



# **BRIEF INDUSTRIAL PROFILE OF KULLU DISTRICT**

**2016-17**



**Micro, Small & Medium Enterprises Development Institute**

**Govt. of India, Ministry of MSME**

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## Foreword

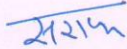
Brief Industrial Profile of District Kullu has been updated to analyse the different resources, infrastructure, and present status of the industrial set up and future prospects of industry. It contains information on different aspects related to industrial development of the area. The information will 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, Kullu 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

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## **1. General Characteristics of the District**

The Kullu district was made a sub-division of Kangra district. Lahaul-spiti was attached to Kullu for administration. In 1960 Lahaul-Spiti was a separate district. Kullu was also declared a district in 1963 and was a part of Punjab up to October 1966. On 1st November 1966, on reorganization of states, Kullu became a District of Himachal Pradesh.

### **1.1 Location & Geographical Area**

The Kullu district is located in the northern part of Himachal Pradesh. The district Kullu is bounded by Lahaul Spiti and Kangra district. On the east and south east by Kinnaur and Shimla districts and in the south by Mandi district. The total geographical area of the district is 5503 sq. k.m. which is 3.92 percent of the total area of the State and ranks 12<sup>th</sup> amongst the district.

### **1.2 Topography**

The topography of the district is mountainous with elevation ranging from 1500 meters to 4800 meters from above sea level. The district of Kullu forms a transitional zone between the lesser and Greater Himalayas and presents a typical rugged mountainous terrain. The district has high mountains, rivers, rivulets and valleys. The district by and large is also climatically suitable for growth of temperate fruits.

### **1.3 Availability of Minerals**

The important minerals available in the district are Sand, Clay, Slate, Lime Stone and building stone etc. Besides, some quantity of sand is also available in the district which is used for construction activity. On the basis of these resources, there is some scope of setting up ventures in the line of lime, cement, stone grit etc. in the district.

## **1.4 Forest**

Forest also plays an important role in the economy of the district. Forest occupies an area of 4, 952 Sq. K.M. out of the total geographical area of 5,503 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 and Chil.

## **1.5 Administrative set up**

For Administrative purpose, the district has been divided into 5 tehsils, namely Manali, Kullu, Sanj, Banjar, Ani, Nirmand and two sub-tehsil namely Sanj & Ani. There are five blocks in the district namely Nagar, Kullu, Banjar, Ani and Nirmand. There are 204 panchayats in the district covering 172 villages.

## 2. DISTRICT AT A GLANCE

S. No.	Particulars	Units	Statistics
<b>1.</b>	<b>Geographical Features</b>		
<b>A)</b>	<b>Geographical Data</b>		
i)	Latitude		31.82° North
ii)	Longitude		77.47° East
iii)	Geographical Area	Sq. K.M.	5,503
<b>B)</b>	<b>Administrative Units</b>		
i)	Sub-division	Nos.	4
ii)	Tehsils	Nos.	5
iii)	Sub-Tehsils	Nos.	2
iv)	Blocks	Nos.	5
v)	Gram Panchayats	Nos.	204
vi)	Inhabited Villages (2011 Census)	Nos.	314
vii)	Assembly Area	Nos.	4
<b>2.</b>	<b>Population (2011)</b>		
A)	Sex-wise		
i)	Male	Nos.	2,25,452
ii)	Female	Nos.	2,12,451
B)	Rural population		
i)	Male	Nos.	2,03,269
ii)	Female	Nos.	1,93,243
C)	Urban Population		
i)	Male	Nos.	22,183
ii)	Female	Nos.	19,208
<b>3.</b>	<b>Agriculture (2011-12)</b>		
A)	Land Utilisation (by village paper)		
i)	Total Area	Hect.	64,224
ii)	Forest Area	Hect.	2,520
iii)	Barren and uncultivable land	Hect.	3,207
iv)	Non Agriculture uses	Hect.	3,804
v)	Permanent Pastures & other grazing land	Hect.	3,911

vi)	Cultureable waste	Hect.	1,300
vii)	Current fallows	Hect.	2,604
viii)	Misc.	Hect.	462
ix)	Net area sown	Hect.	38,485
x)	Area Sown more than once	Hect.	21,112
xi)	Total Cropped Area	Hect.	59,597
<b>4.</b>	<b>Livestock &amp; Poultry (2012)</b>		
A.	Cattle		
i)	Cows	Nos.	1,74,711
ii)	Buffaloes	Nos.	720
B.	Other Livestock		
i)	Houses & Ponies	Nos.	2143
ii)	Donkeys	Nos.	40
iii)	Mules	Nos.	855
iv)	Sheep	Nos.	123693
v)	Goats	Nos.	68946
vi)	pigs	Nos.	52
vii)	Yak	Nos.	39
viii)	Others	Nos.	535
C.	Poultry	Nos.	13,634
<b>5.</b>	<b>Transport (2014-15)</b>		
i)	Total Road Length	Kms.	1,857
ii)	Motor able Single Lane	Kms.	1,697
iii)	Motor able Double Lane	Kms.	128
iv)	Jeep able Road	Kms.	2
<b>6.</b>	<b>Post Offices (204-15)</b>		
i)	Head Post Office	Nos.	1
ii)	Sub Post Offices	Nos.	25
iii)	Branch Post Offices	Nos.	129
iv)	Total Post Offices	Nos.	155
<b>7.</b>	<b>Public Health (2014-15)</b>		
i)	Allopathic Hospitals	Nos.	6

ii)	Community Health Centre	Nos.	3
iii)	Primary Health Centre	Nos.	19
iv)	Ayurvedic Institution	Nos.	66
<b>8.</b>	<b>Education (2014-15)</b>		
i)	Literacy Rate ( <i>Census 2011</i> )	%	79.40
ii)	Primary School	Nos.	754
iii)	Middle School	Nos.	127
iv)	High/Sr. Sec. School	Nos.	123
v)	Govt. Degree College	Nos.	5
vi)	Pvt. Degree College	Nos.	1
<b>9.</b>	<b>Percentage of Total Workers</b>		
i)	Total Workers	%	64.45
ii)	Main Workers	%	44.27
iii)	Marginal Workers	%	17.17
iv)	Non-Workers	%	38.55



### 3. Industrial Scenario of District Kullu

#### 3.1 Existing Status of Industrial Area in the District Kullu

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, Shamshi	44	12	16	44	12	16	0	0	0	4	0	0

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

#### 3.2 Industry at a Glance

As on 31/03/2015

S. No.	Head	Unit	Particulars
1.	Registered (MSEs) Industrial Units	Nos.	1,937
2.	Registered Medium Scale Units	Nos.	02
3.	Registered Large Scale Units	Nos.	00
4.	Employment MSEs Sector	Nos.	11,787
5.	Employment Medium Sector	Nos.	147
6.	Employment Large Sector	Nos.	00
7.	No. of Industrial Areas	Nos.	01

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

#### 3.2 Trend of Units Registered

As on 31/03/2015

YEAR	NUMBER OF REGISTERED UNITS	EMPLOYMENT	INVESTMENT (lakh Rs.)
Up to 1984-85	410	1446	99.40
1985-86	53	269	126.86
1986-87	61	290	25.52
1987-88	54	172	35.70
1988-89	104	394	50.43
1989-90	58	230	40.00
1990-91	37	131	17.17
1991-92	39	130	16.85
1992-93	43	287	31.13
1993-94	47	401	54.64
1994-95	48	353	73.55
1995-96	34	320	66.20
1996-97	71	447	108.97

1997-98	40	287	443.30
1998-99	76	474	208.11
1999-00	66	431	125.74
2000-01	51	307	136.30
2001-02	43	298	271.49
2002-03	50	342	96.14
2003-04	32	209	131.40
2004-05	63	506	208.20
2005-06	54	340	137.42
2006-07	54	323	449.33
2007-08	50	307	116.92
2008-09	50	479	628.16
2009-10	50	370	413.53
2010-11	51	413	237.60
2011-12	50	708	1053.05
2012-13	34	345	429.06
2013-14	32	425	819.88
2014-15	32	353	298.40
<b>Total</b>	<b>1937</b>	<b>11787</b>	<b>6950.45</b>

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

The Kullu district is the less developed district of the State from the point of view of setting up of MSMEs. A total number of 1939 Micro, Small & Medium Enterprises have been set up in the district as on 31/03/2015.

Maximum no. of units registered with the State Industries Department up to the 31/03/2015 were in the product group of Woolen, silk & artificial Thread based clothes, Food & food products, Wood/wooden based furniture & Ready-made garments & embroidery etc.

### 3.2.1 Existing Micro & Small Enterprises in the District

NIC CODE NO.	TYPE OF INDUSTRY	NUMBER OF UNITS	INVESTMENT (Lakh Rs.)	EMPLOYMENT
20	Food & food products	301	1773.38	883
22	Mineral water Soda water	3	145.53	37
23	Cotton textile	0	0	0
24.	Woolen, silk & artificial Thread based clothes.	727	1492.61	6579
25.	Jute & jute based	0	0	0
26.	Ready-made garments & embroidery	102	157.50	735
27.	Wood/wooden based	257	124.843	807

	furniture			
28.	Paper & Paper products	14	320.63	120
29.	Leather based	23	3.98	58
31.	Chemical/Chemical based	18	99.72	123
30.	Rubber, Plastic & petro based	12	107.06	73
32.	Mineral based	38	493.97	315
33.	Metal based (Steel Fab.) and Misc .eng.	135	452.80	639
35.	Engineering units	0	0	0
36.	Electrical machinery and transport equipmen (Home appliances)	5	7.51	22
97.	Repairing & servicing	161	843.91	648
01.	Others	141	927.007	748
<b>Total</b>		<b>1937</b>	<b>6950.45</b>	<b>11787</b>

The District has failed to achieve the level of industrialization due to hill topography and most of the work force engaged in agriculture and its allied activities.

### **3.3 Medium Scale Enterprises**

As on 31/12/2014 total number of 02 medium scale units have been functioning in the district.

#### **3.3.1 List of Medium Scale Enterprises**

- M/s D.S Drinks & Beverages Pvt. Ltd. (Unit-1), VPO Raison, Distt. Kullu
- M/s D.S Drinks & Beverages Pvt. Ltd. (Unit-1I), VPO Raison, Distt. Kullu

#### **3.3.2 Major Exportable Items:-**

The main exportable items are Woollen Shawls and Honey.

#### **3.3.3 Growth Trends:-**

#### **3.3.4 Vendorisation/Ancillarisation of the Industry:-**

- Woollen, silk & artificial thread based industries
- Ready-made garments & embroidery

- Food & food products, Auto Parts

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

### **3.4 Service Enterprises**

#### **3.4.1 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.

#### **3.4.2 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. Kullu, Manali, Rohtang Pass, Solang Nala, Mani Karan and Sojha 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, cyber café etc. in the district.

### **3.5 Unregistered Sector**

The data on unregistered sector in Solan 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.

### **3.6 Potential for New MSMEs**

The potential areas for new MSME are Woolen, silk & artificial Thread based clothes, Food & food products, Wood/wooden based furniture & Ready-made garments & embroidery, wooden furniture & fixtures, paper bags, confectionery items, 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:

- Handloom Cluster, Kullu

#### **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 <a href="http://www.udyogaadhaar.gov.in">www.udyogaadhaar.gov.in</a>	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 <a href="http://udyogaadhaar.gov.in">udyogaadhaar.gov.in</a>
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