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## To be or Not to be: Social Entrepreneurship in Kashmir

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### Authors' contributions

This work was carried out in collaboration between all authors. Author JIS laid the framework, co-wrote the first draft of the manuscript, and managed the literature searches. Author JN revised the article, wrote the socio-economic and health implications section and elaborated the health policy implications. Author FNA co-wrote the final draft of the article, managed the section of maternal health implications and revised the literature review. All authors read and approved the final manuscript.

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### ABSTRACT

Lack of opportunities, and a limited availability of employment in the politically unstable valley of Jammu and Kashmir, in India, has permeated each section of the society, creating new problems for the ethnic minority of Kashmiris in all spheres of their lives from healthcare, to drug addiction. A novel approach is presented, where the control of economic destiny is shaped by promoting the entrepreneurial spirit of the people, so that their dependence on public sector jobs is decreased. Social entrepreneurship, in addition to creating economic benefits for the general populace of Jammu and Kashmir (J&K), would be an ideal solution for a society which has been at constant war with itself, both metaphorically and literally. In this policy article, in addition to literature review, we discuss the potential of Social Business in J&K, and present examples of market opportunities which, if explored and invested in properly, can predict a stable and self-sufficient future for Kashmir.

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## 1. INTRODUCTION

The idea of Social Entrepreneurship is getting increased attention from scholars, as social problems in our complex modern society have grown tremendously. Social Entrepreneurship (SE) seeks to exploit the practical dynamism of the successful businessmen to enrich and help society, especially in developing countries which are overwhelmed with problems of dire poverty and lack of opportunities. The kind of effect business entrepreneurs have on the economy; social entrepreneurs have on the society. They may, like any other business entrepreneurs, be interested in profit, but their emphasis is on social change. They are often driven, creative individuals who exploit new opportunities, question accepted norms, and refuse to give up until they have remade the world for the better. Social entrepreneurs have the same core temperament as their business peers but use their talents to solve global social problems [1].

Nowadays, more and more social enterprises of various kinds are emerging in the world. Their purpose of activity is not only making profit but, most importantly, dealing with social problems for the public benefit. As often as not, the mechanisms of activity of the state and local governments are too unwieldy; in order to deal with social issues courage, activity and looking for innovative solutions characteristic to entrepreneurs is essential [2]. Even though there is increased attention to social entrepreneurship and various similarities exist in theories that attempt to describe it, there is no discernible agreement. There also seems to be an indication that the positive societal connotation of SE has helped it garner scholarly endeavors [3].

The idea of social entrepreneurship is not new. Florence Nightingale, who revolutionized the management of sick and hospital conditions in the late nineteenth century [4] and John Durand, who started working with mentally challenged people in the early 1960s [5] have been at the helm of activities which were both for the social good, and which incentivized the industries they were a part of. Michael Porter, an authority on economic development, puts it succinctly: Capitalism is under siege, and a new sophisticated model, one imbued with social purpose, is evolving. Emergence of revitalized entrepreneurial mind-set, re-perceived value creation approaches, and re-architected

business models addressing the needs of majority seems to be the manifestation of this transition [6]. According to Peter Drucker, a prominent contemporary business philosopher, social entrepreneurship is likely to become even more important than for-profit enterprises [7].

The idea of social entrepreneurship in a society as politically unstable and volatile as Kashmir is, however, new. This latent idea has been in hibernation mode for far too long, resulting in regrettable social, economical, and psychological consequences. This dormancy is a result of deep rooted ignorance and misplaced information about the career paths which trace its origins in the imperial Maharaja's Rule of pre-independent India, where people who used to work for the government were usually better off than ordinary people with peasantry jobs. Decades of political uncertainty has further escalated the doubts on success in the field of business, hurtling the Kashmiri youth deep into the psychological abyss where pursuing their dreams as remained, as such, a dream.

## 2. LITERATURE REVIEW

The initial use of the terms "Social Entrepreneur" and "Social Entrepreneurship" in literature on social change in the early sixties and seventies by Robert Owen [8]. In the mid-eighties and nineties, the idea became more widespread and was promoted by Bill Drayton [9], who was also the founding director of Ashoka: Innovators for the Public; Charles Leadbeater also championed the cause. Even earlier, from 1950s to the start of 1990s, Micheal Young was a leading promoter of social enterprise.

Entrepreneurs are known to change the face of their businesses; social entrepreneurs act as the change *itself*, to mold the society, and seizing opportunities that have been missed by others and constantly strive to improve the systems, by ways of invention, and also by developing solutions, for the better. Just like the "regular" businessman would be motivated to create innovative industries, mostly for personal amassment of wealth and power, their social brethren work more on the solutions to the social problems at hand, and how these solutions can be implemented on a much larger scale. There are numerous factors that influence and shape the social enterprise sector: legal, political, social, cultural, and institutional factors – all

working together. India, as might seem contrary to common notion, possesses a very strong and favorable climate for the development of social enterprise as the social, cultural, and institutional factors, all seem to have point in the direction where further innovation and development is not only possible, but extremely beneficial for the huge population.

"In spirituality, lies the essence of happiness," says Dr. Bindeshwar Pathak, founder of Sulabh International Social Service Organization, considered one of the biggest NGOs in India and a pioneer in low-cost sanitation. A quiet reformer, he believes, "It's a misconception that business and ethics cannot go together. Right from the inception, if you decide that you will not use unfair means, your business will flourish and whatever the hardships, you'll overcome them. But if the foundation is laid on dishonesty and distrust, no business can survive for long. Money certainly can't buy peace or happiness" [10].

According to Nicholls [11], the term "Social Entrepreneur" was first introduced in 1972, by Banks, who noted that social problems could also be deployed by managerial practices. Several authors [12] seem to suggest: A "lack of agreement" on what defines social entrepreneurship or a social entrepreneur may not be important, what really matters is, understanding the landscape of the sector.

A close look at some statistics in this gloomy picture would present itself even darker: Life expectancy, in part due to access to better medical care, and in part due to casual improvement in wages, is ever increasing, and with the fertility rates unchanged, causes an unprecedented "pot-belly" in the population pyramid. This accumulation of a young population further exacerbates the unemployment quagmire. According to a report by Mercy Corps, a non-government organization based in United States, the number of job seeking youth is more than the total number of employees the Jammu & Kashmir (J&K) government has engaged over the last 60 years [13]. Kashmir, as a result, has been ravaged by the scourge of unemployment. A depressed market, protracted and episodic conflict, and a disparity between the educational system and the demands of the labor market thwart Kashmiri young people in their pursuit of consistent and steady income generation. Hundreds of thousands of jobless youth face grim prospects for economic independence.

Unemployment in Kashmir has also been aggravated by a conflict which is convoluted, and an extended instability. The local economy, continuously fluctuating due to the unpredictable circumstances, has left many Kashmiris with little to no option of economic engagement. 71 percent of the population of Kashmir is under 35, of which the age group between 18–30 is estimated to be 48 percent unemployed [14]. A survey conducted by Chatham House (UK) demonstrated the stark figure of 96 percent as the respondents from the Kashmir valley who identified unemployment as one of the main challenges facing the state of Jammu & Kashmir, in addition to conflict and corruption [15]. With increasing number of educated youth entering an already over-saturated job market each year, Kashmir faces a particularly mounting task. As has been observed globally, unemployed youth face many common challenges, irrespective of the area of origin and cultural predicaments. Youth population which is not engaged in a vocation of any sort often incurs feelings of failure, isolation, lack of social status, and experience difficulty in finding a spouse, eventually facing a delay in gaining financial independence. These factors contribute to the fallout of youth from a path leading to healthy adulthood. A lack of meaningful economic engagement also aggravates the spectrum of psychological tensions among young people.

Kashmir valley, however, faces a set of different challenges. For the past two decades, the magnitude of political conflict and economic instability faced by ordinary Kashmiris is staggering. Thousands have been killed, many in unforeseeable situations, affecting every sphere of life, placing Kashmiris in a fragile socio-political landscape. The constant threat of violence, even in a relatively stable period, acts as a reminder of conflict that has had a dramatic impact on the labor market, and led to socio-cultural perceptions towards types of employment. As an example, government workers are always paid, even in situations which would render normal citizenry unable to carry out any vocational involvement such as when roads are barricaded due to investigations, curfews are imposed by the administrative machinery or when economical strikes are called out as a means of protest by the local groups. This has led to a spectrum of misinformed opinions, ranging from one end where public sector jobs are perceived as "stable" and those in private sector deemed as "risky, unstable", albeit the fact that such supply of public sector positions

remains consistently low, and unattainable for most.

### 3. UNDERSTANDING THE PHENOMENON

To elucidate the current situation, and in spite of low funding to conduct high level research, sociologists in Kashmir are striving to place the scattered pieces together. Professor Dabla, from the Sociology Department of Kashmir University, conducted a survey in 2007 spanning six months, collecting information from all the districts in Kashmir valley [16]. A large representative sample consisting of 1500 respondents, belonging to varied social categories were interviewed, with a male: female ratio of 52:48. The survey revealed that the average age of marriage for males in Kashmir was 31.5 years while that for women was 27.8 years, a far cry from the national median ranges. An overwhelming 88 percent of the respondents held the opinion that political conflict contributed to the emergence of late marriage trend. Interestingly, 12 percent of the respondents opined that political conflict was not directly responsible for it. On being asked whether *daheaj* (the traditional financial award from the female's side) contributed as one of the chief reasons for delayed marriages, 92 percent respondents agreed; adding that it had created numerous problems for individuals and their families. The other major reason noted for the delayed marriage trend was unemployment. Over 90 percent of the respondents remarked rampant unemployment had created the situation, and which seemed to be getting out of control. These observations foreground the effect of economical situation on not just the financial institutions but even the institution of marriage. The other alarming aspect, the survey revealed, was the emergence of pre-marital sex in an otherwise conservative Kashmiri society. There exists an inverse relationship between late marriages and the practices of pre-marital and extra-marital sexual relationships among the youth population, thwarting the country's efforts to contain the spread of Sexually Transmitted Diseases (STDs). More than 64 percent respondents believed late marriage had a causal effect to promote pre-marital sexual relationships. The survey also asked respondents to comment on how these societal problem can be abated. 29.9 percent respondents encouraged a complete ban on dowry, 18.4 believed the traditional style of arranged marriage at an earlier age could help the situation, while 30.6 percent favored

increased government investment in job creating industries and an education program for promotion of moral and healthy principles. With a society holding employment as a basic "prerequisite" for getting married, and the drying up of jobs in public sector – the largest employer in Kashmir – the scenario has rendered thousands of educated youth ineligible for marriage. This anomaly can be addressed with the implementation of institutions and study centers where entrepreneurship is promoted. Government, instead of focusing on expanding the public sector to provide jobs to the youth, can divert their attention to mass education to alleviate fears associated with starting a business, thereby, creating a self-sufficient system.

This effect of financial deficiency and economical uncertainty also plays a role in the healthcare of the Kashmiri population. A cardinal research conducted by the Department of Immunology and Molecular Medicine, SKIMS, elaborated on the detection of chromosomal abnormalities affecting the ethnic populations residing in the Kashmir valley. The findings, which are particularly disturbing, revealed a direct relationship between increased maternal age and the incidence of genetic abnormalities in the new-born infants [17]. Females who gave birth to their babies after 35 years-of-age had increased their chances of giving birth to genetically imperfect babies, especially Down's syndrome, by 75 percent. The study claimed women should have a baby before the age of 35 or "risk missing out on motherhood." The health risks of late marriage which induces late pregnancy, included complications for both mothers and infants. For mothers: it amounts to greater difficulty in conceiving a child, high risk of general maternal health problems such as high blood pressure, high risk of miscarriages, increased risk of children having congenital abnormalities, preeclampsia, and prolonged labor while pregnancy. Contrary to common beliefs, late marriages expose men to high risks and fertility impediments. Such a devastating effect due to a misinformed economical policy is rarely reported in modern times. Social entrepreneurship could be the answer to reduce such catastrophes, where hospitals and patients could sustain a symbiotic relationship which yields both medical and commercial success.

In addition to the aforementioned tribulations affecting this unique Himalayan population, the handicapped economic system has resulted in

dissemination of drug addiction in this vulnerable group. As highlighted in a report by the International Task Force, National Master Plan for Drug Abuse Control in India (1994-2000) which was set up by the Department of Revenue, there is a continuous expansion of illegal cultivation of *cannabis* in mountainous forest lands not only of the traditional Himalayan areas of Jammu and Kashmir, Uttar Pradesh, Nagaland, and Manipur but also in all the five peninsular states of Andhra Pradesh, Karnataka, Kerala, Maharashtra, and Tamil Nadu. A systematic study of the problem of drug addiction in the state of Jammu and Kashmir revealed that 40 percent of the youngsters fall prey to drug abuse, in one form or other, which includes both boys and girls of the age group 16 – 25 years-of-age. The production and increased dependence on *Charas* (the colloquial term for a certain preparation of *cannabis*) in the vale of Kashmir has resulted in development of safe haven for abusers as they can access and exploit drugs freely [18]. A recent study reported in an International Journal of Pharmaceuticals [15] found 80 percent of drug abusers to be male, and 20 percent female. The increased involvement of females in drug abuse is attributed to many social, economic and psychological factors. One of the important factors was the marital status of these females with 73 percent reporting as unmarried, yet again pointing to the detrimental effects of unemployment. Medicinal opioids were the most abused drug (60 percent), followed by *Charas* (53 percent), and alcohol (43 percent). The study also displayed an association between drug use and crime rate with a majority (79 percent) of the respondents admitted their involvement in criminal activities.

Considering how public sector jobs have a low implementation rates, they are not a viable option in sustaining future generations. On the other hand, social entrepreneurship initiatives have the capacity, and proven track record to pull underprivileged populace out of economic misery. The various detrimental effects that unemployment has brought about in the Kashmir valley, ranging from drug addiction to socio-psychological maladies, can be effectively addressed by introduction of novel techniques of self-employment as has proven beneficial in countries like Bangladesh, Nigeria, and different South American countries.

Another deterrent to the expansion of entrepreneurial spirit for India in general, and

J&K in particular, is the rampant corruption, and wide-ranging red-tape procedures involved in the Indian bureaucracy. Many a times, young prospective entrepreneurs abandon hopes and aspirations of starting a business in lieu of public sector jobs. A telling 2008 survey conducted by Transparency International India, placed the state of Jammu & Kashmir in 'alarmingly corrupt' category [19]. An additional complication of political uncertainty only makes matters worse. In 2008, partly as an extension of the public frustration, massive unrest startled the Kashmir valley, resulting in losses to the tune of 10.88 crore rupees (US 2.4 \$ billion), an amount which is greater than 27 percent of J&K state gross domestic product (GDP). Was this loss preventable? Yes, absolutely. Are there any programs to prevent such losses in the future to save the state economy? No. This brings us to the problem at square one: young populace is highly disenchanting at the process since public sector employees continued to be paid during the 2008 turmoil. This further grounded the idea that entrepreneurship will only beget disappointment.

#### 4. QUALITIES OF SOCIAL ENTREPRENEURS

Following are the qualities of social entrepreneurs [20].

##### 4.1 Ambitious

Social entrepreneurs tackle major social issues, from increasing the college enrollment rate of low-income students to fighting poverty. They operate in all kinds of organizations: Innovative nonprofits, social-purpose ventures, and hybrid organizations that mix elements of nonprofit and for-profit organizations.

##### 4.2 Mission Driven

Generating social value—not wealth—is the central criterion of a successful social entrepreneur. While wealth creation may be part of the process, it is not an end in itself. Promoting systemic social change is the real objective.

##### 4.3 Strategic

Like business entrepreneurs, social entrepreneurs see and act upon what others miss: Opportunities to improve systems, create solutions and invent new approaches that create social value. And like the best business

entrepreneurs, social entrepreneurs are intensely focused and hard-driving in their pursuit of a social vision.

#### **4.4 Resourceful**

Because social entrepreneurs operate within a social context rather than the business world, they have limited access to capital and traditional market support systems. As a result, social entrepreneurs must be skilled at mobilizing human, financial and political resources.

#### **4.5 Results Oriented**

Social entrepreneurs are driven to produce measurable returns. These results transform existing realities, open up new pathways for the marginalized and disadvantaged, and unlock society's potential to effect social change.

### **5. GLOBAL EXAMPLES OF SOCIAL ENTREPRENEURSHIP SUCCESS**

#### **5.1 Aravind Eye Hospital and AuroLab**

Dr. Govindappa Venkataswamy & David Green started trust at Madurai, India with a mission of making medical technology and health care services accessible, affordable, and financially self-sustaining. Founded in 1976 by Dr. G. Venkataswamy, Aravind Eye Care System currently is the largest and most productive eye care facility in the world. From April 2007 to March 2008, about 2.4 million persons have received outpatient eye care and over 285,000 have undergone eye surgeries at the Aravind Eye Hospitals at Madurai, Theni, Tirunelveli, Coimbatore and Puducherry. Blending traditional hospitality with state-of-the-art ophthalmic care, Aravind offers comprehensive eye care in the most systematic way attracting patients from all around the world.

#### **5.2 SKS India**

Vikram Akula started SKS India with a mission of empowering the poor to become self-reliant through affordable loans. SKS believes that access to basic financial services can significantly increase economic opportunities for poor families and in turn help improve their lives. Since inception, SKS has delivered a full portfolio of microfinance to the poor in India and we are proud of our current outreach. As a leader in technological innovation and operational

excellence, SKS is excited about setting the course for the industry over the next five years and is striving to reach our goal of 15 million members by 2012.

#### **5.3 AMUL (Anand Milk Union Limited)**

Dr. Verghese Kurien started a co-operative organization AMUL. Amul has been a shining example of the organization's success in the long term. It is one of the best examples of co-operative achievement in the developing economy. The Amul Pattern has established itself as a uniquely appropriate model for rural development. Amul has spurred the White Revolution of India, which has made India the largest producer of milk and milk products in the world.

#### **5.4 Grameen Bank**

Muhammad Yunus started the Grameen Bank. Grameen Bank (GB) has reversed conventional banking practice by removing the need for collateral, and created a banking system based on mutual trust, accountability, participation, and creativity. GB provides credit to the poorest of the poor in rural Bangladesh—without any collateral. At GB, credit is a cost effective weapon to fight poverty, and it serves as a catalyst in the overall development of socio-economic conditions of the poor who have been kept outside the banking orbit on the ground that they are poor, and hence, not bankable. Professor Muhammad Yunus, the founder of Grameen Bank, and who has served as its Managing Director, reasoned that if financial resources can be made available to the poor people on terms and conditions that are appropriate, and reasonable, then these millions of impoverished people with their millions of small pursuits, can add up to create the biggest development wonder. As of May 2009, it has 7.86 million borrowers, 97 percent of whom are women – a rare achievement in women empowerment itself. With 2,556 branches, GB provides services in 84,388 villages, covering more than 100 percent of the total villages in Bangladesh.

#### **5.5 Shri Mahila Griha Udyog Lijjat Papad**

Shri Mahila Griha Udyog Lijjat Papad is a women's organization manufacturing various products from Papad, Khakhra, Appalam, Masala, Vadi, Gehu Atta, Bakery Products,

Chapati, SASA Detergent Powder, SASA Detergent Cake (Tikia), SASA Nilam Detergent Powder, SASA Liquid Detergent – the unthinkable. The organization is widespread, with its Central Office at Mumbai and its 67 Branches and 35 Divisions in different states all over India. The organization started off with a paltry sum of 80 rupees and has achieved sales of over 300 crore rupees with exports itself exceeding rupees 12 crore. Membership has also expanded from an initial number of 7 sisters from one building to over 40,000 sisters throughout India. The success of the organization stems from the efforts of its member sisters who have withstood several hardships with unshakable belief in the strength of a woman – and her character [9].

## 6. POLICY IMPLICATIONS

As Kashmir does not exactly adhere to the general definition of a “normal” state, the policy decisions by the government will bear a significant effect on the growth, and sustainability of SE. Significant steps have to be taken to circumscribe red tape, the impediments in administration have to be addressed, and there has to be a heavy crackdown on corruption. We believe these goals can be realized by means of mass communication, by explicitly describing what might come to be in the Kashmiri society if strong leadership skills by the administration are not put in to effect. Penalties for corruption and avarice, and increased role of the public in “sting operations” to weed out the unscrupulous, should also be looked into. Finally, there is a common thread throughout the globe where the general populace seeks to, and works for, improvement of the social atmosphere, and when that change can come about through the tempting lens of economic advantage, the results can surely be flabbergasting.

## 7. MARKET OPPORTUNITIES IN KASHMIR [21, 22]

### 7.1 Potato Cultivation

Geographical location: Rural.

Potential Market Size:

Kashmir market – Rs. 182 crores.

National market – Rs. 34,320 crores.

International market – Rs. 5,555,750 crores.

Key Customer Segments:

Local consumers, national and international traders and wholesalers.

### 7.1.1 Kashmir advantage

High altitude regions and the deep, rich soil of Kashmir offer the perfect agro-climatic conditions for potato cultivation [22]. The state holds a large land area under 5000-8000 feet altitude which proves favorable for potato cultivation. The potato consumption in Kashmir has grown by 850% over the past 40 years. As a response to this growing demand, the Kashmir Valley produced over 28,000 tons of potatoes in 2008-09. Approximately 2.5% of the total production (500 tons) is exported to other states of India. In order to maximize potential profit, entrepreneurs should consult the Department of Agriculture which offers training and advice for potato farmers. By utilizing available incentives for potato cultivation, aspiring entrepreneurs hold the potential to increase level of outputs. The agriculture department has dedicated field extension officers to provide technical support to the farmers in addition to providing subsidized high breed variety seed. The present domestic production caters for 17% of the total demand, the rest is met by imports from neighboring states. Therefore, entrepreneurs can reduce the outflow of capital from the state by enhancing internal productivity.

### 7.2 Branded Kashmiri Honey

Geographical location: Rural, Urban.

Potential Market Size:

Local market – Rs. 77 crores.

National market – Rs.190 crores.

International market – Rs. 4,900 crores.

Key Customer Segments:

Local, national and international consumers.

### 7.2.1 Kashmir advantage

There is a high demand for honey in local, regional and export markets. Also, Kashmir currently has limited production; therefore, low levels of competition prove to be a great advantage. Kashmir imports honey worth Rs.8.6 million from other states. As a result, local honey branding offers massive growth potential in local production which can successfully compete with imports due to reduced transport costs. In 2011, Kashmir local honey production was 24 tons. Kashmir is a traditional beekeeping area due to its rich and diversified bee flora ideal for high quality honey production. Despite its potential, beekeeping has remained rudimentary and un-

exploited in this area thus far. Entrepreneurs should also consider value addition products such as beeswax, chap sticks, cosmetics products and candles.

### **7.3 Mushroom Cultivation-Processing and Packaging**

Geographical location: Rural.

Potential Market Size-

Local market – Rs. 2.52 crore.

National market – Rs.136.12 crores.

International market – Rs. 22,140 crores.

Key Customer Segments:

Local and national households, traders and wholesalers.

#### **7.3.1 Kashmir advantage**

One of the key areas of focus under the current J&K Government has been the National Agriculture Development Scheme, whereby the mushroom cultivators in Kashmir are supported through the provision of seeds of high quality, in addition to the technical training instructions. The Economic Survey 2010-11 also highlights the National Horticulture Technology Mission: Mini Mission II for the purpose of establishing an Integrated Mushroom Development Centre for mushroom production. Youth entrepreneurs will benefit from the government's current attention to this sector offered through helpful incentives, trainings and provision of resources. Youth entrepreneurs also benefit from the fact that mushrooms prove easy to cultivate in the valley due to their ability to thrive on mule dung and paddy straw which are locally available raw materials.

### **7.4 Supply, Processing and Grading of Saffron**

Geographical location: Rural

Potential Market Size:

Local market – Rs. 400 crores.

National market – Rs. 193.80 crores.

International market – Rs. 4100 crores.

Key Customer Segments:

Local, national and international consumers, traders and wholesalers.

#### **7.4.1 Kashmir advantage**

Saffron produced in Kashmir is known to be of high quality, and has a formidable reputation on the international market. Apart from a few places in Central Asia, there are not many locations around the globe where Saffron grows so profusely. Saffron thrives in Kashmir due to its ability to thrive in soils heavily textured with salty clay loam. Kashmir's favorable agro-climatic conditions, deep soil with excellent drainage and rich organic content provide entrepreneurs with easy access to raw materials and potential for enhanced productivity. Kashmiri saffron is known for its aroma and color in the market and is in high demand both nationally and internationally. In order to open up more export opportunities for Kashmiri saffron and to secure a higher price in the market, Kashmiri saffron needs to be processed and graded as per the needs, preferences and quality demanded in the export market. Although currently grow mostly in the rural districts of Kashmir such as Doda, Pulwama, and Budgam, there is increased interest in the cultivation of saffron from the state apparatus; the recently established National Mission on Saffron was inaugurated to not only ensure productivity, but give a much needed boost to the development of this endangered plant. The area, production and productivity of saffron in J&K for 2009-10 was 3675 ha, 91.88 quintals and 2.5 kg/ha. Youth entrepreneurs benefit from high demand in local and export markets, easy access to raw materials, low levels of competition in the export market and low start-up costs in relation to income generated returns.

### **7.5 Trout Farming and Processing (Smoked Trout)**

Geographical Location: Rural

Potential Market Size:

Local market – Rs. 3.38 crore.

National demand – 9.74 million tons.

International market – Rs. 501,840 crores.

Key Customer Segments:

Local, national consumers and exporters.

#### **7.5.1 Kashmir advantage**

According to Sher-e-Kashmir University of Agricultural Sciences and Technology of Kashmir (SKUAST), one of the crucial contributors to the



present socio-economic development could be seen in the form of investment in the Fishery sector. For the financial year 2009-2010, the total GSDP contribution from fisheries crossed 43 percent. This number should point to an exceptionally well-suited sector in social business for the Kashmiri youth entrepreneurs, who could play an important role to make this sector one of the most profitable ones, with particular attention to Trout farming, and smoked Trout, which is used in high volumes for local consumption, as well as for export. This market opportunity offers self-employment in rural areas which would improve the standards of living for fishing families, enhance the nutritional diets of local communities and accelerate rural development by expanding the local industry. The trout fish is in huge demand as Kashmir produces the best feed for the production of trout fish. The local production of trout has increased to 169 tons during 2009-10. The length of 27,781 km of rivers/streams serves as a further advantage by supporting the farming of more than 400 lakh quintals of fish. Out of the total 27,781 km of area under fisheries, the state has only 0.07 lakh hectares' area under reservoir. The 11<sup>th</sup> year plan allotted Rs.49.08 crore for the development of the fisheries sub sector with Rs.12.38 crore spent by the government in 2010-11. Under the centrally sponsored government scheme for the welfare of fishermen, the government provides free insurance coverage to fishermen, Rs.1 lakh paid to the beneficiary's family in case of death, Rs.0.5 lakh for permanent disability while fishing, and low cost houses to houseless fishermen. As of 2010, 208 claims were settled and Rs.67 lakhs was distributed to beneficiaries.

## **7.6 Flower Seeds/ Liliium and Tulip Bulbs**

Geographical Location: Rural.

Potential Market Size:

Local market – Rs. 2.5 crore.  
National market – Rs. 1,000 crores.  
International market – Rs. 4,920 crores.

Key Customer Segments:

Local households and flower growers, floriculture departments and flower exporters.

### **7.6.1 Kashmir advantage**

In recent years, the state of J&K has made great efforts to revive the floriculture industry and

beauty of the gardens originally established by the Mughal Kings. Concentration has been focused primarily on the cultivation of tulip bulbs and cut flowers in the region in an effort to disband Holland's "monopoly" on the flower. According to the Economic Survey 2010-11, the state holds vast potential for seeds and bulb production due to favorable agro-climatic conditions, low production costs and high availability of skilled, human labor. Under the floriculture department's Technology Mission scheme (TM), 50,000 Liliium/Tulip bulbs were provided to selected commercial flower growers. Also under this scheme, the Model Floriculture Centre at Nuner was developed in 2006 for Liliium bulb production, additional assistance to growers and increased access to resources. The bulbs produced at the center are being distributed among commercial growers. The state also offers trainings for potential growers in an effort to establish public-private partnerships for increases in pre and post-harvest production in the state. Youth entrepreneurs would benefit from pursuit of businesses in flower seeds and Liliium bulbs due to the government's current development and training provided in the sector. With the aid of incentives and low production costs, this venture proves highly profitable due to the growing demand in the local and export markets.

## **7.7 Processing and Packaging of Walnuts and Almonds**

Geographical Location: Rural, Urban.

Potential Market Size:

Local walnut market – Rs. 400 crores.  
Local almond market – Rs. 97.5 crores.  
National walnut market – Rs. 385.25 crores.  
International walnut market – Rs. 15,479.94 crores.

Key Customer Segments:

Local and national dry fruit processing units, retailers and export traders.

### **7.7.1 Kashmir advantage**

Jammu & Kashmir is the sixth largest producer of walnut in the world and serves as the largest producing state in India accounting for 92% of production at 126,000 metric tons in 2011. Additionally, the state produced 1,200 tons of almond. Therefore, high production rates provide potential entrepreneurs with confirmation of

market demand; however, greater capacity still exists for market expansion. Through value addition of processing and packaging walnuts and almonds, entrepreneurs will be able to expand their market to maximize export potential. According to the J&K Economic Survey 2010-11, the Department of Agriculture has recently introduced innovative techniques of budding and grafting for walnut cultivation which reduces the gestation period of the crop. Hi-tech greenhouses are also being used in Zakura and Siot, Rajouri for increased access to resources. Entrepreneurs will benefit from the training and information provided by the agriculture department in an effort to increase overall production and economic status in the state. Walnut and almond processing greatly benefits entrepreneurs living in hilly areas and can highly contribute to the economic status of the local community.

### **7.8 Leather Tanning**

Geographical location: Rural, Urban.

Potential Market Size:

Local market – Rs. 329 crores.  
National market – Rs. 19,680 crore

Key Customer Segments:

Local and national leather goods manufacturers and leather tanning exporters.

#### **7.8.1 Kashmir advantage**

Kashmir's leather industry has the potential to generate revenue of US\$1 billion per year. Considering this number, it is safe to assume that development of this sector could provide massive wealth to the economical vacuum that exists in Kashmir, but the sheer absence of a tanneries in Kashmir has forced producers to sell these skins at reduced prices to traders from outside the state, who in turn, yield massive profit, profit that could uplift the economically plunged populace. Youth entrepreneurs would benefit from great access to raw materials due to the amount of animals slaughtered for meat consumption in Kashmir every year. Goats, sheep, and even cowhides are widely available for leather tanning purposes in the valley. Entrepreneurs would also benefit from manufacturing/marketing leather tanning value addition products such as shoes, jackets, purses and other fashion accessories (leather wrist cuffs engraved with designs have become highly popular in the international market). Although the

State Industrial Development Corporation (SIDCO) has been generous in offering almost fifteen hundred kanals of land grant to develop leather parks, the monetary impetus needed is still wanting, which could significantly help mold the tannery business.

### **7.9 Silk Cocoon and Silk Thread Production**

Geographical Location: Rural.

Potential Market Size:

Local market – Rs. 8.46 crore.  
National market – Rs. 29.21 crores.

Key Customer Segments:

Local and national silk processing units.

#### **7.9.1 Kashmir advantage**

Sericulture is a long-standing tradition in Kashmir as the Valley is known for its silk-weaving industry. In Srinagar, the manufacturing factory produces 300,000 meters of various types of silk fabrics, georgette, parachute and suiting annually. According to the Economic Survey 2010-11, J&K state leads the north-western states of the country in Bivoltine cocoon production with 860.00 MT and 101.00 MT of raw silk. However, with a national domestic demand of 27,000 MT a great deal of silk is still being imported from China, roughly 31%. The gap in production and consumption presents a great opportunity for youth entrepreneurs to expand the domestic production. The state government has incentivized the sericulture sector by investing US 3 million dollars for increased attention to the development of this industry. Initiatives such as procurement of worm cocoons, cultivation of mulberry plants, and even stabilization of price, have been introduced. For the financial year 2010-2011, the cocoon growers in the state got remunerative prices for their silk produce with some fetching record high prices of Rs.700/kg, which is indeed very promising.

### **7.10 Solar Power/Solar Heating**

Geographical Location: Rural, Urban.

Potential Market Size:

Local market – Rs. 78.75 crores.  
National market – Rs. 2045.5 crores.  
International market – Rs. 98,700 crores.

#### Key Customer Segments:

Local consumers, business establishments, hotels, hospitals, government departments.

#### **7.10.1 Kashmir advantage**

Renewable energy like solar power has great potential in Kashmir to fill the gap in supply and demand of electricity and reduce the impact of frequent power cuts. In Kashmir the production and use of renewable energy is negligible, and in India only 4% of electricity comes from renewable sources. However, one of the current schemes worthy of mention is the supply of 15,000 solar home lighting systems to various districts of Kashmir by the J&K Energy Development Agency (JKEDA). For solar cooking, one of the best places in J&K is Ladakh, as it receives around 320 days of sunshine per year and the market of solar cooking has so far been untapped. The Central Electricity Regulatory Commission has passed new regulations, which includes J&K to encourage businesses to increase investment in renewable energy by providing higher returns on their investments. It's therefore now estimated that returns will increase from 19 to 24 percent. In addition, the government of J&K has included a special package for private solar energy developers which includes tax breaks, availability of loans on much cheaper scale, decreased duty on equipment imports, and a highly favorable debt-equity ratio. Specifically, for solar power, the Solar Photovoltaic (SPV) program provides financial assistance in the form of grants-in-aid and subsidies resource assessment, feasibility studies, research and development and to design, install, and operate Solar Photovoltaic Power Plants. The assistance provided in financial grants for the state of J&K covers almost 90 percent of the costs, capped at 1.62 crore rupees per 100 kWp produced.

#### **8. FINANCIAL INSTITUTIONS IN KASHMIR (JKEDI)**

An entrepreneur has to visit the JKEDI office with an idea, and if their idea gets approved, JKEDI provides a loan; sometimes people don't have a viable plan, and EDI helps them formulate an action-plan. They are there to help, anyone, even those who don't have a proper plan, but are interested to become entrepreneurs.

JKEDI has provided Financial Aid, in form or other, to the entrepreneurs, up to 22 lakh rupees.

From 2010-2015, almost 5000 people have benefitted from this scheme. Interest on the loan is charged 11%, which is much lower than regular creditors and banks. They train and finance the entrepreneurs as well, and are constantly monitoring their work. Default rate on the loan is only 8%, and it takes only 3 months for the loan to get sanctioned. The loan is actually given by JK bank but EDI recommends JK bank to finance the entrepreneur. EDI also provides subsidy up to 35% on the total loan.

#### **9. CONCLUSION**

There is no dearth of success ventures by entrepreneurs, both social and capitalistic. From Vikram Akula's SKS Microfinance which changed paradigms in IPO listing to Darell Hammond who successfully implemented his vision of playing fields for children across the world and scaled his organization to the magnitude of 20 million dollars. These are relatively smaller organizations compared to the colossal success generated by the Nobel Peace winning Grameen Bank in Bangladesh. Professor Yunus from Microeconomics fame has helped expand the role social entrepreneurs can play in the social, and financial development of any nation. There is no reason why such ventures cannot be explored in the state of J&K and usher in a wave of self-dependency and economic emancipation. The question is: whether politicians and policy makers will take note from these developments and apply the recommendations. Only time, and maybe an even larger figure of loss, will tell.

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Authors have declared that no competing interests exist.

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