MSME**

- 9- 13661 kanals of additional land at various locations in the State is at different stages of acquisition process that shall serve as a land bank for Industrial Growth. The Government is working on identification of more land in each district for meeting the requirements of the entrepreneurs.

- 10- The Prime Minister's Employment Generation Programme (PMEGP) has helped in the creation of job opportunities in Urban as well as Rural areas and in providing continuous, sustainable and increased wage earnings for the unemployed and under employed youth. The targets of 1650 number of units with margin money of Rs. 32.72 Crore generating employment to 13200 persons have been revised to 4125 number of units with margin money of Rs. 81.82 Crore generating employment to 33000 persons during the current year 2017-18. This is almost three times increase in the targets and the margin money available to the State under PMEGP.
- 11- A massive upgradation of infrastructure at a cost of Rs. 138 Crore of various Industrial Estates has been taken up. This wholesome upgradation work has been undertaken after decades.
- 12- The Detailed Project Reports for development / upgradation of power infrastructure for reliable power supply to the Industrial Estates involving a total cost of Rs. 366 Crore approved and presently under tendering process.
- 13- To address the environmental concerns:
- a) The Ministry of Commerce and Industry, Department of Industrial Policy and Promotion GoI approved on 25-07-2017, the Upgradation of Industrial Estate Ghatti Kathua at a cost of Rs. 45.20 Crore under the CSS- Modified Industrial Infrastructure Upgradation Scheme (MIUS).
  - b) The project for upgradation of Battal-Ballian, Industrial Estate, sanctioned at a cost of Rs. 9.13 Crore.
  - c) Common Effluent Treatment Plants are being commissioned in the major Industrial Estates namely Electronics Complex Rangreth, Industrial Estate Khunmoh, IGC, Samba with ZLD, Industrial Estate Ghatti Kathua, Industrial Estate Bari-Brahmana, and IGC Lassipora for proper system of liquid and solid waste management to prevent harmful effects of industrial pollution on the environment.
- 14- The project proposals at a cost of Rs. 1192.39 Lakh submitted to the Ministry of MSME, GoI for sanction under the Scheme of Fund for Regeneration of Traditional Industries (SFURTI) which is expected to be sanctioned shortly.
- 15- Government Joinery Mill Srinagar has been rebuilt, spending Rs. 8.50 Crore. The Mill has been made functional since July, 2017 which was completed in 18 Months. Government Joinery Mill Jammu is also under development having a project cost of Rs. 8.50 Crore Show-room has been completed. It is expected that mill would be ready in all respect by March 2018

### **Textiles Sector**

- 16- Rajbagh Silk Factory upgradation project got approved under World bank funded Jhelum and Tawi Flood Recovery Project. The Factory is being upgraded with

replacement of 44 Looms, commissioning of Finishing Plant, Boiler and other machinery besides execution of civil works at a total cost of Rs 22.85 crore. The Silk production of the State is projected for increase from 2.80 lakh meters to 6.80 lakh meters per annum. The addition of 4 lakh meters will be of high end fabric only increasing the value from Rs. 5 crore to Rs. 32 crore. The bidding process of the project for allotment is in progress. The project is expected to be completed in 18 months by July 2019 and the net revenue earnings are expected to be of the order of Rs. 3.79 Crore from 2020-21.

- 17- Woolen Mills Bemina upgradation project got approved under World bank funded Jhelum and Tawi Flood recovery Project. The Mill is being upgraded with installation of high-speed plant, carding machine, boiler and rapier looms along with execution of some civil works at a total cost of Rs 11.74 crore under World bank funded Jhelum and Tawi Flood Recovery Project. The Wool Cloth fabric production of 5 lakh meters per annum is projected for increase to 8.75 lakh meters. The addition of 3.75 lakh meters will be of high-end fabric only increasing the value from Rs 2.50 crore to Rs 34 crore. The bidding process of the project for allotment is in progress. The project is expected to be completed by July 2019 and the net revenue earnings are expected to be of the order of Rs. 2.20 Crore form 2019-20.
- 18- Project Proposals of Pashmina Promotion Programme under PMDP submitted to Central Wool Development Board worth Rs. 48.05 Crore for sanction and release of funds. The project envisages a holistic development of the Pashmina Craft with specific interventions at all the stages of pre production, production and post production.
- 19- Jammu Filatures and Jammu Silk Factories are being established in Bari Brahmana at an estimated cost of approximately Rs 23 Crore for reeling of cocoons and about 36,000 kgs of quality silken yarn would become available and would benefit cocoon growers of Jammu Division. The net revenue earnings will be of the order of Rs. 4.14 Crore from 2019-20.
- 20- The erstwhile Kashmir Filatures at Solina is being revived along with capacity enhancement at an estimated cost of Rs. 5.60 crore for reeling of cocoons. Around 36,000 kgs of quality silken yarn would become available for consumption in upgraded Silk Factory Rajbagh. Apart from benefiting cocoon growers of Kashmir Division a viable process of value addition to the locally available raw material (cocoon) would get in place benefitting all stake holders. The net revenue earnings will be of the order of Rs. 1.15 Crore from 2019-20.
- 21- Shoddy Spinning Plant at Solina Srinagar is being repaired for recommissioning at an estimated cost of Rs. 5.56 crore to utilize the infrastructure which includes state of art heavy duty carding lines machinery imported from Poland in the year 1982-83 costing around Rs. 50 crore and to provide a stable market outlet to the locally

available wool. The net revenue earnings will be of the order of Rs. 2.20 Crore from 2019-20.

- 22- Upgradation of Export Oriented Handloom Development Project of Handloom Development Corporation at Samba was taken up in hand. The Civil works have been completed and procurement and the installation of the upgraded machinery is in progress. This would benefit about 500-600 Weavers in and around Samba town and will generate a business of Rs 2 crore per annum for the corporation from 2018-19.
- 23- Distribution of 8000 Modern Carpet looms to carpet weavers have been completed. The Ministry of Textiles, GoI approved sanction additional lot of 6000 Modern Carpet Looms during 2016-17 with Central Share of Rs 24 Crore, for which the provision of 25% as State Share has already been earmarked.
- 24- 44238 beneficiaries benefited under Artisan Credit Card Scheme, which is aimed at helping the artisans of various handicraft products to become self reliant independent earning hands. The Government has provided Rs. 93.36 Crore till date as 10% Interest Subvention for the cases sanctioned under the Scheme.
- 25- Scheme for rehabilitation of Fur Artisans has been formulated and is being implemented from current financial year 2017-18. The Margin Money and 5% equity of Rs. 20.88 Crore is being provided by the Government.

## **Mines**

- 26- The JK Minerals Ltd. started exploitation of Parlanka Gypsum Mines through outsourcing arrangement at Savlakot Hydro Electric Dam site for the first time. The current income of Rs. 12.76 Crore is expected to go up by this new Mining activity. New J&K Minor Mineral Rules have also been notified which would facilitate establishment of District Mineral Development Fund in due course of time.
- 27- The business and the revenue earnings of the JKML have expanded considerably and a profit of Rs. 2.15 Crore has been registered during 2016-17 which has helped the PSU to release 10% COLA for its employees after 18 years.
- 28- The Jammu and Kashmir District Mineral Foundation Trust established. Out of the total amount of royalty realized from the holders of Minor mineral Concessions, 10% shall be deposited/paid towards the trust for development of mine affected areas and creation of Mining related infrastructure.
- 29- A satellite surveillance system is being put in place at Mining sites besides establishment of Mineral Check Posts with CCTV Surveillance facilities to make the surveillance system vibrant and more effective.
- 30- District Mineral Offices in all the 22 District Headquarters sanctioned having sanctioned strength of 436.

- 31- Jammu & Kashmir Minor Mineral Exploitation and Processing Rules-2017 have been notified.
- 32- J&K Minor Mineral Concession, Storage, Transportation of Minerals and Prevention of illegal Mining Rules, 2016 notified.
- 33- 173 Minor Mineral blocks auctioned in 10 districts under Phase-I out of 494 blocks approved for auction.
- 34- Samba Cement Factory has been made operational.
- 35- The cement production from JKCL units during the current financial year is expected to be 175000 MTS as compared to 110020 MTS during the previous FY which will generate the Revenue earnings of Rs. 140 Crore which would be highest ever as compared to Rs. 87 Crore during the previous year.

#### **Knowledge Assets: Skill Development**

- 36- The State Cabinet approved the scheme for setting up of Startup Hub, Incubators and Scheme for Assistance to Startups in J&K. "START-UP INDIA". The initiative is aimed at fostering entrepreneurship and promoting innovation by creating an ecosystem that is conducive for growth of Start-ups.
- 37- Two Women Entrepreneur Development Centers are being set up one at Srinagar and other at Jammu to help, guide, and train aspiring women entrepreneurs and women start ups. The works of the Jammu Centre at Jammu Haat is in progress and the Centre in Srinagar would be made functional during the current financial year.
- 38- A Technology Centre being set up at Samba, Jammu at a cost of Rs. 100.00 Crore to extend technological and design support to micro, small and medium enterprises besides providing industrial know-how and skill development of the youth for better employment avenues in the Industries sector.
- 39- Land for setting up of Entrepreneurship Development Institute Jammu earmarked at Industrial estate Bari-Brahmana has been handed over to J&K EDI. The foundation stone has been laid by the HCM and construction of the Institute Complex with project cost of Rs. 82 Crore is going on in full swing.
- 40- A new 6 months Diploma Course in Entrepreneurship Development has been launched by JK Entrepreneurship Development institute at Pampore this year.
- 41- Post Graduate Programme for Craft Design at a cost of Rs. 7 crore has been approved at the Craft Development Institute, Srinagar. Civil Works for the building would be starting very soon.
- 42- In a subversive attack main EDI Campus was completely destroyed during 2016. The EDI complex has been restored in a record time of 6 months spending Rs. 10.87 Crore and has been made functional in May 2017.

## Trade & Commerce

- 43- The State Cabinet approved the setting up of Jammu and Kashmir Trade Promotion Organization (JKTPO) as a Joint Venture Company between the State Government, India Trade Promotion Organization (ITPO) and Export Promotion Council for Handicrafts (EPCH) for Export promotion of the Handicrafts and Handloom products within the Country and globally.
- 44- Construction of infrastructure at both the Trade Facilitation Centres i.e. Chakkan-Da-Bagh, Poonch and Salamabad, Uri with an estimated cost of Rs. 10.41 Crore and Rs. 10.73 Crore respectively under Phase-II has been initiated with the approval of the Ministry of Home Affairs, Gol. A project for installation CCTV at both the TFCs has been approved too.
- 45- Cross LOC trade of goods has been going on now for last nine years. This barter system of trade has recorded an import worth about Rs. 3091.14 Crore and export worth about Rs. 3411.50 Crore since inception.
- 46- A list of 21 more tradable items for inclusion in the Agreed List of Tradable items for Cross LoC has been submitted to Government of India for taking up with the Government of Pakistan.
- 47- The State Government conveyed its agreement to Gol for opening of seven additional trade routes namely Jammu-Sialkot, Chhamb-Jourian to Mirpur, Gurez-Astoor-Gilgit, Jhangar (Nowshera)-Mirpur and Kotli, Turtuk-Khapulu, Kargil-Skardu and Titwal-Chilhan (Across Neelam Valley) and two Meeting Points namely Hundurman on Kargil-Skardu route and a suitable point at Turtuk-Khapulu route.
- 48- Introduction of Banking System for LoC Trade has also been taken up with Gol.
- 49- The Government is very soon introducing an e-Commerce platform to link 20000 artisans and weavers of the State. The target is to increase the exports of Handicrafts and Handloom Products from the current level by Rs 1000 crore annually besides serving the prime objective of minimizing the exploitation of the multiple steps of middleman ship.
- 50- The handicraft exports from Kashmir has gone upto Rs 1,151.12 crore in financial year 2016-17 which is 8.6 percent hike as compared to the previous year.
- 51- All outstanding bank loans of J&K Handloom Corporation and Handicrafts Corporation have been cleared by the Industries & Commerce Department during the current financial year.
- 52- Upgradation of Kashmir Govt. Arts Emporium and various other showrooms is in progress at many places so that more business can be attracted. Additionally Rs. 8.59 Crore has been provided during 2016-18 for upgradation stocks and finished goods and renovation of showrooms.



**Latest Initiative**

In recognition of hardships arising due to withdrawal of remission from payment of VAT, Govt has decided to provide Budgetary support to the eligible units by way of reimbursement of 42% of the central tax paid through a debit in the cash ledger account maintained by units under Goods & Service Tax vide SRO 521, has rolled out scheme called as “Jammu & Kashmir Reimbursement of Central taxes for promotion of industries in the state of J&K”. The scheme shall come into operation w.e.f. support for an eligible units and shall remain enforce till the scheme namely “Budgetary support under Goods & Service Tax Regime” to the industrial units located in states of J&K, Uttarakhand, HP and northeast including Sikkim” dated 15<sup>th</sup> Oct 2017 announced by Gol is in operation.

## Chapter 1.5

# Environment & Forests

Forest cover of J&K state accounts for 19.95% of the total Geographical area (101387 Sq km) on this side of line of control against the India figures of 24.47%. Out of the total forest area of 20230 Sq km, the area under reserved forests is 2551 Sq km, protected forest is 15912 Sq km and the rest is unclassified. The region wise forest area is given below:

<b>Region wise Forest cover (Area in Sq Km)</b>			
<b>Region</b>	<b>Total Geographical Area</b>	<b>Forest Area</b>	<b>Percentage of total geographical area</b>
Kashmir	15948	8128	50.97
Jammu	26293	12066	45.89
Leh	45110	29	0.06
Kargil	14036	7	0.05
Total	101387*	20230	19.95

*\*indicates geographical area on this side of actual line of control. These area figures exclude 120849 Sq km under illegal occupation of China and Pakistan Source: Digest of Statistics*

Kashmir Region has 50.97% forest cover, Jammu Region has 45.89%, whileas Ladakh Region has 0.11% area under forest.

Forests cover 48 percent of the total geographical area of the State (excluding Ladakh region) which is above the national average of 24.47 percent.

### Species wise Forest Cover

Out of total forest area of 20230 Sq Km, 1075 Sq km (5.31%) is under Deodar, 1825 Sq km (9.02%) under Chir, 1969 Sq km (9.74%) are under Kail and 3401 Sq km(16.81%) under Fir. Largest area of 10075 Sq km falls under “other categories” having a share of 49.8%. Thus, 18342 Sq km are under coniferous (Soft wood). Non coniferous (hard wood) covers 1885 Sq km claiming 9.32% of total forest area.

The State Government has so far notified 15912 Sq Km under the Protection Area Network (PAN) which is 15.69% of the total geographical area of the State comprising 5 National Parks, 14 Wildlife Sanctuaries and 35 Conservation Reserves. The Protected Areas (PA's) includes 2762 Sq Km (13.65%) of the forest area, out of 20230 Sq Km of total forest area) and the remaining area of 13150 Sq Km is High Altitude Cold Desert Area of Ladakh.

<b>Specie-wise Forest Area</b>			
<b>S.No</b>	<b>Classification</b>	<b>Area Sq km</b>	<b>%age of Total</b>
(i)	Coniferous (Soft Wood)		
	a)Deodar	1075	5.31
	b) Chir	1825	9.02

	c) Kail	1969	9.74
	d) Fir	3401	16.81
	e)Others	10075	49.80
	Total Coniferous	18342	90.68
(ii)	Non Coniferous (Hard Wood)		
	Un-commercial	1885	9.32
Total Coniferous & Non Coniferous (i & ii)		20230	100
	Rakhs & Wild life	15912	

### Out Turn of Forest produce

The year-wise out-turn of major and minor Forest Produce for the years 2016-17 and 2017-18 as on ending 10/2017 is given as under:

Out Turn viz-a-viz value of Major and Minor Forest Produce		
Year	Total Extraction	
	Timber in lakh Cfts SFC	Fire wood (Qtls) Forest Territorial
2015-16	25.381	192126.36
2016-17	37.395	102095.79
2017-18 ending 10/2017)	28.064	57743.71

### Supply of Firewood (SFC)

Year wise details of auction, sale, CTSD, Fair price, Firewood, Leh Sale during 2015-16, 2016-17 and 2017-18 ( upto 10/2017 ) .

Particulars	Region	Year					
		2015-16		2016-17		2017-18 (upto 10/2017)	
		Volume (in Lakh cft)	Value (in Lakh Rs)	Volume (in Lakh cft)	Value (in Lakh rupees)	Volume (in Lakh cft)	Value (in Lakh Rs)
Auction Sale	Jammu	6.415	4251.061	8.437	5005.904	3.726	2434.496
	Kashmir	15.767	9008.863	11.058	6497.262	9.652	5257.941
	<b>Total</b>	<b>22.182</b>	<b>13259.924</b>	<b>19.495</b>	<b>11503.166</b>	<b>13.378</b>	<b>7692.437</b>
CTSD Sale	Jammu	0.496	Non cash	1.175	451.984	1.628	526.026
	Kashmir	2.21	Non cash	6.076	1791.643	5.245	1746.301
	<b>Total</b>	<b>2.917</b>	Non cash	<b>7.251</b>	<b>2243.627</b>	<b>6.873</b>	<b>2272.327</b>
Fair Price/ Flood victims	Jammu	0.026	40.805	0.021	32.186	0.011	16.637
	Kashmir	0.949	264.125	0.239	201.265	0.155	143.077
	<b>Total</b>	<b>0.976</b>	<b>304.93</b>	<b>0.260</b>	<b>233.451</b>	<b>0.166</b>	<b>159.714</b>
Fire Wood (in lac Qtls)	Jammu	0	0	0	0	0	0
	Kashmir	0	0	0.497 lakh Qtls	130.455	0.302 lakh Qtls	97.890
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0.497 lakh Qtls</b>	<b>130.455</b>	<b>0.302 lakh Qtls</b>	<b>97.890</b>
Leh Sale	Leh	<b>0.028</b>	<b>19.992</b>	<b>0.054</b>	<b>41.499</b>	<b>0.041</b>	<b>11.371</b>
<b>G. Total</b>		<b>26.102</b>	<b>13584.846</b>	<b>27.060</b>	<b>14021.743</b>	<b>20.458</b>	<b>10135.849</b>

### Export of Forest Produce

The export of timber has increased from 25.10 thousand cubic meters in 2000-01 to 30.70 thousand cubic meters in 2007-08 showing a net increase of 22.31% during the period. During 1990-91, the state was exporting timber to the extent of 53.39 thousand cubic meters. After 2007-08, Hon'ble Supreme Court of India has banned export of timber out side state.

### Compensatory Afforestation Management and Planning (CAMPA)

Under the provisions of J&K (Forest Conservation) Act 1997, the Forest Department has to regulate the indiscriminate diversion of Forest Lands for non forestry purposes so as to maintain ecological balance between the developmental needs of the state and the conservation of natural resources. When any land is permitted to be diverted for a non-forest use, cost of compensation in terms of Net Present Value, Compensatory Afforestation (CA) and other restoration activities are paid by the user agency. All these resources are at present being collected as CAMPA fund. In order to manage the Compensatory Afforestation, the State has constituted State CAMPA under SRO-354 providing for three tier regulation of activities.

Physical / Financial achievements during 2015-16, 2016-17 and 2017-18			
Year	Area treated (HA)	Expenditure (Rs. in lakh)	Plantation (in lakh Nos)
2015-16	5157.80	4578.48	44.57
2016-17	4636.92	5208.93	30.39
2017-18 ending 10/2017	1685.19	2159.25	4.97

### Revenue generated

The details of Revenue generated during 2015-16, 2016-17 and 2017-18, ending October, 2017 is given as under:-

Revenue generated				(Rs. in lakh)
Year	Forest	Social Forestry	Soil Conservation	Total
2015-16	5904.96	116.11	0.75	6021.82
2016-17	660.01	14.58	5.39	679.98
2017-18 (ending 10/2017)	390.41	5.44	0.28	396.13

The Year wise details of Area Covered / Plant planted and distributed/ Expenditure incurred during 2015-16, 2016-17 and 2017-18 ending 10/2017 are indicated below:-

Year wise details of area covered / plant planted and distributed / expenditure incurred						
Period	Area covered	Plants planted	Plants distribution	Expenditure (Rs in lakh)		
	(in Ha)	(in lakh)	(Out of col No 3)	Revenue	Capital	Total
2015-16	991.44	15.98	6.12	7927.93	522.71	8450.64
2016-17	3457	34.747	7.64	43147.43	1842.31	44989.74
2017-18 (ending 10/2017)	1461	6.81	0.49	23058.98	364.06	23423.04

The details of Timber imported from outside the state during 2015-16, 2016-17 and 2017-18 ending 10/2017 are given here as under:-

Timber imported from outside the state	
Year	Timber Imported (lakh Cfts)
2015-16	47.12
2016-17	85.46
2017-18(ending 10/2017)	63.61

#### Supply of timber through Forest Department

Timber supplied to general public and for other purpose from forest sale depot as well as from Forests is given as under:-

Supply of Timber through Forest Department					(Vol. in Lakh Cfts)
Year	Kashmir Region		Jammu Region		Total
	Timber supplied through TSD	Timber Supplied through Kashmir Forest Notice	Timber supplied through TSD	Timber Supplied through Jammu Forest Notice	
2015-16	14.75	0.60	2.78	5.94	24.07
2016-17	5.975	0.23	1.193	6.69	14.09
2017-18	4.251	0.25	1.976	2.74	9.22

Region-wise supply of firewood for winter months during 2015-16, 2016-17 and 2017-18 (in Qtls)				
Region	Year			Remarks
	2015-16	2016-17	2017-18	
Kashmir	130000	56319	38565	
Jammu	28000	20889.67	11673.39	
Leh	10000	54000	41000	

## Chapter 1.6

# Livestock

For a growing human population, the development of livestock sector is indispensable to address the requirements of major livestock products. From livelihood perspective, it is considered as an important instrument in poverty alleviation. The integration of crops and livestock has always remained a way of life since the beginning of agriculture. It provides the major extra contribution to agriculture through manure, fuel and as a fertilizer apart from meat, milk, eggs that grant a regular supplementary income and employment not only to producers in the rural areas but also huge size of the population engaged in secondary and tertiary business related to livestock.

The number of livestock per 1000 of human population in Jammu and Kashmir as per 19th Livestock census 2012 is 736 animals while as at all India level the number was only 409. Despite decrease in the livestock population the production of major livestock products such as Milk, Mutton, Poultry has increased, due to genetic upgradation of indigenous livestock.

The crossbreeding programme in livestock is operational, using Artificial Insemination (A.I) as the main tool. A small fraction of local cattle population in its original form is also envisaged to be maintained in some pockets of the state, so as to ensure disease free status of future cross bred generations. Presently 48% of Cattle and 68-70% of Sheep have been upgraded.

Livestock Health will continue to be a major constraint in the livestock productivity, as the state is able to spend around Rs 8-10 per unit on Livestock health against requirement of Rs 30-36 per unit. To improve and maintain its growth towards the economy of the State, health cover facilities are indispensable.

To improve the quality of animal health services, the Government has established a network of more than 2000 veterinary institutions. Besides there are two frozen semen stations, one in each division of the State, 119 frozen semen stations, 2 artificial insemination centers 337 trial centers. 50 mobile dispensaries are presently functional in the State. In addition to this 1322 centers are with the facility of Artificial insemination.

The Animal/Sheep Husbandry sector has not received the required attention from the both State and Central Governments despite the fact that this sector has a huge potential like in other sectors where the Government provides incentives for employment generation. This

sector which has a huge potential for employment generation has been ignored for such type of incentives.

The entrepreneurs are reluctant to take up activities under the sector as no attractive schemes are available from the Government and if there are some schemes available the targets are very less and also the upper ceiling of the scheme has been restricted in such a way that an entrepreneur is unable to avail employment generation for himself and for others. Secondly the main impediment in developing the sector is availability of fodder and reasonable rates and shrinkage of grazing areas.

In the sheep sector the livestock is fully dependent on natural grazing pastures and highland grass lands for nearly 6 to 7 months which is possible in cases such facility is made available and in case the grazing policy of the Forest Department is made entrepreneur friendly this sector has the potential to grow to large extent and shall provide employment to a large number of unemployed youth.

Due to shrinkage of grazing areas, sheep and goat are becoming dependent on the stall feeding for which the farmer has to make additional investment which makes the scheme in viable. Same is the case with the cattle and buffalo rearing. In case we go with the present market rate of milk and the cost of the feed and the minimum feed requirement of a healthy cow the cost on rearing and the profits thereof are not much differenced. The cost of fodder in the State market is very high and by providing the minimum feed /fodder to the these animals the overall viability gets affected.

The dairy farming in the state is not taken up on commercial lines and most of the farming is performed on individual basis and there is less employment generation and to utilize the existing infrastructure there has to be a policy from the Government with regard to the providing of cheaper fodder to the dairy farmers and also development of grass lands/pastures for which the Forest Department can also be helpful in framing a farmer friendly grazing policy so that people can have access to forest land and can help the Department in development of grass lands without disturbing the basic ecology of the land.

The Department has to some extent achieved the goal to increasing the local production of diary either dairy products or mutton but keeping in view the import bill there is a huge scope for further development for which some major steps are required to be taken and the Department is working on that . The steps which department anticipates

1. Operation of new schemes for the entrepreneurs to join the farming sector.
2. Grazing policy be framed by the Forest Department which will be farmer friendly.
3. Development of community land.
4. Health care on modern lines.

#### MAIN INITIATIVES, STRATEGIES AND THRUST AREAS

- DAIRY DEVELOPMENT

- 1) Establishment of genetic resource pools for making available elite germ plasm to attain desirable level of upgradation in cattle and buffalo
  - 2) Scientific management of field date related to genetic resources available in the state.
  - 3) Covering in accessible areas of state under frozen semen technology.
  - 4) Corresponding increase of frozen semen technology ( FST) inputs.
  - 5) Putting up paravet scheme on fast tract.
  - 6) Introduction of elite semen for improving quality of local cattle.
- POULTRY DEVELOPMENT
- 1) State specific schemes under industrial policy to boost local production of poultry feed.
  - 2) The private sector poultry industry has to be encouraged by shifting it from negative list of industries and bringing the sector under the fold of Micro Small and Medium Enterprises (MSME), facilitating all the incentives as are available to the MSME sector under central and state package.
  - 3) To make backyard poultry sector an effective tool for production of poultry meat in the state.
- SMALL RUMINANTS
- 1) Stabilize the gains made in fine wool production.
  - 2) Horizontal expansion of elite mutton germ plasm.
  - 3) Establishment of elite mutton type stud rams mother farms. The superior rams produced in these farms can be distributed in niche belts suited for mutton production.
  - 4) ETT to expand the elite genes base of the selected breeds.
  - 5) Shift from traditional rearing mode to in house management for round the year availability of quality mutton.
  - 6) Selective breeding of the animals (male/female) having inheritant genetic variations in economic wool traits shall be pooled and used for further replication.
- FEED AND FODDER
- 1) Scientific management of grass-lands.
  - 2) Development of waste lands through silvi pastoral system.
  - 3) Minimize the wastage of non-congenial as well as congenial fodder to narrow down the gap between availability and requirement of fodder, by making these materials suitable for livestock feeding.
  - 4) Preservation / storage of surplus fodder to meet the nutrition requirement of livestock, during scarcity period and to save livestock from natural disaster.
  - 5) To preserve surplus fodder available during proceeding good years.



6) To stabilize the price of fodder and keep the supply intact in problematic areas.

### **Fisheries Sector**

Food and nutritional security, employment & livelihood support, and uplifting the economic status of fishers are the cardinal services offered by Fisheries sector. Fisheries sector has been recognized as a powerful income and employment avenue and is a source of cheap and nutritious food, besides being a source of livelihood for a large section of economically backward population of the country. Fisheries in Jammu and Kashmir has tremendous potential to grow exponentially as the state is bestowed with a network of both cold and warm water streams, perennial rivers, lakes, reservoirs and sars.

All the three regions offer potential for promotion of different varieties of fishes. The brackish water fisheries resources are required to be exploited in the state to boost employment generation under his important sector.

There is a big gap between the demand and supply of fish. Fish is a valuable element of diet of the local people throughout the year. There is also a demand for fish from the defence personnel and tourists. There are 1248 lakes including water bodies which give an indication of the potential for fisheries sector in the State.

### **Physical/Financial Progress**

Under CAPEX budget 2016-17, an amount of Rs 5235.51 lakh including Rs 2305.96 lakh as CSS was available/released for utilization against which an amount of Rs 3520.17 lakh including Rs 1240.14 lakh as CSS were utilized.

During the current year 2017-18, an amount of Rs 847.23 lakh including Rs 336.32 lakh as CSS were utilized upto October 2017 against the available amount of Rs 2633.78 lakh including Rs 1930.46 lakh as CSS which is the 50% of the total outlay of Rs 7718.22 including 5411.59 as CSS.

### **Achievement/progress of the livestock sector**

- The Government has taken up construction of buildings of 131 veterinary institutions under NABARD since 2010-11 at a cost of Rs. 5244.01 lakh including NABARD loan of Rs. 4982.82 lakh, against which 52 buildings have been completed so far. Out of which 04 buildings have been completed in the last quarter of financial year 2016-17.
- Government of India sanctioned 229 buildings under the scheme “Establishment and Strengthening of Veterinary Hospitals and Dispensaries” (ESVHD) a component of Centrally Sponsored scheme “National Livestock Health and Disease Control”. Against which 135 buildings have been taken-up for construction so far. 87 building have been completed upto ending 31-03-2017 out of which 03 buildings have been completed in the last quarter of financial year 2016-17.
- Under National Programme for Dairy Development a component of Centrally Sponsored Scheme “National Programme for Bovine Breeding and Dairy Development” an amount

of Rs. 569.19 lakh has been received from the Gol, against approved project proposal of Rs. 6,46,68,500/- for upgrading the old machinery of JKMPCL, Milk Plant Cheshamashahi in order to further enhance the capacity from 20 TLPD to 50 TLPD. The project has been completed during the last quarter of financial year 2016-17 and functioning smoothly.

- Besides, one more project proposal for upgradation of Satwari Milk Plant for an amount of Rs. 5.13 crore was also approved during 2016-17 and an amount of Rs.300.95 lakh as 1<sup>st</sup> installment was also released and was utilized in full during the 3<sup>rd</sup> quarter of financial year 2016-17. During the current financial year an amount of Rs. 100.00 lakh has been released by the concerned Ministry, Gol and the same stands utilized on the approved components.
- These plants will procure milk from various districts of J&K and marketing activities will be carried out in Jammu/Srinagar and adjoining districts, the plants shall be capable of receiving and processing Liquid Milk with Cream Processing, White Butter and then subsequent Ghee Manufacturing facilities and the plants shall also be designed to make and pack Curd in pouch and cups. The project envisages increasing the village level dairy cooperative society network. The project is implemented by Jammu & Kashmir Milk Producers' Cooperative Ltd .
- 55 units were established under state sector scheme "Mini sheep farm scheme" in 2016-17.
- Likewise 83 units were established under RKVY during 2016-17.
- During 2016-17 133 No. of Low cost houses stands completed during the last quarter of the financial year 2016-17 under Centrally Sponsored Scheme "National Scheme for welfare of Fishermen" at a cost of Rs 0.75 lakh/house by incurring an expenditure of Rs 99.75 lakh comprising Rs 49.875 lakh State Share &Rs 49.875 lakh Central Share.
- Revenue amounting to Rs. 560.12 lakh has been realized during 2016-17 out of which Rs 87.07 lakh, Rs 105.78 lakh, Rs 132.93 lakh and Rs 234.34 lakh was realized during the 1st, 2nd, 3rd , 4th quarter respectively. Besides, Rs 308.58 lakh as been realized up to ending October, 2017 against the target of Rs. 635.35 lakh.
- The Centrally Sponsored "Blue Revolution" was introduced in the Fisheries Sector during the financial year 2016-17 under which the Ministry of Agriculture & Farmers Welfare, Department of Animal Husbandry, Dairying and Fisheries, Government of India, has agreed to the Action Plan at a cost of Rs.1413.98 lakh including Rs. 1111.18 lakh as Central Share and Rs. 302.8 as State/Beneficiary Share, for its implementation during 2016-17. Further they have also released the entire amount of Central Share of Rs. 1111.18 lakh against which an amount of Rs 404.722 lakh was utilized during the last quarter of the financial year 2016-17. The unspent central share of Rs. 706.45 lakh stands revalidated against which an amount of Rs 199.65 lakh has been spent on the approved activities upto ending October,2017.

- Under “Blue Revolution” scheme a mega project amounting to Rs 425.83 lakh for “Construction of Mahseer Brood Bank at Village Bindi, Kalakote District Rajouri” has been undertaken and is expected to be completed during the current financial year. Further, under the said scheme Ministry has also agreed to the Action Plan “Integrated Cold chain development-Ice Plant cum cold Storage of 10 tons/day capacity” and have also released an amount of Rs. 62.50 lakh for establishment of the same. The activity is expected to be completed during the current financial year.
- Anglers recreational lodge at Dandipora Daksum has been completed at a cost of Rs 145.29 lakh.
- Completion of Open Brood Stock Raceway and construction of 3rd Phase of raceways Kokernag at a cost of Rs 115.79 lakh.

### Sector wise Progress

#### Animal Husbandry

- The steps initiated by the Department have resulted in consistent increase in milk production in the State. The milk production for the year 2016-17 has reached to 2356.658 thousand metric tones in the State. The estimated milk production in both the Divisions since 2013-14 is as under:-

Division wise estimated milk production					(Metric tones)
Division	2013-14	2014-15	2015-16	2016-17	Ending October,2017
Jammu	827.25	868.61	955.47	955.474	565.72
Kashmir	1309.00	1376.65	1445.00	1401.184	920.93
<b>Total</b>	<b>2136.25</b>	<b>2245.26</b>	<b>2400.47</b>	<b>2356.658</b>	<b>1486.65</b>

- In the remote and inaccessible areas where continuity in supply of inputs for frozen semen technology is difficult to maintain the Department has stationed breeding bulls under the control of community leaders for providing breeding coverage to the bovines in the community.
- In order to introduce the concept of poultry farming on modern and scientific lines High quality Low Input Technology (LIT) breeds of poultry are imported every year and reared at available poultry projects for acclimatization, multiplication and subsequent rearing at various poultry farms/rearing spaces. The Department procures the low input technology day old chick parent stock from the recognized agencies approved by the Department of Animal Husbandry Dairying and Fisheries GOI. The parent stock is reared and maintained at various poultry projects and eggs produced are being loaded in the established hatcheries. The day old chicks produced at the hatcheries are supplied to rearing spaces/poultry farms available in the Department in the Districts for rearing upto one month and are distributing/ sold for establishment of backyard units among general public.

- Under Poultry Development programme of the State. 12.21 lakh hatching eggs and 5.31 lakh Day Old chicks were produced during the year 2016-17. During the current financial year (2017-18) upto ending October 2017, 7.63 lakh hatching eggs and 3.61 lakh Day Old chicks has been produced.
- 8.24 lakh artificial inseminations were conducted using frozen semen technology and 3.78 lakh upgraded calves were produced/births were recorded. During the current financial year (2017-18) upto ending October 2017, 7.654 lakh artificial insemination were conducted and 1.99 lakh upgraded calves were produced/births were recorded.

### Sheep Husbandry

- The Sheep Husbandry Department through the application of scientific and technological practices has been engaged in the rapid development of sheep and goat sector so as to increase the production of major products such as wool and mutton.
- For betterment of the sheep and goat rearing communities, Sheep Husbandry Sector is providing effective and improved breeding coverage, preventive health coverage and treatment facilities to the Sheep and goat population.
- Main aim of the Department is to improve the production of mutton and wool both qualitatively and quantitatively and provision of employment generation through organized sheep farming. The Department provides elite rams to sheep and goat breeders for genetic upgradation of their indigenous livestock and improves their productivity.

Mutton: The mutton production in the State has reached to 323.57 lakh kg (2016-17). The details of the mutton production since 2013-14 are as under:-

Division wise mutton production					(lakh kgs)
Division	2013-14	2014-15	2015-16	2016-17	Ending October,2017
Jammu	209.47	211.97	214.40	214.77	139.16
Kashmir	106.35	107.03	107.56	108.80	81.02
<b>Total</b>	<b>315.82</b>	<b>319.00</b>	<b>321.96</b>	<b>323.57</b>	<b>220.18</b>

Wool: The wool production in the State has touched 77.85 lakh kg (2016-17). The details of the wool production since 2013-14 are as under:-

Division wise wool production					(lakh kgs)
Division	2013-14	2014-15	2015-16	2016-17	Ending October,2017
Jammu	49.85	50.62	45.87	46.64	31.18
Kashmir	27.98	30.1	30.63	31.21	16.67
<b>Total</b>	<b>77.83</b>	<b>80.72</b>	<b>76.50</b>	<b>77.85</b>	<b>47.85</b>

The Sheep Husbandry Sector has established 17 Sheep Breeding farms, 973 sheep extension centres and 132 First Aid Centres which as Ram/Buck mother farms where quality

germplasm is produced and distributed to the private breeders through extension agencies of the department for upgradation of their livestock.

### **Fisheries Sector**

- The fisheries Department has achieved the fish production target of 20.39 thousand tones during 2016-17. At present, there are 53 trout rearing units/hatcheries and 19 carp farms managed by the Government in the State so far and in the private sector 427 carp units and 314 trout units have been established.
- The Government further contemplates to earn best prices for the fishermen by providing forward linkages by establishing wholesale/retail fish markets in the State.

### **Self employment generation schemes**

The department introduced different schemes for the development of poultry, dairy and sheep sector in order to increase avenues of employment generation of youth alongwith making state self-sufficient in major livestock products like, Milk, Mutton, Poultry Meat, eggs etc. These schemes have been welcomed by the people in general & un-employed youth in particular. The department under takes sensitization of interested youth on regular basis to impart necessary awareness about sheep/dairy/poultry rearing. Also in order to produce skilled manpower, specific to livestock sector, the shearers, AI-(Private Workers) etc, the department has specific programme/schemes for engaging people interested in these trade schemes are Bankable, subsidy, innovative, retrievable, etc. The details of target, achievement and number of persons placed after training are as under:-

### **Animal/Sheep Husbandry**

<b>Achievements/Targets during last 05 years</b>			
<b>Year</b>	<b>Target</b>	<b>Achievement</b>	<b>Placements</b>
2012-13	2500	3002	1153
2013-14	3500	4552	862
2014-15	5000	896	620
2015-16	7000	3258	352
<b>2016-17</b>	12000	2867	2832
<b>Total</b>	<b>30000</b>	<b>14575</b>	<b>5819</b>

Against the target of 5000,7000,12000 number of persons, 896, 3258, 2867 number of persons were trained/ target achieved out of which 620,352,2832 number of placements were made during the year 2014-15,2015-16, 2016-17 respectively.

### **Fisheries Sector**

The department has introduced the scheme “establishment of Trout units” in order to increase avenues of employment generation of youth. This scheme has been welcomed by the people in general & un-employed youth in particular. The details of target, achievement and number of persons placed after training are as under:-

<b>Achievements/Targets during last 05 years</b>			
<b>Year</b>	<b>Target</b>	<b>Achievement</b>	<b>Placements</b>
2012-13	350	350	102
2013-14	350	400	185
2014-15	400	400	65
2015-16	400	2700	34
2016-17	450	4397	173
<b>Total</b>	<b>1950</b>	<b>8247</b>	<b>559</b>
<b>Grand Total ASH&amp;F</b>	<b>31950</b>	<b>22822</b>	<b>6378</b>

Against the target of 400, 400,450 number of persons, 400,2700,4397 number of persons were trained/ target achieved out of which 65,34,173 number of placements were made during the year 2014-15,2015-16, 2016-17 respectively.

### **Major Initiatives**

- Introduction of INAPH (Information Network for Animal Productivity and Health)in field centres for automatic and real-time date recording using tablets with provision of internet. It will cover breeding (AI, Birth, repeat Breeding Conception rates, bull performance etc.) nutrition-ration balancing, disease testing and reporting, milk recording, etc Under CSS Rashtryia Gokul Mission.
- Introduction of MAITRI (multipurpose AI technician for Rural India) for doorstep delivery of Breeding services, Under CSS Rashtryia Gokul Mission.
- Under CSS Rashtryia Gokul Mission, Indigenous Red Sindhi and Sahiwal breed bulls were introduced in the state during 2016-17. A total of 37 bulls were purchased for this activity.
- The department shall lay emphasis on enhancing of Modern Dairy processing capacity, which currently is accounting for 1-1.5%(state run and private) of total milk produced in the state .This will be aimed through up-gradation of two Milk Plants of Cheshmashi-Srinagar and Satwari-Jammu at an estimated cost of around Rs 11.00 Crore, already approved by GoI under CSS (National Programme for Dairy Development). This is being implemented through, Jammu & Kashmir Milk Producers Cooperative Ltd.(JKMPCL)
- Thrust to be given for Introduction/genetic upgradation of Indigenous Cattle Breeds like Saihwal in Jammu using Central Funds under CSS “Rastriyia Gokul Mission”.
- Embryo Transfer Technology produced Rams will be used in field. Under the ETT project, ETT technology has been standardized at Panthal Sheep Breeding Farm by the Sheep Husbandry Department. The project for its upgradation is under formulation.
- From 2016-17 Foot & Mouth Control–Programme (FMD - CP); under this initiative, vaccination of Foot and mouth Disease launched, free of cost to 100% bovine population (cattle & buffalo) of the state. Under this initiative Rs 3.02 Crore was allotted under RKVY. Around 17.00 lakh doses were procured and vaccination stands conducted.

During the current financial year an amount of Rs.306.00 lakh has been made available by the GoI under the Centrally Sponsored Scheme “Livestock Health and Disease Control”.

- CSS “Blue Revolution” for integrated development of Fisheries has been implemented in the state. This CSS has various components which aim at developmental of fisheries sector which included welfare of Fishermen. Under this CSS Rs 14 Crore project was approved and Rs 11.18 Crore released to implementing agency. Under the said scheme a mega project amounting to Rs 425.83 lakh for “Construction of Mahseer Brood Bank at Village Bindi, Kalakote District Rajouri” has been undertaken and is expected to be completed during the current financial year.
- The State Fisheries act was introduced in the year 1903 and because of changing need of the time it is proved to be obsolete. New Act has been drafted as per the requirements of current market needs & Fisherman’s, Department oriented.
- Establishment of Ice Plant Cum Storage at Narwal Fish Market Jammu.
- The department has also framed a new Poultry Policy which will provide ample opportunity of employment to the educated youth and job opportunity to the women’s at their door step and would also check the poultry mafia. About 70 crore of eggs, 5 to 6 crore day old chicks and about 11 lakh of livestock (Sheep and Goats) are being imported annually for the consumption of the state.
- Establishment of new private AI worker training institute/ hostel.
- Import of high pedigree HF/Jersey Bulls for Semen production at Frozen Semen Station, Ranbirbagh.
- Establishment of Private AI worker/MAITRI for providing breeding coverage at farmer’s door step and simultaneously generating employment opportunities to unemployed youth.

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## **Infrastructure & Development Sectors**



## Chapter 2.1

# Roads and Buildings

The socio-economic development of the State is directly related to the efficient road network system, as it facilitates access to tertiary care Hospitals, District Hospitals/Sub-District Hospitals, working places, tourists destinations etc. Besides, it also helps in transportation of goods and services in reaching the market places in time which fetches income to the formers for their produce and helps in the growth of the economy.

### Road Length

Road length maintained by PW(R&B) Department has increased from 18368 kms in 2007-08 to 35289 kms during 2016-17 (ending March 2017). The province wise details of the road length as on 01-04-2017 are given as under:-

Province wise details of road length as on 01.04.2017				
S.No	Division	Road length as on 01-04-2017 (Kms)		
		R&B	PMGSY	Total
1	Kashmir	10602	4201	14803
2	Jammu	13618	2302	15920
3	Leh	3053	149	3202
4	Kargil	1120	244	1364
	<b>Total</b>	<b>28393</b>	<b>6896</b>	<b>35289</b>

Sector-wise financial details for the years 2015-16, 2016-17 and 2017-18 (ending October 2017) are given as under:-

Sector-wise financial details for the years 2015-16, 2016-17 and 2017-18							(Rs in lakh)
S. No	Sector	2015-16		2016-17		2017-18	
		Funds released	Expdt	Funds released	Expdt	Funds released / available	Expdt ending 10/2017
1	Design Directorate	100.00	98.85	134.50	76.16	100.00	10.91
2	R&B Jammu	14915.00	14915.00	12760.00	12760.00	11500.00	4459.24
3	R&B Kashmir	14648.19	14373.19	15927.50	15923.92	11660.00	6129.71
4	MED Jammu	337.50	284.97	337.50	300.77	337.50	132.26
5	MED Kashmir	975.00	975.00	975.00	975.00	975.00	260.28
6	Spl Programme	6700.00	6660.00	6464.00	6389.50	4135.00	1950.80

	Bridges						
7	NFB Jammu	355.00	355.00	500.00	500.00	500.00	233.00
8	NFB Kashmir	1122.64	1122.64	750.00	747.00	700.00	258.50
9	PMRP Roads	1100.00	1099.91	550.00	550.00	1000.00	499.97
10	PMGSY Roads	1000.00	947.80	0.00	0.00	500.00	71.16
11	Cities & Towns	22092.00	22092.00	10000.00	10000.00	10000.00	4655.00
12	Tourist Destinations	4933.00	4933.00	0	0	0	0
13	Amarnath Yatra	600.00	597.09	0	0	0	0
14	NABARD District Sector Loan	26737.29	17288.79	21617.82	21354.45	27592.82	9151.77
15	NABARD State Share	3427.35	2576.90	3068.00	3068.00	1500.00	1350.00
16	CSS – PMGSY	85000.00	25838.60	37460.00	32091.00	69004.00	36065.14
17	Central Road Fund	13187.00	4396.00	12488.00	12269.16	11910.76	10218.76
18	PMGSY State Share	2000.00	2000.00	8500.00	8430.97	8500.00	0.00
19	Ring Road Jammu	0	0	1000.00	1000.00	4000.00	2000.00
20	Ring Road Srinagar	0	0	1000.00	1000.00	6500.00	3250.00
21	PMDP (macadam)	0	0	40000.00	35904.11	24125.59	19934.68
22	PM Flood package	13714.94	8123.53	5591.36	4349.29	1242.07	194.66
23	STF Jammu	666.00	666.00	16.00	0.00	0.00	0.00
24	PMRP(Mughal Road)	128.00	128.00	0	0	0	0
	<b>Total</b>	<b>213738.91</b>	<b>129472.27</b>	<b>179139.68</b>	<b>167689.33</b>	<b>195782.74</b>	<b>100825.84</b>

Well maintained road network is important for Economic development of an area. As such it has been endeavour of the Government to maintain existing road infrastructure in the state. The region wise initiatives taken by Government for maintenance of road network during the past years are given below:

Physical Progress for 2016-17 and 2017-18 ending Oct 2017													(in Kms)	
S · N o	Programme	2016-17						2017-18 ending Oct 2017						
		BT/BM			WBM G I, II, III/FW			BT/MT			SH / FW			
		JMU	KMR	TOT	JMU	KMR	TOT	JMU	KMR	TOT	JMU	KMR	TOT	
1	Projectization	1.75	1.61	3.36	4.30	4.56	8.85	-	-	-	-	-	-	
2	NABARD	1.40	1.26	2.66	4.46	2.05	6.51	2.16	5.08	7.24	1.12	0.76	1.88	
3	CRF	0.35	0.15	0.50	0.78	0.37	1.15	0.51	1.59	2.09	0.50	0.50	1.01	
4	Cities & Towns	13.77	0.31	14.08	0.00	2.57	2.57	6.62	18.10	24.72	0.00	0.28	0.28	
5	Tourist Destinations	0.31	0.00	0.31	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
6	PMGSY	3.33	0.44	3.77	3.58	0.44	4.02	3.68	1.68	5.36	6.07	1.91	7.98	
7	State Sector	-	-	-	-	-	-	0.77	18.31	19.07	0.89	0.69	1.58	
	<b>Grand TOTAL</b>	<b>20.90</b>	<b>3.76</b>	<b>24.67</b>	<b>13.12</b>	<b>9.98</b>	<b>23.10</b>	<b>13.74</b>	<b>44.75</b>	<b>58.49</b>	<b>8.59</b>	<b>4.14</b>	<b>12.73</b>	

Highlights of main programmes/schemes sanctioned by the State and Central Governments are given as under:-

#### Central Road Fund

Under Central Road Fund Scheme which is primarily focused for development of State Roads including Roads of Inter State Connectivity and Economic Importance. 230 schemes at an estimated cost of Rs 3262.18 Crore stand sanctioned since the inception of the Programme in 2000-01. An amount of Rs. 2235.28 Crore has been incurred upto October, 2017 which includes Rs 102.19 Crore of current fiscal 2017-18. 72 schemes have been completed ending October 2017.

#### Flagship Programme - PMGSY

The objective of the Pradhan Mantri Gram Sadak Yojana (PMGSY) is to provide connectivity by way of all weather roads to the unconnected habitations in rural areas. Under Bharat Nirman Programme, it is envisaged to provide road connectivity to all the unconnected habitations in the country having population more than 1000 souls as per census 2001 whereas in hilly states and desert areas the target is to provide connectivity with population size of 500 souls and above.

Presently, 2580 schemes at an estimated cost of Rs. 8328.46 Crore have been sanctioned under this programme in ten phases. An amount of Rs. 3901.34 Crore has been released by GOI ending October, 2017 against which Rs 3898.28 Crore stands utilized. So far 1475 schemes have been completed with total road length of 7886 Kms covering 1991 habitations. The following table depicts details of achievements:-

<b>Achievements under PMGSY</b>					
<b>S. No</b>	<b>Details</b>	<b>Schemes (nos)</b>	<b>Habitations covered (nos)</b>	<b>Road length (in Kms)</b>	<b>Expdt (Rs in Crore)</b>
1	Sanctioned upto Phase X	2580	2840	14026	8328.46
2	Cumm Achievements ending 3/2016	1303	1786	6609	3235.57
3	Achievement during 2016-17	97	87	429	296.56
4	Achievements during 2017-18 (ending November, 2017)	75	118	848	366.15
5	Cumm. Achievement ending November, 2017	1475	1991	7886	3898.28

The status of habitations coverage taken up in a phased manner under PMGSY in J&K State is given as under:-

<b>Habitations coverage under PMGSY in J&amp;K State</b>					
<b>S. No</b>	<b>Population Size</b>	<b>1000+</b>	<b>500+</b>	<b>250+</b>	<b>Total</b>
1	Total number of un-connected habitations as on 01-04-2001	618	1034	1086	<b>2738</b>
2	Habitations sanctioned from Phase I to X	572	869	759	<b>2200</b>
3	Habitation connected through PMGSY ending 10/ 2017	496	742	376	<b>1614</b>

### **Land / Forest compensation**

An amount of Rs. 710.00 Crore has been released by Govt of India for land / forest compensation upto Phase IX as Special dispensation for J&K State against which Rs. 629.68 Crore have been released.

For Phase X sanctioned during 2016-17, an amount of Rs 800.40 Crore have been worked out as land / forest compensation cost and same shall be taken up with Govt of India for providing special dispensation in due course of time.

### **NABARD**

NABARD is providing loan assistance to the State Government under Rural Infrastructure Development Fund (RIDF). Presently RIDF XVI to XXII is in execution and 646 projects have been sanctioned at an estimated cost of Rs 2129.14 crore. An expenditure of Rs. 1197.50 Crore has been incurred ending March 2017 which includes Rs. 213.54 Crore incurred during 2016-17. 200 schemes have been completed ending October 2017. The RIDF wise details are given as under:

RIDF project details					(Rs in Crore)
S.No	RIDF	No. of schemes sanctioned	Estt Cost	Cumm Expdt ending 3/2017	No. of schemes completed
1	XVI	285	860.37	714.58	138
2	XVII	2	6.87	5.91	1
3	XVIII	90	265.03	211.41	39
4	XIX	2	7.54	7.54	1
5	XX	62	278.20	147.31	14
6	XXI	93	344.13	96.29	7
7	XXII	112	366.93	14.46	0
	<b>Total</b>	<b>646</b>	<b>2129.14</b>	<b>1197.50</b>	<b>200</b>

During current financial year 2017-18, an amount of Rs. 91.52 Crore has been incurred ending October 2017 on NABARD schemes.

### Roads Sector

Road surface requires renewal coat after a cycle of 4-5 years to prevent deterioration of pavements. Besides due to fast growing road traffic, widening of existing road network also becomes inevitable. The development of road sector is undertaken under various programmes viz; Projectization Plan, NABARD, CRF, ISC, STF, Cities & Town, and Tourist Destination.

During 2016-17, a road length of 2466.68 kms has been blacktopped/ metalled and 2309.83 kms covered under WBM all grades. Similarly, during 2017-18, a road length of 5849.15 kms has been blacktopped/ metalled and 1272.61 kms covered under WBM all grades.

### Special Bridges Programme

Construction of bridges is an important component of road connectivity. Presently 511 bridges are under construction in the State at the total estimated cost of Rs. 1244.81 Crore. Up-to ending March 2017, an amount of Rs 562.53 Crore has been booked as expenditure leaving thereby a balance cost of Rs. 682.28 Crore. The allocation for the current financial year is only Rs 40.00 Crore. It is expected to complete 46 bridges during current financial year the additional requirement for which has been submitted to Planning Development & Monitoring Department for consideration.

### Cities & Town / Tourist Destination Programme

The Action Plan for "Improvement / upgradation of Cities & Towns roads" was approved at Rs. 234.00 Crore during 2015-16. The plan envisaged macadamization of roads in a big way with higher specifications having a defect liability period of three years during which the responsibility for proper maintenance of the road rests with the contractor. The achievements made under the scheme during 2015-16, 2016-17 and 2017-18 (ending October 2017) are given as under:-

Achievements made under Cities & Town / Tourist Destination Programme					
S.No	Province	Road length macadamized(in Kms)			Total
		2015-16	2016-17	2017-18 (ending Oct 2017)	
1	Kashmir	1106.49	30.64	1809.83	2946.96
2	Jammu	711.53	1376.92	661.93	2750.38
	<b>Total</b>	<b>1818.02</b>	<b>1407.56</b>	<b>2471.76</b>	<b>5697.34</b>

The State Govt is giving priority to tourism sector to attract more tourists in the State which shall have multiplier effect on the State's economy. Towards this end, the department has undertaken "Improvement / upgradation of Roads leading to Tourist Destinations" during 2015-16 as better connectivity facilities to tourist destination which will encourage the overwhelming flow of tourists to the State. Till date 206 kms of the road length have been macadamized under the said programme and have now been merged in the Cities & Towns programme.

### Mechanical Engineering Department

Mechanical Engineering Department Kashmir is mandated to provide road construction and heavy earth-moving machinery and material handling equipments, consultancy services in project designing and execution of varied nature of mechanical works/projects including O&M of HVAC Systems/other mechanical support systems to various Government institutions, providing services in mechanized snow clearance of all black topped roads, besides providing services for relief and rescue operations under disaster management. The details of the road length covered under Snow clearance and Revenue realized from 2016-17 and 2017-18 are given as under:-

Details of the road length covered under Snow clearance and Revenue realized							
S. No	Year	Road length covered under Snow clearance (Kms)			Revenue realized by MED (Rs in lakh)		
		Jammu	Kashmir	Total	Jammu	Kashmir	Total
1	2015-16	45	6367	8392	427.67	422.52	850.19
2	2016-17	654	6570	7224	201.59	236.50	438.09
3	2017-18	0	0	0	231.11	240.61	471.72

### Inter State Connectivity

- Inter State Connectivity is an important sub component of CRF funding.
- Construction of 1210 mtr span double lane RCC Bridge over Ravi River village Keerian – Gandial (Kathua) has been sanctioned by GOI and taken up in hand at an estimated cost of Rs. 158.84 Crore under the scheme. An amount of Rs 40.00 Crore has been released / incurred.

### TAMEIR – Prime Minister’s Development Package (PMDP)

Prime Minister’s Development Package in respect of R&B Sector has been sanctioned at an amount of Rs 42668.00 Crore as per the details given below:-

Details of TAMEIR – Prime Minister’s Development Package (PMDP)		(Rs in Crore)
S.No	Name of the scheme	Estt cost
1	Srinagar Banihal Section	735.00
2	Qazigund Banihal Section	1386.00
3	Chenani – Nashri (tunnel project)	781.00
4	Jammu – Udampur section	83.00
5	Udampur – Ramban Section	2137.00
6	Ramban – Banihal Section	2169.00
7	Bharat Mala: Bara – Gulmarg road / Uri – Poonch rd	2700.00
8	Zojila tunnel	9090.00
9	Jammu Akhnoor Poonch road	5100.00
10	Chanani – Sudhmahadev – Goha incl Tunnel	2100.00
11	Const of tunnels at Lachulunga pass and Tagalang pass	5000.00
12	Maintenance of Batote – Kishtwar Sinthanpass Anantnag road	130.00
13	Srinagar – Shopian – Qazigund	1800.00
14	Kargil – Zanskar road	4200.00
15	Special Repairs within BB Cant, Kalai Bridge, Sukh Tao bridge, Bridge on NH144A at Km 150	57.00
16	Nimmu Padam Darcha	1707.00
17	Srinagar – Uri – LoC road, Double lanning of Srinagar Leh road and Uri – Kaman Post	233.00
18	Semi Ring road Srinagar	1860.00
19	Semi Ring road Jammu	1400.00
	<b>Total</b>	<b>42668.00</b>

### National Highway 44

The progress of National Highway - 44 comprising of six stretches is given as under:-

Details of progress of National Highway 44					
S. No.	Name of Project Section	Design Length (km)	Estimated Cost (Rs in Crore)	Physical Progress	Likely date of completion
1	Jammu-Udampur	65	1814.00	99.70%	Dec, 2017
2	Udampur-Ramban	40	1709.99	28.06%	Dec, 2018
3	Chenani-Nashri (tunnel)	11	2519.00	Completed	
4	Ramban-Banihal	32	1783.42	4.98%	June, 2019
5	Banihal-Qazigund (tunnel)	15	1987.00	68.40%	March, 2019
6	Qazigund to Srinagar	67	1100.70	73.00%	Dec, 2018

## **Major Initiatives Undertaken During The Year 2016-17, And New Initiatives Conceptualized For The Year 2017-18.**

Road safety measures were initiated during 2016-17 for which Rs. 2.00 crore was earmarked/spent.

During 2017-18, various new initiatives with regard to ensure quality macadamization of roads have been taken which are listed hereunder:-

### **Effective Quality Control Mechanism**

A three-tier effective quality control mechanism was devised by the department to ensure quality macadamization of roads:

- Tier-1: The field staff to the level of Executive Engineers were asked to take strict measures to ensure quality of works which includes setting up of field labs to determine the bituminous contents/laying temperature and gradation of aggregates.
- Tier-2: The newly appointed Assistant Engineers were posted as independent Quality Monitors at Hot Mix Plant Sites to ensure proper specification of various ingredients as per design mix formula and bituminous content.
- Tier-3: Supervision checks were undertaken by the concerned Superintending Engineers and at Chief Engineer's level. Besides, the Hon'ble Minister was himself monitoring the quality control of the macadam works.

### **Establishment of Testing Labs**

Further to strengthen quality control system, Testing Labs are being established at each District Head quarter to ensure the Quality Control of bitumen. Budgetary allocations are being earmarked during the current financial year for establishment of testing laboratories.

In order to ensure that macadamization works are executed well in time without losing limited working season of the Valley, pre-macadamization works are being executed in advance. This has facilitated the Department to start macadam works in the beginning of the financial year.

Under PMGSY Programme, the department undertook major initiatives in getting 542 Projects cleared from the Ministry of Rural Development, GOI at a cost of Rs 2842.32 Crore which will provide connectivity to 595 habitations on completion. Moreover during 2017-18, DPRs worth Rs 934.054 Crore comprising of 190 works covering 124 habitations under Phase XI Batch-I has been submitted to MORD, GOI for consideration, while as under Batch-II DPRs worth Rs 1118.81 Crore comprising of 237 works covering 116 habitations have been processed for sanction.



**Analysis Of Strengths, Weaknesses, Opportunities And Threats (SWOT) Of The Sector And Its Statistical Supplement.**

- a) Road sector being the vital sector of our economy needs adequate funding. The fund flow to this sector needs to be regulated so that the road network is periodically upgraded for the benefit of the people and the economy of the State.
- b) It has been proposed to lay thrust over the compensation of land falling under the alignment of various roads and forest clearance which is a big threat to the development activities in the state as the land lords file cases against the department in the Court of law to protect their land from its use in the road connectivity to the far flung areas of the state which will have bad reflection on the State economy due to non exploitation of these areas for exploitation of local products and poverty evaluation.

## Transport and Communication

Road Transport plays a vital role in the economic development of J&K State. Transport, whether passenger carrier or goods carrier, is important rather fundamental requirement for economic development of state. Accessibility of essential commodities in far flung areas depends on connectivity through road transport. Transport has and is playing significant role in this regard. Number of vehicles registered was 122638 during the year 2016-17 against which during the current financial year 2017-18 ending October, 2017, department has registered 101705 vehicles including 10028 commercial vehicles. Public and private transport has increased manifolds over the years. As against 818093 vehicles (both public and private) registered in 2011, the number of vehicles has reached to 1589895 ending October 2017.

### **Revenue Realization**

The Department plays also an important role in revenue realization for the State Government. During the year 2016-17, Rs 158.62 crore revenue realized against the target of Rs 199.50 crore. During the financial year 2017-18 ending October 2017, revenue realized is Rs. 127.64 crore against a target of Rs. 168.51 crore.

### **Major Development Strategies**

1. Complete switchover of MVD over to web based software Vahan/Sarthi version 4.0.
2. Putting in place a robust Road Accidents Data Management System (RADMS).
3. Revamping of private Driving Training Institutes in the capital cities of Jammu/Srinagar and also in all other districts.
4. Establishment of highly mechanized and state of art fitness checking centers in Jammu and Srinagar.
5. Development of Transport Nagars in major towns in collaboration with the other concerned Departments.
6. Development of Transport Sector to cater to the specific requirements of Tourism & Horticulture.

### **Issues And Initiatives Taken By The Department**

#### **1. State Road Safety Policy**

Government has notified the “Jammu and Kashmir Road Safety Policy” vide Order No. 64-TR of 2016 dated: 08.09.2016.

## 2. Establishment of Institute of Drivers Training and Research (IDTR) in Jammu & Kashmir

Ministry of Road Transport and Highways, Government of India has come up with a scheme “Institute of Drivers Training and Research (IDTR)” for imparting high quality training to the drivers and for upgrading their skills. This is a 100% Centrally Sponsored Scheme of GoI where an amount of Rs. 1700.00 lakh is provided for its establishment. Land for establishment of Institute of Drivers Training & Research (IDTR) Jammu is presently being fenced, and DPR stands approved by the MoRTH, GoI, and the 1<sup>st</sup> installment of funds stands released. The work on the Project is under execution.

## 3. Establishment of Inspection and Certification Centre (ICC) in Jammu & Kashmir

Ministry of Road Transport & Highways, Government of India has come up with a scheme “Inspection and Certification Centre (ICC)” for mechanical inspection of the vehicles. This is a 100% Centrally Sponsored Scheme of GoI where an amount of Rs. 1440.00 lakh is provided for its establishment.

### Road Transport Corporation

The JKSRTC has provided transportation to the public in general and the pilgrims on the special occasion like Amarnath Jee Yatra, Hajj, various national /religious festivals in J&K in particular and carried 41.913 lakh Passenger/pilgrims during 2016-17 and carried 22.65 lakh passengers upto 2<sup>nd</sup> Qtr of 2017-18.

Status of JKSRTC fleet as on 01.04.2017				
S.No	Particulars	Buses	Trucks	Total
1	Fleet Held	529	318	847
2	Fleet up to 10 years	279	114	393
3	Old age fleet	250	204	454
4	Fleet which has covered 5 lakh Kms but below the age of 10 years	55	-	55 this fleet is included in 279 buses.

The Corporation has also performed transportation of 38.51 lakh Qtls of food grains of FCS & CA & other key construction material to every nook and corner of the State of J&K during the year 2016-17 and 19.094 lakh qntls upto 2<sup>nd</sup> Qtr of 2017-18.

JKSRTC has earned revenue of Rs. 98.29 crore during the Year 2016-17 and Rs. 41.82 crore upto 2<sup>nd</sup> Qtr of 2017-18.

### Major Initiatives Undertaken During 2016-17 And New Initiatives Conceptualized For The Year 2017-18

- Department has switched over to Vahan/Sarthi version 4.0 which is a online web based application. All the RTO/ARTO Offices of J&K (except Leh & Kargil) have been switched over to Vahan/ Sarthi version 4.0 through which online facilities are being provided to the general public which includes payments through e-banking.
- Construction work of Transport Bhawan/RTO Office Kashmir is under progress.

- High Security Registration Plate (HSRP) is being implemented in the State. 46% of vehicles registered has been affixed with the HSRP Plates.
- Districts have been requested to prepare District Road Safety Plan (2017-2020) with an aim to reduce the fatalities and accidents by 50% by 2020. 14 Districts have framed the District Road Safety Action Plan.
- Provisions of the Motor Vehicle Act and Rules are being implemented in the State. Directions communicated by the Hon'ble Supreme Court Committee on Road Safety are being also implemented.
- 136 Basic Life Support Ambulances under "National Highway Accident Service" Scheme. are being put on the National Highway.
- 80 Breath Analyzers have been handed over to the Inspector General of Police (Traffic) during the year 2016-17 for curbing the drunken driving. Besides, three Hill Recovery Cranes for meeting exigencies on the National Highways.
- The SRTC is exploring possibilities for up gradation of transportation on modern pattern through PPP mode.
- The SRTC is intending to introduce ITMS (Intelligent Transport Management system) to check the pilferage of revenue.
- Conversion of owned commercial land at TRC Srinagar & Rail Head Complex Jammu into revenue generating units by building shopping Malls.

### Railways

The rail link of fifty-three kilometers Jammu-Udhampur, 25 kilometers Udhampur-Katra and 119 kilometers Banihal-Baramulla links of Jammu-Srinagar-Baramulla line have already been completed and were functional. Katra-Banihal is the only missing link between Jammu-Baramulla.

The length from Udhampur to Baramulla is 272 km and has been divided into three sections, details as per revised alignment are as under:-

Item	Udhampur-Katra	Katra-Quazigund	Quazigund-Baramulla
Length	25 km	129 km	119 km
Important/Major/Minor Bridges	38	62	811
Tunnel length	10.90 km	103.00 km	-
Longest tunnel (km)	3.15	10.96	-
No. of Stations	3	11	15

### Railways set 2020 deadline for completion of Udhampur-Srinagar-Baramulla rail line

Railways set 2020 deadline for completion of Udhampur-Srinagar-Baramulla rail line, which has jumped several deadlines, leading to massive cost escalation notwithstanding "strategic

significance” of the project. Udhampur-Srinagar-Baramulla rail line was the only missing link between Jammu-Srinagar-Baramulla railway line and would link Kashmir valley with rest of the country by train. Railways announced launch of “glass top coaches” between Katra-Jammu and “specially designed coaches” between Banihal-Baramulla to promote tourism in Jammu and Kashmir. The rail link, apart from helping the people of Kashmir to take rail route across the country and help tourists from various States to reach directly to Srinagar and Baramulla, was also of great strategic importance as the Valley remained cut off due to landslides on the National Highway during Monsoon and snowfall season.

### **Civil Aviation**

The State of Jammu and Kashmir nestles between the lofty Himalayas to the North and Northeast, down to the plains bordered by the Ravi River to the South and the Southeast. Because of the varied terrain in the state, surface communications are long and arduous and the need had been felt for long to have an aviation organization set up under the direct control of the State Government.

The main objective of the Civil Aviation Department (CAD) is to provide safe, efficient and coordinated air service to the J&K state VIPs, officials and visiting dignitaries from outside the state as per orders and instructions received from the state government. The detailed objectives of the Civil Aviation Department are enumerated ahead.

To undertake mercy missions and causality evacuation and also to operate non-scheduled passenger (commercial) flights on specific clearance from the state government subject to validity of non-scheduled operator’s Permit (NSOP).

- To provide air connectivity to areas which get cut-off during winters, with the state Helicopters.
- To coordinate with Ministry of Defense, Govt. of India and Indian Air force for providing airlift to civilians from Ladakh region and people residing in North Kashmir and Wadwan valley of Kishtwar district.
- To advice the state govt. on all aviation related matters.
- To plan and create aviation infrastructure as per state aviation perspective plan in order to improve air connectivity and create infrastructure to promote Heli- tourism.

### **Public Service and Achievement**

Civil Aviation Department has done yeoman service during the hour of need, such as during natural calamities, which have struck the state, e.g. the snow Tsunami which struck the areas of Waltengu Anantnag and Kapran Anantnag in February, 2005 and the devastating earthquake which brought huge devastation of property and loss of life in the area of Uri, Tangdhar and Poonch in October, 2005. We have performed with exceptional grit and determination during floods in Srinagar in September 2014.

The Department runs a courier service at highly subsidized rates for the general public residing in the Tangdhar and Gurez sectors, when the surface communication to and from these area get cut in winter months. Department has been instrumental in promoting and starting helicopter service to Shri Amarnath Ji cave.

### **Airport expansion project**

The Jammu Airport has got state-of-the-art ultramodern terminal and will offer a world-class experience to passengers with an expanded and modernized terminal.

There is dire need of expansion of the area of the Srinagar Airport as the airport was constructed to cater to lesser number of flights, currently more than 35 flights are operating from the aerodrome per day.

Expansion of the Srinagar's lone airport would cost about Rs 400 crore. Expansion programme will witness the floor of the area being doubled to around 33,000 square metres from existing 16,700 square metres.

### **Communication**

With the government's favourable regulation policies and 4G services hitting the market, rapid growth is expected in the Indian telecommunication sector in the next few years. Indian telecom sector has witnessed a continuous rising trend in the total number of telephone subscribers from a meager 22.8 million telephone subscribers (wireless + wireline) in 1999, it has grown to 1201.72 million at the end of October, 2017. According to the latest report released by Telecom Regulatory Authority (TRAI), the total number of urban subscribers stands at 697.54 million and rural subscribers at 504.19 million. Wireless telephone connections have contributed to this growth as the number of wireless connections rose to 1178.20 million whereas number of wireless connections for J&K was 12.82 million at the end of October, 2017. The wireline subscribers in J&K was 0.12 million as on October, 2017 as compared to 23.53 million at all India level during the same period. During the month of October, 17, J&K service area showed maximum monthly growth rate in wireless subscribers.

Total number of telephone connections working in J&K circle of BSNL is 1.60 lakh out of which 1.34 lakh were landline connections and 0.26 lak were WLL at the end of March, 2017. In the wireline telephone connections, including WLL, major share of 42.94% is held by Service Switching Authority (SSA) Jammu followed by 39.98% of SSA, Srinagar.

The decline in landline phones is mainly due to the wide penetration of mobile phones. Going forward, it is expected to play a significant role in bridging the digital divide between the rich and the poor, between near and far, thus in connecting the nation. The rapid rise of high end mobile phones (smart phones) has enabled the customers to access and utilize numerous software applications as utility or for entertainment.

The total number of mobile connections issued by BSNL in J&K as on 31-03-2017 is 14.51 lakh. SSA Srinagar has the highest number of mobile connections (6.08 lakh) followed by SSA Jammu (4.17 lakh).

### **Tele density**

The overall Teledensity in India increased from 83.36 at the end of March 2016 to 92.92 at the end of October, 2017. The overall Teledensity for J&K state is 102.51. Wireless Teledensity in India has increased to 166.17 at the end of October, 2017 whereas wireline teledensity is 4.91 in the same period as per report of TRAI.

### **Video Conferencing**

Video conferencing is playing a vital role in changing the working of the government offices, educational institutions and healthcare facilities.

### **Internet facility**

As per the BSNL data available on 31-03-2017, the number of internet connections in J&K was 25340. Out of total internet connections issued by BSNL, maximum 80.66% were issued by SSA, Srinagar, followed by SSA, Leh with 6.54%. The number of internet connections per thousand of population in J&K state is 2.19 as on 31-03-2017.

### **Post offices**

India has the largest Postal Network in the world with over 1.55 lakh Post Offices (as on 31.03.2014) of which 1.39 lakh are in the rural areas and 0.16 lakh in urban areas. At the time of independence, there were 23,344 Post Offices, which were primarily in urban areas. Thereafter, the network has registered a seven-fold growth since Independence, with the focus of this expansion primarily in rural areas.

The J&K postal circle serve the entire state spread over an area of approx. 222236 sq. kms with a population of 12541302 souls. As on 31-10-2017, the total post offices in J&K were 1702 out of which 04 were seasonal post offices which function for only two months during Amarnath yatra period. Out of these 1702 post offices, 09 are head offices, 257 are sub post offices and the remaining 1436 post offices are Extra Departmental Branch Office (EDBO's).

On an average, 01 post office serves 7369 people as on 31-10-2017 in the state as per census 2011. Across the districts, there are huge inequalities in the postal services. In the postal infrastructure, collective share of six major districts viz. Jammu (11.46%), Rajouri (7.87%), Kathua (7.70%), Baramulla (7.40%), Anantnag (7.34%) and Udhampur (6.58%) is around 48.35%; leaving the another half number of post offices to be shared by 16 remaining districts of the state. Against state's average figure of 7369 people per post office, 11 districts avail the services below state average and 11 districts above state average. Leh and Kargil are the two districts where on an average, one post office is available for below three thousand people. On the other end of the spectrum, Srinagar,

Shopian, Kupwara, Ganderbal have one post office per 17925, 17748, 11017 and 10257 people respectively.

On an average, one post office has to cover 130.57 sq kms. in the State as on 31.10.2017. As per this indicator, three top districts are Ganderbal, Kulgam and Bandipora where one post office has to cater to less than 10 sq Km viz. 8.93 sq kms, 8.37 sq. kms and 6.39 sq.kms. respectively. Contrarily, 2 districts termed as bottom line are Leh and Kargil, where one post office has to cover more than 200 sq Kms. and the relative figures there are 820.18 sq.kms, and 264.83 sq. kms respectively.

Department of posts, J&K circle has made the delivery of the parcels faster and more convenient enabling real time (online) tracking of parcels. This service by the department of posts is proving a boon for business firms associated with Tourism industry as they dispatch large number of handicrafts, blankets etc. to various places in other states. The service of electronic money order (EMO) is being provided to the customers by the post offices having internet connectivity. Besides this, there are number of schemes provided by the post office saving bank and these include Savings account schemes, Recurring deposits schemes, Time deposits schemes, Public provident fund schemes, Senior citizen savings schemes etc.



The estimated hydro power potential of the state is 20,000 Megawatts (MW), of which about 16475 MW have been identified. This comprises 11283 MW in Chenab basin, 3084 MW in Jhelum basin 500 MW in Ravi Basin & 1608 MW in Indus basin. Out of the identified potential, only 3263.46MW i.e. 20% (of identified potential) has been exploited until now which comprises 1211.96 MW in State Sector, 2009 MW in Central Sector and 42.5 MW in private sector. In order to meet the demand of energy the state PDD is committed to exploit the available hydel potential to an optimum level to provide impetus to the growth of economy of the state in the years to come.

Various reforms are underway at the level of the State Government and the Centre Government for making the power sector more efficient and more competitive. While there is some progress but the power shortage continues to haunt the State and is a major constraint for the development of the industry. The biggest problem is on the distribution front as Aggregate Technical & Commercial (AT&C) losses of the State are on the higher side. The main reasons for such high losses are technical as well as commercial. To minimize losses, the system needs up-gradation and improvements especially in existing outdated distribution network. However with the efforts of the government the AT&C losses which were estimated at 61.30% in 2014-15 were reduced to 58.82% in 2015-16. This has been posing a major challenge to the fiscal health of the State.

Some projects under Central Sector and State Sector have materialized which is going to further increase the generation capacity. Further Transmission and Distribution network is being augmented as well as strengthened and various measures are underway to overcome the AT&C losses through implementation of the various Central schemes like R-APDRP, IPDS etc. The reforms under Power Sector also include creation of new Transmission Corridors on fast track basis, creation of Smart Grid infrastructure and promotion of Joint Ventures under participatory mode etc.

### **Generation Scenario**

#### **State Sector Projects**

During past five decades considerable work has been done in Power Sector. The installed capacity in the State, Thermal as well as Hydel, is 1419.96 MW (208 MW Thermal + 1211.96 MW Hydel). The prestigious Baglihar Hydro Electric Project, stage I was commissioned during 2008-09 and Stage-II was commissioned in 2015-16. Energy generation in 2014-15,

2015-16, and 2016-17 has been recorded as 39887.17 MU's, 40302.88 MU's and 48662.06 MU's respectively, recording an increase by 21.99% from 2014-15 to 2016-17.

### Central Sector Projects

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 MW and 120 MW Sewa II were commissioned which increased the power generation in central sector from 1170 MW to 1680 MW. Further during 2013-14 45 MW Nimo Bazgo, 44 MW Chutak & 2 units of 240 MW Uri II were commissioned increasing the installed capacity of Central Sector Projects to 2009 MW. This capacity stabilizes the State Power situation as State has entitlement of 12 percent free power from these projects.

<b>Installed Capacity of Power Houses under Central sector</b>	
<b>Name of Project</b>	<b>Installed Capacity</b>
NHPC –Salal	690.000
NHPC- Uri-I	480.000
NHPC- Dulhasti	390.000
Sewa-II	120.000
Nimo Bazgo	45.00
Chutak	44.00
Uri- II	240.00
<b>Total</b>	<b>2009.00</b>

### 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 1531 MW including 12% free power from NHPC's power houses of Salal, Uri and Dulhasti. Besides, a share of 683 MW (non-firm share) from unallocated quota which varies from time to time. State as such, has total share of 2214.191 MW (1531MW firm & 683 MW non-firm) from these stations but the effective availability depends upon the condition of machines, river discharge and the fuel availability.

<b>Power Generation through IPP (JKSPDC)</b>		
<b>Project</b>	<b>Capacity (MW)</b>	<b>Year of Completion</b>
Athwattoo	10.00	2009
Brenwar	7.50	2009
Tangmarg	10.00	2013
Ranjala Dunadi	15.00	2013
<b>Total</b>	<b>42.5</b>	

### Projects Under execution

The following projects of the Corporation are under execution with likely year of completion indicated against each:

Projects of the Corporation are under execution		
Project	Capacity (MW)	Tentative year of Completion
Hanu HEP	9	2017-18
Dah HEP	9	2017-18
Parnai	37.5	2020-21*
Lower Kalnai	48	2020-21*
<b>Total</b>	<b>103.50</b>	

\* Due to poor performance of the contractor, the project is subjected to get delayed.

### Projects under Survey and Investigation

Projects Under Survey & Investigation On Chenab River			
S. No.	Name of HEP	Capacity	Remarks
1	Shous	230	Identified under PM's 50,000 MW hydro electric initiative. PFR prepared by WAPCOS. CWC/NHPC requested to prepare DPR.
2	Barinium	235	
3	Shamnot	370	
Projects To Be Developed On Indus Basin			
1	Ulitopo	87 MW	Feasibility Report already prepared. BoDs, JKSPDC has approved implementation of these projects in IPP mode through a single IPP.
2	Khaltsi	104 MW	
3	Dumkhar	68 MW	
4	Achinathang	210 MW	
5	Sunit	250 MW	
Projects Identified & Under Investigation In Ladakh			
On river Suru			
1	Mangdum- Sangra HEP	20 MW	Detailed topographical survey and site investigations are under progress.
2	Brakoo- Thuina HEP	20 MW	
3	Sankoo HEP	20 MW	
On river Indus			
1	Upshi –Igo HEP (upstream of Igo Mercellong HEP)	25 MW	Detailed topographical survey and site investigations are under progress.
On river Drass			
1	Drass Stage -I HEP (Alternative-I on Right Bank &	Alternative-I=24 MW/ Alternative-II=50 MW	Feasibility report stands prepared.

	Alternative-II on Left Bank)		
2	Drass - Suru Link /Drass-II HEP (Alternative-I on Right Bank & Alternative-II on Left Bank)	Alternative-I=45MW/ Alternative-II=60 MW	
3	Karkit HEP (Alternative-I & Alternative-II)	Alternative-I=60MW/ Alternative-II=68 MW	
<b>On river Shyok</b>			
1	Durbuk- Shyok	30 MW	Detailed topographical survey and site investigations are under progress.
2	Shyok- Agam	350MW to 1000MW	
3	Trisha-Thoise	100MW	
4	Partapur-Changmer	250MW	
5	Bogdang-Chalunkha	250MW	
6	Turtuk-Tyakshi Thang	250MW	
<b>On River Zanskar (River Doda &amp; Lgnak)</b>			
1	Lgnak HEP	200 MW	Detailed topographical survey and site investigations are under progress.
2	Tungri- Karsha HEP	50 MW	
3	Zangla HEP	250 MW	
4	Chilling-Bazgo HEP	50 MW	

### Projects under Survey & Investigation through Swiss Challenge method

Pursuant to cabinet approval, JKSPDC has awarded 84 MW Shutkari Kulan & 100 MW Parkhachik Panikhar HEPs to M/s SP infra & M/s HCC respectively for development under Swiss Challenge method. While SP Infra has submitted the draft DPR and presently the same is being updated by developer to the present price level and also to take into account in the change in taxation regime. M/s HCC has withdrawn. Alternatives are being worked out.

### Road Map of Generation

Summary of the sector wise projects and capacities forming the roadmap of the Corporation is given below. The road map envisages substantial capacity addition during the Plan aimed at meeting the energy requirements of the State as well as transforming the State into a power supplier.

<b>Summary of the sector wise projects and capacities</b>			
<b>S.No</b>	<b>Sector</b>	<b>No. of Projects</b>	<b>Capacity(MW)</b>
i.	State Sector	23	3867
	JV (CVPPL)	4	2714
ii.	Central sector (NHPC)	2	1130
iii.	IPP (Big) Ratle *	1	850
iv.	IPP (Small)	34	356
	<b>Total:</b>	<b>64</b>	<b>8917</b>
* Developer abandoned the project and the project shall now be executed in EPC mode by JKSPDC.			

• **Projects allotted /under execution**

S.No	Sector	No of Projects	Aggregate Capacity in MW	Remarks	Tentative year of Commissioning
1.	State Sector	4	103.50	i. Dah = 9.00 MW	Hanu;2017-18
				ii. Hanu = 9.00 MW	Dah;2017-18
				iii. Parnai = 37.5 MW	Parnai:2020-21
				iv. L.Kalnai = 48.00 MW Total = 103.50 MW	Lower Kalnai:2020-21
2	IPP (Big)	1	850	Rattle HEP allotted in 2010.	<p>The project was allotted to M/s GVK on BOOT basis. Developer abandoned the project in July,2014.</p> <p>Government vide order No :23-PDD of 2017 dated 09.02.2017 terminated PPA with Developer.</p> <p>Consultant engaged for the valuation of Assets</p> <p>Bank Guarantee amounting to Rs 52 Crore encashed.</p> <p>The project is under Litigation.</p> <p>JKSPDC has been assigned by Government as implementation agency to find other mode of execution of the project.</p>
3	IPP (Small) Phase –I (2003	4	41.50	Total 10 projects allotted, 04 projects viz. 10 MW Tangmarg, 15 MW Ranjala Dunadi, 10MW	

	Policy)			Athwatoo and 7.5MW Brenwar Commissioned.	
4	IPP (Small) Phase –II (2011 Policy)	6	152	40 MW Ans-I, 45 MW Bichlari, 27 MW Kanzil Wangath, 12 MW Girjan ki Gali, 7 MW Chandanwari & 21 MW Patnazi Bunjwah awarded to successful bidders. IPPs to initially prepare DPRs.	
5	IPP (Small) Phase –III (2011 Policy)*	7	52.50	Letter of Award was issued for 6.50 MW Gulabgarh, 6 MW Nihama, 3 MW Sultanpathri, 10 MW Shranz, 9 MW Sukhnag, 9 MW Tamasha Nallah & 9 MW Bairaas. Letter of award has been withdrawn as the developers did not fulfill conditions precedent to signing of implementation agreement.	
6	Central Sector (NHPC)	1	330	Out of 07 projects transferred to NHPC in 2000: 240 MW Uri-II, 120MW Sewa II, 45 MW Nimo Bazgo & 44 MW Chutak Commissioned. 330 MW Kishanganga in progress. DPR of 800MW (earlier capacity 1020MW) Burser under preparation. Pakal Dul transferred to CVPPL.	Kishanganga 2017-18
	<b>Total Projects allotted / under execution</b>	<b>23</b>	<b>1529.50</b>		

- **Projects tendered out**

S. No	Sector	No. of Projects	Capacity (MW)	Remarks	Tentative Commissioning
1	JKSPDC	2	483	Cabinet in its meeting held on 16.06.2017 conveyed their decision for the award of contract to L1 bidder.LoA has been issued to M/s HCC on	NGHEP:2020-21 Kirthai-I;2022-23

				08.08.2017,due to change in taxation regime , EPC contractor has sought some clarification in this regard. DPR of Kirthai-I under appraisal of CEA. Tendering process kept on hold.	
2	JVC	3	2164	1000 MWPakaldul 624MW KiruHEP 540MW Kwar HEP	
3	IPP (Phase-IV)*	17	110.00	Projects tendered out on 15-01-13, Bids received for 10 Projects out of which letter of award was issued for 07 projects. However as only one agency signed the implementation agreement, the letter of award of remaining 06 were withdrawn. These projects and alongwith remaining projects where there was no response are proposed to be retendered alongwith some more projects identified during the course.	2021-22
<b>G.Total-</b>		<b>22</b>	<b>2757.00</b>		

*\*JKSPDC is in the process of framing a revised hydropower after comparison of IPP policy 2003, 2011 and also considering hydro power policies of other States like Himachal Pradesh, Haryana and Karnataka including comments from stakeholders. The draft policy was placed before designated committee constituted vide Govt order no: 820-GAD of 2017 dated :29.06.2017 on 26.07.2017 under the chairmanship of Chief Secretary ,Govt of J&K ,in which modification in the draft policy were directed to be incorporated. The modified policy is under preparation.*

*In pursuant to Government Order No:10-PDD of 2017 dated 11.01.2017 JAKEDA has been given mandate of development of hydro power projects upto 10 MW capacity . Hydro projects upto 10 MW capacity previously tendered in 2011 hydro policy shall now be transferred to JAKEDA*

#### Projects at DPR Stage / clearances

S. No	Sector	No. of Projects	Capacity in MW	Remarks	Tentative Commissioning
	State Sector	3	2998	. 1856 MW Sawalkote, 930 MW Kirthai-II has been cleared by CEA in its meeting held on 27.12.2016. In addition, 390MW Kirthai-II and 212 MW Ujh multipurpose Project are expected to be cleared by CEA	Kirthai-II; 2023-24 Sawalkote; 2026-27 Ujh: 2023-24

				in current Financial year.	
	CPSU (NHPC)	1	800	800 MW Burser (DPR under preparation)	Burser at planning stage
	JVC	1	550 MW	550MW Dulhasti phase II under investigation.	At investigation Stage.
<b>Total:</b>		<b>5</b>	<b>4348</b>		

### Implementation of projects under PMDP

In addition, following projects shall be developed under PMDP by JKSPDC through EPC mode. An allocation of Rs. 2000.00 Crore. has been earmarked for JKPD under Generation in Hydel Sector for the preparation of DPRs and implementation/installation of small hydro projects. Engagement of consultants for preparation of DPR is at final stage of award.

Following fifteen projects with installed capacities ranging from 10.5 MW to 25MW have been proposed for implementation under PMDP 2015 through EPC mode.

Details of projects with installed capacities		
Name of project	District	Installed capacity in MW
Phagla HEP	Poonch	16
Ans II	Reasi	25
Igo- Upshi	Leh	25
Upshi	Leh	15
Nimu- Chilling	Leh	25
Durbuk-Shyok	Leh	25
Drass Stage I	Kargil	24
Mangdum-Sangra	Kargil	20
Brakoo-Thunia	Kargil	20
Sankoo	Kargil	20
Kargil-Hunderman	Kargil	24
Kulan- Ramwari	Ganderbal	21
Drugden-Kulgam	Kulgam	10.50
Trisha-Thoise	Leh	25 MW
Karnah **	Kupwara	12
<b>Total</b>		<b>307.50</b>
<i>** Tender for execution of project under EPC has been issued. Due to poor response the bid submission date has been extended upto September, 2017.</i>		

In respect of the balance 14 projects, tenders have been invited for engagement of consultants for framing of the DPRs. The technical & financial evaluation of the bids has been completed followed by an issue of letter of award to the successful bidders. The works are under progress.

On site inspection of Managing Director along with the Technical team, following projects were not found viable for execution.

10.5 MW Drugden-Kulgam

20 MW Brakoo-Thunia



<b>Summary of projects</b>			
<b>S.No</b>	<b>Category of projects</b>	<b>No. of Projects</b>	<b>Capacity (MW)</b>
1	Projects allotted /under execution	23	1529.50
2	Projects tendered out	22	2757.00
3	Projects at DPR Stage / clearances	05	4348.00
4	Projects under PMDP	13	277
	<b>Total:</b>	<b>63</b>	<b>8911.5</b>

### **Thermal Power Project**

The aforementioned projects do not include the proposed 660 MW thermal project for which coal block has been allocated by Ministry of Coal to JKSPDC jointly with NTPC. JKSPDC has been allocated Kudanali-Laburi coal block in Odisha jointly with NTPC (266 MT allocated to NTPC and 130 MT to JKSPDC, out of total geological reserves estimated to be 396 MT.

In terms of the directions of the Ministry of Coal, a Joint Venture (JV) Company/ Special Purpose Vehicle (SPV) is to be formed between NTPC & J&K with equity contribution in the ratio of the coal share. JKSPDC engaged the services of a leading Consultant SBI Caps to assess the commercial & financial viability of the development of coal block and associated power project for preparing future roadmap for the project development. The Consultant recommended setting-up of a pit-head power plant in Odisha in view of the substantial savings estimated during the lifetime of the project, compared to a project located in J&K.

Pursuant to approval of state cabinet, sanction has been accorded by the State Government to form the Special Purpose Vehicle (SPV) for development of coal block allocated jointly to JKSPDC and NTPC by the Ministry of coal, Government of India, at Kudnali (Talcher) in Odisha vide Government Order No.131-PDD of 2014 dated 20-06-2014.

JKSPDC and NTPC signed the Joint Venture Agreement on 15-06-2015 at Srinagar, for Exploration, Development and Operation of the jointly allocated coal mining block at Odisha. The draft Memorandum of Association and Articles of Association of the Joint Venture Company received from NTPC Ltd were submitted to the Administrative Department in September 2015 for vetting of the same by the State Law Department and the same have since been received and forwarded to NTPC for further action. NTPC In the meanwhile communicated to JKSPDC that it has requested Ministry of Power, Government of India to obtain concurrence of NITI Aayog as per the requirement of office memorandum dated 10th August 2016 issued by Department of Public Enterprises, GoI. Response from NTPC is awaited regarding concurrence of NITI Aayog.

<b>Year-Wise Capacity Addition From 2013-14 And Onwards</b>													
<b>S.No</b>	<b>Name of Project</b>	<b>Capacity (MW)</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>
1	3rd Unit of Pahalgam	1.5	1.5										
2	BHEP-II	450			450								

3	Hanu HEP	9					9*						
4	Dah HEP	9					9*						
5	Parnai HEP	37.5					37.5*						
6	Lower Kalnai	48					48*						
7	New Ganderbal	93							93				
8	Sawalkote HEP	1856											1856
9	Kirthai- I	390								390			
10	Kirthai-II	930											930
11	Large IPP (850 MW Rattle HEP)	850					850**						
12	Small IPP	376	25			45		200	106				
13	Joint Venture Projects	2164									1000		
14	Central Sector	1459	329			330							
	<b>Total</b>	<b>8673</b>	<b>355.5 0</b>	<b>450</b>	<b>375</b>	<b>953.5</b>	<b>200</b>	<b>106</b>	<b>93</b>	<b>1390</b>	<b>0</b>	<b>2786</b>	
1020 MW in Central Sector, 212 MW Ujh, Geothermal Project and Thermal Project not included in the projections.													
* Projects are subjected to delay due to poor performance of contractors													
** Project abandoned by the developer, matter under arbitration.													

Besides, the major activities undertaken by Corporation have been:-

- Implementation of 850 MW Rattle HEP by JKSPDC in EPC mode ;
- Allotment of 93 MW NGHEP in EPC mode;
- DPR appraisal (by CEA) of 390 MW Kirthai-I, and 212 MW Ujh,
- Accord of appraisal for projects by CEA for 1856 MW Sawalkote HEP and 930 MW Kirthi-II in its meeting held on 27.12.2016, formal clearance awaited from CEA.

RMU of 07 Projects namely 105 MW LJHP, 23.30 MW Chenani –I, 22.60 MW USHP-I, 15 MW Ganderbal, 0.30 MW Bazgo, 0.40 MW Hunder & 0.10 MW Sumoor HEPs.

## Status of Power Transmission

### Present Scenario

The Transmission and Distribution of power is looked after by Power Development Department in the State of J&K. Effective and efficient Transmission and Distribution is as vital as the generation of power. 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 capacities 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.

<b>Availability, Requirement and Gaps in Transmission &amp; Distribution System (MVA)</b>					
<b>S. No.</b>	<b>Voltage level</b>	<b>Availability of Grid capacity ending 2012-13</b>	<b>Availability of Grid capacity ending 2016-17</b>	<b>Infrastructure required by 2017-18 Peak demand by end 2017-18</b>	<b>Gap to be met ending 12<sup>th</sup> FYP</b>
1	220/132 KV level	3570.0	3730	5160.00	1430
2	132/66-33 KV Level	3973.0	4283	6192.00	1909
3	66-33/11 KV level	4703.85	5679.55	6939.95	1260.4
4	11-6.6/0.4 KV level	5388	7024.8	8142.15	1117.35
	<b>Total</b>	<b>17634.85</b>	<b>20717.35</b>	<b>26434.1</b>	<b>5716.75</b>

3730.00 MVA transformation capacity was available at 220 kV level and 4283.00 MVA at 132 kV level by the end of year 2016-17. The infrastructure available to meet the transmission of estimated demand at the end of 12<sup>th</sup> plan is not adequate enough 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. The infrastructure capacity required at 220/132 kV level to meet the anticipated peak demand is 5160 MVA ending 2017-18, there will be a gap of 1430 MVA at the end of 12<sup>th</sup> five year plan. Likewise the estimated requirement of transformation capacity at 132/66-33kV level at the end of 12<sup>th</sup> plan will be 6192.00 MVA leaving a gap of 1909.00 MVA and at 66-33/11 kV level will be 6939.95 MVA leaving a gap of 1260.4 MVA and at 11-6.6/0.4 kV will be 8142.15 MVA leaving a gap of 117.35 MVA which is to be provided in phased manner during the 12<sup>th</sup> plan.

Around 9000 MW capacity generation is under execution under state sector, central sector, IPP mode and Joint Venture out of which around 2100 MW is scheduled to come up by the end of 12<sup>th</sup> five year plan. The state has to prepare evacuation system for this generation during 12<sup>th</sup> plan period which is scheduled to come by the end of 12<sup>th</sup> plan.

### **Transmission Capacity available**

#### **Capacity at 400 / 220 KV Level (MVA): Owned & operated by PGCIL**

1. AT 400kV level, availability at present is as under:

- |               |                   |
|---------------|-------------------|
| a. Wagoora    | = 1260 MVA        |
| b. New Wanpoh | = 630MVA          |
| c. Kishenpur  | = 945 MVA         |
| d. Samba      | = 630MVA          |
| <b>Total</b>  | <b>= 3465 MVA</b> |

The transmission at 400kV level is looked after by Power Grid Corporation of India Ltd. (PGCIL). Power Grid has commissioned two new 400/220kV Sub Stations at New Wanpoh and Samba. However outgoing lines which will interconnect these sub stations with the state transmission system are not constructed as yet. Power Grid has been approached

through various forums at national level to take up the construction work so as to ensure that benefits of these sub stations reach the people.

After Commissioning of New Wanpoh and Samba Grid Substations the available capacity at 400kV level has increased to 3465 MVA while as the available transformation capacity at 220/132kV level and 132/33kV level is 4050 MVA and 4503 MVA respectively. Besides, the reliability of power supply to Kashmir valley is also a major concern since the power supply is through 220kV & 400kV transmission lines which are passing through same corridor which is highly prone to snow and wind storms.

The proposal for construction of transmission line via Mughal Road has been approved by the Standing Committee of Central Electricity Authority on Transmission Planning in Northern Region in the first week of January 2013. The project has been awarded to M/S Sterlite Grid India Ltd through Tariff based Competitive Bidding for execution in December' 2014. The work is under progress by PGCIL.

In compliance to section 3 of J&K Electricity Act, 2010 the J&K Power Development Department prepared a Draft State Electricity Policy that was placed on the website [www.dcpjkpdd.in](http://www.dcpjkpdd.in) for seeking comments/ suggestions from various stake holders. The comments received were incorporated and the final document stands submitted to the Government for notification.

The objectives of the policy are:

- Access to Electricity - Available for all households in next five years;
- Availability of Power-Demand to be fully met by 2017. Energy and peaking shortages to be overcome and adequate spinning reserve to be available;
- Supply of Reliable and Quality Power of specified standards in an efficient manner and at reasonable rates;
- Per capita availability of electricity to be increased to over 1200 units by 2017;
- Minimum lifeline consumption of 2 unit/household/day as a merit good by year 2017;
- Financial Turnaround and Commercial Viability of Electricity Sector;
- Protection of consumer interests;
- Disaster Management;
- Safety; and
- Maintenance.

### **Distribution & Transmission**

To improve the distribution network, various schemes / projects are under implementation and are being implemented shortly in the State. The tendering process for the new projects has been floated.

### Brief Note on flagship schemes.

Re-structured Accelerated Power Development Reforms Programme (R-APDRP) has been launched for renovation and up-gradation of sub-transmission & distribution network and adoption of IT applications for meter reading, billing and energy accounting.

- R-APDRP scheme has been sanctioned at a cost of Rs 151.99 Crore under part-A and Rs 1665.27 Crore under part-B for 30 identified towns of the State (17 towns of Kashmir, 11 towns of Jammu and 2 towns of Ladakh).
- Towns covered are Srinagar, Budgam, Pulwama, Ganderbal, Tral, Anantnag, Bijbehara, Dooru-Veerinag, Kulgam, Shopian, Baramullah, Sopore, Handwara, Kupwara, Bandipore, Sumbal, Pattan, Leh, Kargil, Jammu, RS Pora, Samba, Akhnoor, Udhampur, Poonch, Rajouri, Kathua, Doda, Kishtwar and Baderwah.

### Hon'ble Prime Ministers' Development Programme (PMDP)

Hon'ble Prime Minister's new Reconstruction and Rehabilitation Plan 2015 has been framed on the philosophy of 24x7 Power for All (PFA) by 2019 and Ensuring Fiscal Autonomy (EFA) of J&K for a new era in development.

### PMRP-15/PMDP Distribution

- MoP, Gol vide No. 16/38/2015-IPDS (Vol.II) (Pt), dated 9<sup>th</sup> November 2016 has conveyed approval for project Cost of Rs 2570.14 Crore and sanction of Government of India Grant of Rs 2301.62 Crore, being 90% of approved project costs of Rs 2557.35 Crore and Rs 12.79 Crore being 0.5% of approved project cost as Grant for Project Management Agency for Distribution Strengthening Works of J&K PDD.

<b>Summary of the approved Project Cost under PMRP-15 (Distribution) for J&amp;K.</b>			
<b>S.No</b>	<b>Item</b>	<b>Proposed project Cost (Rs Crore)</b>	<b>Approved project Cost (Rs Crore)</b>
1	Distribution Strengthening Projects for Urban Areas	1144.59	1144.59*
2	Distribution Strengthening Projects for Rural Areas	1157.75	1157.75*
3	Smart Metering Projects for 2 Lakh Consumers.	153.64	126.54*
4	Smart Grid Projects	225.77	141.26*
	<b>Total</b>		<b>2570.14*</b>

*\*includes PMA charges @ 0.5%*

- Following CPSUs have been engaged as PMA on nomination basis for distribution strengthening projects:-
  - RECPDCL for distribution Strengthening Projects for all rural Areas of 21 districts and for distribution Strengthening Projects for urban areas in 7 project Circles.
  - REC TPCL for distribution Strengthening Projects for urban areas in 6 project Circles and Smart Grid Projects including supply, installation, testing and commissioning of Smart Meters for 2 lakh consumers and establishment of 33 Meter Testing Labs@ one for each division.

**PMRP-15/PMDP Transmission**

- MoP, GoI vide No. 3/6/2016-Trans, dated 6<sup>th</sup> January 2017 has conveyed approval for project Cost of Rs 1189.59 Crore and sanction of Government of India Grant of Rs 1065.30 Crore, being 90% of approved project costs of Rs 1189.59 Crore and Rs 5.95 Crore being 0.5% of approved project cost as Grant for Project Management Agency for Transmission Works of J&K PDD.

<b>Summary of the approved Project Cost under PMRP-15 (Transmission) for J&amp;K.</b>		
<b>Region</b>	<b>Brief Description of Transmission Scheme</b>	<b>Approved Scheme cost (Rs Crore)</b>
Jammu	<ul style="list-style-type: none"> <li>• Construction of 220/66 kV GSS: 2 Nos (Kathua=160 MVA &amp; Samba=160 MVA)</li> <li>• Construction of 220/33 kV GSS: 2 Nos (Chowadi=160 MVA &amp; Nagrota= 100 MVA)</li> <li>• Construction of 132/33 kV GSS: 1 No (Chatta= 100 MVA).</li> <li>• Augmentation of 132/66 kV GSS Kathua by 1x50 MVA.</li> <li>• Augmentation of 132/33 kV GSS: 4 Nos (Janipur, Pounichak, Sidhra &amp; Miran Sahib) by 1x50 MVA each.</li> <li>• 220 kV D/C transmission lines length of 33 km.</li> <li>• 132 kV D/C transmission lines length of 8 km.</li> <li>• Reconductoring of 132 kV line by HTLS of 76 ckm.</li> <li>• Twinning of bus bar of 220 kV bus at Hiranagar from double Zebra to double Moose and strengthening of structures.</li> </ul>	420.41
Kashmir	<ul style="list-style-type: none"> <li>• Construction of 220/33 kV GSS (GIS): 2 Nos (Batpora Tailbal=160 MVA &amp; Lassipora =160 MVA)</li> <li>• Construction of 132/33 kV GSS (GIS): 2 Nos (Khanyar = 100 MVA &amp; Tengpora= 150 MVA).</li> <li>• Augmentation of 132/33 kV GSS: 5 Nos (Zainkote, Bemina, Cheshmashahi &amp; Khrew) by 1x50 MVA each.</li> <li>• 220 kV D/C transmission lines length of 34.4 km.</li> <li>• 132 kV D/C transmission cable length of 18 km.</li> <li>• Reconductoring of 132 kV line by HTLS of 28 ckm</li> </ul>	414.44
Ladakh	<ul style="list-style-type: none"> <li>• Construction of 220/33 kV GSS (GIS): 2 Nos (Diskit (Nubra)=50 MVA &amp; Padum (Zanskar)=50 MVA)</li> <li>• 220 kV S/C transmission line on D/C towers of 307 km length.</li> <li>• One No. 220 kV line bay each at 220/66 kV Phyang Leh GSS and 220/66 kV Kargil GSS and 1x25 MVAR, 220/33 kV Bus Reactor at Padum along with 220 kV bay.</li> </ul>	354.74
<b>Total Cost in Crore</b>		<b>1189.59</b>
<i>*includes PMA charges @ 0.5%</i>		

- Following CPSUs have been engaged as PMA on nomination basis for transmission works:-
- i) PGCIL for transmission works of Ladakh region and Construction of 220/33 kV (GIS), GSS at Nagrota and Lassipora.
  - ii) REC TPCL for transmission works of Jammu and Kashmir provinces excluding Nagrota

& Lassipora works.

#### **Deendayal Upadhaya Gram Jyoti Yojana (DDUGJY)**

- i) Gol has launched Deendayal Upadhaya Gram Jyoti Yojana with the following Objectives:
  - Separation of agriculture and non-agriculture feeders;
  - Strengthening and augmentation of sub-transmission & distribution (ST&D) infrastructure in rural areas, including metering at distribution transformers, feeders and consumers end;
  - Rural electrification for completion of leftover RGGVY plans by subsuming in Deendayal Upadhaya Gram Jyoti Yojana.
- ii) DPRS under DDUGJY have been prepared for 21 districts of the State (10 districts of Jammu province, 9 districts of Kashmir province and 2 districts of Ladakh).
- iii) Gol approved an amount of Rs 616.59 Crore for J&K, vide communication no. REC/DDUGJY/2015-16/96, dated 14-08-2015 and REC/DDUGJY/2015-16/100, dated 28-09-2015.
- iv) M/s REC PDCL has been engaged as PMA for DDUGJY projects of Kashmir province covering 11 districts and M/s WAPCOS has been engaged as PMA for Jammu province covering 10 districts.

#### **IV). Integrated Power Development Scheme (IPDS)**

- i) Gol has launched IPDS for the urban areas with following components:-
  - Strengthening of sub-transmission and distribution networks in the urban areas.
  - Metering of distribution transformers / feeders / consumers in the urban areas.
  - IT enablement of distribution sector and strengthening of distribution network.
- ii) Under this scheme, 86 towns of the state have been selected and have been segregated in 12 Circles. 5 circles of Jammu (38 towns), 6 Circles of Kashmir (46 towns) and 1 Circle of Leh (2 towns) of Srinagar, Ganderbal, Sopore, Pulwama, Bijbehara, Budgam, Leh, Jammu, Kathua, Rajouri, Batote and Kishtwar.
- iii) Total sanctioned cost of the Scheme amounting to Rs 444.50 Crore conveyed by Nodal Agency PFC vide No. 02:10:IPDS:Vol-I:J&KPDD/037253, dated 21-03-2016.
- iv) Scheme has been sanctioned for 12 Electric Circles of the State.
- v) M/s WAPCOS has been engaged as PMA for all the 12 Electric Circles of Jammu and Kashmir provinces.

**RGGVY-II (RE-DDUGJY)**

RGGVY-II has been sanctioned for an amount of Rs 101.28 Crore for three (3) districts of Ramban, Kishtwar and Doda.

**PROGRESS**

Under R-APDRP, the works are under progress and around 85% progress has been achieved.

Under distribution strengthening projects for PMDP Urban Areas and IPDS, out of 12 distribution circle, works in 6 circles of Ganderbal, Sopore, Srinagar, Leh, Jammu & Batote will be executed through REC PDCL on nomination basis. Works in remaining 6 circles of Bijbehara, Pulwama, Budgam, Kishtwar, Kathua, Rajouri is being executed by the department and the tenders are under finalization process.

Under Distribution Strengthening Projects for Rural Areas, DDUGJY and RGGVY-II, Out of 21 districts, works in 13 districts are being executed by the department and the tenders are under finalization process. Work in 8 districts of Pulwama, Kulgam, Shopian, Leh, Kargil, Reasi & Udhampur will be executed by PGCIL on nomination basis.

Under PMDP transmission, PGCIL and RECTPCL has been engaged as PIAs for the works besides part of the PMDP transmission works will be also executed by the department.

**Improvement of HT/T Network**

The HT/LT improvement scheme under Normal Plan / Capex Budget was launched during F.Y 2013-14 and is still on-going during 2017-18. An amount of Rs.100.00 lakh per district has been sanctioned/ released for HT/LT improvement on yearly basis. This constitutes major source of funding. Further, Hon'ble MLAs, MLCs also contribute from CDF / MPLAD Fund, if so desires.

**Power Scenario in J&K**

The energy demand has gradually increased by about 2 to 3% annually upto FY 2015-16. During the FY 2016-17 the energy demand has increased by 1.6% over the previous year i.e I 2015-16. However, against the energy requirement of 18487.59 MUs, State has met a restricted energy demand of 15667.449 MUs thereby reducing the energy deficit from 21.83% in 2015-16 to 15.25% during FY 2016-17 to bridge the widened gap between demand and supply, the department has enforced the power cuts. These cuts are of the order of 8 hours in summer and 10 hours in winter. Even after the cuts, the restricted demand was 15667.449 MUs in 2016-17, which necessitated banking of power during summer with other state utilities and using of the same during winter.



Status of Power Demand, Availability, Generated, Purchased and Sold (In MU)									
Year	Actual Demand	Restricted Demand	Net Power Generated (PDD+PDC)	Purchase d (CPSU & Others)	Free Power	Total (G+P)	Sold Billed Energy	Billed energy as Percentage of total (G+P)	Units Realised
2011-12	17323	11091.26	2562.49	7483.681	1045.089	11091.26	4267	38.47	3634.98
2012-13	17669.46	12120.03	2519.94	9600.085	1056.104	12120.03	5162.94	42.64	4355.41
2013-14	17800	12666.59	2337.237	10329.35	1089.212	13755.8	5754.354	45.43	5412.2
2014-15	18000	13701.31	2470	11231.31	1330.63	13701	6135.89	44.78	4923.05
2015-16	18200	14226.05	2519.72	11706.33	1391.698	14226.05	6580.65	46.26	5464.41
2016-17	18487.59	15667.449*	3809.24	10534.44	1323.76	15667.45	7229.41	46.14	5442.7

*\*Including deemed energy of Generating stations of Ladakh.*

To meet the gap, the department enters into banking arrangements with NVVN, Punjab, Haryana, Chatisgarh, and also arranges Power from Power Trading Corporation (PTC), NTPC Vidhyut Viyapar Nigam Ltd. (NVVN), besides, over draws from Northern Grid. Over draws are not an assured source of supply and restrictions are imposed depending upon the overall frequency position of the Grid. So over draws are being avoided to the extent possible. Accordingly the department has encouraged banking of power from 180.69 MU in the year 2014-15 to 286.066 during 2016-17. During the year 2016-17 the department supplied 9% more energy as compared to previous year.

Demand and Availability Scenario (ENERGY)							(In MUs)
YEAR	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	
Energy Requirement	17323.00	17669.46	18022.38	18000.00	18200.00	18487.59	
Restricted Energy Availability	11091.26	12120.025	12666.59	13701.00	14226.05	15667.449*	
Energy Deficit	6207.59	5549.435	5356.38	4299.00	3973.95	2820.141	
Energy Deficit (%)	35.83%	31.40%	29.72	23.88	21.83	15.25	

Demand and Availability Scenario Peak (POWER)							(In MW)
Year	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	
Peak Demand	2500	2550	2600	2650	2740	2750.00	
Peak Met	1788.9	1817	1991	2043	2158	2140.00	
Peak Deficit	711.1	733	609	607	582	610	
Peak Deficit (%)	28.44%	28.75%	23.42	22.90	21.24	22.18	

## Availability of Power

Total availability of Power from all sources (in MU)							
S.No	Source	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	2	5	6	7	8	9	10
1	From own generation	2562.49	2519.940	2337.237	2470.76	2519.70	3809.24
2	Free Power	1045.089	1056.104	1089.212	1330.63	1391.70	1323.76
<b>3</b>	<b>Total (1+2)</b>	<b>3687.579</b>	<b>3576.044</b>	<b>3426.449</b>	<b>3801.39</b>	<b>3911.40</b>	<b>5133.00</b>
4	CPSU's (NTPC & NHPC)	5882.657	6196.153	6378.255	7016.34	7511.59	7757.79
5	Other sources (SJVN, THDC, TALA, NPCIL)	1380.859	2025.689	2227.462	2431.63	2439.40	3064.10
6	Under U.I (Un-scheduled interchanges)	106.053	-35.682	79.926	121	-258.20	-1.383
7	Short term trading	143.633	173.975	131.701	150.00	0.00	0.00
8	Banking	-109.521	183.846	422.797	180.69	621.87	-286.066
<b>9</b>	<b>Total 4 to 8</b>	<b>7403.681</b>	<b>7764.146</b>	<b>9240.141</b>	<b>11230.55</b>	<b>10314.65</b>	<b>10534.44</b>
<b>10</b>	<b>Grand Total (3+9)</b>	<b>11091.26</b>	<b>12120.025</b>	<b>12666.59</b>	<b>13701.31</b>	<b>14226.05</b>	<b>15667.450</b>
11	Own gen. as %age of total availability	23.10	20.028	18.45	18.03	17.71	24.31

## Trading and Banking arrangements

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 and Chandigarh where the power is banked during summers and received back during winters. In addition the state receives 683 MW of power from the unallocated quota as well during peak requirement. For the year 2016-17, 180 MU have been banked by the department.

Trading and Banking arrangements						
Restricted Peak Demand	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Summer with curtailment of 8 Hrs	1560 MW	1712.00 MW	1819 MW	1938 MW	1990	2102 MW
Winter with curtailment of 10 Hrs	1789 MW	1817.00 MW	1991 MW	2043 MW	2140	2140 MW
Unrestricted energy	17323 MU	17669.46 MU	17800 MU	18000 MW	18200	18487.59 MU

requirement						
Restricted Energy Requirement	11091.26 MU	12120.02 MU	12666 MU	13701.0 0	14226.0 5	15667.44 MU

### Demand/Availability of power during peak season

Seasonal Peak Power Demand / Availability for the year 2014-15 to 2015-16 (In MW)							
S.No.	Particular	Year 2014-15		Year 2015-16		Year 2016-17	
		Summer	Winter	Summer	Winter	Summer	Winter
I.	Unrestricted Demand	2600	2650	2650	2740	2700	2800
II.	Restricted Demand	1938	2043	1990	2158	2102	2140
III.	<b>Power Availability</b>						
	(i) Self Generated	250-425	100-350	350-425	100-475	350-600	100-475
	(ii) CPSUs	900-1200	1100-1650	900-1200	1150-1650	900-1250	1187-1700
	Total (i+ii)	1150-1625	1200-2000	1250-1725	1250-2125	1250-1850	1287-2175
IV.	Deficit	-313 to -788	-43 to -843	-265 to -740	-15 to -890	-252 to -852	35 to -953

### Revenue Due / realized

Revenue realization from the consumers on account of tariff has always been a matter of concern. Though there is gradual increase in the recovery of tariff since 2002-03 yet has not bridged the gap between the targets and actual revenue realized which is evident from the table placed below:

Revenue Targeted / realized on yearly basis (Rs. in crore)								
S. No.	Year	Target	Pure Revenue	Percentage Achievement	Misc. Rev.	Elect. Duty	Total Rev.	Percentage
1	2	3	4	5	6	7	8	9
1	2011-12	1549.82	1014.16	65.44	2.29	183.71	1200.16	77.44
2	2012-13	2011.47	1415.63	70.40	3.66	277.88	1693.51	84.20
3	2013-14	2200.00	1431.53	65.06	5.77	276.96	1714.26	77.92
4	2014-15	2390.00	1457.32	60.98	2.09	278.94	1736.27	72.65
5	2015-16	3357.55	1670.75	49.76	3.82	263.31	1937.34	57.70
6	2016-17	3860.36	1715.32	44.43	1.54	160.86	1877.72	48.64

## Power Purchase

Value of power purchased and other expenses (Year-wise)						(Rs. in crore)
S.No	Year	Expdt. on purchase of power from CPSUs	From PDC	Total Expdt. on purchase of power (3+4)	Other Expdt (Est., O&M, Dep., Int.)	Total (5+6)
1	2	3	4	5	6	7
1	2011-12	3051.022	710.33	3761.52	690.49	4452.01
2	2012-13	3510.851	592.233	4103.084	687.42	4790.504
3	2013-14	3989.207	482.457	4471.964	665.57	5137.53
4	2014-15	4661.16	491.97	5153.13	776.56	5929.69
5	2015-16	4803.64	489.98	5293.628	710.61	6004.238
6	2016-17	4667.198	856.90	5524.098	700.75	6224.848

## Power Losses

The Transmission and Distribution losses in the State are very high. The main reasons for such losses are technical as well as commercial. The high technical losses are due to existing outdated system. To minimize such losses, the system needs improvements and up-gradation for which various approved flagships schemes are being implemented. Commercial losses include theft, unaccounted and uncontrolled consumption of power beyond agreement load, unregistered consumers etc. The year-wise trend of T&D losses, revenue billed, amount realized, A&T losses, metered registered consumers, meters installed against registered consumers and category-wise consumers are indicated in Tables below:

Year-wise T&D losses						(Unit: MU)
S. No.	Year	Demand	Total Energy Available (G+A)	T&D losses	%age of T&D Loss	Balance available for sale
1	2	3	4	5	6	7
1	2011-12	17323	11091.26	6824.25	61.61	4267.00
2	2012-13	17669.46	12120.025	6957.147	57.40	5162.94
3	2013-14	18022.33	12666.59	6912	54.57	5754.00
4	2014-15	1800.00	13701.00	7565.12	55.22	6135.88
5	2015-16	18200.00	14226.05	7645.41	53.74	6580.65
6	2016-17	8487.59	15340.48*	8070.59* *	47.12	7269.89

\* Excluding deemed energy of Ladakh  
\*\*Billed energy as per UDAY = 7229.41MU

### Revenue billed, amount realized and AT&C losses

T&D and AT&C Losses (from 2006-07 to 2015-16)							
S.N	Item	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	Energy Input (MU)	11091.26	12120.025	12666.59	13701.00	14226.05	15340.48
2	Energy Billed (MU)	4267.00	5162.94	5754.00	6135.89	6580.65	7229.41
3	T&D Losses (MU)	6824.26	6957.147	6912.00	7565.12	7645.41	8070.59
4	%age T&D Losses	61.61	57.40	54.57	55.22	53.74	47.12
5	Amount Billed (Rs. In crore)	1428.68	1682.50	1757.17	1813.74	2012.04	2271.63
6	Amount Realised (Rs. In crore)	1014.16	1419.29	1667.404	1457.32	1674.57	1715.32
7	Collection Efficiency (%age)	70.99	84.36	94.05	80.35	83.23	75.51
8	Energy realized (MU)	3029.14	4355.41	5412.20	4923.05	5464.41	5442.70
9	AT&C Losses (MU)	8062.12	7764.615	7254.39	7799.95	7809.22	8201.81*
10	%age AT&C Losses	72.68	64.06	57.27	61.30	58.83	60.11

\*Energy available at distribution periphery = 13644.51MU

### Metered / Registered Connections

No. of consumers registered with the Department			(In Nos. ending 03/2017)
S. No.	Year	Cumulative Households connected	Cumulative Number of connections
1	2011-12	1130951	1332036
2	2012.13	1274885	1490696
3	2013-14	1346021	1572815
4	2014-15	1390856	1625422
5	2015-16	1483599	1707520
6	2016-17	1502250	1757177

### Meters installed

Details of meter installed					
S. No.	Year	Jammu	Kashmir	Ladakh	Total
1	2011-12	303157	285537*		588694
2	2012-13	374834	324542*		699376
3	2013-14	424353	325955*		750308
4	2014-15	511773	363214	19052	894039
5	2015-16	541453	364081	19152	924686
6	2016-17	499884	385541	36891	922316

\*Including Ladakh.

### Category-wise energy consumption, amount due and amount realized

Energy consumption, amount due and amount realized (Energy-MUs, Amount- Rs. in Crore)										
S. No	Consumer Category	2014-15			2015-16(RE)			2016-17		
		Energy consumed	Amount due	Amount realized	Energy consumed	Amount due	Amount realized	Energy consumed	Amount due	Amount realized
1	Domestic	2574.04	510.34	400.24	2797.9	569.05	495.08	3179.7	671.24	469.74
2	Commercial	676.97	213.94	195.39	712.84	234.01	228.86	721.89	252.83	237.46
3	Industrial	1264.16	396.61	352.31	1322.44	431.43	378.47	1375.45	426.275	371.89
4	Govt.									
	i. Irrigation/ Agr.	281.49	75.48	46.95	276.11	67.2	48.09	312.45	62.91	51.96
	ii. Public lighting	47.6	18.94	0.134	52.26	20.12	0.18	60.91	30.53	0.16
	iii. PHE	530.37	231.66	127.6	576.01	243.64	131.19	614.21	332.73	148.79
	iv. State Central Depot	610.96	307.36	279.96	662.67	357.87	329.07	739.16	425.25	361.92
	v. General Purpose Bulk	150.21	60.4	52.63	190.81	88.5	60.47	226.17	69.88	73.41
	<b>Grand Total</b>	<b>6135.78</b>	<b>1813.73</b>	<b>1455.22</b>	<b>6591.04</b>	<b>2011.82</b>	<b>1671.41</b>	<b>7229.95</b>	<b>2271.645</b>	<b>1715.33</b>
7	Average cost per Unit	3.34			3.28			3.18		
8	No. of HHs. Electrified	1390856			1483599			1502250		
9	No. of consumers at the end of the year	1625422			1707639			1757177		
10	No of employee at the end of the year	30612			30945			31047		
11	No. of employees Per 1000 consumers	19			21			21		
12	Population of State (million)	13.55			13.82			14.08		
13	Per capita consumption	1010.72			1032.13			1089.41		

### Per Capita consumption of Energy

The per capita consumption of energy in J&K has shown steady growth and is presently around 1089.41 units, which is nearly at par with national average for the year 2016-17.

Year-wise details of Per Capita consumption of Energy		
S.No	Year	Per Capita Consumption (KWHr)
1	2011-12	868.39
2	2012-13	927.86
3	2013-14	952.34
4	2014-15	1010.72
5	2015-16(E)	1064.62
6	2016-17	1089.41

## Demand and Supply Management of Power

As is evident from the above tables, the state's peak demand for power has grown by 9.09% from 2011 to 2016-17 and peak deficit has decreased from 28.75% to 22.18% during 2012-13 to 2016-17. It needs to be placed on record that the losses in the Power sector in the State are on account of difference in the cost of purchase of power and sale price realized from different consumers, besides inefficiency of revenue realization on part of the department besides hidden subsidy. Revenue realization is directly correlated with the tariff rates fixed by the State Electricity Regulatory Commission (SERC) on year on year basis

<b>Consumer category-wise tariff with average cost of supply and average gap</b>				
<b>Consumer Categories</b>	<b>Approved Average CoS at approved loss level (T&amp;D Loss 38.56%) Rs/kWh</b>	<b>Approved Average Tariff Rs/ kWh</b>	<b>Gap Rs / kWh</b>	<b>Gap %</b>
Domestic	6.88	3.05	3.83	56%
Non-Domestic/Commercial	6.88	3.83	3.04	44 %
State/Central Govt. Dept.	6.88	6.88	0	0 %
Agriculture	6.88	3.35	3.53	51%
Public Street Lighting	6.88	6.88	0	0 %
LT Public Water Works	6.88	6.88	0	0%
HT Public Water Works	6.88	6.88	0	0%
LT Industrial Supply	6.88	3.76	3.12	45 %
HT Industrial Supply	6.88	4.21	2.67	39 %
HT-PIU Industrial Supply	6.88	5.07	1.81	26 %
General Purpose/ Bulk Supply	6.88	6.06	1.09	16 %
Average	6.88	4.19	2.69	39 %

### Way Forward

- ✓ Establishment of new generation capacity in the State in a time bound manner;
- ✓ Provisioning of long term finance arrangements;
- ✓ Exploitation of available hydro and solar potential;
- ✓ Creation of inter and intra state transmission system for evacuation of power;
- ✓ Efficient use consumer awareness;
- ✓ To devise investor friendly investment policy for public investment in PPP Mode;
- ✓ Implementation of UDAY scheme along with establishment of sustainable energy audit mechanism of consumers;
- ✓ De-subsidization of tariff on yearly basis for different consumers; and
- ✓ Segregation of feeders for domestic and commercial power supply and convergence with smart grids in next two years along with e-metering.

## Public Health Engineering

### Water Supply

The water sector is facing daunting challenges due to urbanization, industrialization and huge demand for Agriculture sector. The potential for augmentation of supply is limited, water tables are falling and water quality issues have increased. Our rivers and ground waters are continuously polluted by untreated effluents and sewerage. The climate change poses fresh challenges.

For providing drinking water facilities to urban areas, another scheme, namely JnNURM (Jawahar Lal Nehru Urban Renewal Mission) Accelerated Urban Water Supply Programme was launched by Govt., of India, which was replaced with Programme AMRUT.

To address the drinking water problem in the state, a number of schemes are being also implemented under State Plan/District Plan, LIC/NABARD loan assistance and Economic Reconstruction Agency.

### Accelerated Rural Water Supply Programme (ARWSP/NRDWP)

One programme out of 6 programme which fell within the ambit of “Bharat Nirman” was Accelerated Rural Water Supply Programme (ARWSP), launched by Govt of India in 2005-06 for building infrastructure and basic amenities in rural drinking water. **The scheme stands renamed as “National Rural Drinking Water Programme” (NRDWP) since 2009.**

The main objectives of NRDWP are: -

- ✓ The focus on the coverage of uncovered population/ habitations as the problems of Water Quality & Sustainability of Sources/ System are not so acute in the state as is the case in most of the other States.
- ✓ The emphasis is to ensure drinking water security both in terms of adequacy and quality of water to all people on a sustainable basis by adopting holistic approach through conjunctive use of surface, ground and rain water harvesting besides recharging of sources and mobilizing the system, as envisaged in the modified guidelines of NRDWP.
- ✓ To cover the uncovered, partially covered habitations/population besides giving priority to the Scheduled Castes/Scheduled Tribes, Minority dominated habitations and other marginalized sections of the society. The completion of the ongoing schemes which are in the advanced stages, is another priority area.



The main components of the NRDWP are Coverage of uncovered/ partially covered areas; Water Quality; Coverage of Rural Schools ; Sustainability of sources and systems; Operation & Maintenance of schemes; Support Activities (includes other activities like HRD/ IEC/ MIS/ R&D/ WQMSP etc).

Out of 15958 rural habitations in the State, 8930 habitations have been fully covered (FC)@ 40 lpcd and 7028 habitations have been partially covered (PC) with varying service level, as on 1-4-2017.

During the year 2017-18, 183 water supply schemes are targeted to be completed thereby covering 355 habitations, benefiting around 2.29 lakh souls, with an anticipated expenditure of Rs. 306.26 crore. Against the availability of Rs. 152.01 crore, an expenditure of Rs. 121.99 crore has been incurred by the Department ending Nov. 2017. 68 habitations have been covered besides 436 hand pumps installed so far.

#### Notable Achievements during 2016-17

- 284 Partially covered habitations covered.
- 232 rural schools covered with drinking water.
- 4 sub-divisional water quality labs established.
- 618 Hand Pumps have been installed.
- 145 piped water supply schemes completed.
- Population of 1.18 lakh has been provided Piped drinking water facility during the year.
- 132458 water samples have been tested for chemical/bacteriological contaminations.

#### Special Task Force Projects-PHE

Four (4) major projects namely “Alternate Water Supply” to save Surinsar lake costing Rs. 723.59 lakh, “alternate Water Supply” to save Mansar lake costing Rs. 384.41 lakh , Water Supply Scheme to Pilgrim Town Katra from Dhansar Nallah costing Rs. 5605.00 lakh & Naigarh Water Supply scheme costing Rs. 5315.00 lakh were got sanctioned under Special Task Force.

Details of Special Task Force Projects						
S. No	District	Name of the Project	Estimated Cost/ STF Approved Cost	Comm. Expdt. 3/2017	Balance cost as on 1/4/2017	Remarks
1	Jammu	Alternate WSS to save Surinsar Lake	723.59	723.59	0.00	The project has got revised

2		Alternate WSS to save Mansar Lake	384.41	384.41	0.00	
2	Reasi	WSS for Pilgrim Town Katra from Dhansar Nallah	5605.00	5100.00	505.00	Partially Completed during 2015-16
3	Kishtwar	Naigarh Water Supply Scheme Kishtwar	5315.00	2517.00	2798.00	December 2018

## Urban- Water Supply

### Development of Urban Infrastructure and Governance (DUIG)

Development of Urban Infrastructure and Governance (DUIG), a central project launched under the flagship programme JNNURM, among other things, envisages to improve the infrastructure in the water supply sector in capital cities viz Srinagar and Jammu. Under this mission, water supply projects, Tangnar and Sukhnag, were taken up in hand with the financial assistance of Rs. 148.37 crore and Rs. 121.00 crore respectively. WSS Sukhnag has already been commissioned and 10 MGD of water added to the Srinagar City. WSS Tangnar is nearing completion and an expenditure of Rs.138.49 crore has been made till date. After completion of WSS Tangnar, additional 10 MGD of water will be added to Srinagar city. However, these projects being integrated projects and are being implemented through Housing & Urban Development Department.

### Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT)

Under Flagship programme JNNURM, UIDSSMT aims to provide urban infrastructure in the sector of water supply in the small and medium towns other than mission cities of Srinagar and Jammu in a planned manner. The funding pattern of UIDSSMT is in the ratio of 90:10 between Gol and the Government of J&K. 23 water supply projects costing Rs. 317.89 crore were sanction under UIDSSMT.

### Water Supply to the Greater Cities

#### Srinagar City

Due to continuing trend in urbanization and population increase, the Govt. of J&K accorded sanction of the notification of Greater Srinagar. This in accordance with Master Plan 2000-2001 Srinagar Metropolitan area approved by the Govt. of Jammu and Kashmir on the recommendation of the Cabinet Sub-committee. This has brought several new areas and villages within the ambit of Srinagar Municipal Corporation. The total area of Greater Srinagar as per the master plan 2000-2021 is 416 Sq Kms. The Greater Srinagar has been divided into 05 zones based upon the topographic consideration and location of water systems. The zones are Zone-I Rangil/Alustang/Pokhribal; Zone-II Nishat; Zone-III

Doodhganag; Zone-IV Sukhnag; Zone-V Tangnar.

### **Jammu City**

Against the requirement of 47.50 MGD of water including institutional requirement, floating population etc, we are drawing 45.50 MGD of potable water from the various sources thus having a shortfall of 2.00 MGD of water at present. The instant shortfall is being met through construction of 19 Tube Wells, which are being drilled by ERA. Keeping in view the shortage of water and to meet the growing need for future, the need for the new project of water supply scheme has been necessitated for Greater Jammu.

A project namely "Augmentation of Water Supply to Jammu City from River Chenab" costing Rs. 886.00 crore stands formulated for providing additional drinking water of 240 MLD to Jammu City and has been submitted to Ministry of Urban Development, GOI for obtaining funding from Japan International Co-operation Agency (JICA).

Main component of water supply Master plan will be as follows.

- Water intake pumping stations and Raw Water Rising main pumping station to water treatment plant at Gurpattan village. Water treatment plant and clear water sump at Gurpattan village (GL 330.50m);
- Gravity main from the clear water sump of water treatment plant at Gurpattan to Balancing reservoir at CPS Muthi (GL 312.00m) and to balancing reservoir and CPS to be constructed at the left bank of Tawi river, near Belicharana (GL.300.00m);
- Pumping main from balancing reservoir at CPS Muthi to storage reservoir at Roop Nagar Stage-III and other areas in the right side of Tawi River.

As availability of water by and large is constant, the increasing demand due to population explosion and economic growth will disturb the requirement of demand and supply.

AMRUT: - The Government of India has launched the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) with the aim of providing basic civic amenities like water supply, sewerage, urban transport, parks as to improve the quality of life for all especially the poor and the disadvantaged. The focus of the Mission is on infrastructure creation that has a direct link to provision of better services to the citizens. The purpose of "AMRUT" mission is to (i) ensure that every household has access to a tap with assured supply of water and a sewerage connection (ii) increase the amenity value of cities by developing greenery and well maintained open spaces e.g. parks and (iii) reduce pollution by switching to public transport or constructing facilities for non-motorized transport e.g. walking and cycling. The major project components are Water Supply system, Sewerage, Septage, Storm Water Drainage, Urban Transport, Green Space and Parks, Reforms management and support, Capacity building etc. in that order of priority. The universal coverage of water supply and sewerage services have first charge in the Mission. There is maximum allocation of 2.5% of project cost for development of parks with children and elderly friendly features.

Public investment since independence remained focused largely on surface water. For the last decades, ground water has emerged major source both for drinking as well for irrigation purposes. Unfortunately, in India ground water has been exploited beyond sustainable level, although the condition is not so alarming in J&K. The exploitation of ground water in our State is within the safe limit and there is enough scope for exploitation.

During 12<sup>th</sup> Plan, focus is being given for the mapping of aquifers for proper management of ground water resources. This is possible through strong partnerships between Govt. Departments, Research Institutes PRIs/Local bodies, Civil society organizations and local community.

Focus will also gives for completion of ongoing drinking water projects, besides taking new projects for those areas which have not been brought within the ambit of safe drinking water.

Providing of quality drinking water, and improvement of sources and system are another focused areas of the Government.

To address the gap between demand and supply due to increase of population and growth of the economy, all the stakeholders shall be sensitized to make judicious use of water besides preserving and protecting the drinking water sources and water uses efficiency.

The exercise of aquifer mapping of ground water resources shall also be undertaken enabling local planners & PHE department to gain an understanding for its optimum utilization.

## **Irrigation**

Indian economy is really facing daunting challenge in the water sector. The water use efficiency in agriculture which consumes roughly 80% of our water resources is around 38 % as compared to 50-60% in Japan, Taiwan and China. The 2030 Water Resources Group (2009), estimates that if current pattern of demand continues, about half of the demand would remain unaddressed by 2030.

These challenges can be addressed properly by a paradigm shift in the management of water resources in India. This shift mainly comprises of the following: -

- i. We have to move from very narrow engineering construction-centric approach to more Multi-disciplinary participatory management approach towards our major and minor irrigation projects, effective co-coordinating with Command area Development Programme besides ensuring water uses efficiency.
- ii. Sustainable management of ground water after complete aquifer mapping.
- iii. Adoption of suitable strategies to mitigate the impact of climatic change over the years.

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 sector is handled by the Irrigation Department, water supply is the responsibility of PHE Department and job of exploitation of hydropower potential assigned to the Power Development Department and the Power Development Corporation.

Irrigation plays an important role in the agriculture sector of J&K economy. Our state does not receive rain throughout the year. In Jammu region, temperature conditions favour cultivation of crops throughout the year but due to non-availability of water in the region, the plant growth is limited. Rainy season provides sufficient water from July to September. In winter also, this region receives several showers of rain. The remaining months of the year, are by and large dry.

In Kashmir valley, it rains mostly in winter when temperature is too low for plant growth. When the temperature begins to rise in May and onwards, the rainfall decreases and except some showers of rain in July-August, most of the growing season remains dry. Since ages, the farm economy has been dependent on a single crop and the cultivator cannot take chances with it. The farmer always requires sufficient water supply for his field, therefore, he depends mostly upon canals for irrigation. Much snow fed streams, running down the slopes of the mountains, makes it very easy for him to construct small canals or pools. In this view, 60% of the land in the valley is irrigated.

The outlay for the irrigation/Flood Control sector including Ravi-Tawi Irrigation scheme) during the year 2016-17 was Rs. 66320.34 lakh against which an expenditure of Rs 18774.94 lakh (including USB) was incurred during the year 2016-17

An outlay of Rs. 120384.83 lakh has been earmarked for the current financial year i.e 2017-18 against which an amount of Rs. 6667.41 lakh has been incurred up to ending October, 2017.

### **Major/Medium Irrigation Sector**

The irrigation projects are classified into three categories viz major, medium and minor irrigation projects. A Project which have a Cultivable Command Area (CCA) of more than 10,000 hectare is termed as major project. A project which has 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 sources, while major and medium projects mostly exploit surface water resources.

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). Presently, 4 major/medium irrigation schemes are under implementation in the state under AIBP, The total estimated cost of these schemes is Rs. 36178.66 lakh, against which a cumulative expenditure of Rs. 24740.43 lakh was incurred ending March, 2017.

Details of Major/Medium Irrigation Sector projects					(Rs in lakh)
Programme	Name of the scheme	Estimated Cost	Commutative expenditure ending 03/2017	Outlay 2017-18	Expenditure during 2017-18 ending Oct.
AIBP	LIS Tral	17050.00	9941.00	2487.28	1159.00
	LIS Rajpora	7128.97	6841.71	287.25	13.00
	Parkhacheck Khas Irrigation canal	5615.50	3525.00	135.00	...
	Restoration & Modernization of Main Ravi canal	6667.19	4432.72	1653.24	0.00

The Govt. of India has launched a new programme namely Pradhan Mantri Krishi Sinchai Yojana (PMKSY) wherein all the programmes i.e, Accelerated Irrigation Benefit Programme (AIBP), Repair Renovation & Restoration (RRR) of Water Bodies, Command Area Development & Water Management Programme (CADWM) and Ground Water Programme will be implemented under PMKSY. The Department is formulating new projects under this new programme which will be submitted to the Ministry of Water Resources, GoI.

Ministry of Water Resources, GoI has prioritized ongoing MMI projects in the country so that the same are completed in a short period of time. Out of the prioritized 23 projects, 3 ongoing projects from J&K State viz Tral LIS, Constt. of Parkachik Khows canal and Mod. of main Ravi Canal have also been identified by the Ministry.

It has also been decided by the Ministry that these projects will be completed by March, 2017 (5 quarters) Pari-Passu with CAD component and have to be aligned with the PMKSY/new irrigation concepts. The funding pattern of the projects shall be same as AIBP however the balance Central Assistance shall be made available through PM's fund and supplemented with matching State Share by the State Govt.

### Minor Irrigation

419 Minor Irrigation schemes costing Rs. 1319.52 crore were taken up under AIBP. An expenditure of Rs. 433.09 crore have been incurred upto ending March 2017.

Details of Minor Irrigation Schemes			(Rs in Lakh)
Name of the scheme	Estimated cost	Cummulative Expdt. ending 03/2017	No. of schemes completed upto ending 03/2017
Cluster of 58 MI Schemes	27313.57	17279.40	23
Cluster of 117 MI Schemes	5867.30	5075.86	07
Cluster of 65 MI Schemes	8554.39	789.38	0
Cluster of 158 MI Schemes	27393.39	12880.12	93
Cluster of 11 MI Schemes of 10 <sup>th</sup> TAC of Leh/Kargil			03

Cluster of 10 MI Schemes of 12 <sup>th</sup> TAC of Leh/Kargil Districts.	10017.95	7284.83	0
<b>Total Minor Irrigation (419)</b>	<b>131952.33</b>	<b>43309.59</b>	<b>126</b>

### **Flood Management Programme**

Under Centrally Sponsored Scheme of Flood Management Programme 29 projects costing Rs.51299.30 lakh were approved and sanctioned by the Ministry of Water Resources, Govt. of India and funds to the tune of Rs.18901.35 have been released by Govt. of India till March, 2017.

**To meet future flood challenge two projects namely Priority Works** - Comprehensive Flood Management Plan of river Jhelum Phase-I (costing Rs. 399.29 crore under PMDP) and Comprehensive Flood Management Plan of river Jhelum Phase-II (costing Rs. 1684.60 crore) have been taken up under PMDP.

#### **Priority Works - Comprehensive Flood Management Plan of river Jhelum Phase-I (costing Rs. 399.29 crore under PMDP)**

“Comprehensive Flood Management Plan of River Jhelum Phase-I” costing Rs. 399.29 crore, ongoing under PMDP have following achievements: -

- ✓ Spectacular progress has been registered in land acquisition and an amount of Rs. 80.34 Crore (Including Rs 5.54 Crorepaid to Wildlife) has been placed at their disposal for payment to land owners.
- ✓ Against target of 87.96 hectare, 77.49 hectare of land (88.39%) has been acquired so far.
- ✓ Under dredging, against 16.36 lakh cumec, 9.67 lakh cumec (59.71%) of material has been dredged out so far.
- ✓ Construction of Two Number Bridges at Shariefabad and Naidkhai has been started by JKPC and around 25% progress has been achieved.
- ✓ The demolition of Houses by the owners is in progress at Wazepora & Gasheri Mohallah Naidkhai.
- ✓ About 43800 trees have been felled during the process of possession on the Flood Spill Channel.
- ✓ All major works in the project are proceeding as per schedule provided by MoWR.
- ✓ An amount of Rs. 54.55 crore has been released by the GoI during current financial year.

#### **Comprehensive Flood Management Plan of river Jhelum Phase-II (costing Rs. 1684.60 crore under PMDP)**

The preparation of DPR Phase-II is being entrusted to an empaneled agency of Ministry of

Water Resources and shall be completed within three months after receipt of final report from CWPRS-Pune.

### **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.

### **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 Ranjit 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 Kuhls (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, 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.

### **Construction of Shahpur Kandi Barrage**

Long time dispute with Govt. of Punjab with regard to Construction of Shahpur Kandi Barrage including subsequent drawl of water, power and employment has been resolved and a fresh agreement signed under the aegis of Ministry of Water Resources, GoI. The agreement has been ratified by both the Governments.

The benefits of the project to the J&K State:

- Full compensation for land and other allied items shall be released by Punjab on present rates apart from providing jobs to 861 left out affected persons immediately.
- Over one lakh acres of kandi area of Districts of Samba & Kathua falling in the command of Ravi Canal shall get irrigation facility on implementation of water sharing Agreement with Punjab. The benefit on account of agriculture production shall be approx. 250 crore per year after release of agreed share of water i.e. 1150 cusecs.
- Punjab has agreed to supply the power @ Rs. 3.50 per unit as soon as the work is resumed. After resumption of the work of Shahpur Kandi Dam, the J&K state shall start getting 20 % of power i.e. approx. 300 MU annually from Ranjit Sagar Dam and another 20% from the Shahpur kandi project after its completion /Commissioning. At present there will be benefit of about Rs. 165.00 crore per year to the J&K state on account of power from RSD.
- The state of J&K shall save Rs. 14.00 crore annually on account of power and operational charges being paid for lift stations at Basantpur and Lakhanpur.
- The state of Punjab will construct the balance portion of Ravi Canal for a length of 2.3 Km and canal syphon for carrying water for Kashmir Canal out of their own resources (out of cost of National Project funded by Govt. of India) for which the state of J&K has not to make any investment in this regard.
- Regarding the losses which state has suffered so far on account of agriculture and power due to non- construction of Shahpur Kandi Dam and non-release of power from Ranjit Sagar Dam, the matter shall be referred to arbitrators as per clause 16 of the Agreement 1979.

## Housing & Urban Development

The policies of Housing & urban Development have come a long way since 1950. The increasing pressure on urban population and lack of Housing and Basic services is very much evident. This is being compounded with migration of people from rural areas. Now the cities have become engine of economic growth, therefore, urban development has assumed utmost importance.

Housing & Urban Development Department is implementing various state/centrally sponsored schemes and flagship programmes in the state for the benefit of urban population. Details of some schemes/programmes are highlighted below:

### **Atal Mission for Rejuvenation and Urban Transformation (AMRUT)**

Under AMRUT, 58 projects costing Rs. 593.05 Crore for drainage/Sewerage & Septage management, development of Green Spaces, Urban Transport (Multi-tier Parking Slots and purchase of Buses for Capital Cities) and Potable Drinking Water supply have been sanctioned for 5 cities/towns viz Srinagar, Jammu, Anantnag, Leh and Kargil. 36 projects are in the process of execution. The completion period of AMRUT is March 2020. However, two projects are proposed to be completed during 2017-18 and 25 projects in 2018-19 and remaining 31 projects would be completed in next year i.e. 2019-20.

### **Smart City Mission**

Both the capital cities of State i.e. Jammu and Srinagar have been sanctioned in All India competition of Smart City Mission Challenge II (Round III) by MoUD, GoI held in June 2017. Steps taken by State for their implementation are:

- Special Purpose Vehicles (SPVs) for both Jammu and Srinagar Smart Cities formed for implementation of Mission as per guidelines and registered under Companies Act 2013 as “Jammu Smart City Limited” and “Srinagar Smart City Limited” with Ministry of Corporate Affairs, GoI.
- CEOs posted for both SPVs as interim arrangement First meeting of Board of Directors of both Smart City Companies held.
- In order to engage experienced full time CEOs, the Department has issued an advertisement for hiring CEOs from the open market for each SPV.
- The Department has also taken up with MoHUA, GoI for extension of Special dispensation given by GoI during 2015-16 in funding of the Smart City Mission on the pattern of earlier relaxation extended to the State among Himalayan States in

respect of Core Centrally Sponsored Schemes to 90:10 as the funding pattern of Smart City Mission is on 50:50 basis

### **Swachh Bharat Mission – Urban (SBM-U)**

The Mission was launched on 2<sup>nd</sup> Oct, 2014, but the progress in 1<sup>st</sup> three years could not be achieved substantially due to poor response/rather no response of the beneficiaries towards contribution of their share for construction of IHHTs coupled with other issues like arrangement of land for establishment of Community Toilets/Public Toilets (CT/PTs) and Solid Waste Management projects.

The progress has picked up remarkably due to decision of the Cabinet for gap funding of balance cost over and above admissible Centre Share for declaring each city/town Open Defecation Free before Mission Period in construction of Individual Household Toilets (IHHTs)/CTs/PTs, out of State Capex Budget.

In line with national goals, the State is working towards declaring all the urban areas as open defecation free by 31<sup>st</sup> March 2018. Out of 80 cities/towns, 25 towns/cities are proposed to be declared as ODF by December, 2017 and rest by ending March 2018.

### **Individual Household Toilets (IHHTs)**

- Against the target of 75273 IHHTs during 2017-18, 20714 IHHTs have been constructed/under construction as on date and the remaining targets are likely to be achieved by end of March 2018.
- In order to achieve targets, 36 NGOs/Firms/Contractors have been empanelled apart from Individual Beneficiaries for self construction of IHHTs.

### **Community/Public toilets**

- Under the component of construction of CT/PTs, against Mission Target of 2078 seats, 1966 seats have already been constructed/ under construction and by 2017-18 target is likely to be achieved.

In line with national goals, the State is working towards declaring all the urban areas as open defecation free by 31<sup>st</sup> March 2018. Out of 80 cities/towns, 25 towns/cities are proposed to be declared as ODF by December, 2017 and rest by ending March 2018.

### **Solid Waste Management**

- The issue of Solid Waste Management prior to the launching of SBM (U) was area of great concern because of non- availability of land for the purpose in each ULB.
- In order to address the challenge, the department has formed Nineteen (19) clusters for the scientific disposal of solid waste covering all the 78 urban towns and two capital cities of the State (2 cities, 6 Municipal Councils and 72 Municipal Committees).

- 35% of VGF/grant is available a central assistance for establishment of Solid waste Management projects. The balance cost has to be generated through from Public Private Partnership.
- All AMRUT cities/ towns viz. Jammu, Srinagar, Anantnag, Kargil & Leh are proposed to be made garbage free and door to door collection/ segregation of waste at source also be ensured by March 2018.

### **IEC & Public Awareness**

More than 70,000 two colour coded - Blue & Green (green bin for bio-degradable, wet waste and blue bin for non bio-degradable, dry waste) dustbins were distributed to households for segregation of waste at source on 5<sup>th</sup> June, 2017 on the eve of World Environment Day and during 'Swachhata Hi Seva' campaign 11<sup>th</sup> Sept. to 2<sup>n.d</sup> Oct, 2017 and process is still ongoing.

### **Erstwhile JnNURM**

The Govt. of India during February-March 2017 released 2<sup>nd</sup> installment of Centre Share amounting to Rs. 127.23 Crore for seven (07) held up projects under Erstwhile JnNURM and further execution of all projects has been resumed during 2017-18 and their completion period is proposed by end of March 2018 except 04 projects of Leh town which are proposed for completion in working season of 2018-19.

### **Housing For All (Urban)**

The Govt. of India initially approved 25 towns/cities in 1<sup>st</sup> phase during 2015-16 and after conducting of house demand survey, 121671 beneficiaries were identified and on further physical verification actual demand has been validated at 66277, out of which 939 beneficiaries were approved in 4 towns viz. Anantnag, Kathua, Udampur and Baramulla under Beneficiary Led Construction (new/enhancement) and construction of houses has been started in these towns. Till date 118 units are at different stage of completion. By end of 3/2018 all houses are targeted for completion.

So far as taking off construction under Affordable Housing in Partnership and In-Situ Slum Redevelopment, steps have been taken for development of multi-storied housing projects for EWS beneficiaries in two capital cities through JDA/JMC and SDA/SMC.

Extension of the scheme in remaining 55 towns of the state was also approved by Gol in 2/2017 and survey for identification of beneficiaries is in progress through Experts engaged in City Level Technical Cells (CLTCs) which is likely to be completed by the end of 12/2017. As per road map already prepared by the State, there is clear vision to achieve goal of providing houses to all identified houseless families well before Mission period of 2022.

## National Urban Livelihood Mission (NULM)

The implementation of NULM has been carried out initially in the year 2014-15 to 2015-16 in the District Headquarter towns and extended in 2016-17 to 44 towns having population of 25000 above. From 2017-18, the scheme has been taken up for implementation in all the eighty statutory towns of the state.

Since, this mission is for poverty alleviation of urban poor families through implementation of above said components in the urban areas. The targets fixed for 2017-18 likely to be achieved are described below:

### **Main components**

1. *Employment through Skill Training & Placement (EST&P)*
2. *Social Mobilization & Institutional Development (SM&ID)*
3. *Self Employment Programmes (SEP)*
4. *Support to Urban Street Vendors(SUSV)*
5. *Scheme of Shelter for Urban Homeless(SUH)*

- 10,000 Individual and 400 Group beneficiaries shall be assisted for establishment of their income generating units in the urban areas by bank credit linkage and provision of interest subsidy under SEP component of DAY-NULM.
- The Government has fixed a target of 480 Self Help Group formations for the year 2017-18. 440 SHG's have been assisted with a non-refundable Revolving fund of Rs. 10,000/- for each group up to November 2017. The Government has incurred an expenditure amounting to Rs. 44.00 Lakh till November 2017.
- 6000 Urban youth shall be trained under various registered potential trades under EST&P component of DAY-NULM.
- Department has completed the street vendor survey and 5480 cards have been distributed to the identified street vendors. The process of formulation of Street Vending plan and identification of vending zones in each town has been undertaken by the DUDAs. In the first stage DHQ towns shall be covered in the order of population. After implementation of street vending plans, problem of city congestion shall be sorted out apart from availability of market places.
- The department through its implementing Agency J&K Housing Board & Development Authority Jammu is constructing shelters for urban homeless at 05 locations of the state viz Reasi, Kathua, Anantnag, Kupwara and Jammu. All such facilities shall be constructed in the remaining District Headquarter towns in a phased manner on availability of free of cost State/Govt. land for which DCs have been requested for.

## State Capex Budget 2017-18

### Dal Development

The Dal Development is one of the sectors administered by H&UDD for which Lakes & Waterways Development Authority (LAWDA) was created in the year 1997 as an autonomous body under development Act 1970 AD. The Authority has a whole time

mandate to conserve and Manage the Dal/Nigeen Lakes. The LAWDA is executing various projects for Conservation & Management of Dal Lake.

The Rehabilitation Component is divided into two Sub Components:

- Acquisition of land and structures owned by the Dal dwellers in 58 hamlets/Mohalla's inside the lake and compensation to be paid;
- Establishment of the housing colony for resettlement of Dal dwellers at Rakh-i-Arth in the suburbs of Srinagar city.

### **Acquisition of Landmass & Watery Areas under PMRP**

The Authority had to acquire 21044 Kanals. 14992 Kanals to be acquired (land/watery). 1994 structures to be removed. Mechanical dredging need to be done. Under PMRP 2171 Kanals, 17 Marlas and 112 Sft of land/watery land etc has been acquired so far. 172 Structure acquired under PMRP. 574 families rehabilitated.

### **Conservation & Management of Dal Nageen Lake**

There is an approved allocation of Rs. 5000.00 lakh is the current financial year 2017-18 under Capex Budget with the break-up of Rs. 2359.00 Lakh for Rehabilitation/Re-settlement and Dev. of Rakh-i-Arth, Rs. 351.00 Lakh for Construction of STPs and Secondary /Lateral sewers for House connectivity, Rs. 1056.00 Lakh for Operation & Maintenance of existing STPs/IPSS/Dredging De-weeding/Addl. De-weeding/ Lake Cleaning Machines/Equipments and Aerators/Catchment works Restoration of Navigational gates/Conservation of Chunti Kul etc, Rs. 230.00 Lakh for Sewerage Scheme Khonkhan, Rs. 300.00 lakh for realignment of House Boats in Dole Dum and Rs. 704.00 lakh for different components of the Dal Development sector. Against the 50% of funds of the approved allocation i.e. Rs. 25.00 Crore stands released to VC, LAWDA which utilized in full upto 10/2017.

### **Urban Development**

#### **Capital City Development Programme (CCDP) and Integrated Development Medium Towns (IDMT)**

Capital City Development Project (CCDP) is implemented in two capital cities viz. Jammu & Srinagar to provide basic civic amenities viz; Construction of Lanes, Drains, Culverts, Bathrooms, Lavatory Blocks, Parks, Grave Yards, Play Grounds, Roads and Street Lights etc. Integrated Development of Medium Town (IDMT) is implemented by the Urban Local Bodies in all towns of J&K for providing basic civic amenities on the analogy of CCDP, over 1000 works have been taken up for execution in all the Municipal Committees/Councils.

#### **Sewerage**

At present two major sewerage schemes viz Sewerage Scheme 10 MLD Project Talab Tillo,(Left out areas) Jammu, Sewerage Project Khushalsar Srinagar are under execution under this sector. There are also some minor Sewerage schemes under execution with the department viz; Sewerage Scheme Nai Sadak Gowkadal, Sewerage Scheme Naqashpora and

Sewerage scheme Kalashpora at an estimated cost of Rs. 448.38 lakh, Rs 342.01 lakh and Rs. 327.86 lakh respectively, and cumulative expenditure of Rs. 125.00 lakh, Rs. 145.00 lakh and 115 lakh respectively have been incurred upto 3/2017.

### **Drainage**

Presently the Drainage Coverage in the capital cities and other major towns is approximately 40%. The Department has prepared a roadmap which will to achieve 75% coverage in next 3-4 years. To address the drainage problem of capital cities and other major towns the department has taken initiative for providing comprehensive drainage network through channelization of all possible sources of funding such as Capex Budget, AMRUT, TAMIER, JIFRP etc. Presently under State Capex Budget there are 232 drainage works/schemes are under execution at an estimated cost of Rs. 525.31 crore are under execution against which an expenditure of Rs. 257.50 crore stands utilized up to 03/2017. In addition to the above 14 No. of schemes are also under execution at a cost of Rs. 31.03 Crore against which Rs. 28.18 Crore has been incurred up to 03.2017 under BADP. Besides, 07 No. of new schemes are also approved under the programme at a cost of Rs. 43.22 Crore during current Financial Year. The Sewerage network in the Srinagar and Jammu cities is presently available only to 1/3<sup>rd</sup> area of these cities. For providing sewerage network to left out areas of these cities, matter has been taken up with the Ministry of Finance, GoI through Ministry of Urban Development GoI for funding under Japanese Investment Capital Assistance (JICA). Providing of Sewerage network in other major towns has been proposed under ensuring ADB Loan III through J&K ERA.

### **Housing Sector**

#### **Construction of Town Halls in Towns**

Towns/ community halls play important role in facilitating get together on the occasion of marriage ceremonies and other important social functions. A new scheme namely "Construction of Town Halls" has been introduced in the Urban Development sector in consonance of the recommendations made by the State Finance Commission for establishment of at-least one town hall per town.

#### **Other projects/New initiatives**

**Revised Master Plans:** The Revised Master Plan 2032 of Jammu city, Udhampur and Katra towns have been approved and exercise for preparation of zonal plans is being taken by hiring professionals and Revised Master Plan of Srinagar city has been placed on public domain and is likely to be approved by end of Dec 2017. Side by side preparation of Zonal Plans has also been undertaken through hired professionals. Master Plans for other towns are at different stages of preparation/ notification.

**Energy Efficiency Reforms:** Govt. has approved replacement of all existing street lights in capital cities of Jammu & Srinagar with energy efficient LED lights as an initiative at National level in view of reforms under Urban Transformation Programmes to reduce the energy

consumption by 50% through Govt. of India's Public Sector Undertaking viz Ms EESL. The MoU is being signed with M/s EESL for the purpose and after completion of joint verification survey, the start of actual work is likely to commence w.e.f. 2/2018. The project also covers O&M for the consecutive period of next 7 years. The State has to pay an amount of Rs. 35.00 Crore each year to M/s EESL for undertaking this job which is likely to be compensated in energy saving. The department has decided to install LED lights only in other towns for energy efficiency in 2<sup>nd</sup> phase.

**Urban Transport:** J&K ERA has already created Mechanized Parking Lots in Lal Chowk Srinagar and City Chowk, Jammu which have come into operation during 2017-18. To ease the traffic congestion in both the capital cities of State installation of intelligent traffic light system has been taken up under AMRUT and the Construction of Multi-Tier Parking at different identified places has also been approved and taken up under AMRUT.

<b>City-wise break up of Facilities by 2018-19</b>			
<b>City</b>	<b>Multilevel Parking Projects</b>	<b>Estd. Cost (Rs. in Crore)</b>	<b>Parking Capacity</b>
Jammu-AMRUT/JDA	03	260.88	1723 Cars & 80 buses
Srinagar -AMRUT	03	60.05	897 Cars & 180 Two Wheelers
Anantnag-AMRUT	01	16.98	196 Cars & 14 Two Wheelers
Leh -AMRUT	01	26.00	263 cars

**World Bank funding under Jammu Tawi Flood Recovery Project (JTFRP):** The drainage schemes have been approved under World Bank funding in JTFRP for Srinagar city which is mostly vulnerable in floods at a cost of Million \$500 (approx. Rs. 322 Crore).

**Development of Tawi River Front Project:** Development of Tawi River Front of 3.5 kms in length along both banks of the river at aggregate cost of Rs. 404.00 Crore is being taken up in phased manner.

**Maharaja Hari Singh Park:** Green Park is spread over an area of 45 kanals on the bank of River Tawi having facility of Public Library, coffee house/cafeteria will be thrown open in the moth of Jan, 2018.

**Jammu Habitat Center:** A major project viz. Jammu Habitat Centre over an area of 380 Kanals of land with institutional complex, Rehabilitation/Commercial complex, hotel sites, multiplex shopping malls and open air theatre etc. is at the stage of preparation of DPR by the Jammu Development Authority with architectural drawings from Architects of National Repute. The project has also been accommodated in Smart City Mission proposal with a vision to add glory to the beauty of Jammu City. Rehabilitation of oustees of warehouse shall be made near National Highway in Distt. Samba by providing them place for godown/ware housing, while as, accommodating their offices in rehabilitation complex in Habitat Centre.



**Achievements under Capex Budget 2016-17 upto October, 2017**

The Capital City Development Programme (CCDP) is implemented in two capital cities for providing basic amenities viz. construction of lanes, drains, culverts, bathrooms, lavatory blocks, development of parks, grave yards, inner roads etc. 143 different nature of works have been completed during 2016-17 and 138 No. of works are approved during 2017-18 against which 65 works have been completed and remaining works shall be completed by end of the financial year.

On the analogy of CCDP, Integrated Development Medium Towns (IDMT) is implemented by the Urban Local Bodies in all towns of J&K, 541 works have been completed during 2016-17 and 422 works have been taken up for execution in all the Municipal Committees/Councils and 123 works have been completed up to October, 2017. The remaining works shall be completed by end of the financial year.

12 projects are ongoing at an estimated cost of Rs. 42.07 Crore against which Rs. 14.94 Crore has been incurred up to March, 2017. Three (03) Bus Addas have been completed during 2016-17 and 06 re targeted for completion during 2017-18.

09 Community Halls are under execution at an estimated cost of Rs. 8.85 crore against which Rs. 5.05 Crore spent up to March, 2017. Two (02) Community Halls have been completed during 2016-17 and 05 Community Halls are targeted for completion during 2017-18.

Under Drainage Sector 69194 RMT of deep drain have been completed up to March 2017 and against the target of 9345 RMT, 4649 RMT have been achieved up to October, 2017.

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## **Social Sectors**

## Social Welfare

Welfare measures for under-privileged vulnerable, down-trodden and weaker sections of the society are essential for ensuring growth with distributive justice in the State. The Social Welfare Department has the responsibility to promote with special care the educational and economic interests of the weaker sections and in particular of the Scheduled Castes and other Backward Classes as well as to protect them from social injustice and all other forms of exploitation. In conformation with these provisions, the State Government is taking sustained efforts to bring about socio-economic amelioration of the weaker section in general and that of the Scheduled Castes and Other Backward classes in particular.

### **Integrated Social Security Scheme (ISSS)**

The aim of the scheme is to provide financial assistance to Old age, Destitute, Widow, Divorcees and Persons with Disability to those beneficiaries who are living below poverty line and who have little means of subsistence from him/her own source of income or through financial support from family member or other sources.

At the time of launching of this Scheme the monthly rate of assistance was Rs. 200/- p.m. and presently the said assistance is being provided @ Rs. 1000/- p.m. to Old age above 60 years in case of male and 55 years in case of female, widow/divorcee above 40 years & Persons with Disabilities having more than 40% disability.

### **National Social Assistance Programme (NSAP)**

The “National Social Assistance Programme (NSAP)” a centrally sponsored schemes is implemented for the poor people falling below poverty line. The programme has following components:

#### **Indira Gandhi National Old Age Pension Scheme (IGNOAPS)**

Under this scheme pension is provided to a household below the poverty line in the age group of 60 to 79 Yrs @ Rs. 1000/- P.M (Rs. 200/- as Central share and Rs. 800/- as State share) Per beneficiary and for the beneficiaries who are 80 Yrs and above are provided pension @ Rs. 1000/- P.M.( Rs. 500/- as Central Share and Rs. 500/- as State Share) w.e.f 1<sup>st</sup> April, 2016. At present pension is being provided to 67060 beneficiaries under this scheme which includes 52708 beneficiaries in the age group of 60 to 79 years and 14352 beneficiaries in the age group of 80 years above

### Indira Gandhi National Disability Pension Scheme (IGNDPS)

Under this scheme BPL Persons with severe or multiple disability in the age group of 18 to 79 Yrs are eligible for pension @ Rs. 1000/-P.M (Rs. 300/- as Central Share and Rs. 700/- as State Share) and for widows above 80 yrs @ Rs. 1000/- p.m (Rs. 500/- as Central Share and Rs. 500/- as State Share) w.e.f 1<sup>st</sup> April, 2016. At present pension is being provided to 1347 beneficiaries under this scheme.

### Indira Gandhi National Widow Pension Scheme (IGNWPS)

Under this scheme Widows who are between the age group of 40-79 yrs and belong to BPL category are eligible for pension @ Rs. 1000/- p.m (Rs. 300/- as Central Share and Rs. 700/- as State Share) and person above 80 yrs @ Rs. 1000/- p.m. (Rs. 500/- as Central Share and Rs. 500/- as State Share) w.e.f. April, 2016. At present pension is being provided to 3387 beneficiaries under this scheme.

### National Family Benefit Scheme (NFBS)

One time Financial Assistance of Rs. 20000/- is being provided to the family in case of death of a primary bread earner of the age group 18 to 64 years of the family living below poverty line (BPL).

### Pre-Matric Scholarship To SC/OBC/Physically Handicapped Category

Pre-Matric scholarship is provided to SC, OBC, and Physically Handicapped Persons from 1<sup>st</sup> to 10<sup>th</sup> class. For SC Category, there is no income bar. For OBC/Physically Handicapped Parental Income shall not exceed Rs 44,500/- P.M.

Rate of Scholarship				
Class	Rate of Scholarship (Per annum)		Eligibility Criteria	
	For Boys	For Girls	Min. attendance required	% age of marks required in the previous examination
1 <sup>st</sup> to 5 <sup>th</sup>	Rs. 450/-	Rs. 675/-	80%	---
6 <sup>th</sup> to 8 <sup>th</sup>	Rs. 900/-	Rs. 1350/-	80%	55% and above
9 <sup>th</sup> to 10 <sup>th</sup>	Rs. 1350/-	Rs. 1800/-	80%	55% and above

### Post-Matric Scholarship (SC/OBC/Physically Handicapped):

SC/ OBC/ Physically Handicapped students studying at Post-matriculation or Post Secondary Stage Viz. 11<sup>th</sup> /12<sup>th</sup> /Degree courses/ Technical courses etc. are paid according to the following "Means Test"

SC: Parents /Guardians income from all sources should not exceed Rs. 2,50,000/- P.a.(full Maintenance allowance and full non refundable fee.)

OBC: Parents income from all sources does not exceed Rs.1,00,000/-p.a. (full maintenance allowance and full non refundable fee)

PHC: Parents income from all sources does not exceed Rs.44,500/-p.a. (full maintenance allowance and full non refundable fee)

### **State Marriage Assistance Scheme (SMAS)**

On the directions of the Hon'ble High Court, State Marriage Assistance Scheme was launched by the Government and implemented in all the districts of Jammu and Kashmir. Under this Scheme, all the marriageable identified poor girls will receive one time financial assistance of Rs.25000/- and cost of 5 gms Gold for marriage purpose.

### **Major initiatives undertaken during the year 2016-17 and new initiative conceptualized for the year 2017-18**

- The pension amount in respect of all categories of pension holders under Integrated Social Security Scheme (ISSS) and National Social Assistance Programme (NSAP) has been increased to Rs.1000 per beneficiary per month during 2016-17.
- Commissionerate of Disability Affairs established during the year 2016-17.
- Integrated Child Protection Scheme stand introduced during the year 2016-17.
- Pre/Post Matric Scholarship Schemes for de-notified Tribes (DNTs) ( Pahal Chopan & Santarash) introduced during the year 2016-17.
- Post Matric Scholarship to Economically Backward Classes introduce during 2017-18.
- Integrated Child Protection Scheme will be implemented fully in the State during 2017-18.
- Women Help line for protection of women in the State is being made operationalized in the State during 2017-18.

### **J&K SC/ST/BC Development Corporation**

J&K SC,ST & BC Development Corporation is implementing two schemes for Socio-Economic upliftment of SC,ST,BC, Notified National Minorities, Safai Karamcharis and Handicapped categories in the State.

#### **Bank Tie-up Scheme**

Bank Tie- Scheme is available for Scheduled Castes, Scheduled Tribes & Backward Classes categories who are living Below Poverty Line, with Banks Loan Assistance and subsidy from this Corporation, for establishment of their income generating units.

#### **Direct Financing Scheme**

In collaboration with National Level Corporations of Government of India,viz; (i) National Scheduled Castes Finance & Dev. Corporation (NSFDC), (ii) National Scheduled Tribes Finance & Dev. Corporation (NSTFDC), (iii) National Backward Classes Finance & Dev. Corporation (NBCFDC), (iv) National Safai Karamcharis Finance & Dev. Corporation

(NSKFDC), (v) National Handicapped Finance & Dev. Corporation (NHFDC) & (vi) National Minorities Dev. and Finance Corporation (NMDFC).

Desirous applicants seeking financial assistance belonging to Scheduled Castes, Scheduled Tribes, Backward Classes, Notified National Minorities categories who are Below Double the Poverty Line i.e. having income of Rs. 98,000/- p.a. for Rural Areas and Rs. 1,20,000/- p.a. for Urban Areas, Safai Karamcharis and Handicapped categories, are provided financial assistance for establishment of their income generating units under the scheme.

This corporation is implementing Socio-economic upliftment financing schemes for its target groups and there is great impact of these schemes on the economy of the target groups.

As regards the initiatives undertaken by the corporation, corporation has settled the issue of non-releasing of funds by National Minorities Dev. and Finance Corporation (NMDFC), Govt. of India from 2002-03 onwards and now NMDFC has released funds to this corporation after a gap of 14 years.

This corporation lifts funds from the National Level Corporations of Government of India against the State Government Guarantees but the corporation is not getting required unconditional Guarantees from State Government which badly effects release of funds by the National Corporations against approved Action Plans.

### **State Women Development Corporation**

The overall scenario of WDC is to work for the upliftment of down trodden, poorest of the poor sections of society by providing credit under various centrally sponsored schemes at a very nominal rate of interest (3% to 6%) for establishment of their own income generating units and the sole motive of WDC is economic empowerment of women living below double the poverty line.

### **National Minorities Development And Finance Corporation (NMDFC)**

Government of India has identified six communities viz. Muslims, Christians, Sikhs, Buddhists, Parsis and Jains as minorities at the national level on the basis of population census. The Corporation provides long term loan at a concessional rate of interest to assist the poor women belonging to minority community for setting up of their own income generating units. The funding pattern/achievements of this scheme is as follows:

<b>Term Loan Scheme</b>	<b>Educational Loan Scheme</b>	<b>Micro Finance Loan Scheme</b>
NMDFC share: 90%	NMDFC share: 90%	NMDFC share: 90%
State Share: 05%	State Share: 05%	State Share: 05%
Beneficiary's share: 05%	Beneficiary's share: 05%	SHG share: 05%

In the year 2016-17 WDC under the scheme of NMDFC (Term Loan) benefited 394 No. of beneficiaries while provided Rs. 978.50 lakh amount for establishment of their income generating units. Under Micro Finance scheme of NMDFC WDC has benefited 105 No. of SHG members while provided Rs. 49.80 lakh amount for establishment of their income

generating units. Under Educational Loan scheme of NMDFC, WDC also covered 61 No. of beneficiaries while provided Rs. 78.34 lakh amount for studies of Technical/Professional Courses. During the Current financial year 2017-18 (upto 10/2017) WDC under the scheme of NMDFC (Term Loan) benefited 217 No. of beneficiaries while provided Rs. 505.87 lakh amount for establishment of their income generating units. Under Micro Finance scheme of NMDFC WDC has benefited 53 No. of SHG members while provided Rs. 6.00 amount for establishment of their income generating units. Under Educational Loan scheme of NMDFC, WDC also covered 7 No. of beneficiaries while provided Rs. 24.70 lakh amount for studies of Technical/Professional Courses.

### **National Backward Classes Finance & Development Corporation (NBCFDC)**

This scheme is meant for the development of women belonging to backward classes as notified by Central/State Governments from time to time. The Corporation provides loan to the beneficiaries under this scheme at a very low rate of interest. The funding pattern/achievements of this scheme is as follows:-

<b>General Loan (Term Loan Scheme)</b>	<b>General Loan Scheme (New Swarnima)</b>	<b>Educational Loan Scheme</b>
NBCFDC share: 85%	NBCFDC share:95%	NBCFDC share:90%
State Share:10%	State Share:5%	State Share: 10%
Beneficiary's share:05%	Beneficiary's share:0%	Beneficiary's share:0%

In the year 2016-17 WDC under the scheme of NBCFDC (Term Loan) benefited 88 No. of beneficiaries while provided Rs. 187.00 lakh amount for establishment of their income generating units. Under Micro Finance scheme of NBCFDC WDC has benefited 28 No. of SHG members while provided Rs. 11.00 lakh amount upto for establishment of their income generating units. During the Current financial year 2017-18 (upto 10/2017) WDC under the scheme of NBCFDC (Term Loan) benefited 65 No. of beneficiaries while provided Rs. 142.02 lakh amount for establishment of their income generating units. Under Micro Finance scheme of NBCFDC WDC has benefited 30 No. of SHG members while provided Rs. 13.30 lakh amount upto for establishment of their income generating units.

### **National Handicapped Finance And Development Corporation (NHFDC)**

The target group under this scheme are differently abled women with 40% disability irrespective of caste, creed, religion and income. The Corporation provides loan on minimal rate of interest to the women beneficiaries for setting up of their own Income Generating Units. The funding pattern/achievements of this scheme is as follows:

<b>Term Loan Scheme</b>		
<b>(upto Rs. 0.50 lakh)</b>	<b>(Above Rs. 0.50 lakh to Rs. 1.00 lakh)</b>	<b>(Above Rs. 1.00 lakh to Rs. 5.00 lakh)</b>
NHFDC share: 100%	NHFDC share: 95%	NHFDC share: 90%
State Share: Nil	State Share: 5%	State Share: 5%
Beneficiary share: Nil	Beneficiary share: Nil	Beneficiary share: 5%

<b>Educational Loan Scheme</b>	
<b>(up to Rs. 4.00 lakh)</b>	<b>(above Rs. 4.00 lakh)</b>
NHFDC share: 100%	NHFDC share: 95%
State Share: Nil	State Share: 05%
Beneficiary share: Nil	Beneficiary share: Nil

- In the year 2016-17 WDC under the scheme of NHFDC (Term Loan) benefited 41 No. of beneficiaries while provided Rs. 103.00 lakh amount for establishment of their income generating units.
- During the Current financial year 2017-18 (upto 10/2017) WDC under the scheme of NHFDC (Term Loan) benefited 37 No. of beneficiaries while provided Rs. 97.85 lakh amount for establishment of their income generating units.
- During the financial year 2016-17 WDC has provided Skill Development/Vocational Trainings to 600 no. of beneficiaries in different trades under NMDFC/NBCFDC with an expenditure of Rs. 81.30 lakh.

In the year 2016-17 WDC has organized three exhibitions comprising upon 40 stalls each where market support is being provided to 80 beneficiaries/SHGs directly and 800 beneficiaries/SHGs indirectly in each exhibition with amount involved Rs. 35.99 lakh including Central share.

- During the current financial year 2017-18 WDC conducted one exhibition comprising of 40 stalls each where market support is being provided to 80 beneficiaries/SHGs directly and 800 beneficiaries/SHGs indirectly.
- In the year 2016-17 WDC conducted 244 awareness camps against which an amount of Rs.11.00 lakh stands incurred and 85,400 women got sensitized out of which some women were on spot selected for imparting training in different activities and some were found eligible for availing loan for setting up different income generating units, also some Self Help Groups were framed.
- During the current financial year 2017-18, WDC conducted 156 awareness camps upto October, 2017 against which an amount of Rs. 6.57 laksh stands incurred/utilized and 36,050 women got sensitized out of which some women were on spot selected for imparting training in different activities and some were found eligible for availing loan for setting up different income generating units, also some Self Help Groups were framed which were provided finance.

### **Impact of various schemes/progress on the economy of Jammu and Kashmir State**

The impact of the centrally sponsored schemes being implemented by this office have been found very fruitful as the beneficiary who initially was raw and whose income in the beginning was nil ,after availing loan from this office has been able to earn from Rs. 4000 to 8000 by selling her products in various exhibitions conducted by this office within and



outside the state and is not dependent on any family members as has been earlier. She not only repay the loan but also support her family too.

**Major initiatives undertaken the years 2016-17 and new initiatives conceptualized for the year 2017-18.**

- JKWDC has taken up the project of imparting skill upgradation to Individual beneficiaries as well as SHG members and during training SHGs of these beneficiaries are framed after training they are provided financial assistance by way of loan under term loan/micro credit schemes at a very low rate of interest and are in a position to establish their own units independently.
- In addition to the establishment of the various income generating activities, the biggest innovative market based approach adopted by WDC is the preparation of Jute Prashad bags which are being manufactured by the loanee beneficiaries of WDC and supplied to Shri Mata Vaishno Devi Shrine Board (SMVDSB). It is pertinent to mention here that the annual turnover of the pilgrims to the shrine is touching 10 million marks and the demand for these Jute Prashad bags is increasing day by day.
- If during a year loan to the tune of Rs. 5.00 Crore is extended to the trained beneficiaries, 55 lakh bags will be prepared which can effect the sale to the tune of Rs. 880.00 lakh out of which the beneficiaries will be benefited by Rs. 2.00 crore as a profit without any marketing problem. In furtherance to this WDC is visualizing huge potential in jute accessories/Jute Prashad Bags for its beneficiaries because of the following facts:
  1. Free training facility by WDC through sponsored programmes of GOI.
  2. Sufficient market availability.
  3. Tie up with SMVDSB by WDC as a result the whole profit falls in the kitty of the beneficiary.
  4. Free supply of the Jute Bags to SMVDSB by WDC.
  5. All time logistic support from WDC.
- WDC has been successful in its endeavour and hopes to take the activity of Jute bags to each corner of the state so that every poor women has her share in the biggest ever existing market of Mata Vaishno Devi Shrine Board. This can be further justified from the fact that till now this corporation has trained 5000 beneficiaries in different parts of the state in Jute Accessories and an amount of Rs. 80.00 lakh received from SMVDSB against the consignment of 5 lakh Jute Bags prepared by trainees during the training period out of the training material has been disbursed amongst the trainees and loanee beneficiaries. (WDC has disbursed an amount of Rs. 250.00 lakh under Micro credit scheme and 120.00 lakh under term loan scheme for Jute activity.)
- Secondly the most interesting and appreciable fact is that even during the training period the bags prepared by the trainees are also sent to the SMVDSB and the amount against the said consignments is distributed among the trainees and their economic

empowerment starts even during the training period. Therefore it is amply justified that Jute Activity alone can revolutionize the socio-economic status of women folk in our state by ever ready market availability.

- Thirdly, in view of a very small order from SMVDSB, WDC has taken an initiative of diversification of jute activity for preparation of Jute fancy bags and other accessories which has a huge market potential not only in the State of Jammu and Kashmir but even in other states of the country. The items made so far under Jute activity by diversification are mobile covers, Wall hangings, Jute lady purses, Pouches, File folders, Laptop bags, Conference bags etc for which WDC is receiving supply orders from various government departments as well as from private sectors. The forward linkage in the shape of market facility is the prime concern of JKWDC.

### **State Advisory Board for the Development of Pahari Speaking**

The major objective of the Advisory Board is to raise the educational standard of the students of Pahari Speaking Community. Major Schemes under implementation in the Advisory Board are (i) Grant of Scholarship (1st-12<sup>th</sup> class) to Pahari Speaking students. (ii) Grant of Post-scholarship to Pahari Speaking students, (iii) Management of Boys /Girls Pahari Hostels, (iv) Construction of new hostels for Pahari students, (v) Implementation of Pahari Sub Plan on the pattern of Tribal Sub Plan, (vi) Promotion of Pahari Language, Literature and culture.

### **Management of Boys/Girls Pahari Hostels**

Presently Six Boys Pahari hostels are functioning at Anantnag, Baramulla, Poonch, Jammu, Rajouri and Kupwara with intake capacity of 550 inmates. Three Pahari Girls Hostel at Rajouri, Poonch and Kupowara are also functioning with 150 inmates in the State Providing free boarding / lodging, books / stationery, uniform / clothing, sports material, health check up and other facilities.

### **Notable achievements during 2016-17**

- ❖ 139136 students covered under Scholarship Scheme (1st primary-12<sup>th</sup> class) during the year 2016-17 as per the rates envisaged in Govt. Order No: 382-SWD of 2008 dated 29-12-2008. An amount of Rs. 950.60 lakh incurred for the coverage of these students.
- ❖ 7055 students covered under Post- Matric Scholarship Scheme during the financial year 2016-17. An amount of Rs. 619.40 lakh incurred for the coverage these students under this scheme.
- ❖ An amount of Rs. 170.54 lakh incurred during the financial year 2016-17 on account of free diet charges in respect of 700 inmates.

### Rehabilitation Council for Militancy hit Victims

The J&K Government in the year, 1996 constituted a Council for rehabilitation of militancy hit victims under the name “J&K Council for Rehabilitation of Widows, Orphans, Handicapped and Old Aged Persons (victims of militancy).

The Council is providing assistance to the militancy hit victims through the following schemes:-

S.No	Schemes
1.	Pension to widows @ Rs.750/- per month per widow
2.	Pension to old persons @ Rs.750/- per month
3.	Marriage assistance to young widows and grown up daughters @ Rs.40000/- per case
4.	Pension to handicapped / disabled persons @ Rs.750/ per month
5.	Scholarship for professional studies.
a.	Reimbursement of tuition fees @ Rs.5000/- per annum
b.	Monthly assistance for Hostellers @ Rs.7000/- per annum
6.	Psychological Rehabilitation financial assistance.
7.	Financial assistance for exceptional cases
8.	Scholarship to orphans of killed militants @ Rs.750/- per month.

In addition to financial assistance provided to victims of militancy, State Rehabilitation Council has also undertaken following projects:-

a) Providing of Motorized Tricycles (Fuel Operated) to the Handicapped People.

As a step towards empowerment of physically challenged persons, the J&K State Rehabilitation Council with the approval of Executive Council provides motorized tricycles in favour of orthopedically disabled citizens most preferably students, girl students, artisans and small vendors fulfilling the set criteria in order to enhance their hassle free mobility.

The State Rehabilitation Council has so far provided 467 Motorized Tricycles (TVS Wego) to physically challenged persons in the State. Supply orders for providing of 500 more Motorized Tricycles (TVS Wego) to physically challenged persons has been placed with Director SMG during 2017-18.

Further there is pending demand of 1000 physically challenged persons (which is likely to go up) awaiting for Motorized Tricycles. Planning Development & Monitoring Department has been approached for providing of Rs. 300.00 lakh as additionality under the scheme.

b) Project “Watan Ko Jano” Youth Exchange Programme.

The J&K State Rehabilitation Council, under Youth Exchange Programme of Department of J&K Affairs, Ministry of Home Affairs, Govt. of India organizes Jammu & Kashmir Youth Exchange Programme Project “Wattan Ko Jano”. Under this project, 160 such children along with 20 escorting team visited Agra, Jaipur and National Capital in the year 2016-17.

### **Impact of various schemes / progress on the economy of Jammu and Kashmir State**

The various schemes and programmes of the State Rehabilitation Council provide relief and immediate succor to destitute victims of militancy including widows, orphans, handicapped and old aged men and women of families affected by militancy by way of providing monthly financial assistance in the shape of pension / scholarship in order to make them socially stable.

In addition to above the State Rehabilitation Council is also engaged in extending the mobility to physically challenged persons in the State by way of providing motorized tricycles so as to stand them on their own feet.

### **Social welfare Schemes**

Government is implementing number of schemes in social welfare for upliftment of weaker sections of the society

**ICDS Scheme** primarily focuses on nutritional status of children (6 months -6 year) and pregnant & lactating women enrolled in anganwadi centres across the state. Regular health check-up of ICDS beneficiaries on Village Health and Nutrition Day is also done in coordination with the Health Officers/ Officials from National Health Mission Scheme.

**SABLA and KSY schemes** is for empowerment of adolescent girls of the state. Under these two scheme supplementary nutrition is given to out of school adolescent girls in the age-group of 11-18 years and school going girls in the age group of 15-18 years. Besides, counselling is given to adolescent girls on Life Skill Education, Adult Reproductive Sex Health, Family and Child Care, etc. Vocational training is also imparted to adolescent girls in the age group of 16-18 year.

**MBP (IGMSY/PMMVY) Scheme** is meant for providing financial assistance to pregnant and lactating women subject to conditions that they have under gone institutional delivery and also attended the nearest health centre for regular check-up of mother and child.

IGMSY is being replaced by PMMVY Scheme and has been rolled out in all districts of the State during the year 2017-18.

**LADLI Beti scheme** has been implemented on a pilot basis in certain districts of the state for improving the skewed child-sex ratio. Although, cases have been sanctioned, opening of bank accounts of beneficiaries and transfer of funds into these accounts has been an issue and is being looked into.

### **Impact of various schemes/ progress on the economy of J&K State**

The schemes under implementation are social sector schemes. These schemes have no direct impact on the economy as of now. The schemes are for development of children and empowerment of adolescent girls who will have an important role to play in the economy in the years to come. The LADLI Beti scheme is implemented with the objective to improve the

skewed child sex ration in our state which has been deteriorating. This shall also help in bringing about the desired gender parity.

#### **Major Initiatives undertaken in 2016-17**

- Training of 44 State Level Master Trainers and 320 District Level Master Trainers under Early Child Care Education
- 6923 beneficiaries included under LADLI Beti Scheme
- Const./ Upg. work of one MLTC/ AWTC Building taken up in districts of Budgam and Jammu
- Decision taken for de-centralization of services by formation of District and Village Level Councils – Community Participation
- Advertisement of 179 contractual posts of Project Managers, Consultants, Data Entry Operators and Health & Nutrition Mobilizer.

#### **Major Initiatives conceptualized for 2017-18**

- Opening of 2339 sanctioned new anganwadi centres.
- Constitution of Councils in all Districts and Village of the State and de-centralization of work for rendering services under different social welfare schemes-83% village councils constituted.
- Training all anganwadi workers in Early Child Care Education through the SLMTs and DLMTs
- Construction of 856 new anganwadi buildings-6 buildings completed,42 construction work in progress ,land identified at 295 locations.
- Transfer of benefits to IGMSY/ MBP beneficiaries under DBT mode – adhaar linking
- Payment of honorarium to anganwadi workers and anganwadi helpers under DBT mode-adhaar linking
- Adhaar enrollment of children in the age group of 0-6 years

## Education

### School Education

J&K Government is striving hard to ensure inclusive quality education for all to enable them to become contributing members of the society with focus on girl students providing them equitable opportunities in pursuit of achieving higher standards in education and leaning. To actualize the vision, the following important areas are followed in letter & spirit to see the foremost vision becoming a reality.

*Access: Expansion of quality school and adult education.*

*Equity: Inclusion of disadvantaged groups and weaker sections.*

*Quality: Improving standards of education.*

*Carrying out institutional and systemic reforms towards quality education.*

### Access

- Development of 144 schools as CM Model schools in phase 1st equipping these schools with required physical infrastructure soft interventions trained and motivated faculty and conducive environment for overall personality development of the work along with facilities of Smart Classroom.
- Up-gradation of 200 Middle Schools to High Schools and 200 High Schools to Higher Secondary Schools to ensure the availability of higher learning (10+2) within the radius of 05 & 07 Kms for every ward enrolled in High School and Higher Secondary School.
- Increase in the number of Residential Hostels for the girls students construction of 68 hostels targeted for phase-1st.
- Establishment/Creation of Vocational Training Centers for skill development along with formal education in 352 existing High/Higher Secondary Schools.
- Geographical Information System (GIS) mapping has been achieved in full which will help in up-gradation and rationalization of schools.

### Equity

- Establishment of 99 KGBV for Education Backward Blocks for girl children belonging to SC/ST and other BPL population.

- Providing of scholarship of Rs. 3000/child to the girl student belonging SC/ST population.
- Establishment of 100 Mobile School for migratory nomads (Gujjar) population.
- Providing of Rs. 5000/Ward as an intensive to girls students who qualifies matriculation (10th Exam) and enroll for Higher Secondary Education (11thExam).
- To stem drop-out rate and enhance enrolment, the School Education Department has waived off School Fee of Girl Students in all State-run Schools upto secondary level.

### **Quality**

- Regular trainings to the in-service teachers through State/National institutes of repute.
- Providing of subject specific teachers particularly in Math/Science.
- Training of 5000 undergraduate teachers through D-Led course tailored by NIOS, New Delhi.
- Establishment of 220 Smart Classrooms for e-learning and 407 are in a process of being established.
- 220 CAL centers are in a process for being established under SSA programme.
- Establishment of evening/remedial classes for weak students.
- Regular training/foundation courses for over 90,000 elementary school Teachers.
- Aadhar enrolment for all the students.

### **Reforms**

- Rationalization of existing education infrastructure both physical as well as human resource to ensure better public teacher ratio in line with National standards.
- Robust transfer policy for better management of Human Resources.
- The basic eligibility for teacher recruitments has been upgraded from 12th class to Graduation.
- “No Detention Policy” has been reviewed and it has reversed for 5th Primary onwards, as it was affected the quality of education and making teachers unaccountable.
- Recruitment of teachers under ReT shall be through written exam.
- Digitization of entire human resource of teachers.
- In order to promote regional languages in a State with diverse cultures, the School Education Department has ordered introduction of Kashmiri, Dogri, Punjabi and Bodhi as 6th compulsory (graded) subject at secondary level.
- Under fast-track recruitment, the Department referred 1059 posts of lecturers in different disciplines to J&K PSC, which has forwarded select lists in various disciplines

like English, Urdu, Botany, Zoology, Chemistry, and Education. The Department has expedited issuance of appointment orders and postings thereof in Hard Zones of the State.

- The Department has flagged addressing the contentious issues of corporal punishment, bullying, child abuse and stress counseling for which special cells have been set up at the Directorate level for real-time response.

## **Outcomes and their critical analysis**

### **Universal literacy**

With the sustained efforts and introduction of number of interventions considerable progress has been made in the field of literacy. There has been manifold increase in the literacy rate during last four decades from 11.03% (Census 1961) to 18.58% (Census 1971). In 1981, the literacy rate was recorded at 26.67% which has increased to the level of 67.16% (Census 2011). The female literacy rates has also shown considerable increase from 4.26% (Census 1961) to 56.43% (Census 2011)

### **Gender Gap in literacy**

Gender differential exists both in rural and urban areas with incidence of highest gap in rural areas. This is mainly attributed to cultural and social setup in the state. However the gap has considerably narrowed from 23.60% (Census 2001) to 20.25% (census 2011). This has been possible due to introduction of host of programmes such as national program for education of girls at elementary level (NPEGEL), establishment of Kasturba Gandhi Balika Vidyalas (KGBVs), distribution of free text books/scholarships, community mobilization, establishment of girls hostels in educationally backward blocks of the state. Recently couple of measures has been taken such as distribution of Scotties to the meritorious girl students, payment of scholarships to the girl students.

### **Dropout rate**

In respect of dropout rate, the mechanism of Unified District Information System of Education (UDISE) is throwing startling revelations. The dropout rate has increased considerably from 6.93% and 5.36% in Primary & upper –primary during 2015-16 to 10.30% and 10.20% during 2016-17 in primary and upper primary level. The decrease has mainly been due to disturbing conditions prevailed during 2016-17.

### **Gross enrollment ratio**

There is a modest increase in the gross enrollment ratio in primary and upper levels. During 2015-16 total GER at primary level was 98.26% which has increased to 98.70% in 2016-17. Similarly at upper primary level the modest increase from 97.17% to 97.86% was witnessed during the said period. However, during the current financial year 2017-18, number of measures taken up such as introduction of pre-primary classes, establishment of Model Schools, conduct of extra-curricular activities including cultural activities and conduct of



parent meetings, annual days, remedial teaching are expected to have positive impact in the enrollment of children.

### Out of School Children

There is considerable decrease in out of school children during 2016-17. During the year 2015-16 the out of school children were recorded at 79598 which has considerably decreased to of 54713 in 2016-17 registering a phenomenal decrease of 31%. Similarly in respect of girl students the out of children have decelerated from 46218 to 31856 during 2016-17 because of various endeavors especially community mobilization of the department.

### Physical/Financial Progress

The development activities of the department are carried over under State plan/ Capex Budget, Centrally Sponsored/ Flagship Schemes viz SSA/RMSA/MDM/SBM. The sharing pattern of the schemes is 90:10.

Financial achievements during 2016-17							(Rs. in lakh)
S. No	Sector	Year	Q1	Q2	Q3	Q4	Total
<b>State Sector</b>							
1	Secondary Education	2016-17	95.00	250.00	605.50	2415.43	3365.93
		2017-18	206.00	372.71	-	-	578.71
2	Direction and Administration	2016-17	15.00	20.00	26.30	27.07	88.37
		2017-18	0.00	25.86	-	-	25.86
3	Teacher Education	2016-17	55.30	90.34	215.45	258.44	619.53
		2017-18	84.22	148.42	-	-	232.64
<b>Total</b>		<b>2016-17</b>	<b>165.30</b>	<b>360.34</b>	<b>847.25</b>	<b>2700.94</b>	<b>4073.83</b>
		<b>2017-18</b>	<b>290.22</b>	<b>546.99</b>	<b>-</b>	<b>-</b>	<b>837.21</b>
<b>CSS</b>							
1.	SSA	2016-17	545.39	840.68	3045.34	3868.50	8299.91
		2017-18	0.00	0.00	-	-	0.00
2	RMSA	2016-17	2231.15	3050.30	4340.55	4570.75	14192.75
		2017-18	0.00	53.45	-	-	53.45
3	MDM	2016-17	0.00	0.00	0.00	2.75	2.75
		2017-18	0.00	0.00	-	-	0.00
4	Teacher Education	2016-17	2.00	3.00	5.25	6.04	16.29
		2017-18	0.00	0.00	-	-	0.00
<b>Total</b>		<b>2016-17</b>	<b>2778.54</b>	<b>3893.98</b>	<b>7391.14</b>	<b>8448.04</b>	<b>22511.7</b>
		<b>2017-18</b>	<b>0.00</b>	<b>53.45</b>	<b>-</b>	<b>-</b>	<b>53.45</b>

Physical Achievements of various scheme						
S. No.	Sector	Unit	Target 2016-17	Achievement 2016-17	Target 2017-18	Achievement Ending Sept 2017
1	Secondary Education	No. of Works	85	41	50	3
2	Direction Adm.	No. of works	9	6	8	1
3	Teacher Education	No. of works	10	5	6	-
4	Mid-Day Meals	No. of institutions	23166	23218	23225	23144
		No. of Students	717627	561455	558396	723083
5	RMSA	No. of works	173	0	44	0
		Girls Hostel (Nos)	68	0	68	1
		Vocational Education (Works)	132	132	220	0
		Information Communication Technology (ICT)	407	0	383	0
		Inclusive Education for disabled at secondary level. (IEDSS)	0	0	50	0
6	SSA	No. of works	502	42	486	0
		Kasturba Gandhi Balika Vidyalaya (KGBV)			0	0

### Impact of schemes on economy of the state

Focusing on developing human resource of the state through implementation of various flagship programs and other schemes will be great boon to the economic development of the state. The dividends which are enormous as the education and development of various skills have significant role in the economic development that cannot be under estimated

### Major Initiatives

#### General

- GIS mapping of 28680 Schools has been completed which will facilitate in working out gap analysis in terms of infrastructure facilities, up-gradation of schools etc;
- Till date 68% students registered with Aadhar and efforts are being made to registrar all students with Aadhar by March, 2018;
- 22.70 lakh students covered under Student Database Management System(SDMIS) for tracking of students;

- In order to showcase the hidden talent among children in art, culture and craft, 600 students from various districts participated in different events like music, theatre, dance and visual arts under Kala Utsav programme 30 students from the State shall participate in the national events which is being held at Bhopal( Madhya Pradesh) in the month of January 2018;
- School Education department has rolled out Mid-Day-Meal Automated Reporting and Management System (MDM-ARMS) for real time monitoring / Management of the Mid Day Meal Scheme and the data collected( Data collection is through different modes of SMS, Mobile app and web portal) is on the national portal on daily basis;
- The School Education Department revived the State Teacher Award and conferred the award of two teachers, one each from Jammu and Kashmir Division, carrying a citation and a cash award of Rs. 1.00 lakh;
- In order to promote regional languages in as State with diverse culture, the School Education Department vide Government Order No. 333-Edu of 2017, dated 22.06.2017 introduced Kashmiri, Dogri, Dogri and Punjabi as 6th compulsory (graded) subject at secondary level;
- In order to encourage meritorious students, 1400 all-terrain bikes were distributed amongst students on the initiative of the Hon'ble Chief Minister;
- Taking a cue from stirring performance of you in various national-level competitive exams including IAS/AIEEE/NEET, the department has broadened the scope of Chief Minister's Super 50 winter coaching this year by formulating a plan of training/coaching around 1000 aspiring students;
- From child's perspective, the Department is committed to safety, security and comfort of schoolchildren. Safe transportation, fire, lab chemicals and building safety benchmarks have been fixed.

### **Infrastructure**

- 383 schools are being covered under the Information Communication Technology Scheme (ICT @school) for establishment of computer Labs in the Secondary Schools during the -current financial year (2017-18) under RMSA. 389 School Nodal Officers (SNOs) have been trained for implementation of ICT@ School Scheme;
- 220 Schools are also equipped with Computer Aided Labs under SSA during the current financial year;
- 68 bedded Girls Hostels are under construction taken up in the RMSA scheme in the Educationally Backward Blocks of the State which are targeted to be completed by the end of March, 2018;

The Government took a decision that all the schools especially Girls Schools should have boundary walls and the target should be completed within next 3-4 years. Accordingly, Rs. 4.10 Crore have been released during the current year under State Sector Capex Budget and Rs. 20.00 Crore have been approved under SSA for districts of Kathua, Udhampur, Baramulla and Kupwara;

An amount of Rs. 6.55 Crore is being spent during the current financial year for development of 146 Model Schools in the State;

An amount of Rs. 26.12 Crore is being spent under construction programme during the current financial year on 81 works out of which 55 works shall be completed during the current financial year.

During the current financial year, 47 Primary school buildings, 05 Middle School buildings, 458 additional Class Rooms and 28 Head Master Rooms shall be completed under SSA.

## **SWOT Analysis**

### **Strengths**

The department of school education has a robust man power who have excellent academic qualifications and adequate professional expertise are the main strength of the department capable of driving the education system to the highest levels of learning and transformation.

### **Weaknesses**

While making the SWOT Analysis of the education sector, many weaknesses have been identified in the area of decreasing enrollment, high dropout rates, the decreasing in learning outcome score, lowest literacy rate in some districts of the state and highest Pupil Teacher Ratio (PTR) and quality education. The states with assistance of MHRD have prepared Road map for transforming education sector in the state. In the current financial year hectic deliberation were made by the MHRD with the stake holders and also NGOs culminating into a road map which will be completed within a period of 3 years and accordingly following areas have been identified which are detailed as under:-

- i. Human Resources Management
- ii. Quality Interventions
- iii. Outcome Orientation and Accountability
- iv. Key Enablers

## **Higher Education**

Over the years, the J&K State has achieved many milestones in higher education sector. The number of colleges providing education in 1950-51 was just 07 out of which 01 college was for females. Upto 1999-2000, the number of colleges increased to 33 including 07 women colleges. By the year 2016-17, the number of colleges has increased to 96 including 12

women colleges. Moreover, the State Cabinet has recently approved opening of new 17 Degree Colleges in the State, thereby, raising the total number of colleges to 113. With increase in the number of higher educational institutions, the general enrolment in the colleges has also increased from 2669 in 1950-51 to 140093 in 2016-17.

As per census 2011, the general literacy rate of J&K is 68.74% and the female literacy rate is 58.01%. Both are below the national average which is 74.04% and 65.46% respectively.

The institutional capacity in the State has increased manifold. Two Central Universities, one each at Jammu and Srinagar, are functional in the State. Five universities, i.e. two State universities, three Govt. aided universities are also functional in the State. In addition, 12 offsite campuses of Universities of Kashmir & Jammu have been approved, out of which 9 campuses have been established, mostly in rural areas.

The State Higher Education Department is committed to achieve the objective of developing good educational infrastructure at various Graduate and Postgraduate levels to ensure dissemination of quality education.

### **Creation of infrastructure for the colleges**

- Creation of infrastructure for colleges has been a major focus of the department. Out of 96 Government Degree Colleges sanctioned until 2016-17, 65 are already functional in their own campuses, while as construction work of 26 Colleges is underway of which 16 Degree Colleges are targeted to be completed during the current financial year 2017-18. The construction work of 10 Degree Colleges are targeted to be completed during 2018-19. An amount of Rs 146.48 Crore has been approved under Capex Budget 2017-18 for various developmental Initiatives of the Higher Education Sector.

### **Major Initiatives 2017-18**

- An amount of Rs 105.41 Crore has been approved for creation/ completion of buildings for various Government Degree Colleges of the State. This includes Rs 16.10 Crore approved for construction/ completion of 11 Model Degree Colleges; Rs 20.36 Crore approved for construction/ completion of 20 Degree Colleges sanctioned under State Plan; Rs 14.39 Crore approved for construction/ completion of 10 Degree Colleges sanctioned under Phase 2nd of the Prime Minister's Re-construction Plan (PMRP-II). Rs 47.88 Crore has been approved for creation of additional infrastructure viz additional classrooms/ auditoriums/ libraries/ Laboratories etc in the existing Degree Colleges.
- Rs 25.40 Crore has been approved for development of infrastructure of various autonomous institutions of the State including University of Kashmir, University of Jammu, Baba Ghulam Shah Badshah University-Rajouri, Islamic University of Science & Technology-Awantipora, Mata Vaishno Devi University-Katra, Islamic College of Science & Commerce-Srinagar and Gandhi Memorial College, Srinagar.
- In addition, Rs 10.75 Crore has been approved/released on account of land

compensation for establishment of Indian Institute of Management at Nagrota-Jammu.

### **Other initiatives**

- State Cabinet has approved establishment of new degree college in uncovered areas of the State including two Academic cum Staff Colleges (B.Ed Colleges) one each at Srinagar and Jammu.
- State Cabinet vide decision No. 192/12/2017 dated: 23-10-2017 approved establishment of J&K- Institute of Mathematical Sciences with its out campus at Jammu. Besides, the Cabinet also approved creation of 25 posts of different categories for making the institute functional. Institution has been made functional from the ensuing academic session.
- Construction of the Hostel Building in Jammia Millia Islamia Campus, New Delhi at an estimated cost of Rs 20 crore for providing accommodation to students from J&K State has been completed and is being inaugurated shortly.
- Under Prime Minister's Special Scholarship scheme (PMSSS), 3059 students had applied for the scholarship for different courses; however, the applications of 2314 were approved by the AICTE.
- GoI has approved Rs 96 Crore for Technical Education Quality Improvement Programme (TEQIP) for BGSBU, IUST, SMVDU and GCET Jammu out of which Rs 38.54 lakh have been utilized.

### **Proposed Initiatives for 2018-19**

- Rs 127.63 Crore has been proposed for Development of infrastructure in exiting colleges.
- Rs 11.99 crore proposed for completion of 11 colleges building established under the CSS "Establishment of Degree College in Educationally backward Districts".
- Rs 26.66 crore proposed for completion of 21 colleges building established under the State Sector and Rs. 10.77 crore for completion of 10 college building established under Prime Ministers Development Programme".
- Rs 42.60 Crore has been projected for development of infrastructure of various autonomous institutions of the State including University of Kashmir, University of Jammu, Baba Ghulam Shah Badshah University-Rajouri, Islamic University of Science & Technology-Awantipora, Mata Vaishno Devi University-Katra,, Two Cluster Universities, Two Central Universities, Islamic College of Science & Commerce-Srinagar and Gandhi Memorial College, Srinagar.
- Rs 20.38 Crore has been projected for land compensation for establishment of new degree colleges in the State.

### **Restoration of flood affected Colleges**

- Rs 50 Crore have been released under Prime Minister's Development Package (PMDP) for permanent restoration of seven degree colleges namely GDC-Bijbehara; Amar Singh College-Srinagar; SP College-Srinagar; GDC-Bemina; College of Education-Srinagar; GDC-Anantnag and GCW-Anantnag.
- Rs 15.47 crore have already been utilized ending March, 2017 and the balance funds amounting to Rs 3452.75 lakh have been got revalidated/ released for expenditure during the current financial year 2017-18.

### **Providing of hostel facilities**

- To encourage female students to pursue higher studies, the department is envisioning construction of girls' hostels in all far flung colleges of the State in a phased manner. In the first phase, the construction of girls' hostels in 07 colleges at GDC, Bemina, Paloura, Kargil, Thathri, Kupwara, Pulwama and Rajouri has been approved under Prime Minister's Development Package at a cost of Rs 50 Crore. Construction work of all the hostels except at Thathri has been taken up by J&K Housing Board on Pre-Engineered Technology basis. Rs. 8.00 crore stand released by the UGC for execution of the said works during the C.F.Y 2017-18.

### **Filling up of vacant posts of teaching faculty**

- Appointment orders for 1402 candidates have been issued and selection process for 890 posts is under consideration in PSC including recently referred 469 posts of Assistant Professors.

### **Introduction of Choice Based Credit System**

- Choice Based Credit System (CBCS) at Undergraduate Level has been introduced in all Government Degree Colleges in the State in order to bring equity, efficiency and excellence in Higher Education Sector of the State.

### **Introduction of Job Oriented Courses in the Colleges**

- 13 Government Degree colleges of the State have been allowed to introduce Science subjects vide different Government Orders. Besides, new / additional subjects have also been introduced including Nutrition and Dietetics, Bio-resources, Spoken German, Spoken French, Public Administration, Television & Film Making in various Government Degree Colleges of the State.

### **Establishment of Architecture Colleges and J&K Institute of Mathematical Sciences**

- Staff appointed on consolidated (Academic arrangement basis) and class-work started from the current academic session for the two Architecture Colleges. Moreover, the State Cabinet has recently accorded sanction for creation of 20 posts under various categories.

- Moreover, State Cabinet has also accorded sanction for creation of 25 posts under various categories for J&K Institute of Mathematical Sciences.

### **Other Initiatives**

- HED has established two B.Sc. Nursing Colleges, one each at Govt. College for Women, MA Road, Srinagar and Govt. College for Women, Gandhi Nagar, Jammu for encouraging dissemination of Professional Education in the field of Nursing. Faculty positions for both the colleges have been filled.
- In addition, six more Nursing Colleges have been established in the State. Two Colleges have been established by the Islamic University of Science & Technology at Chrar-i-Sharief and Awantipora. Three Colleges have been established by BGBS University at Rajouri, Jammu and Kishtwar and one college has been established by the University of Kashmir at its South Campus.

### **Implementation of CSS-Rashtriya Uchchar Shiksha Abhiyan (RUSA)**

- RUSA scheme was approved by the Cabinet Committee on Economic Affairs on 3rd October, 2013.
- The State Project Directorate (Mission Directorate) RUSA being headed by Mission Director, RUSA was created by the State Cabinet vide Decision No. 101/08/2014, dated: 11.06.2014.
- Under phase 1<sup>st</sup> of the scheme, the MHRD has approved Rs 269.01 crore under six components of the scheme.
- Under RUSA, establishment of two Cluster Universities has been approved at Jammu and Srinagar against total allocation of Rs 110 Crore. Rs 82.54 crore has already been released against which Rs 76.28 Crore stand utilized for creation of infrastructure for these universities. Construction work of both the universities is in full swing. 124 posts of different categories have been created for these universities. Vice Chancellors, Registrars and Controllers of Examination for both these universities have been appointed. Both the universities are functional and examination for 1<sup>st</sup> semester has been conducted.
- Rs 40 Crore has been approved for up-gradation of infrastructure of the two State Universities viz University of Jammu and University of Kashmir. Rs. 31 Crore stands released which have been utilized in full.
- Rs 52 crore has been approved for establishment of two professional colleges one each at Kathua and Safapora (Ganderbal). Rs 33.14 Crore stand released against which Rs 16.70 Crore have already been utilized for creation of infrastructure of these colleges. Construction work of both the colleges is underway in full swing. With prior approval of the State Cabinet, 68 posts of different categories have been created for each of these



two colleges.

- Up-gradation of three existing colleges viz Govt. Degree College, Ganderbal, Govt. Degree Colleges, Shopian and Govt. Degree College, Samba to the level of model Degree Colleges has been approved under RUSA. Rs 12 Crore has been approved for the purpose against which Rs 1.48 crore has already been utilized. 2nd installment of Central Share of Rs 7.52 Crore stand also released. Work is in progress in all three colleges.
- Rs 43.54 crore has been approved for up-gradation of infrastructure of 22 colleges out of which Rs 5.13 crore were released ending March, 2017 and 2nd installment of Rs 22.60 crore has also been released. Rs 4.61 crore has already been utilized.

#### **Establishment of Indian Institute of Technology (IIT), Jammu**

- 159 hectares of forest land at Jagti Nagrota (Jammu) has been allowed for establishment of IIT, Jammu against compensation of Rs 20.04 crore which stand released under State Capex Budget.
- Rs 235 Crore sanctioned for creation of infrastructure against which Rs 100.66 crore released by MHRD to IIT Jammu of which 56.56 Crore utilized.
- The built up area of the transit campus will be around 2.74 lakh sq ft to house 650 to 700 students. Out of which 0.50 lakh sq ft completed in three blocks. Three classrooms, one girls' hostel with capacity of 26 students, one dining hall with a capacity of 360 students stands completed.
- Recruitment of faculty is in progress.
- The fencing around the transit camp is nearing completion.
- The admission for second batch of 113 students started from August, 2017 from the transit camp at Jagti Jammu.
- Providing of basic facilities like water and power supply stand completed.
- The construction of boundary wall around whole campus approximately 8 kms in length is under construction.

#### **Establishment of Indian Institute of Management (IIM), Jammu with its Out Campus in Kashmir**

- 80 Hect of Forest land allotted to IIM Jammu against the compensation of Rs 10.75 crore which stand released on 21.11.2017.
- Academic session for 2<sup>nd</sup> batch of 113 students started from Transit campus in old university campus. Academic session for 2<sup>nd</sup> bath of 67 students started from August 2017.

- Two designs for construction of boundary wall for permanent campus at Jagti Jammu have been shortlisted which shall be finalized in the Board of Governors meeting scheduled to be held shortly.
- DPR for boundary wall for permanent campus at Jagti Jammu at the cost of Rs 19.80 Crore has been prepared by R&B Jammu and technically vetted by the Development Commissioner (Works).

#### **Out campus in Kashmir at Narkura, Budgam**

- A high level Committee of Ministry of Human Resource Development (MHRD) visited the identified site at Narkura Budgam on 4th June 2017 for establishment of IIM out campus. Subsequently MHRD has advised for identification of alternate site as the land at Narkura is marshy and is submerged in 5 to 6 inch of water. The Divisional Commissioner, Srinagar has been requested to identify alternate suitable land for the establishment of IIM out campus.

#### **Latest Initiative**

- Government announced setting up of first Medical University in Jammu and Kashmir, which would cover 16 professional Medical Colleges and 113 para-medical institutes in the State.

#### **Technical Education**

The Government is committed to bring quality improvement, modernization and capability expansion in technical and vocational training to fulfill the expectations in achieving high productivity and to ensure better job opportunities and avenues for future youngsters.

#### **Polytechnics at a Glance**

There are 32 (24 Government + 8 private) polytechnics including 3 women in the state offering 3-year diploma after 10th in various Engineering & Non-Engineering Courses approved by AICTE, New Delhi. The intake capacity of these 32 polytechnics is 5835.

#### **ITI's at a Glance**

88 number of ITIs with intake capacity of 19500 are offering 2 year/ 1 year/6 months craftsman training in different Engineering & Non-Engineering trades approved by National Council for Vocational Training (NCVT), New Delhi and State Council for Vocational Training (SCVT), J&K.

The approved budget under the sector for the year 2017-18 is Rs 4141.12 lakh which include Rs 3114.00 lakh for Polytechnic sector and Rs. 1027.12 lakh for ITI sector against which an amount of Rs 1295.95 lakh and Rs 140.01 lakh stands utilized under Polytechnic and ITI sectors respectively upto ending 10/2017.

## **Polytechnic Sector**

### **Establishment of 18 New Polytechnics**

18 New Polytechnics sanctioned by the Govt. of India for the uncovered districts viz, Anantnag, Kulgam, Shopian, Pulwama, Budgam, Ganderbal, Bandipora, Baramulla, Kupwara, Kishtwar, Doda, Ramban, Reasi, Udhampur, Samba, Kathua, Rajouri & Poonch under Centrally Sponsored Scheme “Submission of Polytechnics-under Coordinated Skilled Development Initiative”. Polytechnics of district Rajouri and Pulwama established within the Campus of Baba Gulam Shah Badshah, University (BGSBU), Rajouri and Islamic University of Science & Technology (IUST), Awantipora respectively.

An amount of Rs 1230.00 lakh each (Rs 800.00 lakh has been approved for Civil Works & Rs 430.00 lakh for Equipment, Books, Furniture, LRs etc). Rs 14286.00 lakh stand released by MHRD, Gol, in addition to Rs 3790.00 lakh released by State Govt. as matching State Share. A total expenditure of Rs 17113.00 lakh including State Share of Rs 3723.00 lakh stand incurred upto 10/2017. 250 students have been placed in different agencies.

### **Up-Gradation Of Polytechnics**

6 Existing Polytechnic viz. Govt. Polytechnic Jammu, Govt. women Polytechnic Jammu, Kashmir Govt. Polytechnic Srinagar, Govt. women Polytechnic Srinagar, Govt. Polytechnic Leh and Govt. Polytechnic Kargil have been taken up under the Centrally Sponsored Scheme “UP-GRADATION OF POLYTECHNICS”. The approved project cost (GIA) is Rs 1036.00 lakh. Rs 770.00 lakh released by Gol against which Rs 711.36 lakh have been utilized ending 03/2017.

### **Women Hostels**

06 Women’s Hostels at Women Polytechnic Srinagar, KG Polytechnic Srinagar, Boys Polytechnic Jammu, Women’s Polytechnic Jammu, Polytechnic Kargil and Polytechnic Leh with estimated cost of Rs 100.00 lakh each were sanctioned under the scheme “Women’s Hostels in existing Polytechnics”. Against the total project cost of Rs 589.00 lakh, Gol has released Rs 470.00 lakh which stands utilized in full. All these hostels have been completed except Women Hostel at Leh which is under progress.

## **ITI Sector**

### **Vocational Training Improvement Project (VTIP)**

The objective of the scheme is to upgrade the selected existing ITIs into “Centers of Excellence (CoE)” for producing multi skilled workforce of world standard. 10 ITIs have been covered under the scheme. The project cost is Rs 2704.00 lakh. An amount of Rs 2392.59 lakh has been released which includes state share of Rs 661.59 lakh, out of which Rs 2186.02 lakh have been utilized including State share of Rs 558.18 lakh ending 10/2017. ITI Jammu & Srinagar upgraded as CoEs in Automobile Sector and ITI Anantnag upgraded as CoE in Electrical sector. ITI Srinagar entered into MoU with Maruti Suzuki for effective industry- institution interaction. ITI’s at Baramulla, Doda, Kishtwar, Rajouri, R.S.Pora,

Hiranagar & Kupwara have been taken for Up-gradation. 28 new trades units introduced and 69 trades upgraded so far in project ITIs increasing the intake capacity by 757 seats.

### Public Private Partnership (PPP) Scheme

The scheme “Up-gradation of 1396 Government ITIs through Public Private Partnership” was started by Government of India with the objective to improve the quality of the Vocational Training in the Country and make it demand driven, so as to ensure better employability of the pass outs. Under the scheme, 34 ITIs are covered from the State of J&K.

34 No. of ITIs Covered under the Scheme PPP are detailed as under:-

Phase-I	Udhampur	Samba	Kathua	Budgam	Pulwama	Ganderbal	
Phase-II	Reasi	Bandipora	Kulgam	Chari-e-Sharief	Sopore		
Phase-III	Poonch	Sunderbani	Mendhar	Leh			
Phase-IV	Tral	Shopian	Pattan	Uri	Handwara	Ramban	Bhaddu Billawar
Phase-V	Bhaderwah	Kangan	Pampore	Rohama	Lalpora	Kargil	
	Dharmari	Gool	Bhaleasa	Basholi	Kalakote	Surankote	

Rs 8500.00 lakh (+Seed money Rs 2431.00 lakh) have been released against which an expenditure of Rs 4233.00 incurred ending October 2017. Total expenditure including seed money is Rs 6664.00 lakh and Revenue /interest earned is Rs 3594.00 lakh.

Out of 98 trade units proposed for upgradation, 85 trade units have been upgraded and out of 128 new trade units proposed to be setup, 90 have been introduced in the Project ITI's. The intake capacity has increased by 2699 seats by introduction of new trades. Out of 34 workshop buildings, 26 workshop blocks stand completed and remaining 08 workshop buildings are under construction.

### Introduction of Hospitality related courses

- The Ministry of Tourism and Ministry of HRD, Gol sanctioned/extended the scheme “Introduction of Hospitality related courses in ITI” to the J&K State for its introduction in 6 ITIs at Srinagar, Jammu, Anantnag, Baramulla, Kishtwar & Udhampur.
- Technical Guidance for the implementation of the Project is provided by Institute of Hotel Management (IHM), Srinagar.
- Out of the total project cost of Rs 588.50 lakh, an amount of Rs 80.00 lakh per ITI has been released by Ministry of Tourism, Gol for 4 project ITIs viz. ITI Srinagar, Jammu, Baramulla & Udhampur. Besides, Rs 90.00 lakh & Rs 100.00 lakh has been released for ITI Kishtwar and ITI Anantnag respectively. Against the total released amount of Rs 510.00 lakh, an amount of Rs 487.87 lakh stand utilized upto ending 10/2017.

## Heritage Craft Courses

A large number of the people are connected with world famous heritage crafts of the State, such as, Paper Machie, Crewal Work, Carpet Manufacturing, Basholi Painting, Phulkari arts etc. But with the passage of time, these crafts have lost their sheen and appeal due to decline/lack of interest for their low economic benefits and negligence on part of the stakeholders. These crafts continue functioning under the informal sector. However, in order to energise and regulate these crafts as per the present trend of technology and vocational education, the state Govt. has made various sustained efforts by introducing incentives for the people associated and pursuing these heritage crafts. These efforts of the Govt. have given a flip to this sector again which shall translate into overall economic development of the state.

Different Heritage Craft courses viz. Wood Carving Skills, Shawl Weaving Embroidery, Paper Machie, Carpet Weaving, Basohli Shawl Weaving, Basohli Paining, Traditional Phulkari Arts have been introduced in 04 Polytechnics and 09 ITIs of the State for the first time on the directions of Former Hon'ble Chief Minister Jenab Mufti Mohammad Syed Sahib.

During the financial year 2017-18, out of the approved allocation of Rs 300.00 lakh under Capex Budget, funds to the tune of Rs. 150.00 lakh were released by the Govt. on account of Heritage Craft Courses, against which Rs. 32.60 lakh have been utilized upto ending 10/2017.

## Notable Achievements for the Year 2016-17

- 78 new job-oriented Trade units have been introduced in various ITIs on self financing basis to enhance the seating capacity which led to an increase of 1800 seats in ITI Sector including 1056 in Kashmir Division.
- The department has trained 530 youth in various ITIs in convergence with other departments/ organizations in the short-term courses of Driver-cum-Mechanic, Basic Wood Working, Accounts Assistant using Tally, Electrician Domestic, Arc and Gas Welder, Tailor and Plumber etc.
- The Regional Vocational Training Institute (RVTI) for Women is being set up for the first time in the State by the Ministry of Skill Development and Entrepreneurship, GOI at Jammu for empowerment of the women in the State.
- In order to give post training exposure to the trainees of ITIs, tie up with a number of local industries has been made for on-the-job training of the trainees.
- Production Centre for manufacturing Mixed Jam and Pickle etc. has been established at ITI Kulgam and ITI Pulwama to promote the Mission of Hon'ble Prime Minister viz. "Make in India".

- The Production Centres and Service Centres are also being run in various district ITIs during the current financial year to motivate the under training students to set up their employment generating units under Skill Development Mission.
- The tie up has been made with various financial institutions including JKEDI for organizing awareness camps/workshops in the ITIs to familiarize the trainees with various schemes available with them so that the trainees are got acquainted during the training period to start their self-generating units.
- The training programme of ITIs has been streamlined/strengthened by taking several initiatives like assigning of Project Work to the ITI trainees, conduct of Skill Competitions, Training of Trainers, Upkeeps of Training Facilities, Providing of Technical Books to trainees and Maintenance of Daily Dairies and Progress Cards.
- Conducting of skill development training in ITIs for tribal youth has been initiated in collaboration with Tribal Affairs Department 363 youth have been trained under the programme.

#### **Notable Achievements for the Year 2017-18**

- 100% admissions in Polytechnics have been made.
- 97% admissions have been made in ITIs of the State through MIS Portal.
- 78 new job-oriented Trade units have been introduced in ITIs on self financing basis to enhance the seating capacity by 1800 seats in ITI Sector.
- One private Skill Development Centre has been established by Auqaf Islamiaat Samba for conducting 5 demand driven courses thereby enhancing intake capacity by 150.
- Mega recruitment drive conducted by 13 national/multinational companies in Polytechnics for on-spot campus recruitment in which nearly 250 trainees appeared/selected.
- Three newly established Polytechnics viz. Samba, Kathua and Reasi were completed and inaugurated by Hon'ble Chief Minister on 10<sup>th</sup> July, 2017.
- Newly constructed Polytechnic college building at Ganderbal, constructed at a cost of Rs. 13.00 Crore in record period of two and a half years inaugurated by Hon'ble Minister for Technical Education/YSS Departments on 26-11-2017.
- Foundation stone of Workshop-cum-classroom block and of Residential Quarters for college faculty at Women Polytechnic College, Srinagar, coming up at cost of Rs 99.02 lakh and Rs 81.56 lakh respectively laid by Hon'ble Minister for Technical Education/YSS Departments on 15-10-2017.

- Various motivational and personality development programmes were organized under NSS, RED RIBON and at institutional levels.
- 10 day's workshop in collaboration with Micro Small and Medium Enterprises (MSME) conducted for promoting entrepreneurship in the state.
- 378 students were imparted skill development training in the identified crafts under Heritage Craft Courses/trades.
- Foundation stones of three newly established Polytechnics viz. Doda, Kishtwar and Udhampur were laid by Hon'ble Chief Minister on 10.07.2017.
- The tie-up has been made with various financial institutions viz. JKEDI etc. for organizing awareness camps/workshops in the ITIs to familiarize the trainees with various schemes available with them so that the trainees are got acquainted during the training period to start their self-generating units.
- One additional unit in respect of Electronics (self-financing 26 trainees) has been started in ITI Jammu thereby increasing the total intake capacity to 52 trainees.
- Intake capacity increased in ITI Jammu by way of opening of five additional units in trades viz. Stenography, COPA, Fitter, Mechanic Motor Vehicle and Draftsman Civil.

#### Major Initiatives for the year Year 2016-17

- **Introduction of Heritage Craft Courses:**

On the directions of Former Hon'ble Chief Minister Jinab Mufti Mohd Syed Sahib, Heritage Craft courses have been introduced in the various institutes as detailed below to promote the State Heritage Crafts.

Details of various courses			
Kashmir Division			
Name of the Institution	Name of the Course	Intake	Admissions
K. G. Polytechnic Srinagar	Wood Carving Skills	21	21
Women Polytech. Bemina	Shawl Weaving & Embroidery	21	21
ITI Srinagar	1. Wood Carving Skills.	21	21
	2. Paper Machie	21	
Women ITI Bemina	1. Carpet Weaving & Technology.	21	21
	2. Shawl Weaving & Embroidery	21	21
ITI Pattan	1. Carpet Weaving & Technology.	21	21
	2. Shawl Weaving & Embroidery	21	21
ITI Anantnag	Shawl Weaving & Embroidery	21	21

ITI Baramulla	Shawl Weaving & Embroidery	21	21
	<b>Total-A:</b>	210	126
<b>Jammu Division</b>			
Govt. Polytechnic Jammu	Basohli Paintings	21	21
Govt. W. Polytechnic Jammu	Traditional Phulkari Arts	21	21
ITI Jammu	Basohli Paintings	21	18
	Traditional Phulkari Arts	21	21
ITI Kathua	Basohli Paintings	21	21
	Traditional Phulkari Arts	21	21
ITI Poonch	Traditional Phulkari Arts	21	21
ITI Basohli	Basohli Shawl Weaving	21	21
	<b>Total-B:</b>	168	165
	<b>Total- A+B</b>	378	375

- Major industrial establishments have been identified in consultation with District Industries Centres after conducting the market survey for location of seats for various courses under Apprenticeship Training Scheme so that it may be possible to desirous trainees to receive the training for their gainful employment at their door steps.

#### Year 2017-18

- Skill Development**

For the first time in the history of Technical Education Department, serious efforts are being made to ensure result oriented Skill Development Programmes which on the one hand envisages imparting meaningful training to the educated youth for their gainful employment and on the other hand, providing requisite workforce to the local industry so as to contribute to the development of the country as a whole. To achieve this objective, Directorate of Technical Education J&K established the concept of placement Cells in its various institutes including the Directorate. The thrust area of the placement cells is to act as a junction between the private sector and the produce of the ITI's. The area of operation includes coordination between the two services with result oriented placement of technocrats the relevant industrial field. Thus the placement cells are now functional in all the ITIs and provincial Deputy Directorates as well as Directorate of Technical Education and the ITI students are tracked and placed in good number.

An amount of Rs 2000.00 lakh has been earmarked for achievement of the set targets during 2017-18.



Physical Targets and Achievements- 2016-17							
Sector/ Head of Development : ITI /Polytechnic Sector/ Director Technical Education							
S. No.	Item	Unit	Targets 2016-17	Achievements 2016-17			
				1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
<b>Polytechnic Sector</b>							
1	Construction of New Polytechnics	Nos.	7	0	0	2	2
2	Sanction intake (Govt. Polytechnics)	Nos.	6104	0	6104	4800	5101
<b>ITI Sector</b>							
1	Construction of New ITI's	Nos.	0	0	0	0	0
2	Sanction intake (Govt.+Pvt. ITI's)	Nos.	15000	0	Adm. under Process	10800	13200
3	III-Apprenticeship Training Scheme	Nos.	370	250	250	250	321
4	Heritage Craft Courses	Nos.	378	0	375	375	375

Quarterly Financial Progress Report for the year 2016-17											
Sector/ Head of Development : craftsmanship-ITI /Polytechnic Sector/ Director Technical Education (Rs in lakh)											
S.No.	O.B.J. ID	Object Of Expenditure	Authorized outlay 2016-17	Expenditure during 2016-17				%age Expdt. 2016-17			
				1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
<b>Polytechnic Sector (Capital)</b>											
1	510	WORKS (Ongoing)	1874.00	50.00	53.76	923.00	1760.26	13.37	14.37	49.25	93.93
2	520	Works (New)	20.00	0.00	0.00	0.00	20.00	0.00	0.00	0.00	100.00
3	530	Land Compensation	115.56	0.00	42.50	85.00	115.00	0.00	50.00	73.55	99.52
4	540	Maintenance And Repairs	50.00	0.00	0.00	10.00	49.15	0.00	0.00	20.00	98.30
5	550	Material And Supplies	50.00	8.00	9.70	25.00	40.58	16.00	19.40	50.00	81.16
6	570	Machinery And	28.00	6.00	7.00	15.00	25.11	17.14	20.00	53.57	89.68

		Equipment Including State Share For Solar Power Plant									
		<b>TOTAL</b>	<b>2137.56</b>	<b>64.00</b>	<b>112.96</b>	<b>1058.00</b>	<b>2010.10</b>	<b>10.42</b>	<b>18.40</b>	<b>49.50</b>	<b>94.04</b>
<b>Craftsmanship/ITI Sector (Capital)</b>											
1	510	Works (ongoing)	610.38	152.00	152.00	275.00	294.26	24.90	24.90	45.05	48.21
2	520	Works (new)	63.00	0.00	0.00	0.00	24.60	0.00	0.00	0.00	39.05
3		Land compensation	300.00	0.00	0.00	0.00	200.00	0.00	0.00	0.00	66.67
4	540	Maintenance and repairs	53.74	0.00	19.23	24.00	38.27	0.00	35.78	44.66	71.21
5	550	Material and supplies	100.00	16.00	16.40	40.00	83.20	16.00	16.40	40.00	83.20
6	570	Machinery and equipment/ state Share for VTIP Scheme	200.00	3.00	3.00	15.00	103.20	1.50	1.50	7.50	51.60
7		Heritage Craft courses	1500.00	30.00	70.00	85.00	77.31	20.00	46.67	56.67	51.54
		<b>TOTAL</b>	<b>1477.12</b>	<b>201.00</b>	<b>260.63</b>	<b>439.00</b>	<b>820.84</b>	<b>17.08</b>	<b>22.14</b>	<b>29.72</b>	<b>55.57</b>
<i>Rs 1500.00 lakh received as additionally for const. of new Polytechnics</i> <i>RS 30.56 lakh received as additionality as land compensation of Poly Doda</i> <i>Rs 300.00 lakh received as additionally for land compensation of ITI Ramban.</i> <i>An amount of Rs.150.00 lakh received as additionality for Introduction of Heritage craft courses.</i>											

<b>Physical Targets and Achievements- 2017-18</b>										
<b>Sector/ Head of Development : ITI /Polytechnic Sector/ Director Technical Education</b>										
S. No.	Item	Unit	Targets 2017-18	Achievements 2017-18						
				1st Qtr	2nd Qtr	3rd Qtr (upto 10/2017)				
<b>Polytechnic Sector</b>										
1	Construction of New Polytechnics	Nos.	6	2	3	3				
2	Sanction intake (Govt. Polytechnics)	Nos.	3265	Admission in process	3265	3265				
<b>ITI Sector</b>										
1	Construction of New ITI's	Nos.	1	NIL	NIL	NIL				
2	Sanction intake (Govt.+Pvt. ITI's)	Nos.	15000	Admission in process	2314	2314				
3	III-Apprenticeship Training Scheme	Nos.	175	NIL	43	43				
4	Heritage Craft Courses	Nos.	378	Admission in process	Admission in process	151				
<b>Quarterly Financial Progress Report for the year 2017-18</b>										
<b>Sector/ Head of Development : craftsmanship-ITI /Polytechnic Sector/ Director Technical Education</b>										
<b>(Rs in lakh)</b>										
S. No.	OB J. ID	Object Of Expenditure	Approved outlay 2017-18	Authorized outlay 2017-18 Upto 10/2017	Expenditure during 2017-18			%age Expdt. 2017-18 (against authorized outlay)		
					1st Quarter	2nd Quarter	3rd Quarter upto 10/2017	1st Qtr	2nd Qtr	3rd Quarter upto 10/2017
<b>Polytechnic Sector (Capital)</b>										
1	510	Works (Ongoing)	2558.82	1279.41	95.00	869.00	1230.20	7.43	67.92	96.15
2	520	Works (New)	344.37	172.18	0.00	27.20	37.30	0.00	15.80	21.66
3	530	Land Compensation	30.00	15.00	0.00	0.00	0.00	0.00	0.00	0.00
4	54	Mainten	60.00	30.00	0.00	11.10	12.40	0.00	37.00	41.33

	0	ance And Repairs			0					
5	55 0	Material And Supplies	60.00	30.00	0.0 0	10.20	16.05	0.00	34.00	53.50
6	57 0	Machine ry And Equipme nt	60.81	30.40	0.0 0	0.00	0.00	0.00	0.00	0.00
		<b>TOTAL</b>	<b>3114. 00</b>	<b>1556.9 9</b>	<b>95. 00</b>	<b>917.5 0</b>	<b>1295.9 5</b>	<b>6.10</b>	<b>58.92</b>	<b>83.22</b>
<b>Craftsmanship/ITI Sector (Capital)</b>										
1	51 0	Works (ongoing )	204 .60	102.3 0	0.00	39.65	41.08	0.00	38.75	40.15
2	52 0	Works (New)	132 .52	66.26	0.00	26.00	30.26	0.00	39.23	45.66
3	53 0	Land Compen sation	100 .00	50.00	0.00	0.00	0.00	0.00	0.00	0.00
4	54 0	Mainten ance And Repairs	70. 00	35.00	0.00	15.20	15.52	0.00	43.42	44.34
5	55 0	Material And Supplies	120 .00	60.00	0.00	16.00	20.55	0.00	26.66	34.25
6	57 0	Machine ry And Equipme nt/State Share for VTIP	100 .00	50.00	0.00	0.00	0.00	0.00	0.00	0.00
7		Heritage Craft courses	300 .00	150.0 0	0.00	21.35	32.60	0.00	14.23	21.73
		<b>Total</b>	<b>102 7.1 2</b>	<b>513.5 6</b>	<b>0.00</b>	<b>118.2 0</b>	<b>140.01</b>	<b>0.00</b>	<b>23.01</b>	<b>27.26</b>

## Youth Services And Sports

Government of India is focusing on creating sports related infrastructure and providing requisite sports materials to the students in promoting various games & sports and its related activities, to achieve the desired goals. The area of activities has increased both in terms of the number of activities and the participation of school children in these events. The competitions are being conducted under the age groups 14, 17 & 19 yrs Boys & Girls in about 57 sports disciplines right from School Level to National Level. The participation at National Level Championship organized by the School Games Federation of India has expanded manifolds.

### The Department organizes following events (Youth Services)

Trekking/Rock Climbing/Rural Sports Mellas/ Cultural Items/  
Ski-Courses/ Cross country race/ Cycle race/ Seerat conferences/ Training of Yoga.

### Major Activities of the Department:

- i. To organize competitions in various sports disciplines: At Inter-School, Inter-District, Divisional Level and State Level in the different age groups through Physical Education Teachers, Masters and Lectures posted in different School from Middle to Higher Secondary Level and coordinated by Zonal Physical Education Officers.
- ii. To impart training in Mass Physical Display in schools and at ceremonial functions.
- iii. To improve physical fitness/efficiency of all school going children by way of their participation in extra-curricular activities at different levels
- iv. To impart coaching to the selected state probable's in all the sports disciplines at District, State and National Level for the competition organized by School Games Federation of India.
- v. To develop Sports Infrastructure in the schools of the state under District/State Plan.
- vi. To organize special programs of Snow Skiing at Gulmarg during winter, Archery and Ice Hockey at Leh and Kargil.
- vii. To organize competitions of Water Sports at Water Sports Centre Nehru Park, Srinagar.
- viii. To take advantage of potential prospects of the State of J&K in the field of Adventure Sports like Mountaineering, Trekking and Rock Climbing.
- ix. Also to organize Inter-State Trekking in collaboration with Youth Hostel Association of India and other Non Governmental Agencies.
- x. To inculcate the spirit of scouting and character building in youth through their participation in the activities of Scouting & Guiding.

- xi. Approximately 2.33 lakh student players both Boys & Girls participated in different sports disciplines at various levels (Domestic Competitions) during current financial year ending 10/2017.

Achievements of the Department during the year, 2016-17 & 2017-18									
Category of Achievement		2016-17				2017-18			
Domestic Level	Division	Boys	Girls	Total		Boys	Girls	Total	
	Jammu	51213	347422	105955		96453	51682	148135	
	Kashmir	93498	45042	138540		53746	30938	84684	
	Total	164711	79784	244495		150199	82620	232819	
National Level	No of Sports Disciplines	49				57			
	Participation	Boys	Girls	Total		Boys	Girls	Total	
		1090	788	1878		286	307	593	
	Medals Achieved	Gold	Silver	Bronze	Total	Gold	Silver	Bronze	Total
16		30	72	118	05	05	27	37	
Hosting of National School Games in the State	Sports Discipline	62nd National School Games held at Jammu-Participation				63rd National School Games held at Jammu-Participation			
	Football U-19 yrs Boys	29 States/UTs/Organizations 550 Participants				--			
	Cricket U-17 yrs Girls	12 States/UTs/Organizations 189 Participants				--			
	Tennis Cricket U-19 Yrs Boys & Girls	12 States/UTs/Organizations 256 Participants				--			
	Football U-17 Yrs Boys w.e.f 11-15, Dec. 2017	--				35 States/UTs/Organizations 661 Participants			
	Wushu U-17 & 19 Yrs Boys w.e.f 19-23, Dec. 2017	--				15 States/UTs/Organizations 280 Participants			

The Department Awarded an amount of Rs. 27.65 Lakh as Sports Scholarship to 1208 Student Players (Boys & Girls) of the State who won Medals and Participate in School National Level Competitions in 2016-17.

#### Physical/Financial Progress of 2016-17 & 2017-18 (ending Oct, 2017)

During the financial year 2016-17 an amount of Rs 946.22 lakh was sanctioned for undertaking various activities comprising mainly for Development of Play fields for schools, Construction of college of Physical Education at Ganderbal, Machinery /Equipment and Maintenance of Capital assets, etc. Against which an amount of Rs 923.79 lakh were utilized

for the specified purpose .During the year development and completion of 96 no of play fields were achieved ending 03/2017. An amount of Rs 384.20 lakh was utilized for construction/completion of Physical Education College at Ganderbal during the year 2016-17. During the year 2017-18 out of Rs 695.00 Crore sanctioned by Administrative department an amount of Rs. 240.25 crore have been utilized till October, 2017. In 2017-18, against the target of 70 no of play fields only 02 have been developed ending October 2017.

The Department has following limited infrastructure available to channelize the talent of the Youth to the best.

- Youth Hostel Srinagar: Having the Capacity of 400 participants
- Youth Hostel Patnitop: Having the capacity of 300 participants
- Youth Hostel Nagrota: Having the capacity of 400 participants
- Indoor Hall Leh: Having the capacity of 200 participants
- Indoor Hall Kargil: Having the capacity of 200 participants
- Mini Sports Stadium Kulgam
- Hutment at Gulmarg.

#### **Major on-going Projects**

##### ➤ **Construction of New Campus for College of Physical Education at Gadoora, Ganderbal**

- 210 Kanals of land acquired for the purpose.
- Against the estimated cost of Rs. 30.39 Crore, an amount of Rs. 24.09 crore has been advanced to JKPCCL Ltd. as on ending 03/2017. During the current year 2017-18, an amount of Rs. 243.00 lakh has been approved for the purpose. Most of the works have already been completed and the rest of works are in advance stage of completion.
- The Department has also proposed to take up the execution of Phase II of the new Campus costing Rs 43.533 crore during next financial year 2018-19, after the completion of Phase I.

##### ➤ **Development of Playfields**

- As many as 603 playfields were developed during the last three Years under State Sector as well as District Sector.
- During the year 2016-17, 241 No. School Playfields were developed under District/State Sector.
- During the year 2017-18, 118 No. of new School Playfields have been taken up for development under State Sector. An amount of Rs. 150.00 lakh has been approved for the purpose under Capex Budget 2017-18.
- The Department contemplates to construct 22 number of volley Ball courts spread over the state, one in each district, at an aggregate cost of Rs 176.00 lakh. An amount of Rs

75.00 lakh has been made available for the purpose. The works in five numbers of Volley Ball Courts is under progress.

- Implementation of Centrally Sector Scheme Let's Play under Khelo-India, Foot Ball, has been introduced for age groups 6 years to less than 19 years Boys & Girls (students/Non students) at Zonal/District/State Level in the State at an estimated cost of Rs. 649.14 lakh, wherein 67814 student/youth are expected to take part. So far 53000 number of Boys & Girls (students/Non students) in 199 zones have been registered on line. The scheme was formally launched at Srinagar on 11-10-2017 by the Hon'ble Minister TE/IT/YSS Department.

### **Establishment Part**

- 469 Physical Education Teachers have appointed by this Department on the recommendations of J&K Services selection Board from 03/2016 till date, out of which 108 candidates were appointed during the year 2017-18.
- "Policy for Rehbar-E-Khel" has been adopted in the State by the Govt vide Cabinet Decision No. 196/12/2017 dated 23-10-2017 and Government order No. 141-Edu (YSS) of 2017 dated 27-10-2017 where in 3000 positions have been created for engagement of Graduate/Post-Graduate trained Physical Education Candidates at the monthly honorarium of Rs. 3000/- for the first two years and Rs. 4000/- for third to seventh year. An amount of Rs. 93.60 crore shall be utilized for a period of seven years on account of honorarium on the said scheme.

As the Department has the vast mandate by way of organizing various sports events at different levels and development of infrastructure, but the meager allocation of funds is the main weakness/impediment that is a matter of concern and needs to be addressed.

### **J&K State Sports Council**

Mega Projects have been taken up by J&K State Sports Council in the State for promotion of Sports which shall be equipped with modern type of Infrastructure facilities

#### **1. Construction of Indoor Sports Halls in J&K under PMDP**

Construction of 22 Indoor Sports halls have been taken-up under PMDP the state at the approved cost of Rs. 4.00 crore per hall at Pulwama, Kulgam, Anantnag, Ganderbal, Bandipore, Kupwara, Handwara, Jammu, Udhampur, Kathua, Samba, Budgam, Baramulla, Srinagar, Kishtwar, Ramban, Doda, Poonch, Reasi, Kargil, Rajouri and Shopian.

#### **2. Up-gradation Existing Stadiums**

The Govt. of India has approved up-gradation of M.A. Stadium, Jammu and Bakshi Stadium Srinagar at the cost of Rs. 40.00 crore and Rs. 44.00 Crore respectively under PMDP. The work has been taken-up by the NPCC.



### **3. Up-gradation of Sports Stadiums**

The up-gradation of Sports Stadiums at Poonch and Rajouri, has been taken-up by the Sports Council at the cost of Rs. 2.00 crore each under PMDP. The works are in progress.

### **4. Construction of Indoor hall at Pologround West, Srinagar**

Construction of Indoor Sports hall at Pologround West, Srinagar has been taken-up at the cost of Rs. 3.00 crore. The structure has been raised and steel truss work is in progress.

### **5. Construction of New Indoor Sports Stadium /Complex**

Under the Govt. of India Scheme (NSDF), the Construction work of Indoor Stadium at Baramulla in the premises of Mini Stadium, Baramulla near Govt. Degree College at the approved cost of Rs. 6.00 crore and Construction of New Indoor Sports Complex at M. A. Stadium, Jammu at the approved cost of Rs. 6.00 crore is nearing completion. Indoor Sports Complex at M.A. Stadium will be commissioned shortly.

### **6. Providing of light system at TRC grounds and Gani Memorial Stadium, Rajouri kadal, Srinagar**

The installation of lighting system at TRC ground, Srinagar and Gani Memorial Stadium, Rajouri kadal, Srinagar has been approved under PMDP. The work at TRC ground has been allotted and work at Gani Memorial Stadium, Rajourikadal will be allotted shortly.

### **7. Construction/ Development of Sports Stadiums**

Under the commitment of Hon'ble Chief Minister the work is in progress for the Construction of Sports Stadium at Gogo Rangreth, Srinagar and Magam, Beeru, taken-up at the cost of Rs. 266.38 lakh and Rs. 275.00 lakh respectively.

The Development of Sports Stadium at Basohli, Kathua, has also been taken-up. The project cost is Rs. 150.00 lakh. The earth work at the field has been taken-up at the cost of Rs. 10.00 lakh in phase-I.

### **9. Construction of Squash Court at Multi Sports Centre, Gindun, Rajbagh, Srinagar**

The Multi sports Centre, Gindun, Rajbagh, Srinagar has been developed by way of providing of courts for Tennis, Basketball and football ground, restoration of cafeteria, library. The work on construction of Squash Court is in progress at the cost of Rs. 50.62 lakh.

### **10. Development of playing fields**

Under Hon'ble Chief Minister's Commitment, the development work of Playing fields taken up under at Chewa Khurd, Pulama at the cost of Rs. 82.00 Lakh is in progress and at Nelundruss Bijbehara at the cost of Rs. 90.72 lakh is nearing completion.

The work for development of playing fields at Harinambal, Natipora, Srinagar taken up at the cost of Rs. 48 lakh and at Lasjan Srinagar at the cost of Rs. 34.00 lakh is near completion. The development work has been taken up for new playing fields at Tulmulah, Pulwama



## Chapter 3.3

# Health

Government is/has taken various initiatives in health sector to provide quality health care facilities to the people of the state despite several constraints like; financial resources, difficult topography/ terrain, poor road connectivity, low presence of private sector and also making it accessible, affordable to all especially to under-served and under-privileged segments of the population.

The state has been able to bring down Infant Mortality Rate (IMR) of the State by 8 points from 34 to 26 in a single year which is highest among all states. Total Fertility Rate (TFR) has also come down from 1.7 to 1.6 during the year 2016-17. Early Neonatal Mortality Rate has dipped from 22 in 2014 to 18 in 2015. Neonatal Mortality Rate has declined from 26 in year 2014 to 20 in 2015. Under 5 Mortality Rate reduced from 35 in 2014 to 28 in 2015.

As per National Family Health Survey (NFHS), Mother and child health indicators in the State have improved during the year 2016-17 and are relatively better than the national average.

At present there are 5534 health institutions in the state (4433 Govt. and 1101 private). The bed capacity at tertiary care hospitals has risen to 5083 beds. At secondary level the bed strength has rose to 9339 beds by way of constructing new building infrastructure and additional accommodation over or adjacent to the existing infrastructure.

The patient load on the public health institutions has increased tremendously over the years. The following below table gives details of patient load on health institutions:

Patient Load on health institutions								
S. No	Particulars	Unit	2012-13 (March 2013)	2013-14 (March 2014)	2014-15 (March, 2015)	2015-16 (March, 2016)	2016-17 (March, 2017)	2017-18 (Oct., 2017)
1	OPD*	lakh	226.16	259.94	263.54	281.53	287.21	181.68
2	IPD	lakh	9.93	12.45	10.90	11.34	11.21	7.99
3	Major Surgeries	lakh	1.18	1.47	1.17	1.32	1.29	0.84
4	Minor Surgeries	lakh	4.06	4.93	5.48	6.02	6.50	4.57
5	Institutional Deliveries	%	86.91	83.77	85.10	82.99	85.64	93.24

\*OPD patients include old and new cases, ante-natal check-up, Immunization etc. during a year.

The doctor patient ratio in our State is 1:1658 as against the recommended norm of 1:1000 of World Health Organization (WHO). To address the shortage of manpower, additional manpower in health sector has been hired on contractual basis under “National Health Mission” in J&K State.

The number of doctors in the state is 39892, out of which 2455 posts are falling vacant. The supplementary manpower under NHM is 7014 comprising of 38 specialists, 557 MBBS doctors, 872 AYUSH doctors, 16 dental surgeons, 5531 paramedics.

The gains of the flagship programme of National Rural Health Mission (NRHM) have now been extended to the poor and vulnerable urban population with the launch of National Urban Health Mission (NUHM) to promote universal access to a continuum of health services. NRHM has now been renamed as National Health Mission (NHM) with two sub-missions, viz; National Rural Health Mission (NRHM) and National Urban Health Mission (NUHM), which will cover the villages as well as towns.

### **Immunization Programme**

Immunization of children is one of the important interventions to reduce child mortality and morbidity. Immunization programme launched in the year 1978 is continuing till date to protect the children against seven killer diseases i.e. Tuberculosis, Tetanus, Pertusis, Diphtheria, Poliomyelitis, measles and Hepatitis B.

### **National AYUSH Mission**

The mission is meant to provide an option to the patient of choosing either the allopathic system or the traditional Indian system of medicine for which the department has provided one ISM doctor at each PHC in addition to the existing MBBS Doctors. The drugs are also being provided for all PHCs, selected CHCs and District Hospitals where AYUSH units have been set up by the Govt.

### **National Health Mission (Flagship Scheme)**

#### **Child Health**

Special New Born Care Units (SNCUs) have been set up in SKIMS Soura, 20 District Hospitals and 3 CHCs. New Born Stabilization Units (NBSUs) in 76 Community Health Centres (CHCs). New Born Care Corners (NBCCs) in 281 Delivery Points.

#### **Maternal Health**

Maternal Health Schemes like “Janani Suraksha Yojna (JSY)” and “Janani Shishu Suraksha Karyakram (JSSK)” are aimed (i) to focus on promotion of institutional deliveries, (ii) to improve the Maternal Mortality Ratio (MMR) & (iii) to reduce out of pocket expenditure.

#### **Janani Suraksha Yojna (JSY)**

To promote institutional deliveries for better maternal and child health care, incentive @ Rs. 1400/- in rural areas and Rs. 1000/- in urban areas is given to pregnant women delivering in

Govt. health institutions. ASHA workers are provide Rs. 600/- as incentive for ensuring complete ANCs and escorting the pregnant women during delivery to health institutions.

### **Janani Shishu Suraksha Karyakaram (JSSK)**

All pregnant women delivering in public health institutions and sick infants (upto 1 year) are exempted from all user charges i.e. zero out of pocket expenses. 168317 pregnant women and 44775 sick infants were benefited in the financial year 2016-17. During the current financial year 2017-18, 92415 pregnant woman and 27157 sick infants have been benefitted under the scheme till date.

### **Pradhan Mantri Surakshit Matritva Abhiyan (PMSMA)**

Under “Pradhan Mantri Surakshit Matritva Abhiyan (PMSMA)” introduced in the year 2016-17 fixed day specialized antenatal care (during 2<sup>nd</sup> and 3<sup>rd</sup> trimester) to pregnant women on 9<sup>th</sup> of every month is provided. 146489 pregnant women have received specialized Antenatal checkups till date including 14167 during the current financial year 2017-18 upto 10/2017. 4554 high risk pregnancies were identified and managed/ referred which includes 1585 during the current financial year 2017-18 upto 10/2017.

11 doctors from private sector registered on Pradhan Mantri Surakshit Matritva Abhiyan portal but only 4 of them are fully motivated & providing voluntary services.

Cooked meals being provided to the pregnant women (PW) at PMSMA sites in convergence with Integrated Child Development Scheme (ICDS) department initially in some districts, subsequently to be extended to all the districts.

### **Rashtriya Bal Swasthya Karyakaram (RBSK)**

To improve the overall quality of life of children (0-18 years) through early detection and free treatment (4 diseases) four Ds viz, Birth Defects, Disease, Deficiencies, Development Delays including Disability.

Each Block is covered by two mobile/school health teams with 02 doctors (AYUSH) - 01 male and 01 female, 01 ANM and 01 Pharmacist. 234 teams stands created for 117 medical blocks.

“District Early Intervention Centres” equipped with skilled manpower have been set up for every District Hospital to manage the 4Ds. 21.14 lakh children were screened during 2016-17 and 14.37 lakh children screened during 2017-18 (ending 10/2017). 4.60 lakh children found positive for Identified Health Conditions out of which 2.98 lakh children were referred to higher institutions for treatment. An amount of Rs. 279.95 lakh stands provided under NHM for treatment of these children.

### **Mobile Medical Units**

11 MMUs provided in Districts i) Kupwara, ii) Anantnag, iii) Baramulla, iv) Leh, v) Udhampur, vi) Rajouri, vii) Doda, viii) Poonch, ix) Ramban, x) Reasi & xi) Kishtwar. These units are equipped with diagnostic facilities like Lab and X Rays in addition to provisioning for

examination of patients. 1775 villages were covered by MMUs in 2016-17 covering 90999 beneficiaries and 3745 investigations done (Lab tests/ X-rays).

### **Notable Achievements during 2016-17 & 2017-18**

Establishment of 05 new Medical Colleges in the State at Kathua, Doda & Rajouri in Jammu Division and Baramulla & Anantnag in Kashmir Division. 03 Medical Colleges at Anantnag, Baramulla and Rajouri have been taken up for construction. Rs. 45.03 Crore @ Rs. 15.01 Crore per college, released by GoI during 2016-17 for the purpose, which stands placed at the disposal of executing agencies. Besides, Rs. 2.10 Crore (@ Rs. 0.70 Crore per College) were also released as State Matching Share under Capex Budget 2016-17 to the executing agency. During the year 2017-18, Govt. of India provided Rs. 147.00 Crore @ Rs. 15.00 Crore per college viz. Anantnag, Baramulla and Rajouri and @ Rs. 51.00 Crore for Medical College, Doda and Kathua. Rs. 3.40 Crore were also provided as State Share for these colleges under Capex Budget 2017-18. Medical College Doda and Kathua has been approved by Govt. of India and Hon'ble Union Health Minister has laid the foundation stone of both these Medical Colleges on 10<sup>th</sup> of June, 2017. The work of both these Medical Colleges have put to tenders.

### **Indira Gandhi Govt. Dental College/ Hospital Jammu**

Indira Gandhi Govt. Dental College/ Hospital Jammu has been completed at a cost of Rs. 37.81 Crore and made functional during the year 2016-17.

### **Critical Care Ambulances**

21 Critical Care Ambulances have been arranged with the objective to meet the requirement of accidental and emergency cases. These ambulances shall be deployed at National Highways and District Hospitals to enhance health care delivery system during accidents and emergencies after the completion of retrofitting and installation of GPRS System.

### **Restoration of damaged infrastructure by floods 2014**

#### **G. B. Pant Hospital Srinagar**

Blood bank and laboratory facilities, damaged during September, 2014 floods have been restored at a cost of Rs. 1.35 Crore. An amount of Rs. 294.85 Crore was provided under Prime Minister's National Relief Fund (PMNRF) for restoration of damaged infrastructure and replacement of damaged hospital equipments.

#### **Super Specialty Hospital at Srinagar**

Under Pradhan Mantri Swasthya Suraksha Yojna (PMSSY), Super Specialty Hospital Srinagar has been completed at a cost of Rs. 135.00 Crore for operationalizing Super-Specialties like Neuro Surgery, Cardio Vascular Thoracic Surgery, Plastic Surgery, Urology, Neurology, Cardiology, Gastroenterology, Nephrology.

To reduce manual interface and bring transparency in the system, online licensing and registration of food business operators has been started.

### **Food Safety Appellate Tribunals (FSAT)**

Two Food Safety Appellate Tribunals one each in Kashmir and Jammu, has been established along with creation of supportive staff of 20 posts to stop food adulteration and to fast track the process of litigation.

### **Strengthening of Nursing Services**

The building infrastructure for 11 ANM/ GNM Schools have been established in various districts of the State under Centrally Sponsored Scheme “Strengthening of Nursing Services” at a cost of Rs. 37.95 Crore. These Schools are complete in all respects and ready for inauguration.

During the year 2016-17, the classes with an in-take capacity of 300 seats, at 06 ANM/GNM Schools viz, GNM School at Pulwama, Kulgam, Akhnoor and ANM School at Bandipora, Reasi, Kishtwar has been started.

02 GNM schools at Udhampur, Kargil and 03 ANM schools at Budgam, Ramban, Shopian are in final stage of completion.

In phase-II, 10 more ANM/ GNM Schools at Baderwah, Anantnag, Kathua, Doda, Ganderbal, Billawar, Thanamundi, Surankote, Kokernag & Rajouri are being established in the State under Centrally Sponsored Scheme “Strengthening of Nursing Services” at a cost of Rs. 23.56 Crore, which stands released in full.

### **Free Drug Policy**

Free Drugs Service has been implemented in the State and Free Drug Policy has been notified where under drugs are provided free of cost to the patients approaching various Government health institutions. 68 drugs for District Hospitals/Community Health Centres, 53 for Primary Health Centres and 23 for Sub-centres have been notified.

### **Impact of various schemes/ programmes on the economy of the State**

With the implementation of various schemes/ programmes in the state, tremendous impact is witnessed on the following:

- i. The Infant Mortality Rate (IMR) has fallen from 34 in 2014 to 26 in 2016. Total Fertility Rate (TFR) has also come down to 1.6 from 2.3.
- ii. The Leprosy and Polio are near elimination. As a result of various interventions taken up under NRHM, mother and child health indicators in the State except few have improved and are relatively better than the national average.
- iii. Improvement of Health Care facilities in far flung and inaccessible areas of the State by way of following majors:

- a. Providing additional manpower of doctors and paramedicals under National Health Mission.
- b. Financial incentives to the doctors serving in far-flung/ difficult areas.
- c. Deployment of high end Medical Mobile Units (MMU) to provide basic health care facilities to people residing in difficult areas.

### **Major Initiatives undertaken during the year 2016-17 and its conceptualization during 2017-18**

Ministry of Health & Family Welfare, Govt. of India has approved establishment of AIIMS at Awantipora, Pulwama and Vijaypur Samba at a cost of Rs. 4000 Crore (@ Rs. 2000 Crore each). CPWD has been engaged as executing agency by the Gol. For the purpose, land measuring 1886 kanal & 05 marlas at Awantipora, District Pulwama in Kashmir Division and land measuring 2161 Kanal & 08 Marlas of land at Vijaypur, District Samba in Jammu Division stands transferred in favour of H&ME Department.

#### **State Cancer Institutes**

Two State Cancer Institutes are being set up at the cost of Rs. 120.00 Crore each at SKIMS Soura, Srinagar and GMC, Jammu.

#### **Tertiary Cancer Care Institutes**

03 Tertiary Cancer Care Institutes were approved by Gol for Kishtwar, Udhampur, Kupwara. Under NPCDCS @ Rs. 45 crore per facility. Govt of India is asking for revised MoU and a certificate from BARC which is under process.

#### **Pradhan Mantri National Dialysis Programme**

10 District Hospitals (Anantnag, Baramulla, Kupwara, Pulwama, Leh, Udhampur, Doda, Kishtwar, Kathua and Rajouri) have been identified for implementation of "Pradhan Mantri National Dialysis Programme". These District Hospitals shall be identified on the basis of footfall.

Dialysis Machines are being provided by the Ministry of Health & Family Welfare. Request for Proposal (RFP) for Public Private Partnership (PPP) between State Government and service provider is being uploaded for e-tendering. The space and necessary infrastructure for establishment of dialysis units in the selected District Hospitals is being provided during 2017-18.

#### **Free Diagnostic Services**

The diagnostic services viz. X-Ray, Lab Tests, ECG, USG, Urine tests, Blood tests etc shall be provided free of cost to the BPL patients and senior citizens. Whereas, the other patients have to pay the nominal user charges for various diagnostics.

The process for implementation of Free Diagnostic Services in the State in line with the Government of India Policy has also been initiated and will be implemented during the



current financial year 2017-18. Besides, budgetary provision of Rs. 5.00 Crore has been provided during 2016-17 for the purpose.

### **Establishment of Model Hospitals**

To ease the burden of existing tertiary care hospitals, proposal for establishment of 22 Model Hospitals alongwith residential quarters tentative cost around Rs. 165.00 Crore @ Rs. 7.50 Crore per model hospital (Rs. 4.50 Crore procurement of CT Scan machine and Rs. 3.00 Crore for execution of civil works) was formulated. However, in the initial phase, only two Sub District Hospitals viz. SDH Basholi, Kathua and SDH Dooru, Anantnag have been taken up on pilot basis and these model hospitals shall be made fully functional during 2017-18.

During the current financial year, the department has formulated a proposal for establishment of 87 new Model Health centers (one in each constituency) involving financial implication of Rs. 544.98 Crore.

### **Opening of Nursing Colleges**

To strengthen the availability of nursing skills, the department has proposed establishment of 10 Nursing Colleges at Jammu, Basohli, Udhampur, Poonch & Kishtwar in Jammu division and Srinagar, Budgam, Anantnag, Sopore & Baramulla in Kashmir division tentative cost around Rs. 30.00 Crore.

The proposal has been approved under PMDP and necessary civil works will be taken up during 2017-18. These colleges are likely to be made functional during 2018-19 subject to release of appropriate funds from Govt. of India.

### **Strengthening of Food Testing Laboratories**

To reduce the food adulteration, 05 well equipped Mobile Food Testing Vans have been procured through J&K Medical Supplies Corporation and during the year 2017-18 shall be deployed to Srinagar/ Jammu.

Besides, Rs. 6.00 Crore have been released for strengthening of existing Food Testing Laboratories at Jammu/Srinagar during the year 2016-17. Moreover, drug testing laboratories are also being upgraded under central assistance of Rs. 34 Crore against which Rs. 13 Crore has been released by Gol as 1<sup>st</sup> installment. These labs shall be made fully functional during 2017-18 and 2018-19.

### **Emergency Operation Centers (EOCs)**

State of art Emergency Operation Centers (EOCs) are being established in the health care institutions under the administrative control of health department, which will act as a command and control hub during response to disasters.

### **Completion of ongoing works**

The department has 114 ongoing health projects, for completion of which Rs. 659.43 Crore is required to make these projects fully functional in all respects including 08 ongoing works of Govt. Medical College, Jammu to meet the deficiency of Medical Council of India.

These ongoing projects shall be completed in all respects during 2017-18 and 2018-19 subject to release of appropriate funds already committed by Govt. of India.

### **Jhelum Tawi Flood Recovery Project (JTFRP)**

World Bank has agreed to provide Rs. 120 Crore to Health & Medical Education Department for construction of new infrastructure in the tertiary hospitals viz. L.D Hospital, Srinagar, Bones & Joint Hospital Srinagar.

DPRs have been formulated and submitted to Project Implementation Unit (PIU) viz. PWD and civil works shall be started during 2017-18 subject to release of funds by the World Bank.

### **Construction of Modern Mortuary**

To equip the mortuaries with sophisticated machinery, Rs. 5.00 Crore (@ Rs. 25 lakh per mortuary) has been released by Gol under PMDP during the year 2016-17 for DH Rajouri, CHC Katra, DH Reasi, Emergency Hospital Banihal, Govt. Hospital, Gandhi Nagar, DH Poonch, DH Kathua, DH Samba, DH Kishtwar and DH Udhampur in Jammu Division and SDH Dooru, , DH Ganderbal, DH Budgam, DH Bandipora, DH Handwara, DH Shopian, DH Pulwama, SDH Sopore, SDH Tangdhar and DH Anantnag. The works are under progress and shall be completed during 2017-18.

### **Setting-up of AMRIT Pharmacies**

With a view to provide affordable medicines and reliable implants for treatment to poor patients, the initiative taken by the Government of India to have the facility of AMRIT (Affordable Medicines and Reliable Implants for Treatment) Pharmacies established in public health facilities is being examined for its establishment within the premises of government hospitals.

The department is intending to set-up AMRIT Pharmacies in the District / Sub-District Hospitals including Tertiary Care Hospitals of the State during the year 2017-18 and 2018-19.

### **National Health Protection Scheme (Health Insurance)**

The Department is in the process of launching a new health insurance scheme viz. "National Health Protection Scheme". The scheme was announced by the Hon'ble Prime Minister in his speech on 70th Independence Day. Under this scheme, the expenditure on medical facilities of BPL and deprived families would be up to Rs. 1.00 lakh per year. In addition, for senior citizen in a family of poor and economically weaker section, an additional coverage of Rs. 30,000/- per senior citizen will be provided. The scheme is being implemented during

the current financial year 2017-18 with the objective to extend the benefits to the poor and needy patients (BPL families).

### **Strengthening of Health & Wellness Centres**

- 75 Sub Centres from selected six Districts (Anantnag, Baramulla, Kupwara, Jammu, Udhampur & Doda) have been planned to be strengthened as Health & Wellness Centres. Total amount of Rs. 909.54 lakh proposed for establishment & strengthening of Health & Wellness Centres.
- Under National Programme for Prevention and Control of Cancer, Diabetes, Cardio-Vascular Diseases and Stroke (NPCDCS), two (2) new CCUs proposed to be established at JLNH Hospital Srinagar and Govt. Hospital Gandhinagar Jammu.
- An amount of Rs 4.00 crore proposed for equipments and upgradation of existing infrastructure of 4 ICUs for District Hospitals Doda, Rajouri, Kathua and Pulwama.
- Rs. 4.00 crore proposed for High Dependency Units (HDU) for District Hospitals Kulgam, Kupwara, Poonch & Kishtwar.

### **Analysis of Strengths, Weaknesses, Opportunities and Threats (SWOT)**

#### **• Strength**

1. The Crude Birth rate of 17.6 is lower than the National average Birth Rate of 21.8.
2. The Crude Death Rate of 5.4 is lower than the National average Death rate of 7.1.
3. Infant Mortality rate of 26/1000 live births is also lower than the National Infant Mortality rate of 37/1000 live birth.
4. Total Fertility rate in J&K State is 1.6 as compared to National Average of 2.3.
5. Average Population Covered per Health Institution has decreased from 3285 souls to 2267 souls.
6. The decadal population growth rate of the State has declined from 29.43% (1991-2001) to 23.71% (2001-2011).

#### **• Weaknesses**

1. As per the Census 2011, there are 859 females per 1000 males in J&K State. But when this data is compared to the Census Report 2001 it shows decline of 33 females i.e. in 2001 the Sex ratio of the State was 892. This decline in Sex ratio becomes matter of more concern when it is compared to National Average i.e. 914 females per 1000 males as per Census 2011.
2. Although the number of health institutions has increased considerably, still there is every possibility that some areas would have remained away for 100% coverage. Hence, the need to augment more health institutions shall remain one of the chief objectives of the State Health Plan.

3. There is a dearth of Specialists in the State which serves as the major hindrance in operationalization of Super Specialty Hospitals to its full capacity.

- **Opportunities**

1. Stronger international disease control programmes and surveillance networks.
2. Open sharing of know-how, technologies and materials, including viruses and laboratory samples.
3. Strengthening public health infrastructures to effectively anticipate and respond to emerging threats.
4. Bringing public policy sectors, such as health, agriculture, trade and tourism, and legislation in line with the new health regulations.
5. Increased resources for training, surveillance, prevention and response campaigns.

- **Threats**

1. With the increase in plane traffic, contagious illnesses spread farther and faster than ever.
2. Some diseases, such as tuberculosis are now becoming resistant to antibiotics.
3. Others like smallpox which have been eradicated threaten a devastating comeback if released.
4. New diseases are emerging at the unprecedented rate like EBOLA, Bird flu, Swine Flu, Zika etc.

## Rural Development

Government provides an important support to the rural economy of the State. The focus of the Rural Development Programmes is on poverty alleviation, generating better livelihood opportunities, developing basic amenities, training unemployed youths of the State in various programmes of wage/self-employment, preserving natural resources and developing infrastructure facilities, strengthening of PRIs for sustainable growth, eradication of open defecation and inclusive growth of rural areas. To achieve targets, Government is implementing following Centrally Sponsored Schemes in the state:-

### A) Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGA)

The scheme helps create food security, prevent distress migration and generate durable economic assets in the rural communities and provide 100 days wage employment in a year to the rural households who register themselves for unskilled manual labour. The activities like providing of wage employment to the Job Card holders who volunteer to do manual work on the notified wages and Creation of assets like foot bridges, flood protection structures, road connectivity, play fields, land protection etc. is being carried out under the scheme.

Achievements for the years 2015-16, 2016-17 and 2017-18 (ending October 2017)				
Year	Financial (Rs. In Crore)		Physical	
	Total Availability	Expenditure	Targets (Person day generation)	Achievement (Lakh PDs)
2015-16	796.25	786.69	311.90 lakh	316.31
2016-17	859.71	853.89	263.65 lakh	312.68
2017-18 Ending Oct-17	667.83	651.94	119.00 lakh	106.17

### B) Swachh Bharat Mission-Gramin

The scheme aims to bring about an improvement in the general quality of life in the rural areas by promoting cleanliness, hygiene and eliminating open defecation sanitation thereby achieving the vision of Swachh Bharat by 2<sup>nd</sup> Oct.-2019. Following activities are undertaken under the scheme:

- Provides financial assistance @ Rs. 12,000/- for construction of Individual House Hold Latrines, Rs.2.00 lakh for construction of Community Sanitary Complexes and Rs. 7.00 lakh to Rs. 20.00 lakh for construction of Solid Liquid Waste Management units as per population density.

- Bring about community-wide behavioural change and to trigger the demand for sanitary facilities such as household latrines, Community Sanitary Complexes and Solid Liquid Waste Management in the rural areas through IEC activities.
- Motivate Communities and Panchayati Raj Institutions to adopt sustainable sanitation practices.
- Encourage cost effective and appropriate technologies for ecologically safe and sustainable sanitation.
- Develop community managed sanitation system where required focusing on scientific Solid and Liquid Waste Management systems is needed.

<b>Achievement/Progress for the years 2015-16, 2016-17 and 2017-18 (ending October 2017)</b>				
<b>Year</b>	<b>Financial (Rs. In Crore)</b>		<b>Physical (in Nos.)</b>	
	<b>Total Availability</b>	<b>Exp.</b>	<b>Targets</b>	<b>Achievement</b>
<b>2015-16</b>	93.85	91.31	Individual House hold latrines (IHHL)=200000 Community Sanitary Complexes= 238	90944 238
<b>2016-17</b>	83.84	81.07	Individual House hold latrines (IHHL)=300000 Community Sanitary Complexes= 1276	75522 513
<b>2017-18</b> Ending Oct-17	83.79	64.96	Individual House hold latrines (IHHL)=400000 Community Sanitary Complexes=500	73565 148

Under Swachh Bharat Mission-Gramin, 73565 Individual Household Latrines and 148 Community Sanitary Complexes have been constructed during the year 2017-18 (ending October 2017) where as three district viz. Srinagar, Leh and Kargil have been declared open defecation Free.

### **C) Integrated Watershed Management Programme (IWMP)**

The Programme was implemented in J&K state in the year 2011-12. The main objectives of the IWMP are to restore the ecological balance by harnessing, conserving and developing degraded natural resources such as soil, vegetative cover and water. The State Perspective and Strategic Plan has been prepared to treat 998 micro sheds with 15.33 lakh hectares of land up to the end of 14<sup>th</sup> five year plan. So far, Ministry has sanctioned 159 projects at a cost of Rs. 979.72 crore to treat 6,53,151 hectares of land. Under the programme the department undertakes following activities:-

- Treatment of land by way of ridge area treatment , drainage line treatment, soil and moisture conservation, nursery raising, afforestation, horticulture and pasture development, construction of water harvesting structures like check dams, nala bund, farm bonds, tanks etc.

- Effective rainfall management like field bunding, contour bunding/trenching, staggered trenching, land levelling, mulching etc.
- Capacity building, generating livelihood activities for the assets-less persons and micro enterprises for small and marginal farmers.

<b>Achievements/Progress for the years 2015-16, 2016-17 and 2017-18 (ending Oct 2017)</b>				
<b>Year</b>	<b>Financial (Rs. In Crore)</b>		<b>Physical</b>	
	<b>Total Availability</b>	<b>Expenditure</b>	<b>Physical Targets (Area to be treated)</b>	<b>Area Treated (in Ha.)</b>
2015-16	83.96	37.62	1.50 lakh Ha.	25846
2016-17	87.98	55.36	1 lakh Ha.	37000
2017-18 Ending Oct-17	41.23	27.72	0.97 lakh Ha.	15700

#### **D) National Rural Livelihood Mission (NRLM)**

**UMEED:** The Programme aims to build the institutions of the poor women in order to empower them and take their households out of poverty by showing them the path to capital and livelihoods; federating the institutions of the poor at the village, cluster, block, district and state levels so as to strengthen their voice and their outreach; financial inclusion of the poor so as to provide them access to institutional credit for investing in the livelihoods and increasing their income levels.

- National Rural Livelihoods Mission is being run in the State of J&K as Jammu & Kashmir State Rural Livelihoods Mission (Umeed) with the mandate:
  - To reach out to rural population across the erstwhile 143 blocks by forming 90,000 SHGs with financial support of Rs. 755 crore.
  - Link them to sustainable livelihoods opportunities and
  - Nurture them till they come out of poverty and enjoy a decent quality of life.
- NRLM in J&K was started in the year 2012-13 in 4 blocks and since then has been up-scaled to 51 blocks across 22 districts of the State.
- Annual Action Plan 2017-18 amounting to Rs.80.21 Crore approved by MoRD, GoI against which Rs.12.28 Crore approved for release by the Ministry and balance shall be released based on the progress of the Scheme.
- Under the programme 20076 SHGs have been constituted covering approximately 1.90 Lakh women folk.

<b>Achievement/ Progress for the years 2015-16, 2016-17 and 2017-18 (ending October 2017)</b>				
<b>Year</b>	<b>Financial (Rs. In Crore)</b>		<b>Physical (in Nos.)</b>	
	<b>Total Availability</b>	<b>Expenditure</b>	<b>Physical Targets</b>	<b>Achievement</b>
2015-16	51.69	45.23	No. of SHGS to be formed= 3650	3174
2016-17	60.14	50.84	No. of SHGS to be formed= 6500	8005
2017-18 Ending Oct-17	29.84	26.49	No. of SHGS to be formed= 7880	2678

**HIMAYAT:** The programme aims to train 1,24,180 un-employed youth over a period of three years (2016-19) across state.

- The budget approved for implementation of Himayat programme is Rs. 1601.51 Cr.
- So far, an amount of Rs. 104.24 crore has been released to the State against which expenditure amounting to Rs.30.92 Cr. has been incurred upto ending Oct.-2017.

As on date, the State has approved the following PIAs with the targets as shown against each:-

<b>Details of PIAs with targets</b>			
<b>S. No</b>	<b>Name of PIA</b>	<b>Target Proposed/ Sanctioned</b>	<b>Status of Training</b>
<b>A Champion Employer</b>			
1	Apollo Medskills Ltd	2200	153 candidates are undergoing training
2	Surya Wires Private Limited	4000	343 candidates are undergoing training
3	Manpower Group Services Pvt. Ltd	3000	152 candidates are undergoing training
4	Teamlease Services Ltd	1999	MoU Signed on 13.10.2017
5	Orion Edutech Pvt. Ltd	2752	MoU signed on 23.10.2017
	<b>Total (a)</b>	<b>13951</b>	
<b>Additional Targets</b>			
<b>B Non-Champion Employer</b>			
6	Cap Foundation	3000	Letter of intent issued on 27-09-2017 Due Dilligence Report of Training Centres at 3 locations (Anantnag, Srinagar and Sopore) has been submitted by PIA which is under process of initialization.
7	Don Bosco Tech Society	2735	Letter of intent issued on 27-09-2017 Due Diligence Report of Training centres at 2 locations ( Kathua and Baramulla) has been submitted by PIA.
8	Don Bosco Tech Society	2500	
9	ILFS Skills Dev. Corporation Ltd.	3750	Letter of intent issued on 27-09-2017 Due diligence Report of Training centres at 4 locations (Budgam, Kathua, Udhampur and Anantnag) has been submitted by PIA.
10	ILFS Skills Dev. Corporation Ltd.	3620	
11	ILFS Skills Dev. Corporation Ltd.	3510	
12	Mass Infotech Society	1880	Letter of intent issued on 27-09-2017 PIA has requested for relaxation in financial ceiling for the project submitted by them. The issue has been taken up with MoRD, GoI
13	Mass Infotech Society	2750	
	<b>Total (b)</b>	<b>23745</b>	
<b>Grand Total (a+b)</b>		<b>37696</b>	



- JKSRML has initiated mobilisation of youth across state to be trained by the three Champion Employers in different trades. 5040 applications have been received across state and the screening/counselling process is going on.
- As per the project proposal submitted by the PIAs minimum salary assured is Rs.8000/- per month. In addition, post placement financial support @ Rs.1000/- per month is also provided for within district, within State and Outside State placement of the candidate for a period of 2,3 and 6 months, respectively.
- As on date, 648 candidates have been sent to undergo skill training in different trades (Dialysis Technician course, Emergency Medical Technician Course, Retails, Banking Associate, Hospitality and BPO) at Bengaluru, Jammu and Raipur.

<b>Details of Candidates undergoing Training under HIMAYAT</b>				
<b>S. No</b>	<b>Name of PIA</b>	<b>Trade</b>	<b>Number of Trainees</b>	<b>Location of Training</b>
1	Apollo MedSkills Ltd	Dialysis Technician	96	Bangalore
		Emergency Medical Technician	57	
		Total	153	
2	Surya wires Pvt. Ltd	Retail/CRM/	140	Raipur
		Retail/Hospitality	203	Jammu
		Total	343	
3	Manpower Group Services India Pvt. Ltd	Banking Associate	23	Jammu
		Retail	122	
		Total	152	
<b>Grand Total</b>			<b>648</b>	

New Project Proposals recommended by National Institute of Rural Development and Panchayati Raj (NIRD&PR) for consideration of State Level Project Review Committee (SLPRC) are:

<b>Details of new proposals by NIRD&amp;PR</b>			
<b>S.No.</b>	<b>Name of PIA</b>	<b>Target Proposed</b>	<b>Proposed Project Cost (Amt. in Crore)</b>
1	Baba Saheb Ambedkar Technical Educational Society	300	4.78
2	Boparis Martial Society Pvt Ltd	440	5.01
3	Marg CompuSoft Pvt. Ltd	550	5.14
4	Data Pro Computers Pvt. Ltd	2000	30.94
5	Sayadwad Jain Educational and Social Trist	840	8.63
<b>Total</b>		<b>4130</b>	<b>54.50</b>

### E) Pradhan Mantari Awass Yojna (G)

The scheme aims at providing clean and hygienic Pucca house with basic amenities to all rural houseless households / rural households living in Kuccha and dilapidated houses. Under the programme the department envisages to:-

- Provide financial assistance @ Rs. 1.30 lakh per unit for construction of PMAY(G) houses.
- Provide toilets facility @ Rs. 12000/- under Swachh Bharat Mission and 90-95 days of unskilled wage labour under MGNREGA over and above the unit cost.
- Facilitate construction of houses as per topographic requirements of the area.

The beneficiaries under the scheme are to be selected out of Socio Economic Caste Census 2011.

Achievement/ Progress for the years 2015-16, 2016-17 and 2017-18 (ending October 2017)				
Year	Financial (Rs. In Crore)		Physical (in Nos.)	
	Total Availability	Expenditure	Targets	Achievement
2015-16 (IAY)	75.75	73.11	7579	9989 (including spill over targets)
2016-17 (PMAY-G)	78.36	19.92	17020	4876 (spill over targets)
2017-18 Ending Oct-17	123.94	34.70	21752	Houses under construction

- Against the approved target of construction of 38772 houses, 14262 beneficiaries were registered on Awaas Soft out of which 12480 GEO Tagged.
- 11422 Geo-tagged units sanctioned out of which 10605 sanctioned with verified accounts.

### F) Shyama Parsad Mukhrjee Rurban Mission

The objective of the National Rurban Mission (NRuM) is to stimulate local economic development, enhance basic services, and create well planned Rurban clusters. The larger outcomes envisaged under this Mission are:

- Bridging the rural-urban divide-viz: economic, technological and those related to facilities and services.
- Stimulating local economic development with emphasis on reduction of poverty and unemployment in rural areas.
- Spreading development in the region
- Attracting investment in rural areas.

Clusters identified under Shyama Parsad Mukhrjee Rurban Mission				
S No	District	Sub – District	Cluster	Gram Panchayat
1	Jammu	Jammu	Gole–Gujral	Gole Gujral, Trillokpora
2	Kupwara	Kupwara	Khumriyal	Khumriyal A, Khumriyal B, Khumriyal C, Chirkut Shumriyal
3	Leh	Leh	Spituk	Spituk, Choglamsor

Till Date Integrated Cluster Action Plan (ICAP) of the Rurban Clusters Spituk (Leh), Gole Gujral (Jammu) and Khumriyal-Kupwara have been prepared. The details of funds released for these clusters are as under.

Detailed Project Reports for implementation of ICAP of these are being finalized (Rs. In Crore)						
S No	Cluster	Cost of ICAP	Critical Gap Fund(CGF)	Funds released		
				CGF	ICAP	Total
1	GoleGujral (Jammu)	77.67	15.00	4.05	0.35	4.40
2	Spituk(Leh)	64.92	15.00	4.05	0.35	4.40
3	Khumriyal-Kupwara	60.02	15.00	0.00	0.35	0.35
<b>Total</b>		<b>202.61</b>	<b>45.00</b>	<b>8.10</b>	<b>1.05</b>	<b>9.15</b>

### G) Mission Antodaya

Mission Antodaya is a partnership of Central and State/UT Governments to improve the well-being of one crore households and 50,000 Gram panchayats by assessing and addressing all the dimensions of poverty through convergent action and a saturation approach under existing schemes by 2<sup>nd</sup> October 2019-Mahatma Gandhi's 150<sup>th</sup> Birth Anniversary.

Under the programme, 830 Gram Panchayats have been selected by the Ministry for coverage under the programme for assessment of village level infrastructure facilities and amenities which shall form the basis for the implementation of activities under Mission Antodaya. Based on the module on village level amenities used as part of Census 2011 and data collected during SECC-2011, the MORD has designed a schedule to collect the details of village level infrastructure. An android based application has been developed to collect the same information through a handheld device.

The survey started on 1<sup>st</sup> October '17 with 2 - 3 people covering 2 – 3 villages per day and 1 GP in 2 days. The base line survey in selected blocks stands completed in Kashmir region whereas in Jammu division the survey couldn't be rolled out, due to short notice issued by IMPA for imparting training to the MIS assistants/ data entry operators. However, the trainings of MIS assistants / Community Data entry operator for conducting Base line survey has been completed. Further trainings at the block level are being imparted and baseline Survey of Mission Antodaya shall be taken up shortly.

## Initiatives

### a) 2016-17

- Geo-tagging of assets created under MGNREGA already in place and in SBM(G) initiated
- Aadhar Seeding of Job card under MGNREGA taken up
- Socio Economic Caste Census-2011 being used for identification of beneficiaries under Pradhan Mantri Awaas Yojana (G) instead of BPL list.
- Project for imparting training and providing placement to 124180 unemployed youth of the State over a period of 3 years formulated at an estimated cost of, Rs 1601.00 crore under HIMAYAT with 100% funding from MoRD, GoI.
- Complete ban on use of polythene in rural areas and also empowered the field officers/officials with regard to seizure of polythene in areas of their jurisdiction.
- Under JKSL, 200 Milk Collection Centres have been set up. The main impact of these AMCs has been for the rural milk producers getting over 30-40% higher cost for the milk based on the quality. Besides, each milk centre has provided employment earning a monthly wages of Rs.7000-8000 for the work of 2-3 hours per day.

### b) 2017-18

- The State has been awarded as best performing State under Geo-MGNREGA by the Ministry of Rural Development, GoI on 19<sup>th</sup> June-2017.
- Based on the performance of the State under MGNREGA person days target have been doubled from Rs. 119.00 Lakh Person Days to 300.00 lakh Person days.
- During the current financial year, till date 2.00 lakh works stands Geo-tagged under MGNREGA.
- e-FMS for making payment directly into the accounts of the beneficiaries launched across the State w.e.f 1<sup>st</sup> Nov-2017.
- 11.86 MGNREGA worker's Aadhars Seeded.
- 90% Job Cards verified across the state.
- Geo-Tagging of Houses being constructed under CSS Pradhan Mantri Awaas Yojana (Gramin).
- Public Financial Management System for transfer of funds directly into the accounts of beneficiaries under CSS Pradhan Mantri Awaas Yojana (Gramin) made operative.
- Three district viz. Srinagar, Leh and Kargil, 20 Blocks, 263 Gram Panchayats and 418 villages declared Open defecation Free.

## Labour

The Labour Department is charged with the responsibility of enforcement of 24 Central Labour Laws and 03 state enactments for regulating the working conditions of workers and their welfare in public/ private organized sector. The department is headed by the Labour Commissioner with Deputy Labour Commissioners functioning as divisional heads. The department has its offices at Delhi and Chandigarh as well. These offices look after welfare of labourers of J&K who go to these places for work. These are functioning under the control of Deputy Labour Commissioners and Assistant Labour Commissioners respectively.

### **Central Labour Laws**

1. The Employee's Compensation Act, 1923
2. The Payment of Gratuity Act, 1972
3. The Payment of Wages Act, 1936
4. The Minimum Wages Act, 1948
5. The Employees' State Insurance Act, 1948
6. The Factories Act, 1948
7. The Working Journalists (Conditions of Service and Miscellaneous Provisions Act, 1955
8. The Motor Transport Workers Act, 1961
9. The Child Labour (Prohibition and Regulation) Act, 1986
10. The Inter-State Migrant Workmen (Regulation of employment and Conditions Of Service) Act, 1979
11. The Equal Remuneration Act, 1976
12. The Maternity Benefit Act, 1961
13. The Payment of Bonus Act, 1965
14. The Contract Labour (R&A) Act, 1970
15. The Bonded Labour System (Abolition) Act, 1976
16. The Industrial Disputes Act, 1948
17. The Trade Unions Act, 1926
18. The Industrial Employment (Standing Orders) Act, 1946
19. The Coal Mines Labour Welfare Fund Act, 1947
20. The Building and Other Construction Workers' Welfare Cess Act, 1996

21. The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996
22. Unorganized workers Social Security Act, 2008.
23. Sales Promotion Employees Condition of Service Act 1976.
24. The Labour Laws exemption from furnishing of Returns and Maintaining Registers by certain establishment 1988

#### State Legislations

1. The J&K Provident Fund and Miscellaneous Provisions Act, 1961
2. J&K Shops and Establishment Act, 1966
3. Industrial Establishments (National and Festival) Holidays Act, 1974.

The following amendments on Labour Laws have been made by Labour Department during the current year 2017-18:

Details of amendments on Labour Laws				
S.No	Name of Labour law	Amendments	SRO issued	Remarks
1.	Jammu and Kashmir Contract Labour (Regulation and Abolition) Rules, 1972	(i) in rule 18, after sub-rule (4), the following shall be added as sub-rule (5), namely:- “(5)Registration in Form II shall be granted within a period of 15 days. (ii) in rule 25, after sub-rule (2), the following shall be added as sub-rule (3); namely: “(3) License in form VI shall be issued within a period of 15 days”.	290 dated 14.7.2017	
2.	Jammu and Kashmir Motor Transport Workers Rules, 1972	(i) Para appended to rule 5 shall be numbered as sub-rule (1) and the following shall be added as sub-rule (2), namely:- “(2)Certificate of registration in Form II shall be granted within a period of 15 days. (ii) In rule 8, after sub-rule (3), the following shall be added as sub-rule (4), namely:- “(4)Certificate of Registration shall be renewed within a period of 15 days.	291 dated 14.7.2017	
3.	Jammu and Kashmir Inter-State Migrant Workmen (Regulation of Employment and Conditions of	(i) in rule 4, after sub-rule (3), the following shall be added as sub-rule (4), namely:- “(4)Registration Certificate to Principal Employer in Form II shall be issued within a period of 30 days.	292 dated 14.7.2017	

	Servic) Rules, 1984	(ii) in rule 11, after sub-rule (2), the following shall be added as sub-rule (3), namely:- “(3)License to be contractor in Form VIII shall be issued within a period of 30 days”.		
4.	Jammu and Kashmir Shops and Establishments Rules, 1968	(i) in rule 3, after sub-rule (3), the following shall be added as sub-rule (4), namely:- “(4)The Registration Certificate in form “C” and close day certificate in form “O” shall be issued within a period of 15 days. (ii) para appended to rule 4 shall be numbered as sub-rule (1) and the following shall be added as sub-rule (2), namely:- “(2)The registration Certificate in form “C” shall be renewed within a period of 15 days”.	293 dated 14.7.2017	
5.	Jammu and Kashmir Industrial Employment (Standing Orders) Rules, 1972	Para appended to rule 4 shall be numbered as sub-rule (1) and the following shall be added as sub-rule (2); namely: “(2)The Certifying officer shall issue certificate of Standing orders within a period of 45 days”.	294 dated 14.7.2017	
6.	Jammu and Kashmir Contract Labour (Regulation and Abolition) Rules, 1972	In sub-rule (2) of rule 24, for the words “Local treasury under the Head of account” the words “Assistant Labour Commissioner concerned” shall be substituted	SRO 318 dated 31.7.2017	The said SRO issued and invited objections/suggestions within a period of six weeks. Final SRO is submitted to Law Department for vetting.
7.	Jammu and Kashmir Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Rules, 1984	(i) in clause (vi) of sub-rule (2) of rule 11, for the words “Deputy Labour Commissioner (Central)” the words “Deputy Labour Commissioner, Jammu/Kashmir” shall be substituted. (ii) in sub rule (2) of rule 23, for the words “send telegrams to”, the words “inform” shall be substituted.	319 dated 31.7.2017	The said SRO issued and invited objections/suggestions within a period of six weeks. Final SRO is submitted to Law Department for vetting.
8.	Jammu and Kashmir Trade Union Regulation, 1972	1.In regulation 5, after sub-clause (2), the following shall be added as sub-clause (3); namely:- (3) Registration Certificate in form “C” to a Trade Union shall be issued within a period of 30	SRO 332 dated 10.08.2017	

		days”.		
9.	Jammu and Kashmir Factories Rules, 1972	<p>1. In rule 3, sub-rule (1) for the words “previous permission in writing”, the words “previous information in writing on the basis of self certification” shall be substituted.</p> <p><b>2. In rule 5.-</b>  (i) for sub-rule (2), the following shall be substituted; namely  “(2) Factories belonging to Red and Orange category shall be renewed annually and factories belonging to Green category shall be renewed for three years”.</p> (ii) after sub-rule (2), the following sub rule shall be added; namely:- “(3) Licence shall be granted within a period of 30 days”. <p><b>3. In rule 7.-</b>  (i) in sub-rule (1) for the words “Chief Inspector”, the words “Factory Inspector concerned” shall be substituted.  (ii) after sub-rule (3), the following sub-rule shall be added; namely:-  “(4) Licence shall be renewed within a period of 30 days.”  In rule 13, for the words “Old Manager”, the words “New Manager” shall be substituted.</p>	SRO 459 dated 26.10.2017	
10.	Revised Minimum Wages	Minimum Wages Revised w.e.f. 1.11.2017	SRO 460 dated 26.10.2017	
11.	Jammu and Kashmir Shops and Establishments Act, 1966 and in partial modification of SRO No. 492 dated 29.10.1981 & SRO 269 dated 21.06.1984	Fix days as “close days” for all kinds of shops & establishments in the areas specified against each day within limits of District Srinagar.	SRO 472 dated 16.11.2017	



The Notable achievements during 2014-15 and 2015-16 are given as under:-

<b>Physical Progress for the financial year 2016-17</b>					
<b>Name of the Act</b>	<b>Inspection Conducted</b>	<b>Cases Received</b>	<b>Cases Settled</b>	<b>Prosecutions launched against defaulters</b>	<b>Prosecution settled</b>
Payment of Wages Act	2752	336	491	284	270
Minimum Wages Act	2608	0	9	174	138
Payment of Gratuity Act	225	133	135	0	0
Payment of Bonus Act	504	0	0	0	0
Child Labour Act	2530	0	0	9	11
Motor Transport Workers Act	513	0	0	10	7
Contract Labour Act	897	0	0	40	60
Shops & Establishment Act	13098	0	0	936	1281
Factory Act	1068	0	0	30	36
Interstate Migrant Workers Act	791	0	0	8	4
Maternity Benefit Act	319	0	0	1	2
Equal Remuneration Act	408	0	0	16	15
Workmen Compensation Act	18	330	239	0	0
Industrial Dispute Act	16	39	31	0	0
Building & Other Construction Workers Act	687	0	0	42	52
<b>TOTAL</b>	<b>26434</b>	<b>838</b>	<b>905</b>	<b>1550</b>	<b>1876</b>

<b>Physical Progress for the financial year 2017-18 (upto 10/2017) is given as under:-</b>						
<b>S. No</b>	<b>Name of the Act</b>	<b>Inspection Conducted</b>	<b>Cases Received</b>	<b>Cases Settled</b>	<b>Prosecutions launched against defaulters</b>	<b>Prosecution settled</b>
1	Payment of Wages Act	1608	203	301	249	211
2	Minimum Wages Act	1548	5	4	170	107
3	Payment of Gratuity Act	276	139	117	0	0
4	Payment of Bonus Act	1528	0	0	3	9
5	Child Labour Act	388	0	0	0	11
6	Motor Transport Workers Act	638	0	0	35	46
7	Contract Labour Act	9302	0	0	495	657
8	Shops & Establishment Act	478	0	0	16	10
9	Factory Act	187	0	0	39	13
10	Interstate Migrant Workers Act	223	0	0	1	0
11	Maternity Benefit Act	258	0	0	4	2
12	Equal Remuneration Act	0	283	212	0	0
13	Workmen Compensation Act	15	41	46	0	0
14	Industrial Dispute Act	402	0	0	12	19
15	Building & Other Construction Workers Act	35	0	0	5	0
	<b>Total</b>	<b>17140</b>	<b>671</b>	<b>680</b>	<b>1029</b>	<b>1085</b>

<b>Financial achievement in revenue realization during 2016-17(q1, q2, q3 &amp; q4) and 2017-18 (upto 10/2017)</b>									
<b>( Rs. in lakh)</b>									
S.No	Name of the Act	Targets 2016-17	Ach. 2016-17					Targets 2017-18	Ach. 2017-18 (upto 10/2017)
			Q1	Q2	Q3	Q4	TOTAL		
1	Shops & Establishment Act	276.20	95.84	34.15	28.67	66.01	224.67	277.14	175.44
2	Building & Other Construction Workers Act	4.52	0.23	0.24	0.30	0.34	1.11	4.52	0.43
3	Interstate Migrant Workers Act	1.21	0.08	0.00	0.00	0.01	0.08	1.21	0.01
4	Contract Labour Act	3.02	0.71	0.52	0.54	0.29	2.06	3.03	1.07
5	Motor Transport Workers Act	3.63	0.27	0.11	0.44	1.29	2.11	3.63	0.96
6	Factory Act	42.35	2.76	1.72	21.03	5.97	31.48	42.35	13.31
7	Trade Union Act	0.36	0.04	0.00	0.02	0.04	0.10	0.36	0.07
	<b>Total:-</b>	<b>332.50</b>	<b>99.92</b>	<b>36.74</b>	<b>51.00</b>	<b>73.94</b>	<b>261.60</b>	<b>332.15</b>	<b>191.29</b>

<b>Financial Achievements under Capex Budget for the year 2016-17 ( Q1, Q2, Q3 &amp; Q4) and 2017-18 (upto 10/2017)</b>								
<b>(Rs. In lakh)</b>								
	Approved Outlay 2016-17	Approved Outlay 2017-18	Expenditure 2016-17				Total	Expenditure 2017-18 (upto 10/2017)
			Q1	Q2	Q3	Q4		
Capex Budget	50.00	172.83	0.00	0.00	22.50	12.00	34.50	16.42

**Notable achievements during 2016-17, Q1, Q2, Q3 & Q4 and financial year 2017-18 ending October**

In the year 2016-17 : Two day workshop on latest amendment in Child Labour Act was conducted at Jammu in the collaboration with the NGO, NDF and the resource persons were invited from the V.V Giri National Institute of Labour Noida.

In addition an awareness Campaign was also conducted to the Radio Kashmir, Jammu.

Further on the Labour Day in all districts the awareness programmes were conducted.

Further under Swachh Bharat Mission a drive was launched under the Guidance of District Administration for the construction of toilet in Brick Kilns.

### **J&K Building and Other Construction Workers Welfare Board**

The J&K Building and Other Construction Workers Welfare Board initially constituted under Section 18 of the Act on 31<sup>st</sup> July, 2007 was subsequently reconstituted on 1<sup>st</sup> December, 2010 and 7 October, 2015. Govt of Jammu and Kashmir through various notification issued from time to time appointed Officers of Labour Department for various functions under the Act and Rules made there under

- Chief Inspector of inspections.
- Inspectors of inspections
- Registering Officers for establishment of construction workers &
- Appellate Authorities.

The rules under the Building and Other Construction Workers Welfare Act were also framed in the year 2006 under SRO-232 of 2006 and amended from time to time where under the following schemes are available for the welfare of the registered Building and Other Construction Workers.

<b>S.No</b>	<b>Name of Scheme</b>	<b>Amount</b>
1.	Immediate assistance in case of Injury to registered construction worker which renders him/her unable to work upto one month.	Rs. 5000
2.	Temporary Disability caused to registered construction worker at work place I, e fracture etc which renders him/her unable to work upto three months.	Rs. 10000
3.	Permanent Disability caused due to accident at the work place.	Rs. 75000
4.	Marriage Assistance to registered construction worker for marriage of his/her dependent. (Upto three Marriage of the dependent sons / daughters /brother and sister/self of a registered construction Worker)	Rs. 25000
5.	Funeral Assistance to registered construction worker's Family including dependents	Rs. 5000
6.	Financial Assistance for Treatment of Chronic Disease of registered Construction Worker only and his dependents in a Financial Year	Rs. 100000 (Max)
7.	Maternity Benefit to Female registered Construction worker only (upto two children)	Rs. 5000
8.	Assistance to the dependent in case of Death of registered Construction Worker	Rs. 200000
9.	<b>Education Assistance: Financial Assistance available for two children of a registered construction worker.</b>	
	I. Professional / Technical Degree/ Courses (regular students)	Rs. 50000 Per Annum
	II. Three years Engineering / any other recognized diploma courses(regular students)	Rs. 30000 Per Annum

III.	ITI Diploma courses(regular students)	Rs. 10000 Per Annum
IV.	Para medical diploma courses(regular students)	Rs. 10000 Per Annum
V.	Post Graduate(regular students)	Rs. 15000 Per Annum
VI.	Under Graduate(regular students)	Rs. 10000 Per Annum
VII.	Class 11 <sup>th</sup> and 12 <sup>th</sup> (regular students)	Rs. 6000 Per Annum
VIII.	Class 9 <sup>th</sup> and 10 <sup>th</sup> (regular students)	Rs.4500 Per Annum
IX.	Class 6 <sup>th</sup> to 8 <sup>th</sup>	Rs. 3500 Per Annum
X.	Class 1 <sup>st</sup> to 5 <sup>th</sup> pry.	Rs. 2500 Per Annum

Since the inception the J&K Building and Other Construction Workers Welfare Board has collected Cess to the tune Rs. 686.00 Crore under Section 3 of the Cess Act, out of which an amount of Rs. 285.16 Crore has been spent on Various Welfare Schemes of the J&K Building and Other Construction Workers Welfare Board.

Physical/ Financial progress of CAPEX/CSS/Flagship programmes with reference to financial year 2016-17 (with quarter wise breakup Q1, Q2, Q3 & Q4) and Q1 and ending October 2017-18.

<b>Physical/ Financial progress of CAPEX/CSS/Flagship programmes for the year 2016-17 and 2017-18 (ending oct 2017) (Rs in lakh)</b>						
<b>Quarter</b>	<b>Education</b>	<b>Marriage</b>	<b>Chronic</b>	<b>Disability</b>	<b>Death &amp; Funeral</b>	<b>Total (2+3+4+5+6)</b>
<b>01</b>	<b>02</b>	<b>03</b>	<b>04</b>	<b>05</b>	<b>06</b>	<b>07</b>
1 <sup>st</sup>	150.10	0.00	163.00	50.00	319.15	682.25
2 <sup>nd</sup>	1262.50	299.00	0	0	38.10	1599.6
3 <sup>rd</sup>	638.50	554.75	150	44.00	432.00	1819.25
4 <sup>th</sup>	12.00	0	61.00			73.00
<b>Total</b>						<b>4174.10</b>
<b>FY 2017-18</b>						
Q1	736.81	0.00	17.25	4.60	52.05	1156.76
Ending October 2017	2298.07	352.00	32.13	11.35	282.50	2976.05
<b>Total</b>						<b>4132.81</b>

### **Notable achievements during 2016-17 Q1, Q2, Q3 & Q4 and the financial year 2017-18 ending october**

An amount of Rs. 41.74 crore were released in favour of 35196 No.s of Beneficiaries during the FY 2016-17 and 60535 No. of cases under various welfare schemes amounting to Rs. 41.33 crore has been released during Financial Year 2017-18 by the J&K Building and Other Construction Workers Welfare Board (Head office and District Offices).

#### **Impact of various schemes/progress on the economy of Jammu and Kashmir State**

The Various Schemes viz Education Assistance, Marriage Assistance, Chronic, Medical and Death Assistance has improved living standards of the registered construction workers to a reasonable extent. The drop out percentage of the children of the BOC Worker has reduced drastically as the Education Assistance ranging from Rs 2500 to Rs. 15000 is being provided to each children/ dependants (upto two) of BOC Worker in a year and also the Education Assistance for the professional of BOC Worker in Technical/ Professional College.

Further by providing the Assistance for marriage, disability, chronic disease, and death to the BOC workers/ dependants, the assistance is being available to them in the need of the hour by virtue of which the mortality rate among the Section has considerably, improved their living standard and the BOC Workers feel themselves as an important organ of the society.

#### **Major initiative undertaken during the years 2016-17, and new initiative conceptualized for the year 2017-18**

The J&K BOCWWB in the FY 2016-17 had initiated the digitization of the functioning of the Welfare Board to make the system online. Keeping in view the notable achievements made, the Board in its meeting held 17.04.2017 approved that the FY 2017-18 be declared as "Digital Year of JK BOCWWB". The Board has launched the new web portal i.e. [www.jkbocw.gov.in](http://www.jkbocw.gov.in) which is due course of time would enable all the construction workers to submit online the application for registration, for renewal of the registration of the labour cards and receive the benefits under various schemes. The registrations of the establishments under the Act and collection of Cess is also under process of making online thereby shifting the functioning of Welfare Board wholly from manual to online system.

- I. Analysis of strengths, weaknesses, opportunities and threats (SWOT) of the sector and its statistical supplement.
  - a. Strength: The strength of the Organization is that the funds, being spend on the welfare schemes has no bearing on the State Budget as the funds are raised by collecting Cess @ 1% of the cost of the Construction works exceeds Rs 10.00 Lakh in cost. So far, on this account an amount of Rs. 686 Crore has been collected since the inception of the Cess Act.
  - b. Weakness: The manpower available with the organization is either from deputation from various departments/ organizations or engaged on Outsource basis and as such

the organization do not have any permanent staff resulting that there is a lack of self-belongingness among the employees with the organization besides the dependants on other organizations for such deputations.

- c. Opportunities: As the Cess Act provides that every construction work costing Rs. 10.00 lakh or above shall have to deposit the cess @ 1 % of the construction cost of the works carried out in the Govt. or private Sector, therefore, there is a scope of collection of Cess in hundreds of crore which would subsequently be utilized for the welfare of the Building and other construction workers.
- d. Threats: As the construction workers comprise of large sector of un- organized labour force and scattered, illiterate and economically backward are therefore likely to fall the prey of the agents who project themselves as an officials/ employee of the organization and demand money for release of financial assistance in their favour. This is great threat for the organization and would be curbed totally once the functioning of J&K Building and Other Construction Workers Welfare Board is shifted from manual to online system fully.

## Chapter 3.6

# Culture

The Department carries out the task of overall planning, promotion, publicity, preservation, conversation of Heritage sites, Archives, Antiquities; Digitization of Libraries and Research; Cultural/Literary Programmes through JKAACL by organizing stage shows, dramas and competitions etc.

Capex 2017-18			(Rs in lakh)
Department	Capex Budget 2017-18	Funds released	Remarks
Libraries and Research	275.00	275.00	Fully Released
Archives Archeology and Museums	350.00	350.00	Fully Released
Academy of Art Culture & Languages	500.00	247.50	Matter taken up with Finance Department for Advance drawal requirement for Rs 2.50 Crore

### Achievements 2017-18

- ❖ 03 State protected Monuments taken up for renovation/up gradation which are likely to be completed during the current financial year 2017-18 at a cost of Rs. 1.96 crore. The monuments are Dev. Of park around old ceremonial at old Secretariat Srinagar, Repair/renovation of ancient spring and temple at Kothier , Anantnag and Repair/renovation of Tomb of 12<sup>th</sup> cent Historian Mir Saidullah shahabdi at Mirgund Dooru Anantnag.
- ❖ 08 new sites (Cheshma Shahi Spring and Garden, Shalimar Mughal Garden, Nishat Garden, Mughal Garden Achabal, Gole Mahal Talab Tillo, Silk Factory Solina Srinagar, stone building old Secretariat and Zaina Kadal Bridge ) have been declared as Heritage Sites under J&K Heritage Conservation and Preservation Act 2010 during the current financial year.
- ❖ World Heritage Week was celebrated by the department w.e.f 19<sup>th</sup> November to 25<sup>th</sup> November 2017 for showcasing rare books, manuscripts and artifacts to generate public interest in Heritage Literature.
- ❖ Kashmir Cultural Centre is at advance stage of completion to provide a platform to writer's and artists for interaction and informal meetings at a estimated cost of Rs. 2.00 crore.



- ❖ A prestigious project “Construction of new SPS Library at MA Road Srinagar” is being completed by the end of January 2018 at a cost of Rs. 32.00 crore. The library would be equipped with all modern facilities like Art Gallery, underground parking, internet facilities, interaction hall, separate space for scholars, students and senior citizens, online issuance of books etc.
- ❖ Work on Writer’s club at Jammu with facilities Library, Seminar Hall, Art Gallery, Guest Rooms and Administrative Blocks has been taken up in hand at a cost of Rs. 3.91 crore.
- ❖ Introduction of lectures on NEET/JEET examination online is being extended to Tehsil libraries for the students of rural areas. Under the scheme video lectures, e-books on tabs and through USB on computer with printing material is being provided to the desirous students.
- ❖ A proposal for introducing Career Counseling Facilities for 11<sup>th</sup> and 12<sup>th</sup> level students of the state is on anvil to provide youth with windows available under various career oriented programmes.
- ❖ International Museum Day was celebrated by the Department on 18<sup>th</sup> May 2017. Students from various colleges, universities, senior citizens and research scholars participated in the event .A book titled “J&K Museum speaks history and culture ethos” was also released on the occasion.
- ❖ A vision document has been prepared through M/s INTACH J&K Chapter for “Reuse of Old SPS Library at Lal Mandi” which is under technical review with Dev Commissioner Works.
- ❖ A Concept plan for establishment of Sufiana School at Srinagar and Establishment of Art Gallery at Hari Niwas are being prepared by the department.
- ❖ A provision level Qwali competition was held at Kashmir with grand finale at Tagore Hall in July 2017.
- ❖ To promote budding talent, “New Voices Programme” was launched by the department in the year 2017.
- ❖ First ever Concise Kashmiri Dictionary was formally released.

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## Financial Sectors

## Chapter 4.1

# State Finances

### Summary of Fiscal Trends (2015-17)

The position of opening and closing cash balances, receipts and disbursements during the year under broad categories are shown in table 1.

<b>Table No 1: Summary of Fiscal Transactions during 2015-2016 &amp; 2016-17 (Rs. in crore)</b>					
<b>Receipts</b>			<b>Disbursements</b>		
<b>Section – A Revenue</b>					
<b>Segment</b>	<b>2015-16</b>	<b>2016-17</b>	<b>Segment</b>	<b>2015-16</b>	<b>2016-17</b>
Revenue receipts	<b>35781</b>	<b>41978</b>	Revenue Expenditure	<b>36420</b>	<b>39812</b>
State's Own Tax revenue	<b>7326</b>	<b>7819</b>	General Services	<b>13675</b>	<b>15110</b>
State's Own Non-Tax Revenue	<b>3913</b>	<b>4072</b>	Social Services	<b>11331</b>	<b>11564</b>
Share of Union Taxes/Duties	<b>7814</b>	<b>9489</b>	Economic Services	<b>11414</b>	<b>13138</b>
Grants from Government of India	<b>16728</b>	<b>20598</b>			
<b>Section – B Capital</b>					
			Capital Outlay	<b>7331</b>	<b>8286</b>
Recoveries of Loans and Advances	<b>4</b>	<b>19</b>	Loans and Advances disbursed	<b>94</b>	<b>76</b>
Public Debt receipts	<b>14645</b>	<b>20749</b>	Repayment of Public Debt	<b>10815</b>	<b>17023</b>
Contingency Fund	<b>–</b>		Contingency Fund	<b>–</b>	
Public Account receipts	<b>27450</b>	<b>35983</b>	Public Account disbursements	<b>24094</b>	<b>33587</b>
Opening Cash Balance	<b>1401</b>	<b>84</b>	Closing Cash Balance	<b>527</b>	<b>29</b>
<b>Total</b>	<b>79281</b>	<b>98813</b>		<b>79281</b>	<b>98813</b>

The Share of Central Taxes has shown an increase of 21.44 percent during 2016-17 over the previous year. The revenue expenditure likewise has shown an increasing trend over the previous year with increase of 9.31 percent. There has been a good sign of improvement in the collection of non-tax revenue which has increased by 4.06 percent. The aggregate cash balance of the State (including un-invested cash with the RBI, invested cash and cash in departmental chests) decreased during 2016-17 by Rs 55 crore from the opening balance of Rs 84 crore. More concerted efforts can bring more buoyancy in the tax revenue. Increase in the Revenue Expenditure has impacted revenue surplus envisaged to be Rs 7606 crore to a large extent which has in actual term reduced to Rs 2166 crore.

## Trends in Key Fiscal Aggregates

The trends in budget estimates, Revised Estimates and actual financial outcomes of some key fiscal aggregates from 2014-15 to 2016-17 are as under:-

S.No	Fiscal Aggregate	2014-15			2015-16			2016-17		
		Budget	Revised	Actual	Budget	Revised	Actual	Budget	Revised	Actual
1	Revenue Receipts (a)+(b)+(c)+(d)	39221	34541	28939	<b>37815</b>	<b>40904</b>	<b>35781</b>	<b>51460</b>	<b>50174</b>	<b>41978</b>
(a)	State's Own Tax revenue	7496	6438	6334	8006	7988	7326	9220	8442	7819
(b)	State's own Non Tax Revenue	3561	3154	1978	3509	3455	3913	4019	5224	4072
(c)	State's share in Union Taxes/duties	5191	4477	4477	8088	8088	7813	9500	9500	9489
(d)	Grants-in-aid from Union Government	22973	20472	16150	18212	21373	16728	27721	27008	20599
2	Revenue Expenditure	32948	31503	29329	35228	37197	36420	44975	42568	39812
3	Capital Expenditure	9436	10363	5221	9686	12685	7425	19694	18912	8362
4	Total Expenditure	42384	41866	34550	44914	49882	43845	64669	61230	48174
5	Revenue Surplus	6273	3080	-390	2587	3707	-640	6485	7606	2166
6	Fiscal Deficit	3020	6561	5608	7099	8978	8060	6430	7384	8982
7	Primary Deficit (+)/Surplus (-) (Fiscal Deficit - Interest Payments)	-450	3141	2075	3304	5183	4341	1705	2615	4381

### Resources of the State

The revenue receipt and the public account receipts have shown upward trend. Public Debt has increased to Rs 55345 crore in 2015-16 and Rs 60673 crore in 2016-17. Decreasing trend of revenue receipts is discernable within the overall receipts during 2016-17 as compared to their ratio for 2015-16.

### Revenue Receipt

Transfer from the Union Government of State's share in Union taxes and duties and grant-in-aid together constituted on an average 71.67 percent of the State's revenue receipt. The increase in revenue receipts which consist of own tax and non-tax revenue, central tax

transfers and grant-in-aid from Government of India over the years is shown in the following table:-

S. No	Revenue Receipt	2011-12 (A)	2012-13 (A)	2013-14 (A)	2014-15 (A)	2015-16 (A)	2016-17 (A)
1	Own Taxes	4745 (19.15)	5833 (22.24)	6273 (23.12)	6334 (21.89)	7326 (20.47)	7819 (18.62)
2	Non-tax Revenue	2002 (8.08)	2160 (8.23)	2870 (10.58)	1978 (6.83)	3913 (10.94)	4072 (9.70)
3	Central Tax Transfers	3495 (14.10)	3870 (14.76)	4142 (15.27)	4477 (15.47)	7814 (21.84)	9489 (22.60)
4	Grant in Aid	14541 (58.67)	14354 (54.75)	13843 (51.03)	16150 (55.81)	16728 (46.75)	20599 (49.07)
5	Total (1 to 4)	24783 (100)	26217 (100)	27128 (100)	28939 (100)	35781 (100)	41978 (100)
6	Growth ( % )	11.45	5.78	(3.47)	(6.68)	(23.64)	(17.32)

(A)= Actual  
Figures in brackets indicate percentage share

### State's Own Revenues

The State's performance in mobilization of additional resources can be assessed in terms of its own resources comprising revenue from its own tax and non-tax sources. The major policy initiative implemented to augment tax and non-tax revenues was large scale structural reformative approach further extended during the financial year 2016-17. The trends show assenting growth in State's own resource mobilization which is discussed in the following.

### State's Own Tax Revenue

The tax policy of 2016-17 was based on a more realistic growth estimation keeping in view the lower tax buoyancy in the previous years. The underlying theme was to give a boost to domestic manufacture, bring about greater clarity in tax laws, maintaining stable rates and rationalizing the tax structure. The tax revenue has been showing constant progressive trend with these structural reforms. Tax revenue has increased to Rs 7819 crore during 2016-17 from Rs 7326 crore in 2015-16. Expenditure on collection of taxes on sales and trade was Rs 45 crore, State Excise Rs 27 crore. Percentage of expenditure to gross collection of revenue was 0.86 percent and 5 percent respectively. The percentage of cost of collection in respect of the land revenue was the highest. Expenditure on collection of land revenue was Rs 148 crore which is an area of concern. Contribution of various components of tax revenue is shown in table below. Contribution of various components of Tax revenue during the period 2012-13 to 2016-17 is shown in Table -4.

S. No	Source of Tax Revenue	2012-13 (A)	2013-14 (A)	2014-15 (A)	2015-16 (A)	2016-17 (A)
1	Taxes on sales, trade etc./VAT*	4174 (71.57)	4579 (73.00)	4602 (72.66)	5277 (72.03)	6012 (76.89)
2	State excise	421 (7.22)	440 (7.01)	466 (7.36)	533 (7.28)	569 (7.28)
3	Taxes on vehicles	118 (2.02)	134 (2.14)	132 (2.08)	145 (1.98)	150 (1.92)
4	Stamps and registration	240 (4.11)	261 (4.16)	248 (3.92)	264 (3.60)	228 (2.91)
5	Land revenue	96 (1.64)	16 (0.26)	15 (0.24)	12 (0.16)	17 (0.22)
6	Other taxes**	783 (13.42)	843 (13.44)	871 (13.75)	1095 (14.95)	843 (10.78)
7	Total	5832 (100)	6273 (100)	6334 (100)	7326 (100)	7819 (100)
Increase over respective previous Year ( % )		36.23	22.90	7.56	15.66	6.73
* Includes also service tax, ** Includes taxes on goods and passengers, taxes and duties on electricity and other taxes and duties on commodities and services, (A)= Actual, Figures in brackets indicate percentage share.						

### State's Own Non-tax Revenue

Buoyancy in non-tax revenue has not remained much attractive over the years. The policy has been to reform power sector which constitutes the most significant component of State's non-tax revenue which has been realized to Rs 2770 including subsidy of Rs 1200 crore much less than the budget estimates. Big impediment to achieve growth in this category are non-realisation of any progress on recovery of atleast 50 percent of the service charges from the user after accounting for the operation and maintenance expenses, as recommended by the 13<sup>th</sup> FC and dismal performance in power revenue collection.

Head of Revenue	BE 2014-15	Actual 2014-15	BE 2015-16	Actual 2015-16	BE 2016-17	Actual 2016-17
Power	2630	1428	2980	1477	3541	2770
Interest receipts, dividends and profits	73	142	77	150	7	64
Forest and wild life	71	71	76	68	86	14
Miscellaneous *	264	166	254	204	154	163
Others**	116	171	68	2014	231	1061
<b>Total</b>	<b>3154</b>	<b>1978</b>	<b>3455</b>	<b>3913</b>	<b>4019</b>	<b>4072</b>
* Miscellaneous departs are Public Works, Medical & Public Health, Water Supply & Sanitation, Police etc.						
** Others:- Pension and Misc. General Services, Labour and Employment, Other Administrative Services, Stationery & Printing, Minor Irrigation, OSAP, Fisheries, Education etc. Village and Small Industries, Housing, Social Security & Welfare, Tourism and Others.						

### Grant-in-aid from the Union Government

Grant-in-aid represents the significant component from the union government in the budgetary resource base of the State Government. The grant-in-aid from union government in absolute terms has remained 49 percent in 2016-17 vis-à-vis total revenue receipts and 42.75 percent vis-à-vis total expenditure.

The major policy reform under grant-in-aid has been aftermath of the abolition of the Planning commission and replacement of same by the NITI Ayog. The grants in terms of 14<sup>th</sup> Finance Commission are now fixed for next four years for the state.

### Capital Receipt

The recovery of loans and miscellaneous capital receipts has remained static which has resulted in more dependence of the State Government on Institutional finances and loans from the open market Table – 6.

	2012-13	2013-14	2014-15	2015-16	2016-17
<b>Non-Debt Capital receipts</b>					
(i) Recoveries of Loans and Advances	2	4	3	4	19
(ii) Miscellaneous Capital Receipts (Asset Sale)	-	-	-	-	-
<b>Total non-debt Capital receipts</b>	<b>2</b>	<b>4</b>	<b>3</b>	<b>4</b>	<b>19</b>
<b>Debt Capital receipts (Public Debt)</b>					
(i) Ways and Means Advances and Overdraft	3742	2850	7448	8991	15847
(ii) Loans and advances from Union Government	14	15	12	17	25
(iii) Other Debt (Market/Institutional Loans)	3272	3137	2799	5637	4877
<b>Total Debt Capital Receipts</b>	<b>7028</b>	<b>6002</b>	<b>10259</b>	<b>14645</b>	<b>20749</b>
<b>Total Capital Receipts</b>	<b>7030</b>	<b>6006</b>	<b>10262</b>	<b>14649</b>	<b>20768</b>

The loans and advances from the Union Government and market borrowing/Institutional Finance have crossed Rs 4902 crore during 2016-17. The ways and means advances and overdraft has touched Rs 15847 crore. Dependence on borrowing to manage cash/ liquidity balance has largely affected the interest burden of the State resulting in deterioration of the fiscal parameters of the State Table - 6.

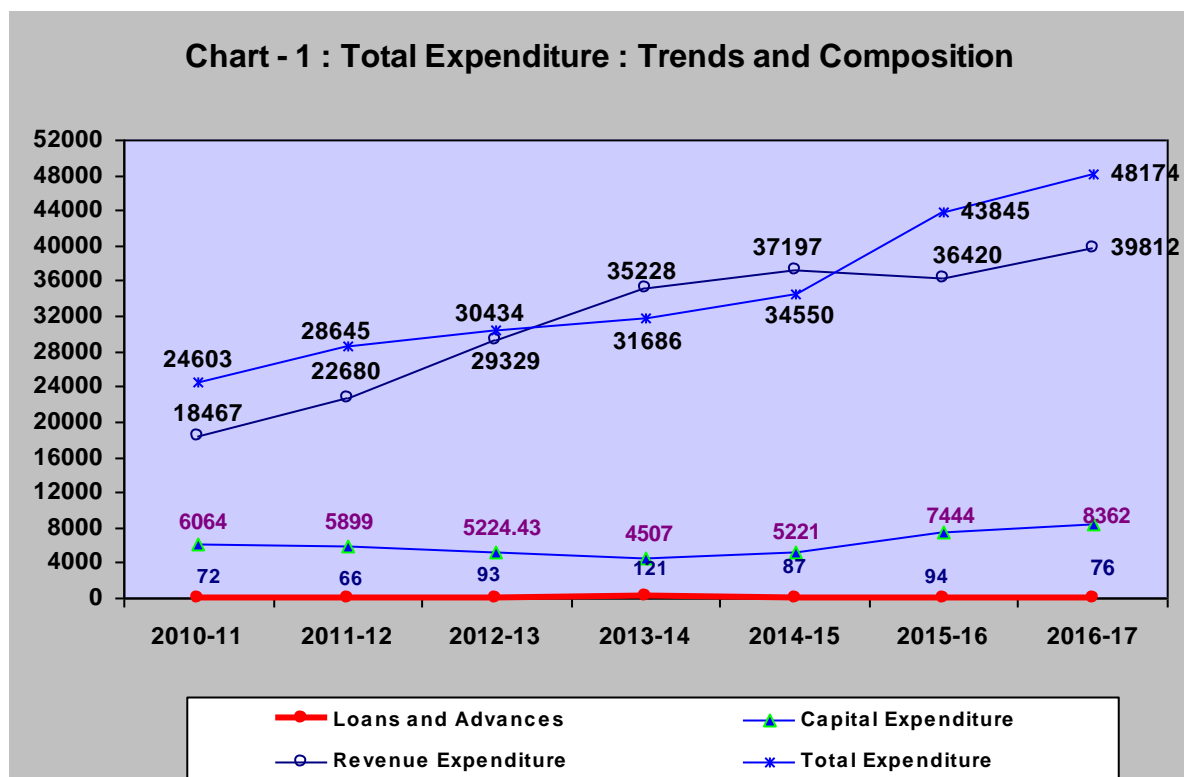
	2012-13	2013-14	2014-15	2015-16	2016-17
Interest Payments	2707	3001	3533	3719	4567
Repayments	5085	4147	8549	10815	17023

A policy initiatives to curb interest burden by clearing power liability through UDAY/Power bonds without affecting the fiscal indicators has been undertaken. By virtue of this lifting of Bonds exemption granted for calculation of the fiscal parameters by the union Government

to bail out the distribution companies (discoms) of the State Governments has been fully utilised. Another initiative to invest surplus under public account is also being contemplated.

### Growth and Composition of Expenditure

Chart – 1 depicts the trends in total expenditure both in terms of economic classification and expenditure by activities.



The total expenditure of the State increased by 9.87 % from Rs. 43845 crore in 2015-16 to Rs. 48174 crore in 2016-17. The revenue expenditure components has increased by 9.31 % and capital expenditure component has increased by 12.3 % during the same period.

The total expenditure, its annual growth, its ratio to the State GDP and to revenue receipts besides relative share of Capital & Revenue Expenditure are indicated in the Table-8.

Particulars	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Total Expenditure (TE) (Rs. in crore)	28645	30434	31686	34550	43845	48174
Rate of growth ( <i>per cent</i> )	16.42	6.25	4.11	9.04	26.90	9.87
TE/GSDP ratio ( <i>per cent</i> )	45.93	39.99	36.29	35.14	37.33	38.16
RR/TE ratio ( <i>per cent</i> )	86.52	86.14	85.62	83.76	81.61	87.14
Revenue Expenditure in crore	22680	29329	35228	37197	36420	39812
Capital Expenditure (Rs. in crore)	5899	5224	4507	5221	7331	8286
Loans & Advances	66	93	121	87	94	76



Capital expenditure increased by Rs.955 crore from Rs 7331 crore in 2015-16 to Rs 8286 crore in 2016-17. Revenue expenditure increased from Rs 36420 crore to Rs 39812 crore by Rs. 3392 crore during the same period.

Items	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
General Services	10119	11262	11403	12039	13675	15110
Social Services	7861	8507	7896	8501	11331	11564
Economic Services	10599	10572	7759	8789	11415	13138
Loans and Advances	66	93	121	87	94	91

The total expenditure was Rs. 48174 crore during 2016-17. The share of salary/wages/pension in the total expenditure during 2016-17 stood at 40.20 per cent, which had increased to 3.41 per cent during the period. The sector wise expenditure reveals 36.08 percent of expenditure on General Services, 27.61 percent on Social Services and 31.37 percent on Economic Service.

The expenditure on payment of interest increased marginally from Rs.3757 crore in 2015-16 to Rs. 4601 crore in 2016-17. Revenue expenditure incurred to maintain the current level of services and payment for the past obligations has had a predominant share in the total expenditure as is discernible from Table – 8.

The revenue expenditure of the State has registered 9.31 per cent increase from Rs. 36420 crore in 2015-16 to Rs. 39812 crore in 2016-17. The share of revenue expenditure in the total revenue expenditure increased from 81.61 percent in 2015-16 to 87.14 per cent in 2016-17.

### **Committed Expenditure**

The committed part of revenue expenditure on account of interest payments, salaries and wages and pensions for the period 2011-12 to 2016-17 is given below in the table-10.

Components of Committed Expenditure	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Salaries & Wages of which	10113 (40.81)	10600 (40.43)	11605 (42.78)	11770 (40.67)	14950 (41.78)	15154 (36.09)
Interest Payments	2383 (9.61)	2707 (10.33)	3001 (11.06)	3569 (12.33)	3757 (10.50)	4601 (10.96)
Pensions	3296 (13.29)	3463 (13.21)	3592 (13.24)	3463 (11.96)	3781 (10.56)	4216 (10.04)

*(Figures in parenthesis represent percentage of revenue receipts)*

The expenditure on salary and wages increased by 1.36 percent compared to an increase of 17.32 per cent in the revenue receipts over the last one year. The committed expenditure

has shown an increasing trend every year. Total expenditure on committed expenditure alone is 55.68 percent of total revenue expenditure in 2016-17.

### **Areas of Concern**

Paucity of resources and other limitation adds to the severity of the issues which need focussed attention to make conditions conducive for the economic and social growth. The multipronged strategy for mobilization of additional resources, improvement in tax and non-tax collections, cost recovery of user charges, expenditure compression, particularly establishment related and increase in efficiency levels shall be of prime importance. The major areas of concern are putforth as under:

1. There is a steep rise in salary and pension bills, administrative costs, burgeoning hidden subsidies including power deficit, rising interest liabilities and loan repayments, deficit on account of Non-tax Revenue, increased interest payments outgo.
2. Revenue Expenditure has increased unabated. The major reason being periodical increase of salaries, regularization/appointment of new employees, power revenue deficit, interest liability and subsidies.
3. Revenue generation from the both tax and non-tax sources have not recorded impressive jump commensurate to our demands and requirements.
4. Dependence on borrowings is more indicative now to maintain at least constant level of Capital spending. Major borrowings are through open market and negotiated loans apart from public account.
5. Financing of Capital spending in the wake of ever expanding Revenue Expenditure and squeezed resources is another challenge to handle.
6. The degradation of infrastructure created due to absence of adequate maintenance grants is another area of concern and needs to be addressed by way of providing adequate funds in the capital /revenue expenditure whichever is applicable on a fixed basis.

## Budgetary Policy

### Introduction

The Government while amplifying the scope of public services has to take into consideration the public investment policy which largely depends on the soundness and buoyancy of the tax structure on the one hand and public expenditure strategy on the other hand, that will contribute towards maintaining the overall budget balance. An unsustainable budget deficit not only leads to instability in the economy but also avow the Government to resort to methods of raising resources that cause further distortions and produce undesirable effects on the economy. The challenge is to meet infrastructural, developmental and social needs while balancing the Government's finances in a way that the deficit or the accumulating debt burden is not enhanced.

Over the years, the budget has been instrumental for reallocation of resources according to priorities, redistribution, promotion of private savings and investments, and the maintenance of stability. Thus, the budget during 2016-17 has also geared simultaneously to the sustained growth of the public economy and towards pursuit of the broader objectives of fiscal policy. The methods of raising resources for the public good have influenced the rest of the economy in beneficial ways and, resources have by and large been used in an effective way. The size of the public economy, measured in terms of total expenditure share, has not grown much and has exhibited retardation from 47.73 *percent* of GSDP in 2015-16 to 38.16 *percent* in 2016-17. With the increase in expenditure, Tax ratio has also exhibited commensurate increase, however, the tax and non-tax ratio has not kept pace with the expenditure ratio. These tendencies have gradually eroded the capacity to generate the necessary surplus to expand essential public services and to contribute to the financing of public investment.

Budget restructuring initiated in the year 2015-16 with further extended reforms in the year 2016-17, has nonetheless refined the classification of the State Budget further in clearer terms. This reclassification of budgetary allocations into revenue and capital components has a long term impact on developmental and non developmental expenditure management policy of the State.

### Public Expenditure Management and Monitoring Policy

During 2016-17 major thrust area of the Government has remained to address ever increasing liabilities of various kinds at the State Treasuries which has distorted fiscal

management principles and has culminated into cash deficit. Another focus area which needs continuous appraisal is the cost overrun of the projects. There are no standard laid down specifications which could be adopted for the infrastructural projects in the State. There exists incredible demand to lay down norms and guidelines for the investment and creation of public infrastructure and the assets.

To create a robust monitoring system has become imperative and the first priority area of the Government from 2016-17 onwards to review the system of preparation of cost estimates through standardization of designs and other building specifications in order to bring about cost saving and efficiency.

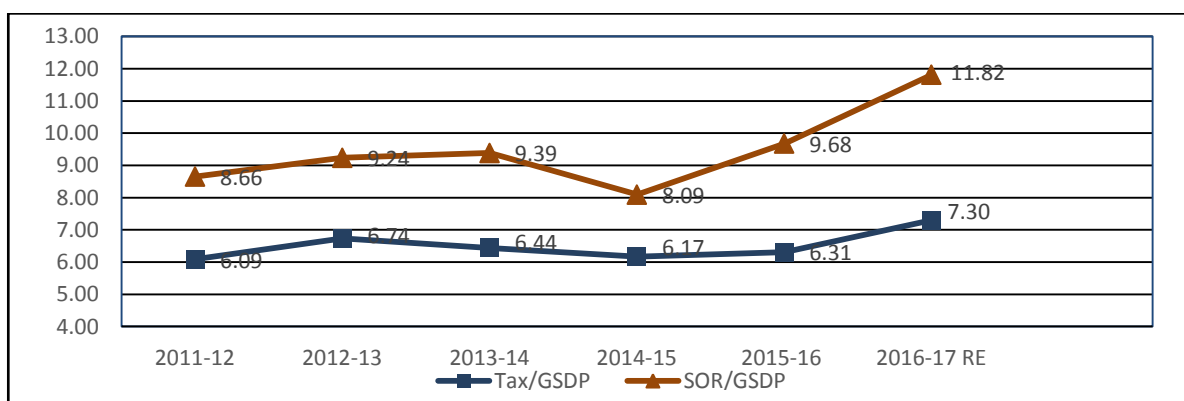
The Government is fervent to bring normative public expenditure planning, execution and monitoring mechanism which will augment improvements in the project financing and overall financing of the public infrastructure.

The broad policies envisaged during 2016-17 and outcomes thereto are discussed in the successive sections. The major policy decision during 2016-17 was to further weed out misclassification of public expenditure and to initiate structural reforms in the formulation of the State Budget which in-turn will exterminate utilization of major portion of receipt for non-developmental expenditure in the form of capital expenditure.

#### State Taxes and Revenues-Incidence & Efficiency:

State's tax revenue has been consistently higher and steadily rising while the expenditure growth is outpacing the efforts of tax collection and additional resource mobilization. Special efforts are required to identify new sources of revenues besides augmenting collection from existing sources on the non tax revenue side as well as tax side. Our own revenues including share of central taxes is pegged at 11.82 % of GSDP and our tax revenue has been estimated to be 7.30 % of GSDP in the year 2016-17 as is clearly depicted from the figure given below. It is evident that States own tax revenue is showing increasing trend over the years and as the State economy is planned to grow at an annual rate of about 8% it will be the endeavor of the State Government to increase our own revenues to GSDP ratio marginally over the existing levels.

**Figure:1**



## Preponderance of Revenue Expenditure

Major portion of the Government expenditure is incurred under revenue component which does not usually result in fresh creation of the assets. The total revenue expenditure for the year 2016-17 was Rs 39812 crore which was 82.64 percent of the total expenditure. The increase in revenue expenditure in absolute terms was from Rs 36420 crore in 2015-16 to Rs 39812 crore in 2016-17. Revenue expenditure incurred to maintain the current level of services and payment for the past obligations has had a predominant share in the total expenditure as is discernible from Table – 1.

Particulars	2012-13	2013-14	2014-15	2015-16	2016-17
<b>Total expenditure (TE) (Rs. in crore)</b>	<b>30434</b>	<b>31686</b>	<b>34550</b>	<b>43845</b>	<b>48174</b>
TE/GSDP ratio (per cent)	39.24	36.29	39.30	47.73	41.65
Revenue Expenditure (RE) (Rs. in crore)	29329	35228	37197	36420	39812
<b>Rate of Growth of</b>					
RE (per cent)	10.74	7.73	8.39	24.18	9.31
RE as percentage of TE	82.53	85.39	84.89	83.06	82.64

## Power Reforms

In the Financial Year 2015-16 Rs. 2140 crore worth bonds were raised under Uday scheme. Uday Scheme launched by the Ministry of Power, Government of India, allows states to raise long term bonds to service liabilities of CPSUs. Other liabilities on account of power purchase and various dues to State Power Development Corporation would also be met by raising money by issuing State Power bonds. An important feature of the Uday Power Bond is that the debt taken over shall not be included in the calculation of fiscal deficit in the financial years 2015-16 and 2016-17.

Reform in the power sector has remained key focus area during 2016-17 and a separate power budget was also presented in the legislature to highlight status of power scenario in the State with its impact on the overall resource position of the State. Major initiation in this front has been to bring reforms in the power trading processes so as to avail best standard operating practices available to bring down power purchase cost which is increasing at an alarming rate and completely distorting fiscal balance of the State. Government has been buying and distributing power in the State since long. All the expenditures on account of Power Purchase are being met by the State Government. All the revenue generated goes to the State Exchequer. But there remains a huge gap between the actual power purchase bill and revenue realization. The deficit in power receipts over the years is shown in Table – 2 below.

Financial Year	Power purchase Costs	Target	Actuals	Deficit
2003-04	1135	455	368	767
2004-05	1318	483	383	935

2005-06	1674	461	384	1290
2006-07	1355	405	479	876
2007-08	1750	780	601	1149
2008-09	2034	922	630	1404
2009-10	1997	1065	702	1295
2010-11	2310	1209	822	1488
2011-12	3000	1486	1007	1993
2012-13	3870	2387	1589	2281
2013-14	3738	2841	1533	2205
2014-15	4404	2630	1428	2976
2015-16	6127	2980	1477	4650
2016-17	6133	2980	2770	3363

Reforms in the sector aimed at reducing AT & C losses has already started but in respect of the power purchase mechanism it has become absolutely essential to run the power procurement on professional lines. Expertise in trading of power has of late emerged as an important area and is bound to definitely save substantially amounts once put in place. It is high time that the activities of the PDD are unbundled for which required clearance and concurrence are already given earlier. This will be a major reform on which will hinge turnaround in Power Sector of the State.

### Quality of Expenditure

The availability of better social and physical infrastructure in the State generally reflects the quality of its expenditure. The improvement in the quality of expenditure basically involves three aspects: adequacy of the expenditure, efficiency of the expenditure and effectiveness of the expenditure. These aspects are discussed in the following.

### Adequacy of Public Expenditure

Invest in key sectors like Education, Health and Employment generation schemes shall to a large extent enhance the human development index in the State. The Government has made known its intention for a major upgradation of infrastructure and enhancing allocation for social sectors and social safety nets which is reflected in various schemes launched by the State Government during 2015-16 and 2016-17 and also allocations made under prime ministers' package (Tameir) for various infrastructural and developmental activities which include investment in energy sector, roads and bridges, relief and rehabilitation, strengthening of police force and flood mitigation projects aided and assisted by the world bank. Trends in expenditure by activities are shown in Table – 3.

	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
General Services	10119	11262	11403	12039	13675	15110
Social Services	7861	8507	7896	8501	11331	11564
Economic Services	10599	10572	7759	8789	11414	13138
Loans and Advances	66	93	121	87	94	76

## Efficiency of Expenditure

In view of the importance of public expenditure on development heads from the point of view of social and economic development, State Government has taken appropriate expenditure rationalization measures and laid emphasis on provision of core public and merit goods. An important factor contributing to less than desired improvements in infrastructure and social indicators is the inherent inefficiency in the use of budgetary funds which has remained major policy initiative of the Government during 2016-17.

On an average it takes twice the originally projected time and almost twice the originally estimated cost to complete a development project. To expand the fiscal space and enhance efficiency of public expenditure, policy initiatives have been defined for management and monitoring of a large number of development projects and schemes under way to reduce overhead cost generating additional inefficiencies in the system.

Table – 4 shows analysis of the sector-wise expenditure and its relation to development indices.

Social /Economic Infrastructure	2016-17
	Ratio of CE to TE
General Education	7.53
Health and Family Welfare	5.78
Ws, Sanitation & HUD	6.37
Others	11
Total (SS)	30.68
Agriculture and Allied Activities	4.14
Irrigation and Flood Control	8.7
Power and Energy	13.41
Transport	0.13
Others	42.94
Total (ES)	69.32

The ratio of capital expenditure to total expenditure in Social and Economic service sectors showed consistent increase to 15.60 percent in 2016-17 from 14.18 percent in 2015-16. Developmental expenditure (sum of expenditure on Social & Economic Sectors) and their components thereto are shown in Table – 5.

Components of Development Expenditure	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Development Revenue Expenditure	12955 (45)	14491 (47.60)	15655 (49.41)	17290 (50.04)	22745 (51.87)	24702 (51.27)
Development Capital Expenditure	5505 (19)	4588 (15.10)	3859 (12.18)	4526 (13.10)	6219 (14.18)	7517 (15.60)
Loans/Advances for Development	66	93	121	87	94	76

*Figures in parentheses indicate percentage to aggregate expenditure.*

## Effectiveness of the Expenditure

Besides stepping up the expenditure on key social and economic services, Government's constant effort has remained focused on enhancing human development to improve the delivery mechanism to obtain the desired outcomes. Even though effort to relate expenditure to outcomes has been made yet to evolve outcome based budgeting system shall be a main policy initiative of the Government in the coming years. The expenditure management initiatives in this regard must gather momentum with a focus on outcomes rather than allocations.

## Fiscal Liability

The overall fiscal liability of the Government increased from Rs 55358 crore to Rs 62207 crore ending March, 2017. As a percentage of GSDP, the stock of accumulated fiscal liability decreased from 60.27 percent to 49.28 percent at end of 2016-17 reflecting a good sign towards progress related to debt sustainability.

Table – 6 shows the outstanding public debt and other liabilities in last five years and its relation with the GSDP of the State.

<b>Table 6: Fiscal liabilities</b>	<b>(Rs. in crore)</b>				
<b>Narration</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>
Total Fiscal Liability	40265	44673	48314	55358	62207
Revenue Receipts	26217	27128	28939	35781	41978
Fiscal Liability % of Revenue Receipts	153.58	164.67	166.95	154.71	148.18
GSDP (Rs. in crore)	76916	87570	87921	91850	126230
Liability as % of GSDP (%)	52.35	51.01	54.95	60.27	49.28

## Contingent Liability

Guarantees extended for last 5 years are tabulated in Table – 7. Guarantees are liabilities contingent on consolidated fund in case of default by the borrower for whom guarantee has been extended.

<b>Table No 7 : Guarantees given by the State Government</b>	<b>(Rs. in crore)</b>				
<b>Guarantees</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>
Outstanding amount of guarantees (Rs. in crore)	611	2714	2860	2825	2634

Pursuant to the recommendations of the twelfth Finance Commission, the State Government created a Guarantee Redemption Fund (GRF) in 2006. The total outstanding guarantees as on March 31<sup>st</sup> 2017 aggregated to Rs. 2634 crore which was 7.4 per cent of the total Revenue Receipts of Rs. 35781 crore in 2015-16 and the 2.9 per cent of the GSDP of Rs. 91850 crore well within the limits. However the State Government has not assessed the risks of various guarantees issued from time to time.



## Debt Management

The analysis of variation in debt sustainability indicators of the State for the period of five years is given in Table – 8.

Description	2012-13	2013-14	2014-15	2015-16	2016-17
Total liabilities	40265	44673	48314	55358	62207
Total Public Debt (year end)	24635	26490	28200	14645	20749
Total market loans (year-end)	15510	17205	18321	14628	20724
Percentage of market loans to total liabilities (percent)	38.5	38.5	37.92	38.02	33.31
Percentage of market loans to total public debt (percent)	63.0	65.0	64.97	65.70	99.87
GSDP at current market prices	76916	87570	87921	91850	126230
GSDP growth rate ( percent per annum)	12.80	13.85	0.40	4.89	37.43
Revenue Receipts	26217	27128	28939	35781	41978
Total Interest Payment	2707	3001	3533	3719	4567
Interest payments to Revenue Receipts (per cent)	10.3	11.06	12.21	10.39	10.88
Primary Deficit	1510	1553	2075	4341	4381
Total liabilities as per cent of GSDP	52.35	51.01	54.95	60.27	49.28
Outstanding guarantees	611	2714	2860	2825	2634
Revenue Surplus	1100	70	(-) 390	(-)640	2166
Fiscal Deficit	1216	4554	5608	8060	8982

*Note: As per the definition of the term 'Total Liabilities', off budget borrowings through public sector undertakings are also required to be included. However, these are not included in the figures shown above for want of information.*

Debt management implies State's sustainability to service the debt. Apart from the magnitude of debt of State Government, it is important to analyze various indicators that determine the debt sustainability of the State. Of all the constituents of outstanding liability of the Government, the market loans need special focus because the interest rates thereon are not administered and may go up if in the market perception the Government debt is not sustainable. The key debt sustainability indicators in the context of market loans are shown in table – 8.

## Fiscal Balance

The Trends in deficits are shown in the table – 9.

Fiscal Sustainability	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Fiscal Liabilities	36267	40265	44673	48314	55358	62207
Revenue surplus	2103	1100	70	(-)390	(-)640	2166
Fiscal Deficit	2833	2975	4554	5608	8060	8982

*Source: Finance Account*

The three fiscal parameters—Revenue deficit, Fiscal deficit and outstanding liability indicates the extent of overall fiscal balance in the Finances of the State Government during the specified period. The nature of deficit is an indicator of the prudence of budgetary policy of the State Government. Another useful measure of the deficit-base in a State's Fiscal Policy is the State's Own Deficit (SOD).

The major threat to fiscal balance is the revenue deficit exhibited during the FY 2015-16 which has reversed and 2016-17 has exhibited Revenue surplus of Rs 2166 crore. The fiscal deficit has reached to the level of Rs 8982 crore, primary deficit to Rs 4381 crore in the same year leading to more dependence on the market borrowings as the revenue deficit grants are fixed for a period of five years which are not subject to change during the course of the year from 2015-16.

### **Conclusion**

In 2016-17, the fiscal performance of the Government has been better than estimated. This has reinforced the belief in the fiscal policy strategy adopted, which entailed fiscal consolidation along with corrections on revenue-capital imbalance. It is estimated that with the continuance of the reformative policy in subsequent years, the state Government will be able to achieve the set targets in infrastructure and social sector schemes.

The fiscal outlook for 2016-17, seeks to achieve a much larger consolidation even while providing for substantially higher revenue expenditure requirements on salaries and pensions. However, there are some downside risks. To alleviate these risks, the Government will need to deliver on the initiatives to be rolled out on non-tax revenues, carry out disinvestments/strategic sale of assets as per the estimated targets and above all, ensure going through with the additional resource mobilization, at least in a phased manner.

## Chapter 4.3

# Banking

The banking system in the state has exhibited remarkable operational as well as institutional growth over last two decades. The institutional structure of banking system in J&K consists of multiple market players viz. Commercial Banks, Regional Rural Banks and Co- operative Banks.

Network Strength of various categories of Banks operating in J&K					
Bank Group	No. of Branches as on March, 2015 & March, 2016				
	March 2015	March 2016	Sep 2017	%ge Share	Growth %ge
A(i) Public Sector Banks	461	481	482	23.78	0.21
A(ii) Private Sector Banks	845	887	925	45.63	4.28
A(iii) Regional Rural Banks	355	350	337	16.63	-3.71
<b>A: Total Scheduled Commercial Banks</b>	<b>1661</b>	<b>1718</b>	<b>1744</b>	<b>86.04</b>	<b>1.51</b>
B: Central/ State Co-Operative Banks	261	266	269	13.27	1.13
C: Other Financial Institutions (SFC)	14	14	14	0.69	0.00
<b>Total (A+B+C)</b>	<b>1936</b>	<b>1998</b>	<b>2028</b>	100	1.45

There has been notable improvement in the banking services with the increase in the bank branches over the years. On an average, 1 bank branch is available per 6185 people as on September-2017 where as for India, it is 8708 persons. More importantly, the coverage of area per bank is declining year by year. During the year 2016-17 one branch was available per 49.99 Sq. kms.

Following table provides overview of banking infrastructure with some business indicators over the years at state level.

### Credit –Deposit Ratio

Development in banking sector				(Amount is in Crore INR)		
Year (As on 31 March)	Bank Branches	Average Per Branch		Deposits	Advances	Credit-Deposit Ratio
		Area (Sq Km)	Population ('000)			
2011	1302	77.87	10	45695	16252	35.57
2012	1449	69.97	9	55144	18949	34.36
2013	1638	61.90	8	64480	23542	36.51
2014	1893	53.56	7	72767	34398.9	47.27
2015	1936	52.39	7	78977.67	36508.41	46.23
2016	1998	50.74	7	86232.35	42348.25	49.11
Sept 2017	2028	49.99	7(P)	101200.70	47779.42	47.21

Credit-deposit ratio is an impressive indicator utilized for measuring the business performance of banks. Higher growth in advances i.e., 15.99% and comparatively lower growth in deposits (9.18%) improved the CDR from 46.23% as on March, 2015 to 49.11% ending March, 2016. This indicates increase in CDR by 2.89%. Across the bank groups, substantial improvement in CDR was noticed in all groups except central/state co-operative banks. At all India, CDR of SCBs was 73.3 % in Sep-2017.

Position of Credit Deposit Ratio of each district as on 30th June, 2017					
Sno	Name of District	CD Ratio	Sno	Name of District	CDRatio
Lead Districts of J&K Bank			Lead Districts of SBI		
1	Srinagar	50.49	1	Samba	44.52
2	Ganderbal	69.68	2	Kathua	39.34
3	Baramulla	75.74	3	Udhampur	30.13
4	Bandipora	67.62	4	Reasi	33.51
5	Anantnag	73.16	5	Jammu	29.71
6	Kulgam	88.94	6	Doda	35.99
7	Pulwama	79.52	7	Ramban	32.88
8	Shopian	161.18	8	Kishtwar	27.77
9	Budgam	81.62	9	Leh	28.91
10	Kupwara	77.69	10	Kargil	41.46
11	Poonch	24.56			
12	Rajouri	28.40			

From the above table it is observed that ten districts of the State, viz. Jammu, Kathua, Udhampur, Reasi, Doda, Ramban, Kishtwar, Rajouri, Poonch and Leh , continue to have discouraging and subdued C.D. Ratio, as on 30<sup>th</sup> September, 2017.

### Priority Sector Lending (PSL)

A key component of equality of credit in India has been so called Priority Sector Lending (PSL). All banks are required to meet a 40% target on PSL. 46 banks/ financial institutions with a network of 2028 branches have extended total credit of Rs. 10950.72 Crore in favour of 397058 beneficiaries (both under Priority and Non priority Sector) against annual target of Rs. 28841.64 crore for 966047 beneficiaries under Annual Credit Plan 2016-17, thereby registering achievement of 37.97% in financial terms and 41.10% in physical terms in the ending September, 2017. This includes Priority Sector credit of Rs. 5917.95 Crore disbursed in favour of 242352 beneficiaries against annual target of Rs. 19933.02 Crore for 740847 beneficiaries (constituting 29.69% achievement in financial terms and 32.71% in physical terms ending September-2017) and Non priority sector credit of Rs. 5032.78 Crore disbursed in favour of 154706 beneficiaries against annual target of Rs. 8908.62 Crore for 225200 beneficiaries (constituting achievement of 68.70% in financial and 56.49% in physical terms ending September-2017).

## Annual Credit Plan 2017-18

The size of annual credit plan for the year 2017-18 has been fixed at Rs 28841.64 crore for 9.67 lakh beneficiaries. Out of this amount Rs 19933.02 crore constituting 69.11% is targeted for Priority Sector and remaining 30.89% for non-priority sector. So far as bank group wise breakup of ACP is concerned private sector banks emerge as front line group contributing maximum amount of credit claiming 62.34% followed by public sector banks sharing 25.22% credit plan and regional rural banks is the 3rd bank group on this account with 8.30% share. All schedule commercial banks have a collective share of 95.87% in the ACP for 2017-18. Agency wise annual credit plan for the year 2017-18 is abstracted hereunder in figures.

Agency-Wise Annual Credit Plan 2016-17 & 2017-18 (Priority+Non-Priority Sectors) (Rs. in crore)						
Name of Bank	FY 2016-17			FY 2017-18		
	Target (Annual)	Achievement (31.03.2016)	%age of Ach.	Target (Annual)	Achievement (Sep,2017)	%age of Ach.
J&K Bank	150002.12	11906.37	79.36	15829.28	7985.93	50.45
SBI	3226.01	1762.61	54.64	3240.92	933.73	28.81
PNB	1736.37	542.46	31.24	1510.63	592.25	39.21
Other Com. Banks	4058.65	1554.77	38.31	4673.88	854.32	18.28
Coop. Banks	1038.37	305.94	29.46	1179.89	156.10	13.23
RRBs	2569.32	713.15	27.76	2395.19	412.63	17.23
Other FIs (SFC)	18.63	17.04	91.49	11.85	15.75	132.84
<b>TOTAL</b>	<b>27649.47</b>	<b>16802.34</b>	<b>60.77</b>	<b>28841.64</b>	<b>10950.72</b>	<b>37.97</b>

### Sectoral breakup of Annual credit plan (2017-18)

Sectoral details of annual credit plan 2017-18 are summarized below:-

#### Priority Sector

##### a) Agriculture and allied activities

Credit to agriculture is essential for invigorating agricultural sector. The flow of institutional credit to agriculture and allied activities has increased after the implementation of bank nationalization and financial liberalization policies in India. The commercial banks contribute to the majority share of institutional credit to agriculture.

In the annual credit plan for 2017-18, an amount of Rs 7700.42 crore is targeted for agriculture and allied activities constituting 38.63% of the total plan size of priority Sector. The commercial banks are to contribute the maximum share i.e. 94.07% out of the total amount stipulated under this sector and remaining share of 5.93%, by the central and state co-operative banks. Within the amount stipulated for agricultural sector 59.63% constitutes Crop Loan. The Share of Crop loan in the overall credit plan for 2017-18 amounts to 15.92%. Against the target of Rs 7700.42 crore, Rs. 2945.66 crore has been achieved ending September, 2017.

### **b) Micro and small enterprises**

An amount of Rs. 7552.13 crore is the share of micro and small enterprise constituting 37.89% of the ACP of priority sector for 2017-18. Out of this amount, maximum share is to be contributed by Private sector banks with 60.18%, followed by 28.50% share of public sector banks, 6.85% by regional rural banks and the remaining 4.46% amount by co-operative banks and SFC jointly. Against the targeted amount, Rs. 2407.17 crore has been utilized benefitting 64573 accounts.

### **c) Education**

Under this sector Rs 4473.139 crore is the credit flow in the ACP for 2017-18 constituting 2.24% benefitting 13368 beneficiaries. The performance under Education Sector has remained abysmally Low. None of the banks have been able to achieve the ACP targets. Against the target only Rs 62.29 crore credit flow has taken place benefitting 3992 beneficiary accounts in quarter ending September-2017 which is substantially low.

### **d) Housing**

Housing sector claims 13.15% of the annual credit plan for priority sector 2017-18 with an amount of Rs 2621.61 crore. Like Education Sector the performance under Housing Sector has remained abysmally low ie. Only Rs. 383.85 crore for 8235 beneficiary accounts.

### **e) Others Sectors**

Sectors categorized as others constitute 5.50% of the annual credit plan of Priority Sector for 2017-18 with an amount of 1095.81 crore. Achievement ending September-2017 is only Rs. 115.91 crore for 7425 beneficiary accounts.

## **Financial Inclusion**

### **Providing Banking Services In Villages**

Reserve Bank of India initiated the concept of Financial Inclusion by setting up the Khan Commission in 2004 and later on mooted a campaign under Financial Inclusion Plan to make efforts to provide financial services to the financially excluded segment of the society. Accordingly "Swabhimaan" campaign to cover 74,000 identified villages in India with population more than 2000 (as per census 2001), was launched by Government of India in February 10, 2011. Consequently, a total of 795 villages in J&K State having population of over 2000 but without banking facilities were identified by the concerned Lead District Managers/ Lead Bank Officers, and accordingly allocated to 5 major banks for providing banking services by March 2012. After providing coverage of banking services in all the identified 795 villages, RBI advised SLBCs to prepare a roadmap covering all unbanked villages of population less than 2000 (FIP-II) and notionally allot these villages to banks for providing banking services in a time-bound manner. Accordingly, a total of 5582 villages having population less than 2000 were identified in J&K State, and allocated to 5 major banks operating in J&K. All the allocated villages in this segment stand covered by providing

banking service outlets in the form of Bank Branch/ Banking Correspondents or Other Modes of coverage.

Subsequently, FIDD RBI issued direction to all SLBC Convenor Banks to identify the villages, with population more than 5000, which do not have a Brick & Mortar Branch of any Scheduled Commercial Bank and allocate the same among the Scheduled Commercial Banks operating in the state for opening of branches. The process of opening of bank branches under this Roadmap is to be completed by March 31, 2017. As per the directions, J&K SLBC, in coordination with concerned Lead District Managers, has identified 104 villages with population of more than 5000 (as per Census 2011), which do not have a branch of any Scheduled Commercial Bank and the same have been allocated to 8 major banks operating in J&K State. Till July, 2017 only ten villages have been covered out of 104 villages, the progress is being reviewed quarterly in the SLBC meetings for its completion within the stipulated time.

### Pradhan Mantri Jan Dhan Yojna

Pradhan Mantri Jan Dhan Yojana (PMJDY) a comprehensive Financial Inclusion Package was launched across the country on 28<sup>th</sup> of August 2014 for ensuring access to financial services by all and timely adequate credit to the excluded sections, i.e., weaker sections and lower income groups of the country. It emphasizes on an urgent need to push the Financial Inclusion among the financially excluded segments of the society so as to have financial stability and sustainability of economic and social order.

<b>Consolidated progress on number of accounts opened under Pradhan Mantri Jan Dhan Yojana in J&amp;K upto 05/07/2017</b>						
Bank	No. Of A/Cs opened			No. of rupey Debit cards		No. Of zero balance accounts
	Rural	Urban	Total	Issued	Active	
Public Sector Banks	202839	148617	351456	299378	231477	75094
Private Sector Banks	1347904	113135	1461039	1145676	705982	511857
RRBs	132657	25715	158372	53812	37440	53240
Cooperative Banks	7321	3026	10347	1750	1389	2140
<b>Total</b>	<b>1690721</b>	<b>290493</b>	<b>1981214</b>	<b>1500616</b>	<b>976288</b>	<b>642331</b>

### Implementation Of Electronic Benefit Transfer (EBT) Scheme In J&K

Strategy guidelines on Financial Inclusion issued by GoI, require that benefits and subsidies under various Government Schemes must be transferred electronically into the accounts of the beneficiaries and such basic banking accounts have to be opened by banks under Financial Inclusion to facilitate direct transfer of such benefits and subsidies.

- In J&K State, Finance Department, J&K Govt. is the umbrella department to coordinate, oversee and facilitate roll out of EBT.
- J&K Bank stands designated as Leader Bank for all districts of the State;

- MoU between Finance Department, J&K Govt. and Leader Bank (J&K Bank) was signed on 26th November 2013 for hassle-free implementation of EBT Scheme.

EBT Scheme has so far been implemented in ten districts of the State i.e., Srinagar, Ganderbal, Jammu, Rajouri, Kargil, Leh, Doda, Ramban, Samba and Shopian and benefits under IGNOAPS are being successfully transferred into the accounts of the beneficiaries.

The data validation in respect of the remaining 12 districts is under process and up to 30-sep-2017 against total number of 132853 accounts received by all banks 120419 accounts have been verified for EBT. Among all verified accounts 116749 accounts are pertaining to J&K Bank (Lead Bank).

### **Pradhan Mantri MUDRA Yojana (PMMY)**

Loans given to non-farm income generating enterprises in manufacturing, trading and services whose credit needs are below Rs.10 lakh is known as MUDRA loans under the Pradhan Mantri MUDRA YOJANA (PMMY) and it also covers overdraft amount of Rs.5000/- sanctioned under PMJDY, which shall also be classified as MUDRA loans under PMMY. All such loans can be covered under refinance and / or credit enhancement products of MUDRA.

### **Progress in J&K State**

The position of disbursement of loans by banks in J&K State under the Pradhan Mantri Mudra Yojana (PMMY) as on June 30, 2017 is as under:

<b>Progress under PMMY</b>						<b>(Amount in Crore)</b>	
<b>S. No</b>	<b>Category</b>	<b>Target for CFY (2017-18)</b>		<b>Achievement as on 30.06.2017</b>		<b>%age of achievement</b>	
		<b>A/Cs</b>	<b>Amount</b>	<b>A/Cs</b>	<b>Amount</b>	<b>A/Cs</b>	<b>Amount</b>
1	Shishu	74,456	440.66	8,367	28.35	11.24%	6.43%
2	Kishore	35,136	1,316.43	31,497	724.16	89.64%	55%
3	Tarun	8,720	708.1	4,419	328.39	50.67%	46.37%
	<b>Total</b>	<b>1,18,312</b>	<b>2645.19</b>	<b>44283</b>	<b>1080.9</b>	<b>37.42</b>	<b>43.84%</b>

### **Implementation of Prime Ministers' Fasal Bima Yojana (PMFBY) J&K State**

PMFBY Scheme has been introduced in J&K in the year 2015-16. The Scheme was to be operative in the State covering 287 blocks falling in 20 districts (excluding districts of Kargil and Leh). Seven crops were to be covered under the Scheme with period of coverage for all the seven crops being Rabi 2016-17 and Kharief 2017, for a period of three years in terms of Operational Guidelines on PMFBY.

The State Government had been able to select the service providers for 10 districts of Jammu Division only, (i.e. M/S Reliance General Insurance, M/S Oriental Insurance Company and M/S ICICI Lombard,), as such the PMFBY Scheme stands already made operational in Jammu Division of the State.



**Progress regarding three Social Security Schemes 1) Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), 2) Pradhan Mantri Suraksha Bima Yojana (PMSBY) and 3) Atal Pension Yojana (APY):**

The consolidated progress on number of enrolments under these three social security schemes up to 30.06.2017 in J&K State as received from the member banks is given below:

<b>Consolidated progress on number of enrolments</b>		
<b>S.No</b>	<b>Name of the Scheme</b>	<b>No. of enrolments</b>
1	Pradhan Mantri Suraksha Bima Yojana (PMSBY)	5,62,762
2	Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY)	2,51,040
3	Atal Pension Yojana (APY)	34,761
	Total Enrolment	8,48,563

**Stand-up India Programme launched by Hon'ble Prime Minister**

Stand-Up India Programme was launched by Hon'ble Prime Minister on April 5, 2016 to be implemented by all Scheduled Commercial Banks to facilitate bank loans between Rs. 10.00 lakh and Rs. 1.00 Crore to at least one Scheduled Caste (SC) or Scheduled Tribe (ST) and at least one Women borrower per bank-branch for setting up Greenfield Enterprise. Against the target of 3488 cases, 1744 branches of the Scheduled Commercial Banks in J&K State have disbursed an amount of Rs. 37.82 Crore in favour of 226 beneficiaries, which includes 85 cases of women and 105 cases of SC/ST.

**Status of Bank Mitras in J&K State**

The Business Correspondent Agents/ Bank Mitras are also playing a major role in spread of financial literacy by educating the people about banking services and meeting their banking needs. They are mobilizing people to enroll in three social Security schemes, viz. PMJJBY, PMSBY and APY, in far-flung / difficult areas in order to fulfil the National Mission of Financial Inclusion under PMJDY. Presently, all banks (except JKGB) have provided Aadhaar enabled machines to their BCs.

<b>Status of Bank Mitras in J&amp;K State as on 30 June 2017</b>								
<b>Name of the Bank</b>	<b>Status</b>	<b>JKB</b>	<b>SBI</b>	<b>PNB</b>	<b>JKGB</b>	<b>EDB</b>	<b>OBC</b>	<b>TOTAL</b>
Bank Mitras (BM)	Engaged	945	172	68	232	24	4	1445
	Active	660	172	46	232	4	4	1118
No. of Micro ATMs	Total	853	148	48	0	3	4	1056
	Working	650	148	26	0	3	4	831
	Non-Working	203	0	22	0	0	0	225
No. of AEPS Devices		853	171	54	0	24	4	1107
No. of SSAs Allotted		1173	216	95	270	73	0	1827
SSAs Covered through	Bank Mitras	615	144	68	172	20	0	1019
	Branches	558	72	27	98	53	0	808

## Introduction of Skill Loan Scheme

Skill Loan Scheme was launched by the Hon'ble Prime Minister on 15th July, 2015 with a view to support youth who wish to go through skill training programmes in the Country. This Skill Loan Scheme has replaced earlier Indian Banks Association (IBA) Model Loan Scheme for Vocational Education and Training. Any Indian National who has secured admission in a course run by Industrial Training Institutes (ITIs), Polytechnics or in a school recognised by Central or State education Boards or in a college affiliated to recognised university, training partners affiliated to National Skill Development Corporation (NSDC) Sector Skill Councils, State Skill Mission, State Skill Corporation can avail loan for the purpose. Amount of loan varies from Rs. 5,000 to Rs. 150, 000/- depending on the course having a repayment period of 3 to 7 years. Simple rate of interest @ 11% and 12% per annum is charged during the period of study.

### ➤ Self Help Group – Bank Linkage Programme

The position of Self Help Group (SHG)- Bank Linkage Programme in J&K State {excluding the Self Help Groups formed and credit linked under National Rural Livelihood Mission (NRLM) and National Urban Livelihood Mission (NULM)} as at the end of 30th September, 2017 is given below for information of the house:

Position of SHGs as on 30 <sup>th</sup> September 2017							(Rs in lakh)
Name of the bank	SHG'S Saving linkage			SHG's Credit linkage			
	No. of SHGs SB accounts opened during CFY (2017-18)	Total No. of Active SHG SB accounts as on 30.6.2017	Total available balance in Active Savings Accounts	No. of SHGs credit linked during CFY (2017-18)	Total Amount disbursed during CFY (2017-18)	Total No. of SHG Accounts as on 30.06.2017	Total Amount outstanding as on 30.06.2017
J&K Bank	32	393	35.71	28	28.05	358	480.83
SBI	47	236	69.96	31	52.73	236	140.03
PNB	116	600	57.37	177	239.56	282	278.15
Central Bank	17	126	0.28	23	60.75	158	205.25
Canara Bank	3	68	1.68	3	1.98	3	1.98
Union Bank	0	9	0.79	0	0	7	8.57
Corporation Bank	9	115	10.25	12	5.64	48	10.22
JKGB	67	524	95.123	27	18.82	252	247.54
EDB	81	1279	66.32	81	127.60	375	432.22
JCCB	0	333	15.40	0	0	333	48.40
ACCB	0	86	17.25	0	0	44	11.92
JKSCB	225	746	18.86	0	0	14	4.00
<b>TOTAL</b>	<b>592</b>	<b>4515</b>	<b>389.00</b>	<b>382</b>	<b>535.13</b>	<b>2110</b>	<b>1869.11</b>

### Finance to Joint Liability Farming Groups (JLGs) of “Bhoomi heen Kissan”

NABARD has been allocating district wise targets under JLG mode for promotion and financing of Joint Farming Groups of “Bhoomi Heen Kisan” since 2014-15.

District wise Targets for CFY (2017-18) along with progress achieved by banks as on 30.06.2017 is given as under:

District wise progress under Bhoomi Heen Kissan Scheme as on 30.06.2017 (Rs. in lakh)					
S. No.	Name of the District	Target (FY 2017-18)	No. of JLGs formed	JLGs credit-linked	
				A/C	Amount
1	Srinagar	100	1	1	2
2	Ganderbal	70	0	0	0
3	Baramulla	400	33	27	80
4	Bandipora	130	6	1	2.5
5	Anantnag	100	54	9	18
6	Kulgam	255	0	0	0
7	Pulwama	68	26	4	14.5
8	Shopian	140	0	0	0
9	Budgam	100	16	13	14
10	Kupwara	217	31	10	12.92
11	Poonch	184	0	0	0
12	Rajouri	124	28	28	30
13	Jammu	490	49	49	60.75
14	Samba	196	74	74	135
15	Udhampur	90	6	6	17
16	Reasi	95	5	2	1
17	Kathua	68	139	139	227
18	Doda	200	71	71	82.34
19	Ramban	40	0	0	0
20	Kishtwar	100	65	65	42.32
21	Leh	76	0	0	0
22	Kargil	60	0	0	0
	<b>TOTAL</b>	<b>3303</b>	<b>604</b>	<b>449</b>	<b>739.33</b>

### Credit Disbursement Under Government Sponsored Schemes

Performance of banks under various Government Sponsored Schemes as on 30 <sup>th</sup> June, 2017 (Rs in Crore)									
Sno	Name of the Scheme	Annual Target 2017-18		Cases sponsored	Achievement as on 30th June, 2017 (*)		%age Ach. viz-a-viz Target		
		A/C	Amt.		A/C	A/C	Amt.	Phy	Fin.
1	NRLM	4947	38.68	3186	2707	27.5	55	71	85
2	PMEGP	4136	236.25	3284	797	36.4	19	15	24

3	NULM	10880	252	1036	373	6.06	3	2	36
4	SC/ST/OBC	1948	12.18	327	170	1.76	9	14	52
Total		121911	539.2	7833	4047	71.7	18	13	52

(\*) This includes pending cases of last year disbursed during CFY.

### Kissan Credit Card (KCC) Scheme-Position as on 30<sup>th</sup> June, 2017:

GoI initiative for 100% coverage of farmers under KCC Scheme was launched in J&K State in January 2012 in collaboration with Agriculture Production Department and the banks operating in J&K State. The programme has been successfully carried forward with 10,82,647 KCCs sanctioned / issued up to the end of June, 2017. This includes the KCC applications sponsored by Agriculture Production Department to banks as well as those taken up by bank branches from the farmers directly.

### Details of progress as at the end of September 30, 2017

Total Farm Operating Families in J&K State (Reconciled figures after meeting between President JKSLBC and Director Agriculture, Jammu and Kashmir, held on 15-11-201	11,93,211
No of FOF Eligible for KCC	10,87,393
Cases Rejected by Revenue Authorities/ Banks	98424
NET FOF eligible for KCC	988969
Number of KCCs issued/ sanctioned by banks in the State	939920
Out of those sanctioned, number of KCCs where credit disbursed	975277
Amount of credit Disbursed.	Rs.9530.11 Crore

### Setting up of Aadhaar Centres in Bank Branches

Government of India made amendments to the Prevention of Money-laundering Act (PMLA) on 01/06/2017 with a view to frame the action plan to seed all the bank accounts with Aadhaar. Subsequently, UIDAI vide Gazette Notification dated: 14/07/2017 mandated every Scheduled Commercial Bank to set up Aadhaar enrolment and updation facility inside its bank premises at a minimum of 1 (one) out of their every 10 (ten) branches by August 31, 2017.

In J&K State, 158 Bank Branches have been designated by 11 banks for Aadhaar enrolment and update centers, the details of which are given as under:

Sno	Name of the Bank	No. of Branches Identified for Aadhaar enrolment and updation facility in J&K State	No. of ECMP kits working as on 17/11/2017	Enrolment Count (last 30 days)
1	J&K bank	83	80	3553
2	SBI	20	0	0
3	PNB	24	0	0
4	HDFC Bank	11	0	0
5	ICICI Bank	7	0	0
6	Canara Bank	4	3	562
7	Axis bank	1	0	0
8	Oriental bank of	1	0	0

	Commerce			
9	Central Bank Of India	2	0	0
10	Punjab and Sindh Bank	4	0	0
11	Bandhan Bank	1	1	1
	Total Branches	158	84	4122

### Implementation of DIGIDHAN Mission in J&K

DIGIDHAN Mission is an important component of Digital India Programme and envisions promotion of digital payments. Hon'ble Finance Minister in his budget speech on February 1, 2017 assigned a national target of 2500 crore Digital Payment Transactions for 2017-18, out of these a target of 23 crore transactions was apportioned to J&K State. Banks have to achieve via various modes of Digital Payments, viz. UPI, USSD, Aadhaar Pay, IMPS, Debit Cards, Internet Banking, Mobile Wallets, Mobile Banking, RTGS, NEFT, NETC, NACH, Credit Card and other modes up to 31.03.2018. As on 30.09.2017: Against the target of 23 crore digital payment transactions allocated for CFY, banks in J&K State have achieved 2,63,62,546 digital transactions.

### Non- Performing Assets (NPAs)

Agency-Wise Position of Gross NPAs in J&K State as on September 30, 2017 (Rs in Crore)			
Name of The Bank	Advances (Excluding Corporate Sector Advances)	Gross NPA	Gross NPA %age
Public Sector Banks	8,787.47	836.25	9.52%
Private Sector Banks	31,961.78	1,207.29	3.78%
Regional Rural Banks	1,917.36	262.96	13.71%
Cooperative Banks	1,292.60	218.53	16.91%
J&K SFC	259.33	33.53	12.93%
<b>Total All Banks/FIs</b>	<b>44,218.54</b>	<b>2,558.56</b>	<b>5.79%</b>

*Source: JKSLBC*

District-wise Position of Advances and Gross NPA as on September 30, 2017 (Rs. in Crore)				
S. No	Name of District	Advances Outstanding	Gross NPA Outstanding	Gross NPA %age
1	Srinagar	10555.57	908.11	8.60
2	Ganderbal	711.9	24.82	3.49
3	Baramulla	3193.51	168.15	5.27
4	Bandipora	689.38	27.40	3.97
5	Anantnag	2861.91	43.79	1.53
6	Kulgam	951.3	17.86	1.88
7	Pulwama	1852.49	103.49	5.59
8	Shopian	1060.77	19.65	1.85
9	Budgam	1687.45	44.95	2.66
10	Kupwara	1486.87	86.67	5.83

11	Poonch	527.92	18.18	3.44
12	Rajouri	941.38	26.11	2.77
13	Jammu	10104.98	794.89	7.87
14	Samba	1596.04	44.33	2.78
15	Udhampur	1115.41	18.14	1.63
16	Reasi	604.9	16.81	2.78
17	Kathua	1825.04	70.29	3.85
18	Doda	595.25	12.44	2.09
19	Ramban	361.16	58.47	16.19
20	Kishtwar	334.98	10.16	3.03
21	Leh	726.25	4.80	0.66
22	Kargil	434.08	39.05	9.00
<b>Total</b>		<b>44218.54</b>	<b>2558.56</b>	<b>5.79</b>

*Source: JKSLBC*

### Corporate Sector Advances

Advances made by the outside State Branches of the Banks for financing the projects in J&K State				
S. No	Name of the Bank	Advances Outstanding	Gross NPA Outstanding	Gross NPA %age
(i)	State Bank of India	2098.07	0.00	0.00
(ii)	Punjab National Bank	1014.34	0.00	0.00
(iii)	J&K Bank	448.47	0.00	0.00
Sub-Total		3560.88	0.00	0.00
<b>GRAND TOTAL</b>		<b>47779.42</b>	<b>2558.56</b>	<b>5.35</b>

*Source: JKSLBC*

### Non-Performing Assets (NPAs) under Government Sponsored Segment

NPA position in respect of five major Government Sponsored Schemes is given below for information:

NPA position in respect of five major Government Sponsored Schemes				
S.No	Name of Scheme	As on September-2017		
		Amt. of credit Outstanding	Gross NPAs	% of NPA
1	NRLM (Including SGSY) (NPA under NRLM is only 2.00 Lakh)	133.76	9.36	7%
2	PMEGP	196.35	12.28	6.25%
3	JKSES	108.86	13.69	12.58%
4	NULM	11.90	2.48	20.48%
5	SC/ST/OBC	80.38	7.11	8.85%
<b>Total</b>		<b>531.25</b>	<b>44.92</b>	<b>8.46%</b>

*Source: JKSLBC*

## Cooperatives

At national level, the first cooperative legislation was enacted in the shape of the Cooperative Credit Societies Act, 1904 and subsequently Cooperative Societies Act, 1912 was also enacted, these laws were not applicable to State of Jammu and Kashmir. Based on these legislations, J&K Cooperative Societies Act of 1913 became first law on the cooperative movement in the State. The legal framework was further updated in 1936, 1960 and 1989.

In view of the potential of the Cooperative Movement as an effective agent for socio-economic transformation of the Society, the Cooperative institutions have been termed as the institutions of economic emancipation while Panchayats as the institutions of political independence. Despite the peculiar topography of the State, difficult terrain and hostile climatic conditions, the Cooperative Movement has played Yeoman's role in the service of their members in particular and the people in general. Cooperative institutions have a large number of assets in the form of land, structures and buildings. The present Government immediately after taking over, has felt that there is a need to consolidate these assets and revamp the structure of the Cooperatives in the State.

Based on the recommendation of Choudhary Brahm Prakash Committee, the J&K Self Reliant Cooperative Act of 1999 was enacted with the objective of having a liberalized, vibrant and self-reliant Cooperative system at a national level and in the State. However, over a period of time, it has been felt that in the state of J&K, the said Act has proved to be an anti-thesis and instead of achieving the underlying objectives, it has damaged the very fabric of Cooperative as it has provided a sort of license and too much freedom to the managements/members of the Cooperative, with the result the purpose of having a vibrant Cooperative Movement in the State, is altogether defeated and experiences have provided that the enactment of new Act, which is a parallel legislation to the J&K Cooperative Societies Act of 1989, has created chaos and confusion among the existing as well as prospective members as two parallel Acts are existing simultaneously.

In order to address the issue, the Department has constituted a high powered committee of experts who shall study the impact of the J&K Self Reliant Cooperative Act 1999 and could suggest some changes/ amendments in the Act of 1999 or could explore the possibility of amalgamating the two Acts viz. J&K Cooperative Societies Act 1989 and J&K Self Reliant Cooperative Act 1999, so that a model Act is devised/drafted for placing the same before the State legislature for discussion and approval for enactment.

<b>Numbers of Cooperative Societies registered under these two Acts ending March, 2017</b>				
<b>S. No</b>	<b>Category of Coop. Societies</b>	<b>No. of Cooperatives / Cooperative Societies registered</b>		<b>Total</b>
		<b>under J&amp;K Self Reliant Act 1999</b>	<b>under J&amp;K Cooperative Societies Act 1989</b>	
1	Coop. Banks	0	9	9
2	JAKFED	0	1	1
3	J&K Coop. Union	0	1	1
4	Housing Cooperatives/ J&K Housing Corporation and Housing Societies	105	54	159
5	Agriculture Cooperatives	702	0	702
6	Poultry Cooperatives/Coop. Societies	421	281	702
7	Dairy Cooperatives / Coop. Societies	464	129	593
8	Cooperative Marketing Societies	0	107	107
9	Primary Agriculture Credit Coop. Societies.	0	764	764
10	Consumer Cooperatives / Pry. Coop. Consumer Societies.	22	182	204
11	Sale and Service Coop. Societies.	0	35	35
12	Women Credit Coop./ Coop. Societies	32	0	32
13	Floriculture Cooperatives/ Coop Societies	14	0	14
14	Educational Cooperatives/ Coop. Societies.	21	3	24
15	Transport Cooperatives/ Coop Societies	17	0	17
16	Medical Cooperatives/ Coop. Societies	40	0	40
17	Vegetable Cooperatives/ Coop. Societies	7	0	7
18	Others Cooperative / Coop. Societies.	272	290	562
<b>Total</b>		<b>2117</b>	<b>1856</b>	<b>3973</b>

### **Cooperative Banking Structure**

The Agriculture Credit Cooperative Structure at present has three tiers with the J&K State Cooperative Bank at the apex level, three Central Cooperative Banks at middle level and Primary Agricultural Credit Cooperatives at the basic level. The apex bank (the J&K State



Cooperative Bank is also functioning as middle level agriculture credit bank for districts of Budgam, Srinagar, Ganderbal, Leh and Kargil. The other three middle level banks are the Central Cooperative Bank Baramulla, the Central Cooperative Bank Anantnag and the Central Cooperative Bank Jammu. At basic level there are 764 PACS scattered throughout the State. The PACS are multi-functional and besides agricultural credit business, these societies also have a role to play in retail consumer business and marketing. The cooperative banks also do the non-agricultural banking business through attractive packages to enhance their viability. Apart from Agricultural banking structure, the State has urban Cooperative Banking Structure comprising of four Urban Cooperative Banks, Jammu Citizens Cooperative Bank, Sopore Mercantile Cooperative Bank, Udampur Devika Urban Cooperative Bank and Anantnag Urban Cooperative Bank. These banks have a lot of potential to meet credit requirement of masses in urban areas. For meeting long term credit requirement in agricultural and rural sector, there is a State level bank called the J&K State Agriculture and Rural Development Bank (SCARDB) with 51 branches scattered throughout the State.

The Cooperative banks as on 31/03/2017 have made business of Rs. 4701.33 crore of which deposits account for an amount of Rs. 3484.19 crore, loan outstanding accounts for an amount of Rs. 1217.14 crore total numbers of bank branches under the fold of cooperative are 266 as on 31-3-2017, employing 1656 persons. Profile of cooperative banks as on 31-03-2017 is given hereunder:-

Profile of Cooperative Banks							(Rs. in Lakh)
S. No	Name of the Banks	Deposits	Loan outstanding	Total Business	Cost of Management	No. of Branches	No. of employees
1	J&K State Coop. Bank	74050.34	19687.97	93738.31	1741.70	33	240
2	JCC Bank	156327.40	39703.06	196030.46	3121.79	89	594
3	BCC Bank	31741.57	20825.73	52567.30	812.58	35	142
4	ACC Bank	24259.98	10168.12	34428.10	705.25	33	133
5	Devika Urban Bank	6221.08	3896.33	10117.41	84.51	04	22
6	Anantnag. Urban Bank	4207.42	2783.40	6990.82	174.95	05	22
7	Citizen Coop. Bank, Jammu	33871.99	17185.29	51057.28	1522.02	11	223
8	KAMCO Bank Sopore	4877.72	2201.02	7078.74	179.98	05	38
9	SCARDB	12861.84	5263.22	18125.06	1102.60	51	242
	<b>Total</b>	<b>348419.34</b>	<b>121714.14</b>	<b>470133.48</b>	<b>9445.38</b>	<b>266</b>	<b>1656</b>

The PACS have suffered a lot as the agriculture credit providers, at the basic level, never redeemed them of the loans raised. Many of them became defunct. In recent years, these

institutions have been re-organized to make them viable and capable of catering to the credit needs of the farmers. For their financial support, during the financial year 2016-17 an amount of Rs. 45.00 lakh and Rs. 84.67 lakh have been earmarked in the CAPEX Budget of the department under head Managerial Subsidy and Special Assistance respectively. The financial assistance is performance oriented. The Deputy Registrar at the district level identifies the bonafide and genuine cooperative societies for the financial assistance on the basis of objective criterion which is applied transparently. This is showing encouraging results as the funds are being utilized for the business enhancement of the societies.

### Cooperative Marketing Societies

Cooperative Marketing Societies in the State which undertake procurement of agriculture produce to enable the agriculturists to get the minimum administered prices for their produce. They also supply fertilizer / pesticides and consumer goods to farmers, either directly or through primary level societies. District-wise profile for the year 2016-17 of the marketing cooperative societies (CMS) is given in the table below:-

Division / District-wise Coop. Marketing Societies					(Rs. in lakh)
S. No.	District	No. of Societies	Membership	Own funds	Working Capital
<b>Jammu Division</b>					
1	Jammu	9	109	3.07	108.08
2	Kathua	3	32	21.00	41.00
3	Rajouri	7	49	1.19	60.05
4	Poonch	5	391	7.45	280.09
5	Udhampur	6	45	56.03	71.25
6	Reasi	4	35	9.77	9.06
7	Doda	6	32	39.256	59.355
8	Ramban	3	16	0.02	56.020
9	Kishtwar	3	7	32.075	3.67
10	Samba (Including CAD)	3	50	68.33	252.59
	<b>Total Jammu Div.</b>	<b>49</b>	<b>766</b>	<b>238.191</b>	<b>941.165</b>
<b>Kashmir Division</b>					
1	Srinagar	0	0	0.00	0.00
2	Ganderbal	2	11	3.49	46.00
3	Bandipora	3	130	23.08	56.87
4	Anantnag	6	21	68.82	91.94
5	Baramulla	11	50	151.12	152.85
6	Kulgam	6	70	32.52	175.88
7	Pulwama	4	26	14.49	27.89
8	Kupwara	5	23	45.48	127.00
9	Shopian	4	34	38.80	50.10
10	Budgam	8	54	43.77	33.63
11	Leh	6	3473	66.50	478.02

12	Kargil	4	7	0.278	47.80
	<b>Total Kashmir Div.</b>	<b>59</b>	<b>3899</b>	<b>488.348</b>	<b>1287.98</b>
	<b>Grand Total (J&amp;K)</b>	<b>108</b>	<b>4665</b>	<b>726.539</b>	<b>2229.145</b>

During the year 2016-17 an expenditure of Rs. 499.86 lakh was incurred against the approved outlay of Rs. 500.00 lakh. An expenditure of Rs. 240.01 lakh stands incurred ending October, 2017, against the approved outlay of Rs. 500.00 lakh for 2017-18. The Capex Budget resources are utilized mainly on the following activities / schemes of which brief write-up is given hereunder: -

### Assistance Managerial Subsidy

Under this scheme, the management cost of Cooperative Marketing Societies / Primary Agriculture Cooperative Societies is being subsidized with the twin objective of boosting the morale of the employees of Cooperative Institutions and to improve the quality of working. During the year 2016-17, an amount of Rs.45.00 lakh was utilized by covering 476 Cooperative Marketing Societies, PACS and District Consumer Stores etc.

Details of Assistance Managerial Subsidy					
District	Kashmir Division		District	Jammu Division	
	Nos.	Amt.		Nos.	Amt.
Kupwara	22	1.89	Kishtwar	8	0.77
Anantnag	40	3.55	Ramban	7	0.7
Kulgam	24	2.36	Doda	19	1.8
Pulwama	25	2.3	CAD, Jammu	28	2.67
Baramulla	45	4.31	Udhampur	25	2.55
Bandipora	12	1.04	Jammu	25	2.5
Srinagar	16	1.22	Reasi	7	0.73
Budgam	71	6.52	Kathua	7	0.68
Ganderbal	17	1.57	Poonch	14	1.43
Shopian	20	1.94	Rajouri	26	2.64
Leh	13	1.37			
Kargil	5	0.46			
<b>Total</b>	<b>310</b>	<b>28.53</b>	<b>Total</b>	<b>166</b>	<b>16.47</b>

For the Current Financial year (2017-18) an outlay of Rs. 45.60 lakh has been approved under the scheme against which an amount of Rs. 22.16 lakh has been spent upto October, 2017, by covering 478 Cooperative Marketing Societies, PACS and District Consumer Stores etc

### Special Assistance for re-organized PACS & Special Assistance for CMS DCS / Super Bazars

In order to augment the working capital of the performing and functional PACS/CMS/ Super Bazars etc , financial support in the shape of Special Assistance is being provided annually. During 2016-17, an amount of Rs.84.67 lakh was utilized for the purpose with coverage of 480 PACS & Special Assistance for CMS DCS / Super Bazars The district-wise amount utilized with the number of Cooperative Societies to be covered is given below:-

District-wise amount utilized with the number of Cooperative Societies					
District	Kashmir Division		District	Jammu Division	
	Nos.	Amt.		Nos.	Amt.
Kupwara	22	3.05	Kishtwar	8	1.55
Anantnag	40	6.50	Ramban	8	2.40
Kulgam	24	4.25	Doda	19	3.30
Pulwama	25	3.80	CAD, Jammu	28	4.65
Baramulla	45	7.10	Udhampur	25	4.35
Bandipora	12	1.80	Jammu	27	6.80
Srinagar	16	4.97	Reasi	7	1.15
Budgam	72	11.50	Kathua	7	1.10
Ganderbal	17	2.75	Poonch	14	2.55
Shopian	20	3.30	Rajouri	26	4.50
Leh	13	2.30			
Kargil	5	1.00			
<b>Total</b>	<b>311</b>	<b>52.32</b>	<b>Total:-</b>	<b>169</b>	<b>32.35</b>

For the CAPEX Budget 2017-18, an amount of Rs. 85.06 lakh has been approved for the purpose with a target of 350 Cooperative Societies. However, an amount of Rs. 38.18 lakh was utilized upto October, 2017 with coverage of 482 Primary Credit Cooperative Societies.

#### **Construction of Office Complex at Srinagar /Jammu**

The Cooperative Department has constructed its office complex at

- i) Srinagar at an estimated cost of Rs. 245.21 lakh ending March, 2014 (additional works of Rs. 75.72 lakh) to provide accommodation for the office of the Registrar, Cooperative Societies, Divisional level office as well as District Level offices of Srinagar District; and
- ii) Jammu at an estimated cost of Rs. 507.10 lakh against which expenditure incurred ending March 2015 was of Rs. 507.10 to accommodate Divisional Level as well as District Level Offices of Jammu district.

During the CFY i.e. 2017-18, an amount of Rs. 70.10 lakh is the approved outlay, against which an amount of Rs. 35.05 lakh stands spent upto October, 2017.

#### **Grant in aid to J&K Cooperative Union**

The J&K Cooperative Union runs two cooperative training centers one each at Jammu and Srinagar where Training is imparted to employees & members of Cooperative Societies and Departmental personnel with regard to educational activities / credit deposit/ mobilization/ women development programmes/ farm guidance activities, general awareness programs, leadership/ youth development programmes, village based programmes etc. It is a sole agency to bring awareness among the masses about the Cooperative Principles & activities. The union has to pay wages to the staff and the deputationists and to meet other establishment expenses viz. Rent of Offices, O.E.T.A. out of the scheme "Grant –in Aid".

During the last financial years 2014-15, the Cooperative Union has received an amount of Rs. 76.00 lakh as grant-in-aid which has been utilized in full. During the year 2015-16, an amount of Rs. 50.00 lakh was the approved outlay which was fully incurred ending March, 2016. However, from the financial year 2016-17, this scheme is transferred from CAPITAL Component to Revenue Component.

### **Repayment of NCDC loans**

The Cooperative Department has arranged ways and means advance of Rs. 2818.38 lakh from the NCDC, New Delhi for implementing the Poultry Development Scheme and ICD Projects. The amount is required to be utilized under the said schemes for claiming 25% subsidy from NCDC and the balance amount of ways and means advance is required to be repaid to NCDC along with interest. In a continuous process of repayment, an amount of Rs. 2383.63 lakh has been repaid upto 31-03-2017. In the CAPEX Budget 2017-18, an amount of Rs. 139.00 lakh is the approved outlay, against which an amount of Rs. 69.50 lakh stands repaid to NCDC upto October, 2017. Besides this unspent balance of Rs 141.75 lakh of ICDP Anantnag was also repaid to NCDC during the current financial year 2017-18 aggregating total amount of Rs 2594.88 lakh paid to NCDC up to Oct. 2017.

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

Under ICDP for the overall development and strengthening of Cooperative Sector, two projects were implemented and completed in the Districts of Anantnag and Kathua and the total project cost of the two projects were Rs. 1936.61 lakh, against which NCDC had released Rs. 893.06 lakh . (Rs. 519.07 lakh for ICDP Anantnag and Rs. 219.04 lakh for ICDP Kathua).

Out of Rs. 893.06 lakh released by NCDC, an amount of Rs. 497.31 lakh stand released in favour of General Manager, Anantnag and Rs. 164.80 lakh in favour of General Manager, ICDP Kathua upto March, 2015.

Against the above releases, the General Manager ICDP Anantnag has incurred an expenditure of Rs. 477.61 lakh which include Rs. 54.80 lakh as establishment cost and Rs. 422.81 lakh as loan component covering 83 Cooperative Societies.

Similarly, the General Manager ICDP Kathua has incurred an expenditure of Rs. 161.85 lakh which comprise of Rs. 38.39 lakh as Revenue Component and Rs. 123.46 lakh as Capital Component.

The Project Completion report stands furnished to NCDC and unspent balance of Rs 141.75 lakh of ICDP Anantnag was repaid to NCDC during the current financial year 2017-18 and unspent amount available under ICDP Kathua shall be refunded to NCDC in due course of time after completing necessary formalities.

### **Development of Commercial Poultry in the State with the support of NCDC**

Vide Cabinet decision No. 85/7 dated 30-05-2005, the State Government has adopted a Central Sector Scheme namely “Development of Commercial Poultry in the State with the support of NCDC”. The main objectives of the scheme are (1) to promote the economy of the State by attaining self sufficiency in Poultry requirement through Cooperative Sector (2) generation of employment opportunities (3) to improve the nutritional standards of the people by providing Poultry of standard quality and (4) to augment the role of the cooperative Sector in economic development of the State.

The funding pattern for the Cooperative Poultry Units to be set up with the financial support of NCDC as envisaged under the scheme from State Government to Poultry unit is given below:-

a.	Loan Component	50%
b.	Share Capital	20%
c.	Subsidy	25%
d.	Owner’s Contribution	5%

The loan is repayable over a period of 8 years with a moratorium of 1 year on principal only (not on interest) and attracts a simple interest at the rates applicable from time to time. The Society has to enter into an agreement with the Department to avail the amount.

The State Government till date has received a ways and means advance of Rs. 674.49 lakh from NCDC for further release in favour of 35 Poultry Units sanctioned by NCDC in phase Ist So far, an amount of Rs. 578.20 lakh has been released in favour of 28 Poultry upto November, 2014. With these release, 21 projects have been fully funded and completed with a capacity of 1.30 lakh birds per cycle. One poultry cooperative society has surrendered the project and has refunded the loan amount of Rs.4.04 resulting to total release of Rs.578.20 till date. The construction of six projects is in progress. The seven projects which have failed to produce the requisite documents have been got de-sanctioned from NCDC.

Similarly, in phase-II the NCDC has sanctioned 48 poultry projects at a block cost of Rs. 1929.16 lakh. This comprises of Rs. 1832.52 lakh as NCDC share of financing and 5% owner’s contribution amounting to Rs. 96.64 lakh. The ways and means advance amounting to Rs. 1277.20 lakh have been received from NCDC till date which comprises of Rs. 1007.76 lakh as loan and Rs. 269.74 lakh as subsidy to State for further release in favour of the promoter Poultry Cooperative Societies. Thirty two Poultry cooperative Societies have completed the legal documents as such the funds amounting to Rs. 1010.42 Lakh stands released in their favour upto Oct, 2017, whereas remaining poultry Cooperative Societies are in the pipeline for completion of the legal formalities. The list of sanctioned poultry projects along with release is enclosed. The concerned Deputy Registrars have been instructed to got completed the legal documents of the remaining societies to secure the loan by the beneficiaries cooperative societies.

### **Rashtriya Krishi Vikas Yojana (RKVY)**

The Rashtriya Krishi Vikas Yojana is a 90:10 Centrally Sponsored Scheme. The Nodal Agency for implementation of the scheme in J&K is "Agriculture Production Department". The Cooperative Sector is also a constituent under the scheme. During 2009-10, an amount of Rs. 55.00 lakh was disbursed to 62 Cooperative Societies as working capital. The main objective of the scheme was to enhance the capacity of the Cooperative Societies to render agriculture related services to the farming community. During the financial year 2010-11, two godowns of 1000 MTS capacity each were sanctioned and constructed at Chakar Assar in District Doda and at Sopore in District Baramulla with the administrative cost of Rs. 107.90 lakh and Rs. 117.70 lakh respectively. These godowns are used for creating a buffer stock of fertilizers for ensuring the access to the farmers for purchase of fertilizers easily at the time of need and scarcity. During the year 2012-13, two more works under the scheme namely construction of 1000 MTS capacity fertilizers godown at Sunderbani (Rajouri) at an estimated cost of Rs. 126.00 lakh and construction of Kissan Ghar at Wahipora, Tangmarg at an estimated cost of Rs. 110.18 lakh were taken up against which the expenditure incurred up to March, 2017 was Rs. 121.27 lakh viz., Rs. 72.74 lakh for Kissan Ghar Wahipora Tangmarg Baramulla and Rs. 48.53 Lakh for fertilizer Godown at Sunderbani Rajouri.

During the current financial year, 2017-18 against the approved action plan of Rs. 2.22 lakh, for both these works an amount of Rs 1.11 Lakh has been released by the Agriculture Production Department during the month of October 2017. However, the expenditure in this behalf is yet to be made.

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## **Selected Indicators**



**Sector-wise list of Selected indicators**

<b>Education</b>					
<b>S.no</b>	<b>Indicator</b>	<b>Units</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>
1	Total expenditure on Education sector (Capital)	Rs in crore	1831.42	2337.87	NA
2	Average area coverage per school	Sq km	3.81	3.82	3.88
3	Average population per school	No.	518	531	552
4	Dropout Rate - Primary	-	NA	6.93	10.30
5	Dropout Rate - Upper Primary	-	NA	5.36	10.20
6	Gross Enrolment Ratio - Sec	-	66.29	66.81	NA
7	Gross Enrolment Ratio - Upper Sec	-	59.33	58.6	NA
8	Gross Enrolment Ratio - Primary	-	NA	98.26	98.70
9	Gross Enrolment Ratio - Upper Primary	-	NA	97.17	97.86
10	Teacher Pupil Ratio- Primary	-	21	15	22
11	Teacher Pupil Ratio- Middle	-	10	8	11
12	Teacher Pupil Ratio- Sec	-	13	14	13
13	Govt spending on education sector as %age of GSDP	%	1.86	1.99	NA
<b>Agriculture &amp; Allied</b>					
1	Total expenditure on Agriculture sector (Capital)	Rs in crore	210.21	311.89	NA
2	Contribution of agriculture sector to GSDP	%	16.20	19.12	19.48
3	Govt spending on agriculture sector as %age of GSDP	%	0.21	0.27	NA
4	Gross area irrigated as %age of gross area sown	%	43.67	44.75	42.30
5	Net area irrigated as %age of net area sown	%	42.78	47.21	44.39
6	Cropping intensity	%	157.71	153.67	155.49
7	Cultivable area as %age of reported area	%	35.76	35.92	35.51
8	Area sown under commercial crops as %age of gross area sown	%	14.41	14.51	16.34
9	Area sown more than once as %age of net area sown	%	58.97	53.67	55.49
10	Net area sown as %age of reported area	%	31.37	31.21	31.31
11	Total cropped area per capita	Hect	0.09	0.08	0.08
12	Area under fruits and vegetables as %age of gross area sown	%	9.16	9.33	11.22

<b>Health</b>					
<b>S.no</b>	<b>Indicator</b>	<b>Units</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>
1	Total expenditure on health sector (Capital)	Rs in crore	686.54	607.93	839.28
2	Population per medical institution	No.	2760	2827	2607
3	Population per bed	No.	871	871	855
4	Population per medical doctor/ved/ hakim	No.	1152	1947	1880
5	Govt spending on health sector as %age of GSDP	%	0.70	0.52	0.66
6	Birth rate	Per milli	16.8 (2014)	16.2 (2015)	15.7 (2016)
7	Death Rate	Per milli	5.1 (2014)	4.9 (2015)	5.0 (2016)
8	Infant mortality rate	Per milli	34 (2014)	26 (2015)	24 (2016)
9	Life expectancy at birth (male)	Moving average	69.9 (2008-12)	70.6 (2009-13)	70.9 (2010-14)
10	Life expectancy at birth (female)	Moving average	72.4 (2008-12)	74.0 (2009-13)	74.9 (2010-14)
11	Life expectancy at birth (total)	Moving average	71.0 (2008-12)	72. (2009-13)	72.6 (2010-14)
12	Total fertility rate		NA	1.7 (2015)	1.6 (2016)
<b>Horticulture</b>					
1	Total expenditure on Horticulture sector (Capital)	Rs in crore	16.42	13.18	149.12
2	Productivity of Fresh Fruits per hectt	Metric tonnes	5.96	9.16	8.09
3	Productivity of Dry Fruits per hectt	Metric tonnes	2.29	2.87	2.84
4	Area under apple as %age to total area under fresh fruits	%	66.42	67.39	67.45
5	Export of fresh fruits	lakh Metric tonnes	12.55	14.58	12.88
6	Export of dry fruits	lakh Metric tonnes	0.17	0.22	0.18
7	Govt spending on horticulture sector as %age of GSDP	%	0.02	0.01	0.12
<b>Animal and Sheep Husbandry</b>					
1	Total expenditure on Animal and sheep husbandry sector (Capital)	Rs in crore	35.13	41.76	37.97
2	Govt spending on Animal and sheep husbandry as %age of GSDP	%	0.04	0.04	0.03
3	Contribution of livestock to GSDP	%	4.62	5.28	5.67

4	Per capita milk production	Kgs	163.03	170.26	163.28
5	Per capita mutton production	Kgs	2.31	2.28	2.24
6	Growth in Wool production	%	3.71	(-)5.22	1.76
<b>Banking</b>					
1	Average population per bank branch	No	7113	7055	7115 (9/2017)
2	Credit Deposit Ratio	%	46.23	49.11	47.21 (9/2017)
3	Average area per bank branch (sq km)	Sq km	61.6	50.74	49.99 (9/2017)
4	Bank deposits per capita (Rs)	Rs	57230	59030	70278 (9/2017)
5	Bank advances per capita (Rs)	Rs	26455	30034	33180 (9/2017)
6	Advances as %age of Bank deposits	%	46.23	49.11	47.21 (9/2017)
<b>Transport and communication</b>					
1	Total expenditure on Roads, buildings, Transport & Communication (Capital)	Rs in crore	5.04	17.04	13.22
2	Govt spending on Transport and communication sector as %age of GSDP	%	0.01	0.01	0.01
<b>Power</b>					
1	Total expenditure on Power sector (Capital)	Rs in crore	366.81	162.49	729.83
2	own power generation as % of total availability	%	18.03	17.71	24.31
3	per capita consumption of energy	KW Hr	1010.72	1064.62	1089.41
4	Average cost per unit of energy consumed	Rs	3.34	3.28	3.18
5	No. of households electrified	Lakh Nos	13.91	14.84	15.02
6	Per capita expenditure on purchase of power (from CPSUS/PDC)	Rs	0.037	0.038	0.038
7	%age villages/hamlets electrified	%			
8	%age energy deficit	%	23.88	21.83	15.25
9	No. of employees per 000 of consumers	No	19	21	21
10	%age of revenue realised by power department against the targets	%	72.65	57.70	48.64
11	%age of T&D losses	%	55.22	53.74	47.12
12	Govt spending on power sector as %age of GSDP	%	0.37	0.14	0.58

<b>Tourism</b>					
1	Total expenditure on Tourism sector (capital)	Rs in crore	107.74	117.13	156.04
2	Govt spending on Tourism sector as %age of GSDP		0.11	0.10	0.12
<b>Industry</b>					
1	Total expenditure on Industry sector (Capital)	Rs in crore	131.41	153.44	114.14
2	Govt spending on industry sector as %age of GSDP	%	0.13	0.13	0.09
3	Year wise trend of Employment generation in SSI units	Nos	5806	6425	5419
4	Year wise trend of Employment generation in Large and medium scale units	No	0	3769	413
5	Year wise Export of handicrafts goods	Rs in crore	1287	1059	1151
6	Year wise %age increase in Value of export of goods to Pakistan through LoC Trade	INR crore	46.39	24.66	(-) 16.86
7	Year wise %age increase in Value of Import of goods to Pakistan through LoC Trade	PAK Currency (in crore)	57.9	4.41	1.35
<i>Capital Expenditure figures provided by Planning, Development &amp; Monitoring Department</i>					

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