



BRIEF INDUSTRIAL PROFILE OF MANDI DISTRICT

2016-17



Micro, Small & Medium Enterprises Development Institute

Govt. of India, Ministry of MSME

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1. General Characteristics of the District

Mandi district was formed with the merger of two princely states Mandi and Suket on 15th April 1948, when the State of Himachal Pradesh came into existence. Ever since the formation of the district, it has not witnessed any changes in its jurisdiction. The chiefs of Mandi and Suket are said to be from a common ancestor of the Chandravanshi line of Rajputs of Sena dynasty of Bengal and they claim their descent from the Pandavas of the Mahabharata. The ancestors of the line believed to have ruled for 1,700 years in Indraprastha(Delhi), until one Khemraj was driven out by his Wazir, Bisarp, who then took over the throne. Khemraj, having lost his kingdom, fled eastward and settled in Bengal, where 13 of his successors are said to have ruled for 350 years. From there they had to flee to Ropar in Punjab, but here also the king, Rup Sen, was killed and one of his sons, Bir Sen, fled to the hills and reached Suket. The State of Suket is said to have been founded by Bir Sen, an ancestor of the Sena Dynasty of Bengal.

1.1 Location & Geographical Area

The Mandi district is situated between 31° 13' to 32° 04' N latitude and 76° 37' to 77° 23' E longitude. It is bounded by Kangra on the north-west, Hamirpur & Bilaspur in the west, Arki tehsil of Solan district in the south, Shimla district in the south-west and Kullu district in the east. The district has 2 main rivers viz. the Beas and the Satluj. The river Beas enters the district from close to Bajaura, at the boundary of Kullu and leaves the district at Sandhol. The Mandi town is also located on the banks of this river. For the greater part of its length, it runs between high banks and as it is of never great breadth, the current is swift, especially during the rains. Practically the whole of the district drains into the Beas with only the south-east corner situated on the Satluj watershed. The total geographical area of the district is 3, 950 sq.

k.m. which is 7.09 percent of the total area of the State and ranks 6th amongst the district.

1.2 Topography

The Kangra district lies between 31° 13' to 32° 04' N latitude and 76° 37' to 77° 23' E longitude. It is bounded by Kangra on the north-west, Hamirpur & Bilaspur in the west, Arki tehsil of Solan district in the south, Shimla district in the south-west and Kullu district in the east. The range of altitudes in the district is high, with the highest point being around 13,000 feet on the Kullu border and the lowest point 1,800 feet near Sandhol where the Beas leaves the district.

1.3 Availability of Minerals

The important minerals available in the district are Bajri, Sand, Building Stone, Clay, Aggregate, mRough Stone etc.

1.4 Forest

Forest also plays an important role in the economy of the district. Forest occupies an area of 1, 860 Sq. K.M. out of the total geographical area of 3,950 Sq. K.M. Several of the valleys are open and are often irrigable from kuhls, or small water channels, and contain some of the most fertile land in the state. Due to the hilly terrain, some of the hills are so precipitous that cultivation in large scale is impossible. Due to sufficient rainfall, unused land is covered with forests or forms rich grazing land. In the hills the forests are extensive and valuable. Deodhar, blue pine, silver fir, spruce, chil and various kinds of oak are plentiful.

1.5 Administrative set up

For Administrative purpose, the district has been divided into 9 sub-divisions and the district has been divided into 14 tehsils namely, Padhar, Joginder Nager, Ladbhrol, Sarkaghat, Balwwara, Sunder Nagar, Mandi Sadar, Thunag, Karsog, Balh, Gohar, Sandhol, Kotli, Nihri & 06 sub-tehsils namely, Dharmpur, Bhadrola, Aut, Balichowki, Thikkan, Tihra. There are 10 development blocks in the district. There are 473 panchayats in the district covering 2850 villages.

2 DISTRICT AT A GLANCE

S. No.	Particulars	Units	Statistics
1.	Geographical Features		
A)	Geographical Data		
i)	Latitude		31° 13' to 32° 04' North
ii)	Longitude		76° 37' to 77° 25' East
iii)	Geographical Area	Sq. K.M.	3,950
B)	Administrative Units		
i)	Sub-division	Nos.	9
ii)	Tehsils	Nos.	14
iii)	Sub-Tehsils	Nos.	6
iv)	Blocks	Nos.	10
v)	Gram Panchayats	Nos.	473
vi)	Inhabited Villages (2011 Census)	Nos.	2850
vii)	Assembly Area	Nos.	8
2.	Population (2011 Census)		
A)	Sex-wise		
i)	Male	Nos.	4,98,065
ii)	Female	Nos.	5,01,712
B)	Rural population		
i)	Male	Nos.	4,66,050
ii)	Female	Nos.	4,71,090
C)	Urban Population		
i)	Male	Nos.	32,015
ii)	Female	Nos.	30,622
3.	Agriculture (2011-12)		
A)	Land Utilization (by village paper)		
i)	Total Area	Hect.	3,97,948
ii)	Forest Area	Hect.	17,528
iii)	Barren and uncultivable land	Hect.	8,,590
iv)	Non Agriculture uses	Hect.	16,567
v)	Permanent Pastures & other grazing land	Hect.	96,250

vi)	Cultureable waste	Hect.	4,505
vii)	Current fallows	Hect.	6,558
viii)	Misc.	Hect.	1,414
ix)	Net area sown	Hect.	88,775
x)	Area Sown more than once	Hect.	71,835
xi)	Total Cropped Area	Hect.	1,60,610
4.	Livestock & Poultry (2012 Census)		
A.	Cattle		
i)	Cows	Nos.	3,09,296
ii)	Buffaloes	Nos.	69,320
B.	Other Livestock		
i)	Houses & Ponies	Nos.	2,278
ii)	Donkeys	Nos.	183
iii)	Mules	Nos.	5,114
iv)	Sheep	Nos.	1,13,953
v)	Goats	Nos.	1,95,465
vi)	pigs	Nos.	568
vii)	Camel	Nos.	13
viii)	Yak	Nos.	236
	Others	Nos.	137
C.	Poultry	Nos.	67,355
5.	Transport (2014-15)		
i)	Total Road Length	Kms.	5,613
ii)	Motor able Single Lane	Kms.	5,038
iii)	Motor able Double Lane	Kms.	191
iv)	Jeep able Road	Kms.	384
6.	Post Offices (2014-15)		
i)	Head Post Office	Nos.	4
ii)	Sub Post Offices	Nos.	54
iii)	Branch Post Offices	Nos.	312
iv)	Total Post Offices	Nos.	368

7.	Public Health (2014-15)		
i)	Allopathic Hospitals	Nos.	8
ii)	Community Health Centre	Nos.	13
iii)	Primary Health Centre	Nos.	69
iv)	Ayurvedic Institution	Nos.	28
8.	Education (2014-15)		
i)	Literacy Rate (<i>Census 2011</i>)	%	81.53
ii)	Primary School	Nos.	1738
iii)	Middle School	Nos.	351
iv)	High/Sr. Sec. School	Nos.	372
v)	Govt. Degree College	Nos.	13
vi)	Pvt. Degree College	Nos.	6
9.	Percentage of Total Workers (<i>Census 2011</i>)		
i)	Total Workers	%	53.20
ii)	Main Workers	%	27.14
iii)	Marginal Workers	%	25.46
iv)	Non-Workers	%	46.80

3 Industrial Scenario of District Mandi

3.4 Existing Status of Industrial Area in the District Mandi

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, Ratti	32	0	0	31	0	0	1	0	0	2	0	0
2.	Ind. Area Bhambla	51	10	0	51	10	0	0	0	0	3	2	0
3.	Ind. Area Mandi	138	20	0	138	20	0	0	0	0	12	4	0
4.	Ind. Estate Saigloo	0	5	0	0	5	0	0	0	0	0	0	0
5.	Ind. Estate Palli	0	5	0	0	5	0	0	0	0	0	0	0
Total		221	40	0	220	40	0	1	0	0	17	6	0

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

3.2 Industry at a Glance

3.2.1 MSMEs registered under Entrepreneur Memorandum

As on 31/08/2015

S. No.	Head	Unit	Particulars
1.	Registered (MSEs) Industrial Units	Nos.	4,064
2.	Registered Medium Scale Units	Nos.	01
3.	Registered Large Scale Units	Nos.	00
4.	Employment MSEs Sector	Nos.	16,864
5.	Employment Medium Sector	Nos.	186
6.	Employment Large Sector	Nos.	00
7.	No. of Industrial Areas	Nos.	05

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

3.2.2 MSMEs registered under Udyog Aadhaar Memorandum (UAM)

As on 08/07/2016

Udyog Aadhaar Regd.	Micro	Small	Medium
159	133	25	1

Source: www.udyogaadhaar.gov.in

3.3 Trend of Units Registered

As on 31/08/2015

YEAR	NUMBER OF REGISTERED UNITS	EMPLOYMENT	INVESTMENT (lakh Rs.)
Up to 1984-85	145	448	51.95
1985-86	151	410	60.51
1986-87	154	480	83.22
1987-88	108	283	109.44
1988-89	110	504	73.02
1989-90	77	570	76.06
1990-91	84	262	41.52
1991-92	78	281	70.99
1992-93	89	371	71.38
1993-94	70	272	27.20
1994-95	120	367	16.70
1995-96	114	399	41.40
1996-97	125	425	129.05
1997-98	130	572	147.77
1998-99	118	447	190.00
1999-00	114	608	717.00
2000-01	100	440	328.37
2001-02	96	435	327.85
2002-03	95	361	184.96
2003-04	104	521	339.17
2004-05	115	445	495.49
2005-06	109	417	387.78
2006-07	106	414	357.30
2007-08	97	503	458.12
2008-09	90	405	460.57
2009-10	99	423	607.58
2010-11	97	427	522.51
2011-12 to 2015-16 (up to 31/08/2015)	1171	5980	6666.20
Total	4066	17,050	13004.00

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

A total number of 4,066 Micro, Small & Medium Enterprises have been set up in the district as on 31/08/2015.

3.3.1 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 followed by Woolen, silk & artificial thread based clothes, Wooden & wooden based furniture, repairing and services, Steel Fabrication, Paper and paper products, Rubber, Plastics & petro based, Ready-made garments & embroidery, Electrical machinery and transport equipment etc.

3.4 Medium Scale Enterprises

As on 31/08/2015 only one medium scale enterprises has been functioning in the district.

3.4.1 Major Exportable Items:-

The main exportable items are Wooden & Steel Furniture and essential Oils.

3.4.2 Growth Trends:-

Due to the some topographical conditions prevailing in the district, there is negligible Large & Medium scale enterprises in the district. However, steady growth has been witnessed by the Micro and Small Enterprises in the district over the years. From the table on year wise trend of registered MSEs in the district it is evident that the district has witnessed per year registration of new micro small enterprises as far as the type of industrial units that have come up in the district is concerned, it can be observed that the largest number of units in this district are agro & food processing units. As far as other industries in the district are concerned, it is evident from the table on Industrial Areas (I.A.) that 5 Industrial Areas/Estates exist in the district and has 204 industrial plots are in production.

3.4.3 Vendorisation/Ancillarisation of the Industry:-

Presently, there is little scope for vendorisation/ancillarisation as there is negligible large/PSU in the district. If the district has invite more

enterprises/investment in large & medium sectors will provide opportunities for vendorisation in MSE sector.

3.4.4 Large Scale Industries/PSUs

As on 31/08/2015, there is no large scale/PSU existing in the district.

3.5 Service Enterprises

The major service enterprises registered in the district are Atta Chakki, Restaurants, Auto Repair, Electrical Appliances Repair, Colour Lab, Cyber Cafe, PCO/Photostat, Mobile repairing, Computer repairing, Beauty parlour, Boutique, Photo printing labs etc. There is still good scope of setting up service enterprises in the district particularly on the line of huge tourism potential available in the district provided proper awareness is created among the educated unemployed youths.

3.5.1 Existing Service Sector:

The service industry of Mandi district are 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

3.6 Unregistered Sector

The data on unregistered sector in Mandi 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 one following cluster:

Name of the Cluster: **Steel and Wooden Furniture Cluster, Mandi**

1.	Principal Products Manufacturing in the Cluster	Steel and Wooden Furniture
2.	Name of SPV	Mandi Furniture Cluster
3.	Nos. of function MSEs in the Cluster	60
4.	Turnover of the Cluster	12 Crore
5.	Value of Exports from the Cluster	-
6.	Employment in Cluster	300 persons
7.	Average Investment in plant& machinery	8.40 Lakhs
8.	Major issues/requirement	-
9.	Presence of capable institutions	IIT, Mandi
10.	Thrust Areas	-
11.	Problem & Constraints	Lack of knowledge of latest technology & marketing

4.1.2 Service Sector

The district has no indented cluster

5 General issues raised by Industrial Association of district Solan

- a) Insufficient supply of skilled labour.
- b) Existing industrial infrastructure is in a bad shape because of the hilly terrain the metal road does not last for long time
- c) There is no medical facility available in the Industrial Area Mandi, Ratti, Bhamblahi. There is urgent need to have at least one Dispensary in the Industrial Area.
- d) 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