



BRIEF INDUSTRIAL PROFILE OF KANGRA DISTRICT

2016-17



Micro, Small & Medium Enterprises Development Institute

Govt. of India, Ministry of MSME

Electronics Complex, Chambaghat, Solan -173 213

Ph: 01792-230265, Fax: 01792-230766

Website: w.w.w.msmedihimachal.nic.in e-mail: dcdi-solan@dcmsme.gov.in

Foreword

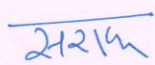
Brief Industrial Profile of District Kangra has been updated to analyse the different resources, infrastructure, and present status of the industrial set up and future prospects of industry. It contains information on different aspects related to industrial development of the area. The information will be valuable for policy makers, planners, developmental agencies involved in the development of industry and other economic activities in the district and state as well. The report shall also be of much use to prospective entrepreneurs, existing industries, associations and the concerned organisations.

I appreciate the efforts put in by Sh. Rajiv Kumar, Asstt. Director (EI) for preparing this report.

I also express my gratitude to the General Manager, District Industries Centre, Dharmsala (Kangra) and other district level officers, who have extended their co-operation and assistance to the survey team in updating out this report.

I hope that this report will serve as guide to the entrepreneurs who are interested in investment opportunities and will also be useful to the agencies connected with the development of industry in the district.

Place: Solan
Date: 15/06/2016


(C. V. Saraf)
Director

CONTENTS

S. No.	Topic	Page No.
1.	General characteristics of the District	4-7
1.1	Location & Geographical Area	
1.2	Topography	
1.3	Availability of Minerals	
1.4	Forest	
1.5	Administrative Setup	
2.	District at a Glance	6-10
3.	Industrial Scenario of District	11-15
3.1	Existing Status of Industrial Area in the District	
3.2	Industry at a Glance	
3.3	Year Wise Trend of Units Registered	
3.3.1	Existing MSEs in the district	
3.4	Medium Scale Enterprises	
3.4.1	List of Medium Scale Enterprises	
3.4.2	Major Exportable Items	
3.4.3	Growth Trends	
3.4.4	Vendorisation/Ancillarisation of the Industry	
3.4.5	Large Scale Enterprises	
3.5	Service Industries	
3.5.1	Existing service sector	
3.5.2	Potentials Areas for service sector	
3.6	Unregistered Sector	
3.7	Potential for New MSMEs	
4.	Existing Cluster of Micro & Small Enterprises	15
4.1	Details of major Cluster	
4.1.1	Manufacturing Sector	
4.1.2	Service Sector	
5.	General Issues raised by Industries Associations	15
6.	Institutional Support	16

1. General Characteristics of the District

Kangra district derives its name from Kangra town that was known as Nagarkot in ancient times. Kangra proper originally was a part of the ancient *Trigarta* (Jullundur), which comprises of the area lying between the river "Shatadroo" (probably Sutlej) and Ravi. A tract of land to the east of Sutlej that probably is the area of Sirhind in Punjab also formed a part of *Trigrata*. Trigrata had two provinces. One in the plains with headquarters at Jullundur and other in the hills with headquarters at Nagarkot (the present Kangra).

The present Kangra district came into existence on the 1st September, 1972 consequent upon the re-organisation of districts by the Government of Himachal Pradesh. It was the largest district of the composite Punjab in terms of area till it was transferred to Himachal Pradesh on the 1st November, 1966 and had six tehsils namely Nurpur, Kangra, Palampur, Dehra Gopipur, Hamirpur and Una. Kullu was also a tehsil of Kangra district up to 1962 and Lahaul & Spiti which also formed a part of Kangra was carved out as a separate district in 1960. On the re-organization of composite Punjab on the 1st November, 1966 the area constituting Kangra district were transferred to Himachal Pradesh along with the districts of Shimla, Kullu and Lahaul and Spiti and tehsils of Una and Nalagarh and three villages of Gurdaspur district.

1.1 Location & Geographical Area

The Kangra district is bounded by Chamba to the north, Lahul and Spiti to the northeast, Kullu to the east, Mandi to the southeast, and Hamirpur and Una to the south. The district shares a border with the states of Punjab on the southwest, and Jammu and Kashmir on the northwest. Due to the hilly terrain, not very much of the land is cultivated. The region is covered with uniform patches of barren land, as well as small forests. There is a reasonably good network of roads across the district. The total geographical area of the

district is 5, 739 sq. k.m. which is 10.31 percent of the total area of the State and ranks 4th amongst the district.

1.2 Topography

The Kangra district lies between 31° 21' to 32° 59' N latitude and 75° 47' 55 to 77° 45' E longitude. It is situated on the southern escarpment of the *Himalayas*. The entire area of the district is traversed by the varying altitude of the Shivaliks, Dhauladhar and the Himalayas from north-west to south-east. The altitude varies from 500 metres above mean sea level (amsl) to around 5000 metres amsl.

1.3 Availability of Minerals

The important minerals available in the district are Slate, Limestone, Oil & Natural Gas, Sand Stone & Bajiri and Iron & Coal. The details of these mineral are as under:

Slates: Slates are extensively used as roofing material in Himachal Pradesh. Roofing slates are being quarried at Khaniara, Bhag sunath, Thatri, Kareti and Narwana. Slate mining in the area dates back to the 1880s. Mining is confined to the Chandpur formation which consists of phyllites and slates. These quarries were operated by local contractors on contract from the local panchayats who held mineral rights. But recently, the Government has taken over mineral rights and efforts are being made to organize these mines on scientific and systematic mining met hods. However, most of the area under mining falls in a Reserve Forest for which permission of the Ministry of Environment and Forests is required under the Forest Conservation Act, 1980 to divert forest land for non forest use.

Limestone: The Dharamkot limestone deposit is located two kilometres north of McLeodganj. This limestone belongs to the Shale formation and comprises of pink limestone, dark grey limestone, dolomatic limestone and shales. The pink limestone and dark grey limestone are of cement grade. The

total estimated reserves are about 19 million tonnes. The proven reserves of pink limestone are 8.1 million tonnes and of grey limestone are 1.5 million tonnes.

Oil and Natural Gas: Oil and natural gas is reported to occur in Jawala mukhi area. The tertiary basin is considered most promising from the point of view of petroleum exploration. This inference is supported by a thick sequence (six to eight kilometers) of sedimentary rocks, surface oil and gas seepages and well developed structural features. Drilling was started here in 1955-56 by ONGC in consultation with Soviet experts. However, no promising results were achieved by drilling of these wells. Ever since, several exploratory wells have been drilled even to a depth of 6,500 metres, but could not reach the targeted Subathu formation which is likely to contain oil and natural gas. Super deep drilling machine capable of drilling upto 8,000 meters can only prove or disprove the presence of oil and natural gas in the region.

Sand, stone and bajri: There are 155 crushers in the district which are extracting 4.28 lakh tonnes of sand, stone and bajri annually from the khads/rivers. Total direct employment in these crushers is estimated to be around 2000 persons. The extraction has grown more than five times during the last thirty years.

Iron and coal: Iron and coal are the other minerals found in district Kangra. An iron ore deposit is reported from the Uhl valley. A band with an average outcrop width of 20 metres is exposed for about 2,500 metres from Multhan to Kothi Kohar. It has magnetite content of approximately 5 per cent to 10 per cent. Lignitic coal deposits are reported from Dehra Gopipur and Nurpur area. But these deposits are too small for any economically viable extraction.

1.4 Forest

Forest also plays an important role in the economy of the district. Forest occupies an area of 2, 842 Sq. K.M. out of the total geographical area of 5,739 Sq. K.M. Major forest produce that comes from forests are in the form of timber, firewood, resin, fodder, herbs etc. The main species of trees available in the district are Pine Occure, Chil, Kail, Deodar, Banoak, Silver fir, Salix, Lonicera and viburnam, Betula utilis, Kharsu and Cedrus Deodar etc.

1.5 Administrative set up

For Administrative purpose, the district has been divided into 9 subdivisions and the district has been divided into 19 tehsils & 11 sub-tehsils. There are 15 blocks in the district. There are 760 panchayats in the district covering 3908 villages.

2. DISTRICT AT A GLANCE

S. No.	Particulars	Units	Statistics
1.	Geographical Features		
A)	Geographical Data		
i)	Latitude		31° 21' to 32° 59' North
ii)	Longitude		75° 47' to 77° 45' East
iii)	Geographical Area	Sq. K.M.	5,739
B)	Administrative Units		
i)	Sub-division	Nos.	9
ii)	Tehsils	Nos.	19
iii)	Sub-Tehsils	Nos.	11
iv)	Blocks	Nos.	15
v)	Gram Panchayats	Nos.	750
vi)	Inhabited Villages (2011 Census)	Nos.	3908
vii)	Assembly Area	Nos.	15
2.	Population (2011)		
A)	Sex-wise		
i)	Male	Nos.	7,50,591
ii)	Female	Nos.	7,59,484
B)	Rural population		
i)	Male	Nos.	7,05,365
ii)	Female	Nos.	7,18,429
C)	Urban Population		
i)	Male	Nos.	45,226
ii)	Female	Nos.	41,055
3.	Agriculture (2011-12)		
A)	Land Utilization (by village paper)		
i)	Total Area	Hect.	5,77,681
ii)	Forest Area	Hect.	23,252
iii)	Barren and uncultivable land	Hect.	14,848
iv)	Non Agriculture uses	Hect.	77,669
v)	Permanent Pastures & other grazing land	Hect.	87,865

vi)	Cultureable waste	Hect.	28,204
vii)	Current fallows	Hect.	11,456
viii)	Misc.	Hect.	9,371
ix)	Net area sown	Hect.	1,15,748
x)	Area Sown more than once	Hect.	97,535
xi)	Total Cropped Area	Hect.	2,13,283
4.	Livestock & Poultry (2012 Census)		
A.	Cattle		
i)	Cows	Nos.	2,27,917
ii)	Buffaloes	Nos.	1,49,719
B.	Other Livestock		
i)	Houses & Ponies	Nos.	3,781
ii)	Donkeys	Nos.	390
iii)	Mules	Nos.	4,068
iv)	Sheep	Nos.	84,628
v)	Goats	Nos.	2,02,694
vi)	pigs	Nos.	637
vii)	Yak	Nos.	54
viii)	Others	Nos.	20
C.	Poultry	Nos.	8,05,120
5.	Transport (2014-15)		
i)	Total Road Length	Kms.	5,887
ii)	Motor able Single Lane	Kms.	5,414
iii)	Motor able Double Lane	Kms.	468
iv)	Jeep able Road	Kms.	5
6.	Post Offices (204-15)		
i)	Head Post Office	Nos.	4
ii)	Sub Post Offices	Nos.	100
iii)	Branch Post Offices	Nos.	544
iv)	Total Post Offices	Nos.	648
7.	Public Health (2014-15)		
i)	Allopathic Hospitals	Nos.	10

ii)	Community Health Centre	Nos.	14
iii)	Primary Health Centre	Nos.	83
iv)	Ayurvedic Institution	Nos.	234
8.	Education (2014-15)		
i)	Literacy Rate (<i>Census 2011</i>)	%	85.67
ii)	Primary School	Nos.	1710
iii)	Middle School	Nos.	358
iv)	High/Sr. Sec. School	Nos.	453
v)	Govt. Degree College	Nos.	15
vi)	Pvt. Degree College	Nos.	18
9.	Percentage of Total Workers (<i>Census 2011</i>)		
i)	Total Workers	%	44.71
ii)	Main Workers	%	20.79
iii)	Marginal Workers	%	23.92
iv)	Non-Workers	%	55.29

3. Industrial Scenario of District Kangra

3.1 Existing Status of Industrial Area in the District Kangra

As on 31/03/2016

S. No.	Name of Ind. Area	Constructed/Covered			Allotted			Vacant			Closed		
		Plots	Sheds	Shop	Plots	Sheds	Shop	Plots	Sheds	Shop	Plots	Sheds	Shop
1.	Ind. Area, Nagrota	72	10	3	72	10	0	0	0	3	2	0	0
2.	Ind. Area Dhaliara	17	0	0	17	0	0	0	0	0	1	0	0
3.	Ind. Area Nagri	65	6	0	56	6	0	9	0	0	1	0	0
4.	Ind. Area Sansarpur Terrace	401	30	13	370	30	12	31	0	1	17	0	0
5.	Ind. Area Bain Attarian	68	0	0	68	0	0	0	0	0	6	0	0
6.	Ind. Area Raja Ka Bagh	51	0	0	51	0	0	0	0	0	1	0	0
7.	Ind. Area Nargala Jawali	1	0	0	1	0	0	0	0	0	0	0	0
8.	Ind. Estate, Kangra	5	60	22	5	60	22	0	0	0	0	0	0
9.	Ind. Area Dehra	0	8	4	0	6	4	0	2	0	0	0	0
10.	Ind. Estate, Jawali	5	14	6	5	8	4	0	6	2	0	0	0
Total		685	128	48	645	120	42	40	8	8	31	1	0

Source: Directorate of Industries, Govt. of H.P.

3.2 Industry at a Glance

As on 31/08/2015

S. No.	Head	Unit	Particulars
1.	Registered (MSEs) Industrial Units	Nos.	9,216
2.	Registered Medium Scale Units	Nos.	07
3.	Registered Large Scale Units	Nos.	01
4.	Employment MSEs Sector	Nos.	40,976
5.	Employment Medium Sector	Nos.	889
6.	Employment Large Sector	Nos.	180
7.	No. of Industrial Areas	Nos.	10

Source: Directorate of Industries, Govt. of H.P.

3.3 Trend of Units Registered

As on 31/08/2015

YEAR	NUMBER OF REGISTERED UNITS	EMPLOYMENT	INVESTMENT (lakh Rs.)
Up to 1984-85	4121	23326	11860.67
1985-86	315	885	263.26
1986-87	342	467	200.86
1987-88	346	857	328.23
1988-89	296	366	253.13
1989-90	269	980	430.00
1990-91	181	578	295.28
1991-92	220	1070	310.28
1992-93	246	870	232.13
1993-94	241	841	214.80
1994-95	189	585	295.91
1995-96	164	608	288.91
1996-97	152	442	220.91
1997-98	157	544	354.17
1998-99	156	580	344.60
1999-00	164	630	402.30
2000-01	140	536	481.17
2001-02	152	654	598.95
2002-03	145	519	401.18
2003-04	135	573	340.22
2004-05	110	440	772.11
2005-06	106	480	818.81
2006-07	106	619	1704.72
2007-08	91	508	1854.90
2008-09	101	574	3433.36
2009-10	115	733	3783.11
2010-11	111	690	4786.41
2011-12 to 2015-16 (up to 31/08/2015)	352	1643	18428.22
Total	9223	41865	53692.00

Source: Directorate of Industries, Govt. of H.P.

The Kangra district is the all most developed district of the State from the point of view of setting up of MSMEs. A total number of 9,223 Micro, Small & Medium Enterprises have been set up in the district as on 31/08/2015.

3.1.1 Existing Micro & Small Enterprises in the District

Maximum no. of units registered with the State Industries Department up to the 31/08/2015 were in the product group of Agro & Food Processing, Mechanical Engineering based, Steel Fabrication, Wood & wooden based, Mineral based, Chemical based & repairing & service based etc.

3.4 Medium Scale Enterprises

As on 31/08/2015 total number of 07 medium scale enterprises have been functioning in the district.

3.4.1 List of Medium Scale Enterprises

3.4.2 Major Exportable Items:-

The main exportable items are Fabric & Ayurvedic Medicines.

3.4.3 Growth Trends:-

3.4.4 Vendorisation/Ancillarisation of the Industry:-

- Agro & Food Processing industries
- Mechanical & Engineering based industries
- Steel Fabrication based industries
- Wood & wooden based industries
- Mineral based industries
- Chemical based industries

The more investment in large & medium sectors will provide more opportunities for vendorisation in MSE sector.

3.4.5 Large Scale Industries/PSUs

As on 31/08/2015 01 number of large scale enterprises have been functioning in the district.

3.5 Service Enterprises

3.5.1 Existing Service Sector:

The service industry of Solan mainly includes entertainment services, cable/DTH services, printing, binding & lamination, welding works, photocopy services, motor binding, computer repairing, cycle/motor cycle repairing, skin and hair care, book binding, shoe repairing, repair & servicing of electrical appliances, repair & servicing of refrigerators/electronics goods, repairs of agricultural implements etc.

3.5.2 Potentials areas for service industry

- Repairing of Electrical/Electronic goods
- Repairing of Agriculture Implements
- Designer Boutique
- Beauty & Health Care
- Coaching Centre
- Transportation
- Mobile Repairing
- TV/Cable/DTH Services

Tourism has developed in the district to a great extent. There are number of tourist places in the district viz. Chintpurni, Jawalaji, Kangra, Chamunda, Dharmsala, Bhakshunath, Tapovan, Palampur, Baijnath and Bir etc. where a large number of tourists visit every year supplementing to the income of the inhabitants to a large extent. These tourists provide good market for developing hotels, restaurants, handicrafts, etc. in the district.

3.6 Unregistered Sector

The data on unregistered sector in Kangra district was not readily available with Department of Industries, Govt. of Himachal Pradesh. However, it is informed that the unregistered MSME sector in the district, which has majority of repair & maintenance of house hold items. Repair of Computer/Electrical/Electronic related units, Beauty Parlor, Computer educations, coaching centers, health care centers, repair & maintenance of auto sector/service stations etc.

3.7 Potential for New MSMEs

The potential areas for new MSME are Food & food products, Wood/wooden based furniture & Ready-made garments & embroidery, wooden furniture & fixtures, paper bags, confectionery items, Cane & Bamboo, Handicraft, tyre retarding, steel furniture, parts of industrial machinery, wires and cables, paint & varnish, packaging materials, agriculture implements, general engineering workshop, milk products, cement bricks & blocks, building hardware items, rolling shutters. Cosmetics, blow moulded goods viz water Cans, Bottles, polyester staple fibers, axle shafts, rear axils, tractor & tractor parts, wheel piston etc.

4. Existing Clusters of Micro & Small Enterprises

4.1 Details of Major Cluster

4.1.1 Manufacturing Sector

The district has indentified following clusters:

- Steel Wire Cluster, Dhamtal, Kangra
- Pharmaceuticals Cluster, Sansarpur Terrace

4.1.2 Service Sector

The district has no indentified cluster

5. General issues raised by Industrial Association of district Solan

- a) Insufficient supply of skilled labour/unskilled labour.
- b) The branch level officers of banks and other financial institutions should have proper awareness about the schemes being implemented by central and state government for the benefit of MSE sector.

6. Institutional Support

S. No.	Name of Agencies	Type of Assistance
1.	Filling online of Registration of MSMEs www.udyogaadhaar.gov.in	The filling of EM-I & EM-II with DIC for such registration has now been replaced with filling of Udyog Aadhaar Memorandum (UAM). The UAM can be filled on udyogaadhaar.gov.in
2.	District industries Centre, MSME- Development Institute	Identification of Project Profiles, techno-economic and managerial consultancy services, market survey and economic survey reports.
3.	Himachal Pradesh Small Industries & Export Corporation (HPSIEC)	Land and Industrial shed
4.	Banks, DIC, KVIB, SIDBI	Financial Assistance
5.	National Small Industries Corporation (NSIC) & Himachal Pradesh Small Industries & Export Corporation (HPSIEC)	For raw materials under Govt. supply
6.	National Small Industries Corporation (NSIC)	Plant and Machinery on hire/purchase basis
7.	Himachal Pradesh State Electricity Board	Power/Electricity
8.	DIC & MSME-DI	Technical Know-how
9.	Bureau of Indian Standards (BIS)	Quality & Standard
10.	National Small Industries Corporation (NSIC), District Industries Centre (DIC), Director General of Foreign Trade (DGFT) & MSME-Development Institute	Marketing/Export Assistance