



Government of India
Ministry of MSME

BRIEF INDUSTRIAL PROFILE OF LAKSHADWEEP
2015-16



Carried out by

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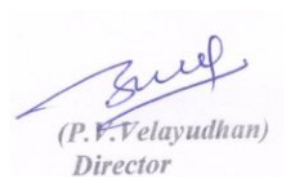
FOREWORD

MSME-DI, Thrissur, as part of its activities has prepared the District Industrial Profile of Lakshadweep during 2015-16. The objective to prepare the Industrial Profile of Lakshadweep is to make the information readily available in respect of general characteristics of the district , administrative set up, industrial scenario, potential for new MSMEs,, details of existing clusters and general issues raised by industry associations etc. to the existing as well as prospective entrepreneurs.

It is expected that this Industrial Profile will be useful for Governmental & Non-Governmental organizations, Promotional & Developmental Agencies engaged in promotion & development of MSME sector in Lakshadweep and also for academicians / research scholars.

I take this opportunity to express my gratitude to DIC, Lakshadweep and heads of other departments for extending their co-operation in preparing this Industrial Profile.

I also place on records my appreciation to Smt. Kathreenamma Sebastian, Asst Director Gr.I(E.I.) and Smt. C.S.Anusha, Asst Director(E.I.) of this institute for their hard work in bringing out the report in this form.



(P. F. Velayudhan)
Director

22.06.2016
Thrissur

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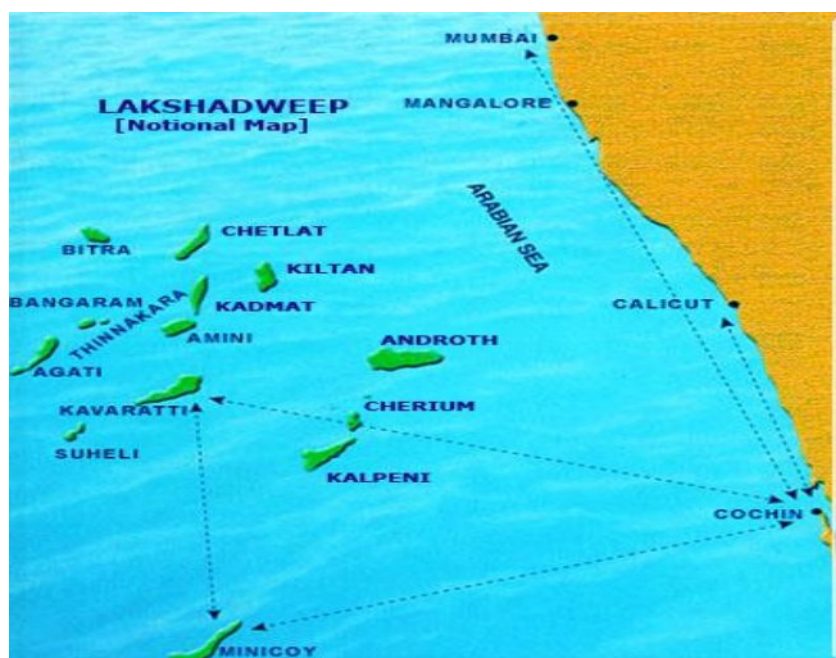
Brief Industrial Profile of Lakshadweep

1. General Characteristics of the District

India's smallest Union Territory Lakshadweep is an archipelago consisting of 36 islands with an area of 32 sq km. It is a uni-district Union Territory and is comprised of 12 atolls, three reefs, five submerged banks and ten inhabited islands. The islands comprise of 32 sq km. The capital is Kavaratti and it is also the principal town of the UT. All Islands are 220 to 440 km away from the coastal city of Kochi in Kerala, in the emerald Arabian Sea. The natural landscapes, the sandy beaches, abundance of flora and fauna and the absence of a rushed lifestyle enhance the mystique of Lakshadweep.

1.1 Location & Geographical Area.

The union territory of Lakshadweep is comprised of ten inhabited islands, 17 uninhabited islands attached islets, four newly formed islets and 5 submerged reefs. The inhabited islands are Kavaratti, Agatti, Amini, Kadmat, Kiltan, Chetlat, Bitra, Andrott, Kalpeni and Minicoy. Bitra is the smallest of all having only a population of 271 persons (Census 2011). The uninhabited island Bangaram has been enumerated during 2011 census operation and has a population of 61 persons.



It is located between 8° - 12° 13" North latitude and 71° - 74° East longitude, 220 to 440 Kms. away from the coastal city of Kochi in Kerala, in the Arabian sea. Considering its lagoon area of about 4,200 Sq.kms, 20,000 Sq.kms of territorial waters and about 4 lakhs Sq.kms. of economic zone, Lakshadweep is a large territory.

According to the 2011 Census, Lakshadweep has a population of 64429 persons. More than 93% of the population who are indigenous, are Muslims and majority of them belong to the Shafi School of the Sunni Sect. Malayalam is spoken in all the islands except Minicoy where people speak Mahl which is written in Divehi script and is spoken in Maldives also. The entire indigenous population has been classified as Scheduled Tribes because of their economic and social backwardness. According to the Scheduled Castes and Scheduled Tribes list (modification orders), 1956, the inhabitants of Lakshadweep who and both of whose parents were born in these islands are treated as Scheduled Tribes. There are no Scheduled Castes in this Union Territory.

1.2 History

Local traditions attribute the first settlement on these islands to the period of Cheraman Perumal, the last king of Kerala. It is believed that after his conversion to Islam, at the behest of some Arab merchants, he slipped out of his capital Cranganore, the present day Kodungallor - an old harbour town Kochi, for Mecca. When his disappearance was discovered, search parties went after him in sailing boats and left for the shores of Mecca, in search of the king from different places. It is believed that one of these sailing boats of Raja of Cannanore was struck by a fierce storm and they were shipwrecked on the island now known as Bangaram. From there they went to the nearby island of Agatti. Finally the weather improved and they returned to the mainland sighting other islands on their way. It is said that after their return another party of sailors and soldiers discovered the island of Amini and started living there. It is believed that the people sent there were Hindus. Even now unmistakable Hindu Social stratification exists in these islands despite Islam. Legends say that small settlements started in the Islands of Amini, Kavaratti, Andrott and Kalpeni first and later people from these islands moved to the other islands of Agatti, Kiltan, Chetlat and Kadmat. This legend of Cheraman Perumal is not, however, substantiated.

1.3 Availability of Minerals.

The Lakshadweep Islands has no Mineral Deposits

1.4 FOREST

There is no Forest area in the Lakshadweep Islands

1.5 Administrative set up.

The entire Union Territory of Lakshadweep is considered as one district. Earlier the district was divided into four Tehsils. At present there are 10 Sub Divisions. While the Sub Divisional Officers coordinate development activities in 8 islands, in Minicoy and Agatti the Sub Division is under a Deputy Collector. Administration Secretariat was shifted from Kozhikode to Kavaratti in March 1964. With increase in various plan schemes and fund allocation, the necessity of decentralization of department was felt and accordingly in 1972 new offices were created. Though the departmental offices are working separately, Administration Secretariat and District Administration are functioning from the Secretariat Building as compact unit under a single file system.

Matters coming under District Administration, such as revenue, land settlement, law and order are under the purview of the Collector cum Development Commissioner who is also the District Magistrate. Consequent upon the appointment of an officer of Indian Administrative Service as the Managing Director of Lakshadweep Development Corporation Limited (LDCL) and creation of the post of Secretary, Pay and Accounts, the development departments have been allotted among these senior officers including Collector cum Development Commissioner and they are also designated as Secretaries of allotted departments.

The District Magistrate is assisted by one Additional District Magistrate and Ten Executive Magistrates with respect to enforcement of law and order. Lakshadweep Police is under the command and control of Administrator in his capacity as Inspector General of Lakshadweep Police. The Lakshadweep Police has sanctioned strength of 349 personnel for 9 Police Stations, 2 Police Out Posts and 1 Police Aid Post. Superintendent of Police is the head of the force. For maintenance of law and order in addition to Police force, Union Government have raised a company of India Reserve Battalion exclusively for Lakshadweep, Dadra & Nagar Haveli and Daman and Diu. 355 personnel of IRB are stationed in various islands of Lakshadweep. Lakshadweep Marine Police and Lakshadweep Home Guards have also been raised in the recent years to further strengthen the law and order machinery. Naval Detachment & Coast Guard Units are set up in Kavaratti. A Naval Detachment is functioning in Minicoy island also.

For the purpose of implementing community development schemes the territory is divided into five Community Development Blocks with Kavaratti, Amini, Andrott, Minicoy and Kiltan as block head quarters. To bring Administration closer to the people there are eight Sub Division Officers and two Deputy Collectors posted on all inhabited islands except Bangaram which is part of Agatti Sub Division. They also function as Block Development / Additional Block Development officers of concerned islands.

2.District at a glance

Population(2011)	: ▶ 64,429
Density of Population	: ▶ 2013 people/Kms.
Administrative HQ	: ▶ KAVARATTI.
Access by	: ▶ Air and Sea from India,South-west coast.
Location	: ▶ 8° - 12° 13' North Latitude and 71° - 74° East longitude
Total islands	: ▶ 36
Distance to Malabar coast	: ▶ 200-400 kms
Total geographical Area	: ▶ 32 sq.kms
Major islands	: ▶ MINICOY,KALPENI,ANDROTH,AGATTI,KAVARATTI, AMINI,KADMAT,KILTAN,CHETLAT,BITRA,BANGARAM & PITTI
Temperature	: ▶ 32°C (Max.) to 28°C (Min.)
Humidity	: ▶ 70-75%
Highest Rainfall	: ▶ 241.8 mm.recorded in 24 hours
Unique feature	: ▶ The only coral reef island in India,rich flora and fauna.Great tourist destination for Watersports,Fishing etc.Virgin,Fragile eco-system.A unique and quiet getaway destinations

2.1 Existing Status of Industrial Areas in the Lakshadweep District.

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
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

3.1 INDUSTRIAL SCENERIO OF LAKSHADWEEP

Lakshadweep is a no-industry area. It has neither large scale industries nor medium scale industries. There are also no public sector units. The main reason being non proximity to raw materials required, technical institutions and lack of skilled manpower

3.2 Industry at a Glance

Sr No	Head	Unit	Particulars
1.	REGISTERED INDUSTRIAL UNIT	NO.	72
2.	TOTAL INDUSTRIAL UNIT	NO.	72
3.	REGISTERED MEDIUM & LARGE UNIT	NO.	Nil
4.	ESTIMATED AVG. NO. OF DAILY WORKER EMPLOYED IN SMALL SCALE INDUSTRIES	NO.	Data n.a.
5.	EMPLOYMENT IN LARGE AND MEDIUM INDUSTRIES	NO.	Nil
6.	NO. OF INDUSTRIAL AREA	NO.	Nil
7.	TURNOVER OF SMALL SCALE IND.	IN LACS	Data n.a
8.	TURNOVER OF MEDIUM & LARGE SCALE INDUSTRIES	IN LACS	-

3.3 YEAR WISE TREND OF UNITS REGISTERED

	YEAR	NUMBER OF REGISTERED UNITS
	2007-08	5 Micro units
	2008-09	9 Micro units
	2009-10	9 Micro units
	2010-11	1 Micro units
	2011-12	0 micro unit

3.3 YEAR WISE TREND OF UNIT REGISTERED(Contd.)

YEAR	NUMBER OF UNITS REGISTERED
2012-13	2 Micro Units
2013-14	2 Micro Units
2014-15	3 Micro Units
TOTOAL	31 Micro Units

Source: Director of Industries and Commerce, Kavaratti

3.4 DETAILS OF EXISTING MICRO & SMALL ENTERPRISES AND ARTISAN UNITS IN THE DISTRICT (2007-08 to 2012-13)

NIC CODE NO.	TYPE OF INDUSTRY	NUMBER OF UNITS
15	Mfg. of Food Products and Beverages	20
18	Mfg. of Wearing Apparel, Dressing and Dyeing of Fur	3
20	Mfg. of Wood and Wood Products	6
35	Mfg. of Other Transport Equipment	4
36	Mfg. of Furniture; Mfg. n.e.c	15
64	Post and Telecommunication	1
71	Renting of Machinery & Equipment without operator and of personal and household goods	1
75	Public Administration and Defence, Compulsory Social Security	24

Source: DIC, UT of Lakshadweep

3.5 Vendorisation / Ancillarisation of the Industry

Since Lakshadweep is a Zero Industry area, the scope of ancillarization of the industry has remote possibility in the Union Territory.

3.6 Major Exportable Item

The union territory is abundant in fish catching and Coconut based activity. There are potential for development of the items in these sectors to fetch overseas market. Despite its smallness in geographical terms, Lakshadweep has a total lagoon area of about 4200 Sq. Km., large territorial Water (about 20,000 Sq. Km). The major sectors of its economic are Fisheries (Tuna), Horticulture (Coconut) and Tourism (Island/Coral Reefs). The Islanders depend heavily on mainland for everything except for fish and coconut. There is ample scope for export of the processed fish from the UT of Lakshadweep.

3.7 Service Enterprises and potential areas of Service Industries

The UT of Lakshadweep has scope to establish service industries in the area of General Engineering Workshop, Auto Servicing, Electrical/Electrical Servicing, Dry/Wet Grinding, Machine Workshop, IT Enables services etc.

3.8 Potential for new MSMEs

The UT of Lakshadweep faces many infrastructural constraints, which is blocking its industrialization, certain industries have been identified to have scope for development in the Islands. These are mainly based on the local resources such as agriculture and marine potential. Taking into consideration the present human resources, the following MSMEs have scope for development. In addition to the same, a sound marketing structure to undertake marketing of high quality processed fishes need to be established. The marketing structure should also explore the possibility of exporting coconut and coconut based products, apart from domestic marketing.

Agro Based

Coir Covelling Fibre

Coir Rope

Coir Yarn

Coir Mat

Coconut Oil

Desiccated Coconut

Fibre Brush

Coconut Shell Powder

Activated Shell Carbon

Pressed Partical Board
Coconut Cream
Coconut Water Bottles
Handicraft (Shell and Wood)

Marine Based
Fish/Prawn Pickles
FishProcessing
Fish Meat
Agar Agar
Mas Min

Misc. Idustries

Laundry Soap
Cleaning Powder
Bread and Bakery
Power Laundry
Sweetened Aerated Water
Ice Creams
Furniture/Carpentry
DTP Unit
General Engg. Workshop
Auto Servicing
Electrical/Electric Servicing
Machine Shop
IT Enabled Services

4. Existing Clusters of Micro & Small Enterprise

4.1 DETAIL OF MAJOR CLUSTERS

At present there is plan to set up a coir cluster in Androt Island in Lakshadweep. It is being taken up by Coir Board under the Scheme of Fund for Regeneration of Traditional Industries (SFURTHI)

4.2 Details for Identified cluster

Fishing is one of the mainstay of the people of Minicoy Island. It has become the main source of income of the people, besides coconut cultivation. The sea around the island is highly productive. The island stands first in the country in per capita availability of fish. As per data available in the field, there are 872 fishermen are

actively involved in fishing activities such as fishing, transportation of fish, marketing, processing, fish curing, manufacturing tuna products and its value added products. All are belonging to nuclear family system.

Minicoy island is blessed with abundant marine resources and is having the highest fish catch/fish landings among the islands of U.T of Lakshadweep. The future economy of the islanders depends largely in tapping this wealth effectively. However, there are a number of constraints and impediments in obtaining/distributing/processing and storing of fish. The islanders use the traditional methods for fishing and are reluctant to modernize their methods. Unlike the mainland fishermen, the islanders are reluctant to leave the island for longer period for fishing so as to obtain sufficient catch. Common storage facility for surplus fish catch is not available and the available facilities in canning factory is inadequate, so, the surplus fish catch is usually sold at a very low price. This is one of the reason discourages fishermen in catching maximum quantity of fish in the peak season.

Of the fish landing in Minicoy about 81% account for tuna varieties and only 19% accounts for other varieties. Processing of Masmin is usually undertaken only when large quantity of Skip Jack Tuna available. Comparatively, the fishermen in Minicoy Island are having better catching of fish and earning, through value addition, than in other islands of the U.T of Lakshadweep. The second position is to the fishermen of Agathi island.

Therefore there is ample scope for development of Tuna Fish Cluster providing supporting measures in the UT of Lakshadweep.

5) Training programmes conducted during 2015-16bn90

Programme	No. of programs	Place	No. of participants
Entrepreneurship Development Programme(EDP)	2	Amini	20
		Amini	20
Industrial Motivation Campaign(IMC)	2	Amini	63
		Kavarathi	105

Lakshadweep as mentioned earlier is abundant with coconut and marine produce. Accordingly the following skill development programmes could be imparted for promoting entrepreneurship-

Name of District	Name of Industry Cluster	Product of the Cluster	Skill Development need as per the products	Name of the suggested Training Programme including duration
Lakshadweep	Lakshadeep Food Processing	Food Processing	Designing, packaging & Skill Development	SDP 4-6 weeks
	Kalpeni	Woodwork & Lacquerware	Designing, packaging & Skill Development	SDP 4-6 weeks
	Kalpeni	Conch Shell	Designing, packaging & Skill Development	SDP 4-6 weeks
	Amini	Coil Twisting	Designing, packaging & Skill Development	SDP 4-6 weeks

7. 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)	Director of Industries and Commerce, Lakshadweep House, Kavaratti 04896 262215
2.	Identification of Project Profiles, techno-economic and managerial consultancy services, market survey and economic survey reports.	MSME Development Nuclues Cell, Ministry of MSME, Govt. of India, Amini, UT of Lakshadweep 04891 273345
3.	Land and Industrial shed	Director of Industries and Commerce,

		Lakshadweep House, Kavaratti 04896 262215
4.	Financial Assistance	Nationalized Banks
5.	For raw materials under Govt. Supply	Director of Industries and Commerce, Lakshadweep House, Kavaratti 04896 262215
6.	Plant and machinery under hire / purchase basis.	Senior Br Manager, NSIC , GCDA Complex Marine drive, Shanmugham road Ernakulam – 682 031 0484- 2381850
7.	Power/ Electricity	Electricity Department, UT of Lakshadweep
8.	Technical Know –how.	MSME Development Nucleus Cell, Ministry of MSME, Govt. of India, Amini, UT of Lakshadweep 04891 273345
9	Quality and Standards	MSME-Development Institute, Ministry of MSME, Kanjani Road , Ayyanthole, Thrissur