



सत्यमेव जयते
Government of India
Ministry of MSME

Brief Industrial Profile of kullu District



सूक्ष्म, लघु एवं मध्यम उद्यम
MICRO, SMALL & MEDIUM ENTERPRISES

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Brief Industrial Profile of Kullu District

1. General Characteristics of the District

Kullu remained a tehsil of district Kangra for a long time after independence. It was made full fledged district in 1963 with its headquarter at Kullu. From the administrative point of view, the entire district has been divided into six tehsils/sub tehsils viz. Kullu, Sainj, Banjar, Nirmand, Ani and Manali and five Community Development Blocks viz. Kullu, Naggar, Banjar, Ani and Nirmand. There are 204 Panchayats in the district out of which 71 are backward panchayats. Like the whole Himachal Pradesh, agriculture and its allied activities are the main occupation of the people of this district. The majority of the population lives in rural areas. Major agriculture crops grown in the district are maize, wheat, paddy and pulses. The district is one of the leading districts in the production of fruits. Out of the total geographical area of the district, the area under different fruit was 28,010 Hect. And production of various fruits in the district was 1,85,781 MT during 2010-11. Due to the hilly terrain and bulk of work force engaged in agriculture and its allied activities, the district has failed to achieve level of industrialization. The major industry that has flourished in the district is handloom industry which is the vocation of majority of the household in the district.

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 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.

1.1 Location & Geographical Area.

Kullu district is located in the northern part of Himachal Pradesh. Between 31.58 degree north latitude and 77.64 degree east longitude. On the north and north east, it 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. Kms. and its population as per the census of 2011 is 4,37,474 persons. The density of

population is 79 persons per sq. km. Out of the total population of the district about 90% of the population lives in rural areas which clearly means that the district has a rural base. The literacy rate in the district is 70%.

1.2 Topography

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 altitude of the district ranges from 1500 meter to 4800 meter from the mean sea level.

1.3 Availability of Minerals.

There is no major mineral available in the district. The minor mineral available in the district are sand, clay, slate and Rough Stone/Project Stone. Hence on the basis of available minerals no major industrial enterprises can be set up in the district.

PRODUCTION OF MINERAL 2010-11

S.NO.	NAME OF MINERAL	PRODUCTION in tones 2010-2011
MAJOR MINERAL		
1.	Nil	--
2.	Nil	--
3.	Nil	--
4.	Nil	--
MINOR		
1.	Sand	2,53,312
2.	Clay	2,00,006
3.	Slate	1,372
4.	Rough stone/Project Stone	53,546

SOURCE:- DEPT. OF MINES & GEOLOGY.,

1.4 FOREST

Forest plays an important role in the economy of the district. Forest occupies an area of 20,289 hectares out of the total geographical area of 1,80,923 hectares. Major forest produce that comes from forests are in the

form of timber, firewood, katha, resin, fodder, herbs etc. The main species of trees available in the district are Khair and Chil.

1.5 Administrative set up.

Administratively, the entire district has been divided into six tehsils/sub tehsils viz. Kullu, Sainj, Banjar, Nirmand, Ani and Manali and five Community Development Blocks viz. Kullu, Naggar, Banjar, Ani and Nirmand. There are four Sub Division and 100 Patwar Circle in the district. There are 203 Gram Panchayats in the district out of which 71 are backward panchayats.

2. District at a glance

S.No	Particular	Year	Unit	Statistics
1	Geographical features			
(A)	Geographical Data			
	i) Latitude			31° 20' 25" to 32° 25' 0" North Latitude
	ii) Longitude			76° 56' 30" to 77° 52' 20" East Longitude
	iii) Geographical Area	2010-11	Hectares	54771
(B)	Administrative Units	2011-12	Nos	
	i) Sub divisions			4
	ii) Tehsils			4
	iii) Sub-Tehsil			2
	iv) Patwar Circle			100
	v) Panchayat Simitis			--
	vi)Nagar nigam			--
	vii) Nagar Palika/Parishad			2
	viii) Gram Panchayats			203
	xi) Revenue villages			311
	x) Assembly Area			3
2.	Population			
(A)	Sex-wise			
	i) Male	2011		2,24,316
	ii) Female	2011		2,13,154
(B)	Rural Population	2011		3,96,216

3.	Agriculture			
A.	Land utilization			
	i) Total Area	2010-11	Hectare	5,50,300
	ii) Forest cover	2010-11	"	61,522
	iii) Non Agriculture Land	2010-11	"	5,834
	v) cultivable Barren land	2010-11	"	2,861
4.	Forest			
	(i) Forest	2010-11	Ha.	61,522
5.	Livestock & Poultry			
A.	Cattle			
	i) Cows	2007	Nos.	1,97,930
	ii) Buffaloes	2007	Nos.	890
B.	Other livestock			
	i) Goats	2007	Nos.	69,535
	ii) Pigs	2007	Nos.	--
	iii) Dogs & Bitches/Sheep/Others	2007	Nos.	1,32,428
	iv) Railways			
	i) Length of rail line	2010-11	Kms	Nil
	V) Roads			
	(a) National Highway	2011-12	Kms	56
	(b) State Highway	2011-12	Kms	44
	(c) Main District Highway	2010-11	Kms	107.275
	(d) Other district & Rural Roads	2010-11	Kms	327.665
	(e) Rural road/ Agriculture Marketing Board Roads	2010-11	Kms	--
	(f) Kachacha Road	2010-11	Kms	186.665
	(VI) Communication			
	(a) Telephone connection	As on 31.07.12	Nos.	Landline -10043 WLL- 2324 (Except Ani & Nirmand Block)
	(b) Post offices	2010-11	Nos.	157
	(c) Telephone center	As on 31.07.12	Nos.	40
	(d)Density of Telephone	As on 31.07.12	Nos./100 0 person	28.3

(e) Density of Telephone	As on 31.07.12	No. per KM.	2.2
(f) PCO Rural	As on 31.07.12	No.	124
(g) PCO STD	As on 31.07.12	No.	163
(h) Mobile	As on 31.07.12	No.	149464
(VII) Public Health			
(a) Allopathic Hospital	2010-11	No.	3
(b) Beds in Allopathic hospitals		No.	310
(c) Ayurvedic Hospital		No.	1
(d) Beds in Ayurvedic hospitals		No.	17
(e) Unani hospitals		No.	--
(f) Community health centers		No.	5
(g) Primary health centers		No.	17
(h) Dispensaries (Ayurvedic)		No.	65
(i) Sub Health Centers		No.	99
(j) Private hospitals		No.	--
(VIII) Banking commercial	31.03.12		
(a) Commercial Bank		Nos.	Bank -14 Branches- 57
(b) rural Bank Products		Nos.	Bank -1 Branches -15
(c) Co-Operative bank products		Nos.	Bank -1 Branches -20
(d) PLDB Branches		Nos.	2
(IX) Education			
(a) Primary school	2010-11	Nos.	749
(b) Middle schools		Nos.	127
(c) Secondary & senior secondary schools		Nos.	104
(d) Colleges		Nos.	4
(e) Technical University		Nos.	Nil

2.1 Existing Status of Industrial Areas in the District Kullu

S. No.	Name of Ind. Area	Land acquired (In hectare)	Land developed (In hectare)	Prevailing Rate Per Sqm (In Rs.)	No of Plots	No of allotted Plots	No of Vacant Plots	No. of Units in Production
1	Shamshi	6.57	6.57	3026	43	43	--	33
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
	Total							

Source:- DIC, Kullu

3. INDUSTRIAL SCENERIO OF Kullu District

3.1 Industry at a Glance (As on 31.03.2012)

Sr No	Head	Unit	Particulars
1.	REGISTERED INDUSTRIAL UNIT	NO.	1849
2.	TOTAL INDUSTRIAL UNIT	NO.	2499
3.	REGISTERED MEDIUM & LARGE UNIT	NO.	2
4.	ESTIMATED AVG. NO. OF DAILY WORKER EMPLOYED IN SMALL SCALE INDUSTRIES	NO.	4.2
5.	EMPLOYMENT IN LARGE AND MEDIUM INDUSTRIES	NO.	147
6.	NO. OF INDUSTRIAL AREA	NO.	1
7.	TURNOVER OF SMALL SCALE IND.	IN LACS	--
8.	TURNOVER OF MEDIUM & LARGE SCALE INDUSTRIES	IN LACS	--

3.2 YEAR WISE TREND OF UNITS REGISTERED (MSEs)

	YEAR	NUMBER OF REGISTERED UNITS	EMPLOYMENT	INVESTMENT (lakh Rs.)
Up to	1984-85	410	1361	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
	1999-2000	67	431	125.74
	2000-01	51	307	136.30
	2001-2002	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
	Total	1840	10576	5403.37

Source: DIC -----

3.3 DETAILS OF EXISTING MICRO & SMALL ENTERPRISES AND ARTISAN UNITS IN THE DISTRICT

NIC CODE NO.	TYPE OF INDUSTRY	NUMBER OF UNITS	INVESTMENT (Lakh Rs.)	EMPLOYMENT
20	Agro based	229	698.12	625
22	Soda water	8	412	163
23	Cotton textile	22	16.50	66
24.	Woolen, silk & artificial Thread based clothes.	637	2175.52	6229
25.	Jute & jute based	0	0	0
26.	Ready-made garments & embroidery	111	33.53	450
27.	Wood/wooden based furniture	279	192.45	1116
28.	Paper & Paper products	37	246.03	164
29.	Leather based	11	0.82	26
31.	Chemical/Chemical based	12	33.21	57
30.	Rubber, Plastic & petro based	9	72.00	28
32.	Mineral based	32	305.00	345
33.	Metal based (Steel Fab.)	90	45.00	236
35.	Engineering units	19	9.56	76
36.	Electrical machinery and transport equipmen (Home appliances)	3	6.05	11
97.	Repairing & servicing	96	64.12	288
01.	Others	245	1093.46	696
	Total	1840	5403.37	10576

Source: DIC Kullu

3.4 Large Scale Industries / Public Sector undertakings

There is no large scale industry/Public Sector Undertaking in Kullu district.

3.5 Major Exportable Item

There is no major exportable item in the district.

3.6 Growth Trend

The district is not industrially developed district. The major industries registered in the district are of Woollen garments, Shawls etc. There are also Agro and Wooden Products units in the district. Other industries have not developed much in the district on account of topographical constraints. Year wise growth of the units have been shown in table given on year wise trend of registered units.

3.7 Vendorisation / Ancillarisation of the Industry

Since no large/PSU is there in the district, there is negligible scope for vendorisation/ancillarisation in the district.

3.8. Medium Scale Enterprises

3.8.1 List of the units in Kullu & Near By Area

- 1) M/s Dharam Pal Satya Pal Ltd. (unit I), VPO Raison, Diatt. Kullu
- 2) M/s Dharam Pal Satya Pal Ltd. (unit II), VPO Raison, Diatt. Kullu

3.8.2 Major Exportable Item

Mineral Water

3.9 Service Enterprises

Due to topographical constraints in the district, industrialization has not picked up momentum in the district. As far as service enterprises are concerned 96 repairing and servicing enterprises have come up in the district up to 31.03.2012. Major service enterprises registered in the district are Atta Chakki, Oil Expeller, Auto Repair, Electrical Appliances Repair, Colour Lab, Data Processing, PCO/Photostat 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 and facilities in the form of infrastructure etc. is provided.

3.9.1 Potentials areas for service industry

There is good scope of setting up of service enterprises in district Kullu as large number of tourists visit this district every year as the district is endowed with many tourist places, historical temples and age old fairs and festivals. These tourists create opportunity for servicing enterprises in the district. These service enterprises can be established in Kullu, Manali, Bhuntar areas in urban part of the district and in almost all the Tehsil headquarters which are small towns. Based on the potentials available in the district, following service enterprises can be set up in the district.

- | | |
|-------------------------|--|
| I) Fast Food | II) Travelling Agencies |
| III) Cyber Café | IV) Ropeways |
| V) Restaurants | VI) Beauty Parlour |
| VII) Color Lab | VIII) Screen Printing |
| IX) Data Processing | X) Computer Repair |
| XI) Mobile Repair | XI) PCO/Photostat |
| XII) Auto Repair | XIII) Repair of Elect. Appliances |
| XIV) Cold Storage | XV) Dairy Farming |
| XVI) Dry Cleaning | XVII) Lamination |
| XIII) Bee Keeping | XIX) Flouriculture |
| XX) Dhaba | XXI) Transport activities/Refrigerated van |
| XXII) Services of Guide | XXIII) Heli Taxi |
| XXIV) River Rafting | XXV) Para Gliding |

3.10 Potential for new MSMEs

There is potential for setting up MSMEs in the district as not much of industrialization has taken place in this district owing to topographical constraints. As has been shown in the table above, there is only one Industrial Area (IA) in the district. Hence there is need of developing more I.A. in this district so that more and more prospective and existing entrepreneurs could be attracted for setting up MSMEs in the district. Based on the resources available in the district, availability of skill and demand in the district, few of the following MSMEs have scope for development in the district.

- | | |
|-----------------------------------|----------------------------------|
| I) Cattle Feed | II) Ayurvedic Medicine |
| III) Dairy Products | IV) Essential Oil/Cedar wood oil |
| V) Ginger Processing | VI) Apple/Fruit Cider |
| VII) Garlic Powder | VIII) Wooden Toys/Novelties |
| IX) Fruit Processing | X) Hosiery Products |
| XI) Processing of Tomato | XII) Spices Grinding |
| XIII) Bakery Products | XIV) Mineral Water |
| XV) Mini Flour Mill | XVI) Ag./Hort. Implements |
| XVII) School Uniform | XVIII) Jute Bags |
| XIX) Readymade garments | XX) Corrugated Boxes |
| XXI) Shawl/Patti weaving | XXI) Book Binding |
| XXII) Paper Bags | XXIII) Detergent Powder |
| XXIV) Laundry soap | XXV) Tyre Retreading |
| XXVI) Fish farming and Processing | XXVII) Dhoop/Agarbati |
| XXVIII) Steel Fabrication | XXIX) Sheet Metal Products |
| XXX) Spray Pumps | XXXI) UPS |
| XXXII) Decorative Lights | XXXIII) Computer Assembly |
| XXXIV) CFL Lamps | XXXV) Solar Lights |
| XXXVI) Hospital Furniture | XXXVII) Roofing Slates |
| XXXVIII) Hollow Blocks | |

4. Existing Clusters of Micro & Small Enterprise

Kullu district has only one cluster recently forwarded for approval to the O/o DC (MSME). The cluster is Weaving cluster of Kullu. The cluster proposal has been prepared and forwarded by the industries department of H.P. for approval for conducting Diagnostic Study.

4.1 DETAIL OF MAJOR CLUSTERS

There is no other cluster available in the district except the Weaving Cluster mentioned above.

4.2 Details for Identified cluster

Name of the cluster : Kullu Shawl

1	Principal Products Manufactured in the Cluster	Kullu Shawl
2	Name of the SPV	Not formed yet
3	No. of functional units in the clusters	39
4	Turnover of the Clusters	2000 lacs
5	Value of Exports from the Clusters	25 lacs
6	Employment in Cluster	Direct = 750 Indirect = 500
7	Average investment in plant & Machinery	---
8	Major Issues / requirement	Quality Control and modern design
9	Presence of capable institutions	No capable Institution in Kullu district
10	Thrust Areas	Quality Control and modern design for shawls, stoles, caps etc. and marketing access to bigger markets and export.
11	Problems & constraints	Lack of quality control Lack of designing and appropriate marketing

Present status of the cluster :-

The cluster is at the initial stage and is yet to be approved by the O/o DC (MSME).

5. General issues raised by industry association during the course of meeting

There is lack of infrastructure facility in the district in the form of developed Industrial Areas as there is only one Industrial Area in the district. There is need of developing more Industrial Areas in the district so that the vast tourism potential available in Kullu district could be tapped.

Existing roads are in bad shape because of the hill terrain. The metal road does not last for long time. it is suggested the special budget may be allocated to construct this road with RCC.

VII	Bar Code	Awareness programme may be conducted
VIII	IPR	Awareness programme may be conducted
IX	Incubator scheme	Awareness programme may be conducted

6. STEPS TO SET UP MSMEs

Following are the brief description of different agencies for rendering assistance to the entrepreneurs.

S.No	Type of assistance	Name and address of agencies
1.	Provisional Registration Certificate (EM-1) & Permanent Registration Certificate (EM-II)	G.M., DIC, Upper Dhalpur, Kullu
2.	Identification of Project Profiles, techno-economic and managerial consultancy services, market survey and economic survey reports.	i) MSME Development Institute, Chambaghat, Solan ii) HIMCON, C/o Bridge View Hotel, The Mall, Shimla
3.	Land and Industrial shed	i)G.M., DIC, Upper Dhalpur, Kullu ii) HPSIDC, Near Himland Hotel, Shimla
4.	Financial Assistance	i) All Commercial Banks in the district ii)Private Banks iii) Cooperative and Gramin Banks iv) ADO, KVIB, Kullu v) District Manager, SC/ST Development Corp. Kullu
5.	For raw materials under Govt. Supply	i)HPSSI&EC, Kishor Bhawan, The Mall, Shimla ii) Director of Industries, Udyog Bhawan, Bamloe, Shimla
6.	Plant and machinery under hire / purchase basis.	NSIC, Chandigarh
7.	Power/ Electricity	HP State Electricity Board,

		Kullu
8.	Technical Know –how.	i) MSME Development Institute, Chambaghat, Solan ii) HIMCON, C/o Bridge View Hotel, The Mall, Shimla
9.	Quality & Standard	i) Director, Bureau of Indian Standard, Parwanoo ii) NRTC, Parwanoo
10.	Marketing /Export Assistance	i) Director of Industries, Udyog Bhawan, Bamloe, Shimla ii) MSME Development Institute, Chambaghat, Solan iii) Director, KVIC, Dingle Estate, Shimla iv) NSIC, Chandigarh
11.	Other Promotional Agencies	i) Himachal Pradesh Financial Corporation ii) NABARD