

# Trends in the Organized Industrial Sector of Jammu and Kashmir: A Decadal Analysis

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## Abstract

Industrialization has been validated, tested and predicted as a reliable and sustainable route to development. Being late industrializers, the developing world started small on this journey. As a result, the industrial sector in these nations grew as a cluster of micro, small and medium enterprises (MSMEs). Over the years, MSMEs have grown to become the face of industry in the developing world, including India. Within India, the MSME sector has organically been bifurcated into the formal and the informal sub-sectors. The present study is an attempt to analyze and evaluate the growth of the formal sector industrialization in the northern region of Jammu and Kashmir (J&K). The study covering 15 years explores the firm-level efficiency of the formal sector firms in J&K. The analysis validates a labour-intensive nature of the local industry and identifies the factors contributing towards its dim levels of efficiency. The analysis is concluded by making relevant and timely policy interventions.

**JEL Codes:** D21, L25, O14

## Keywords

India, industrialization, Jammu and Kashmir, micro, small and medium enterprises

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