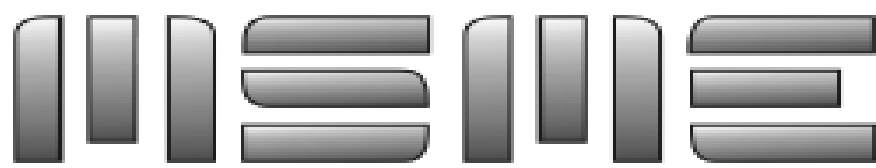




सत्यमेव जयते
Government of India
Ministry of MSME

Brief Industrial Profile of Shimla District



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

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Brief Industrial Profile of Shimla District

1. General Characteristics of the District

Shimla district is a totally hilly district of Himachal Pradesh. This district became part of Himachal Pradesh on 1st November, 1966 after the reorganization of Punjab state. It came into its present form on 1st September, 1972 when district Mahasu and Shimla were reorganized. The headquarter of this district is at Shimla which once used to be the summer capital of Britishers. As per population census of 2011, the total population of this hilly district is 8,13,384. The people of this district are innocent, honest and peace loving.

Agriculture and horticulture are the prime economic activities of this district. Most of the area under agriculture in the district is rain fed. The productivity for most of the agriculture crops is low because of the small size of holdings and rough terrain. However during the last few years, poly houses are being set up in the rural areas growing vegetables and flowers which has increased the economic condition of the inhabitants of this district to some extent. Horticulture has proved to be a major source of cash crop in the district. The district has given a pride place to the state of Himachal Pradesh in the production of apples as a result of which the state is known as the “Apple State of India”. Tourism industry has also developed substantially in the district because of the topography and scenic beauty it contains. Places like Shimla, Kufri, Narkanda, Naldehra, Fagu, Tatapani etc. attract a large number of tourists to this district creating huge market for developing hotels, restaurants, cyber café, handicrafts items etc. in the district.

1.1 Location & Geographical Area.

Shimla district is situated in the south east of Himachal Pradesh. It is bordered by district Kullu in the north, district Kinnaur in the north east, district Sirmour in the south, district, district Dehradun of Utranchal in the east, district Solan in the west and district Mandi in the north west. The total geographical area of the district is 5131 Sq. Kms. which constitute 9.2% of the total geographical area of the state.

1.2 Topography

The topography of the district is entirely hilly. The altitude of the district ranges from 600 meters at Tata Pani to 5760 meters at Gushu Pishu in Pandrabis area. The district has many mountains and deep ravines. Sutluj is the biggest river of the district. The other rivers in the district are Tons, Pabbar and Giri Ganga.

1.3 Availability of Minerals.

District Shimla is not having any major mineral. Sand and Building stone are the two minor minerals which are being commercially exploited in the district. These minerals

are used in construction activities in the district. The details of these minor minerals is given below.

PRODUCTION OF MINERAL 2010-11

S.NO.	NAME OF MINERAL	PRODUCTION in tones 2011-2012
MAJOR MINERAL		
1.	Nil	
2.	Nil	
3.	Nil	
4.	Nil	
MINOR		
1.	.Sand	8524
2.	Building Stone	12372
3.		
4.		
5.		
6.		
7.		

SOURCE:- DEPT. OF MINES & GEOLOGY.,

1.4 FOREST

Forest plays an important role in the economy of the district. Forest occupies an area of 1,30,411 hectares during 2010-11 as per the record of revenue department of the Govt. of H.P. Major forest produce available in the district are Timber and Charcoal. Beside major forest produce, there are also minor forest produce like resin, grass, medicinal herbs, bamboo etc. in the district. The major medicinal herbs found in the district are Dhoop, Kaur, Kuth, Guchhie, Kakar Singi, Bhojpatra etc.

1.5 Administrative set up.

Administratively the district has been divided into 7 sub divisions, viz. Shimla Urban, Shimla Rural, Theog, Rampur, Chopal, Rohru and Dodra Kwar. There are 12 Tehsils, 5 Sub Tehsils and 10 Community Development Blocks in the district. There are 363 village Panchayats and 2520 inhabited villages in the district.

2. District at a glance

S.No	Particular	Year	Unit	Statistics
1	Geographical features			
(A)	Geographical Data			
	i) Latitude			North (30°45'48"-30°43'0")
	ii) Longitude			East(76°59'22"-78°18'40")
	iii) Geographical Area	2010-11	Hectares	5,08,908
(B)	Administrative Units			
	i) Sub divisions			7
	ii) Tehsils			12
	iii) Sub-Tehsil			5
	iv) Patwar Circle			302
	v) Panchayat Simitis			--
	vi)Nagar nigam			1
	vii) Nagar Palika			2
	viii) Gram Panchayats			363
	xi) Revenue villages			3213
	x) Assembly Area			8
2.	Population			
(A)	Sex-wise			
	i) Male	2011	Nos.	4,24,486

	ii) Female	2011		3,88,898
(B)	Rural Population	2011		5,55,269
3.	Agriculture			
A.	Land utilization			
	i) Total Area	2010-11	Hectare	5,08,908
	ii) Forest cover	2010-11	“	1,30,411
	iii) Non Agriculture Land	2010-11	“	166000
	v) cultivable Barren land	2010-11	“	157000
4.	Forest			
	(i) Forest	2010-11	Ha.	1,30,411
5.	Livestock & Poultry			
A.	Cattle			3,04,566
	i) Cows	2007	Nos.	2,77,095
	ii) Buffaloes	2007	Nos.	13793
B.	Other livestock			
	i) Goats	2007	Nos.	91840
	ii) Pigs	2007	Nos.	228
	iii) Dogs & Bitches	2007	Nos.	30572

iv) Railways			
i) Length of rail line	2010-11	Kms	20
V) Roads			
(a) National Highway	2011-12	Kms	240.170
(b) State Highway	2010-11	Kms	191
(c) Main District Highway	2010-11	Kms	225.40
(d) Other district & Rural Roads	2010-11	Kms	---
(e) Rural road/ Agriculture Marketing Board Roads	2010-11	Kms	4294.60
(f) Kachacha Road	2010-11	Kms	2758
(VI) Communication			
(a) Telephone connection	Upto June, 2012	Nos.	62317
(b) Post offices	2010-11	Nos.	352
(c) Telephone center/ Exchange	Upto June, 2012	Nos.	240
(d) Density of Telephone	--do--	Nos./1000 person	76.6
(e) Density of Telephone	--do--	No. per KM.	12.1
(f) PCO Rural	--do--	No.	458
(g) PCO STD	--do--	No.	1052
(h) Mobile	2011-12	No.	3,87,000

	(VII) Public Health			
	(a) Allopathic Hospital	2010-11	No.	12
	(b) Beds in Allopathic hospitals		No.	1936
	(c) Ayurvedic Hospital		No.	3
	(d) Beds in Ayurvedic hospitals		No.	90
	(e) Unani hospitals		No.	--
	(f) Community health centers		No.	8
	(g) Primary health centers		No.	76
	(h) Dispensaries (allopathic & Ayurvedic)		No.	157
	(i) Sub Health Centers		No.	251
	(j) Private hospitals		No.	--
	(VIII) Banking commercial	2011-12		
	(a) Commercial Bank		Nos.	23 (165 Branches)
	(b) rural Bank Products		Nos.	1 (2 Branches)
	(c) Co-Operative bank products		Nos.	1 (55 Branches)
	(d) PLDB Branches		Nos.	1 (10 Branches)
	(IX) Education			
	(a) Primary school		Nos.	1621
	(b) Middle schools		Nos.	355
	(c) Secondary & senior secondary schools		Nos.	308
	(d) Colleges		Nos.	9
	(e) Technical University		Nos.	Nil

2.1 Existing Status of Industrial Areas in the District Shimla

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	I.A. Shoghi	18.4	18.4	1815	111	109	2	36
2	I.A. Jais	1.5	1.5	605	25	8	17	1
3	I.A. Mehndli	0.80	0.80	500	1	1	--	1
4	I.E. Raighat	0.50	0.50	605	10 sheds	7 sheds	3 sheds	2
	Total	21.2	21.2	881.25 (Average)	137 Plots 10 Sheds	118 Plots 7 Sheds	19 Plots 3 Sheds	40

Source:- DIC, Shimla

3. INDUSTRIAL SCENERIO OF District Shimla

3.1 Industry at a Glance (As on 31.03.2012)

Sr No	Head	Unit	Particulars
1.	REGISTERED INDUSTRIAL UNIT	NO.	3133
2.	TOTAL INDUSTRIAL UNIT	NO.	3168
3.	REGISTERED MEDIUM & LARGE UNIT	NO.	1
4.	ESTIMATED AVG. NO. OF DAILY WORKER EMPLOYED IN SMALL SCALE INDUSTRIES	NO.	3.5

5.	EMPLOYMENT IN LARGE AND MEDIUM INDUSTRIES	NO.	105
6.	NO. OF INDUSTRIAL AREA	NO.	4
7.	TURNOVER OF SMALL SCALE IND.	IN LACS	19088 (Apx.)
8.	TURNOVER OF MEDIUM & LARGE SCALE INDUSTRIES	IN LACS	--

3.2 YEAR WISE TREND OF UNITS REGISTERED

	YEAR	NUMBER OF REGISTERED UNITS	EMPLOYMENT	INVESTMENT (lakh Rs.)
Up to	1984-85	842	2075	274.26
	1985-86	102	220	47.87
	1986-87	105	211	42.53
	1987-88	110	226	58.81
	1988-89	116	172	43.66
	1989-90	13	156	100.41
	1990-91	84	185	53.48
	1991-92	91	190	45.37
	1992-93	82	185	69.18
	1993-94	81	230	60.53
	1994-95	90	240	57.16
	1995-96	69	195	53.69
	1996-97	66	170	54.94
	1997-98	68	217	232.84
	1998-99	84	208	87.22
	1999-2000	77	190	126.74
	2000-01	72	182	52.67
	2001-2002	75	306	220.99
	2002-03	72	220	107.43
	2003-04	72	238	273.55
	2004-05	90	232	154.74

	2005-06	77	186	274.86
	2006-07	67	333	208.23
	2007-08	65	256	386.52
	2008-09	70	132	144.44
	2009-10	75	168	222.02
	2010-11	75	209	432.49
	Total	2990	7532	3886.63

Source: DIC DIC, Shimla

3.3 DETAILS OF EXISTING MICRO & SMALL ENTERPRISES AND ARTISAN UNITS IN THE DISTRICT AS ON 31.03.2011.

NIC CODE NO.	TYPE OF INDUSTRY	NUMBER OF UNITS	INVESTMENT (Lakh Rs.)	EMPLOYMENT
20	Agro based	884	1261.88	2315
22	Soda water	--	--	--
23	Cotton textile	--	--	--
24.	Woolen, silk & artificial Thread based clothes.	7	3.50	18
25.	Jute & jute based	2	1.00	8
26.	Ready-made garments & embroidery	150	75.00	315
27.	Wood/wooden based furniture	350	580.00	931
28.	Paper & Paper products	65	145.00	140
29.	Leather based	6	1.80	180
31.	Chemical/Chemical based	8	8.40	24
30.	Rubber, Plastic & petro based	8	8.80	18
32.	Mineral based	7	70.00	35

33.	Metal based (Steel Fab.)	435	912.00	1305
35.	Engineering units	7	10.00	21
36.	Electrical machinery and transport equipment	--	--	--
97.	Repairing & servicing	900	489.25	1850
01.	Others	161	320.00	372
	Total	2990	3886.63	7532

Source: DIC DIC, Shimla

3.4 Large Scale Industries / Public Sector undertakings

List of the units in Shimla & Near By Area

1. M/s Adani Agri Fresh Pvt. Ltd, Sainj, district Shimla
2. M/s HPMC, Shimla (Having Packing Grading and cold stores for apples at Gumma, Kotkhair, Rohru, Odi and Tutu Pani)

3.5 Major Exportable Item

There is no major exportable items in district Shimla as the district is industrially underdeveloped.

3.6 Growth Trend

Owing to the severe topographical conditions prevailing in the district, there is negligible Large and Medium scale enterprises in the district. However, steady growth has been witnessed by the Micro and Small Enterprises in the district over years. From the table on year wise trend of registered units in the district it is evident that the district has witnessed per year registration of new micro and small enterprises ranging from the lowest registered units of 156 in 1989-90 to the highest registered units of 333 units in 2006-07. As far as the type of industrial units that have come up in the district is concerned, it can be seen from the table given at 3.3 above that the largest number of units in this district are of Repair and Servicing where 900 units have been registered. These units include units of auto repair, repair of electrical appliances, computer repair

etc. set up in semi urban and urban area throughout the district. Agro based group is the second group where 804 units have been registered. These units include small units like Atta Chakki, Oil Expeller etc. set up in villages also. Another group where significant number of units have been registered are the Metal Based group and Wood/Wooden Furniture group where 435 and 350 units have been registered respectively. As far as other industries in the district are concerned, it is evident from the table on Industrial Areas (I.A.) that only I.A. Shoghi has 36 units in production and rest of the three I.A are almost non existent. This is only due to the locational disadvantage of the district.

3.7 Vendorisation / Ancillarisation of the Industry

There is very little scope for vendorisation/ancillarisation as there is negligible large/Public sector undertakings in the district.

3.8. Medium Scale Enterprises

There is no medium scale enterprise in the district

3.8.1. Major Exportable Item

There is no major exportable items in the district as there is no medium scale unit in the district.

3.9 Service Enterprises

Since the industrialization has not taken deep roots in Shimla district owing to the topographical constraints, hence small service enterprises have come up almost in all parts of the districts . This is evident from the figure given in the table on MSMEs in the district wherein 900 Repairing & Servicing enterprises have been shown in the district registered with the DIC. Major service enterprises registered in the district are Atta Chakki, Oil Expeller, Auto Repair, Electrical Appliances Repair, Colour Lab, Data Procesing, 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. Potential areas for service industry

There is good scope of setting up of service enterprises in district Shimla as this district is the third largest district as far as population is concerned. Further, 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 Shimla city 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 |

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 that there are four Industrial Areas (IA) in the district out of which only one I. A., i.e. I.A Shoghi is fully functional. 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) Fruit Processing | II) Ayurvedic Medicine |
| III) Dairy Products | IV) Essential Oil/Cedar wood oil |
| V) Ginger Processing | VI) Apple/Fruit Cider |
| VII) Potato Chips | VIII) Wooden Toys/Novelties |
| IX) Pickles | 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) PVC Pipes
 XXVIII) Steel Fabrication
 XXX) Spray Pumps
 XXXII) Decorative Lights
 XXXIV) CFL Lamps

XXVII) Dhoop/Agarbati
 XXIX) Sheet Metal Products
 XXXI) UPS
 XXXIII) Computer Assembly
 XXXV) Solar Lights

4. Existing Clusters of Micro & Small Enterprise

Shimla district has only one cluster recently approved by the Steering Committee for conducting soft intervention at a total project cost of Rs. 9.85 lacs. With GOI contribution of 8.13 lacs. The cluster is Furniture and Fabrication Cluster of Rampur Bushahar. The cluster is being taken up by the industries Department of Govt. of Himachal Pradesh for intervention.

4.1 DETAIL OF MAJOR CLUSTERS

There is no other cluster available in the district except the Furniture and Fabrication Cluster mentioned above.

4.2 Details for Identified cluster

4.2.1 Name of the cluster : Furniture and Fabrication Cluster, Rampur Bushahar

1	Principal Products Manufactured in the Cluster	Wooden and Steel Furniture, Gate Grill
2	Name of the SPV	No SPV formed yet
3	No. of functional units in the clusters	25
4	Turnover of the Clusters	586 Lakhs
5	Value of Exports from the Clusters	Nil
6	Employment in Cluster	Direct = 125 Indirect = 300
7	Average investment in plant & Machinery	1.25 Lakh
8	Major Issues / requirement	Technology Upgradation, Marketing
9	Presence of capable institutions	HIMCON, DIC

10	Thrust Areas	Technology Improvement and modern marketing tools
11	Problems & constraints	The cluster lacks in modern technology, trained manpower, quality raw material, design and modern marketing tools.

Present status of the cluster :-

Diagnostic Study for the Furniture and Fabrication cluster has been got prepared by the Industries Department of H.P. The proposal for soft intervention has been approved by the Steering Committee. The state Industries Department has been assigned to find out the fund receiving and implementing agency for conducting soft intervention.

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

During meeting with the representatives of the Shoghi Industries Association, which is the only Industries Association in Shimla district, the following issues were raised by the this association.

1. Improvement of Road

Existing road is in a 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.

2. Medical Facility

There is no medical facility available in the Industrial Area Shoghi. There is urgent need to have at least one Dispensary in the Industrial Area.

3. AB cabling for Electric Supply

Due to open valley normally the LT and HT wires get short circuited. It is required to be replaced with AB cable.

4. Staff Hostel

There is no provision for staff hostel. It is recommended that the staff hostel should be constructed in IA.

5 Tool room Facility

There is no tool room facility in district Shimla it is suggested that tool room should be established in this area.

6. STP Plant

There is old system of septic Tanks for discharge of sewage. There is a great need to install STP Plant.

7. Water Scheme

The existing water scheme is required to be strengthening by installing of water lifting pumps and replacement of old supply pipes.

"

'8. 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, Majitha House, Chhota Shimla
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, Majitha House, Chhota Shimla 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) CEO, KVIB, Chaura Maidan, Shimla v) District Manager, SC/ST

		Development Corp. Shimla vi) SIDBI, Shimla
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, Kumar House, Shimla
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
11.	Other Promotional Agencies	i) Himachal Pradesh Financial Corporation ii) NABARD