

# THE ASIAN AGE

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## A roadmap to boost growth, investments in J&K, Ladakh

**T**he Jammu and Kashmir (J&K) region has immense potential for development and is one of the most attractive tourist destinations in India and across the world. Endowed with abundant natural resources and a rich labour pool, the J&K region has potential to grow.

With a population of 1.47 crores, the economic and industrial landscape of J&K has improved significantly over the years. The Gross State Domestic Product for J&K (including Ladakh) grew from Rs 78,256 crores in 2011-12 to Rs. 10,758 crores in 2017-18, with the region recording an annual average growth rate of 5.63 per cent over the period.

Favourable weather and a strong natural bedrock have made J&K a leading horticultural destination. In 2017-18, the total production of fruits stood at around 22.4 lakh metric tonnes. Additionally, the rich talent base in the traditional handicrafts industry provides significant export potential along with abundant employment opportunities. All these position J&K as a favourable investment destination.

The Confederation of Indian Industry (CII) has identified seven sectors of high potential along with

three enablers to boost growth.

Famed for its picturesque landscape, the J&K economy witnesses significant contributions from tourism. The state witnessed an influx of 14.3 million tourists in 2017, a 51 per cent increase over arrivals in 2016. In addition to traditional recreational tourism, there exists vast scope for adventure, health and eco-tourism in the region. Hence destination development projects in major cities such as Srinagar, Gulmarg and Pahalgam must be undertaken.

Second, endowed with natural agro-climatic conditions, J&K can position itself as a leading agro-processing and horticulture destination in the country. Development of minor irrigation projects, physical infrastructure and forest resources, and the modernisation of fruit production by adopting latest technology and innovation can unlock the region's agriculture and agri-business potential. Boosting farmer producer organisations, cooperative farming and capacity building of farmers must also be accorded top priority.

Third, for improving ease of doing business in the region, creation of new industrial areas and upgrading infrastructure in existing areas such as Jammu and Srinagar must be pri-

oritised. Implementation of the single window mechanism for smoother business operations and simplification of labour laws must be undertaken for greater investment and growth.

Fourth, the handicrafts industry can promote gainful employment in the region. A centre of excellence along with an export promotion council can be set up, for promoting exports and international marketing of products. Organising skill development and training programmes could significantly step up investment.

Fifth, the pharma sector in J&K has made good progress. Further investments can be facilitated with the establishment of specialised pharmaceutical parks with strong infrastructure and technology support. Simultaneously, efforts must be directed towards the creation of manpower as per the needs of the sector along with intellectual property by enabling greater research and development facilities.

Sixth, J&K has enormous potential for power including from renewable energy sources, such as solar and hydel. The renewable power potential stood at 112,523 MW for the region, one of the highest in the country. Improving power transmission

and distribution infrastructure and ensuring smooth and speedy land acquisition should be stepped up.

Finally, industries such as computers, electronics and information technology have also high potential of development in the region.

In terms of enablers, upgrading industrial and urban infrastructure are critical steps for achieving sustainable industrial growth. Developing interstate and intrastate road connectivity with a specific focus on connecting rural areas and fast tracking of major infrastructure development projects must be promoted. Focus must be laid on building a strong transportation network through multinational highways and construction of good all-weather roads for villages.

Micro, Small and Medium Enterprises (MSMEs) have a significant presence in J&K and promoting these enterprises can boost both employment and investment opportunities. Training and skilling of youth to encourage entrepreneurship, building industrial parks for small and medium scale enterprises with R&D facilities and technology support are some of the necessary steps for enhancing the competitiveness of the MSMEs in the region.

Finally, education and skill development must be a high priority for all identified sectors. Providing quality primary education to all children, especially in the rural areas, rationalisation of the existing education infrastructure in line with national standards and creation of job-oriented vocational training facilities in higher education institutions must be facilitated.

The new Union territory of Ladakh, too, enjoys diverse opportunities. Despite the challenges of an inhospitable terrain, Ladakh is also a tourist hotspot. The focus must be on a master plan for all-round growth of the region that focuses on boosting tourism growth, harnessing solar power and improving agriculture and livestock opportunities in the region. Skill development initiatives must be promoted in areas such as IT, healthcare and handicrafts. The Kargil region presents significant opportunities for adventure tourism such as trekking, river-rafting and skiing.

The industry looks forward to unlocking the potential of this region with the right investment climate.

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