GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE
RAJYA SABHA

STARRED QUESTION NO. 223.
TO BE ANSWERED ON FRIDAY, THE 07TH AUGUST, 2026.

ACCELERATING FOREIGN INVESTMENT IN JAMMU & KASHMIR

***223. SHRI SAT PAUL SHARMA:**

Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether proposals have been received from international investors for investment in various sectors such as logistics, healthcare or infrastructure in Jammu and Kashmir;

(b) the sectors in which foreign investment interest has been expressed during the last two years; and

(c) the initiatives undertaken to promote industrial investment and manufacturing activity in Jammu and Kashmir?

ANSWER
THE MINISTER OF COMMERCE & INDUSTRY
(SHRI PIYUSH GOYAL)

(a) to (c): A Statement is laid on the Table of the House.

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STATEMENT REFERRED TO IN REPLY OF PARTS (a) to (c) OF RAJYA SABHA STARRED QUESTION NO. 223 FOR ANSWER ON 07.08.2026 REGARDING ACCELERATING FOREIGN INVESTMENT IN JAMMU & KASHMIR

(a) to (c): The Union Government has taken various steps/ initiatives for promotion and facilitation of industries across the country including UT of Jammu & Kashmir. The various initiatives include Make in India, Ease of Doing Business, Startup India, Production Linked Incentives (PLI) Schemes for various sectors, Focus Sub Sectors, Phased Manufacturing Programme (PMP), One District One Product (ODOP), Industrial Information System (IIS) and a comprehensive Single Window System (Investment Clearance Cell). In addition, industrial corridors are being developed by the Government of India under the National Industrial Corridor Development Programme (NICDP). The NICDP is a Programme to create greenfield industrial smart cities/clusters to foster global manufacturing through the creation of investment destination hubs with plug & play facility, walk-to-work concept, and quality infrastructure ahead of demand.

The Union Government has also launched Bharat Audyogik Vikas Yojana (BHAVYA) Scheme across the country including UT of Jammu & Kashmir, for development of investment-ready industrial parks to enable investors to ground investment with ease, thereby adding to the manufacturing capacity in the country. Under the Scheme, financial assistance is to be provided for development of 100 industrial parks. In the first phase, 50 projects are to be taken up, with one or more rounds of selection. The total financial outlay for the Scheme is Rs. 33,660 crore and the duration of the Scheme is for a period of 6 years. Financial assistance upto Rs. 1 crore per acre is provided for eligible components listed in the scheme guidelines.

Further, the Union Government has implemented following industrial development schemes for Jammu and Kashmir with the objective of promoting industrialization, encouraging investment, generating employment and accelerating overall industrial development in the region:

i. Special Package I & II for Jammu & Kashmir.

ii. Industrial Development Scheme (IDS), 2017 for UT of J&K and UT of Ladakh notified on 23rd April, 2018.

iii. The Government of India has notified New Central Sector Scheme (NCSS) on 19th February, 2021 to drive structural transformation of the industrial ecosystem in Jammu and Kashmir. The Scheme provides four core incentives namely Capital Investment Incentive (CII), Capital Interest Subvention (CIS), GST Linked Incentive (GSTLI), and Working Capital Interest Subvention (WCIS), along with defined eligibility conditions such as minimum investment thresholds for service sector units. Under the scheme, 918 units have been registered with the proposed investments of Rs. 12,665.47 crore. Of the 398 eligible units, 292 units have commenced commercial production after grounding investments of approximately Rs. 3,415 crore in Plant & Machinery and physical durable assets. These beneficiary units have together generated employment for approximately 29,000 persons.

In addition, UT of Jammu & Kashmir has notified J&K Industrial Policy, 2021-30, J&K Industrial Land Allotment Policy, 2021-30, J&K Private Industrial Estate Development Policy, 2021-30 and Policy for Promotion of Foreign Investment in Industrial Sector in J&K, 2022.

The UT of Jammu & Kashmir has received three Investment proposals with proposed investment amount of Rs. 500 crore from foreign investors in terms of provisions of the Policy for Promotion of Foreign Investment in Industrial Sector. In addition, the sector-wise details of investment reported through FDI Equity inflows in the state of Jammu and Kashmir during the last two financial years i.e. FY 2024-25 and FY 2025-26 are as follows:

Amount (In USD Million)

Sr. No.	Sector	2024-25	2025-26
1	Food Processing Industries	-	41.96
2	Computer Software & Hardware	0.10	0.57
3	Drugs & Pharmaceuticals	0.15	-
4	Trading	0.004	0.05
5	Hotel & Tourism	-	0.010
6	Services Sector (Fin., Banking, Insurance, Non-Fin/Business, Outsourcing, R&D, Courier, Tech. Testing and Analysis, Other)	-	0.001

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