

CHAPTER 9

INDUSTRIES

Mandate of the Department:-

The Basic Mandate of the Department of Industries focus on creation of opportunities in the islands for economic activity, providing self employment/wage employment and growth of those sectors which generate high quality employment, Harnessing the resources of the Forest, Sea and Manpower on a sustained basis by optimal utilization without disturbing the fragile ecology and environment of the region, Promotion of direct and indirect and even part time income enhancing opportunities in the organized as well as unorganized sectors, IT enabled and globally net worked vibrant economy.

Promotion of Micro, Small & Medium Enterprises:-

During the Year 2013-2014, District Industries Centre has registered 100 SMEs generating an employment of 779 persons with an investment of ` 651.13 lakhs in plant & machinery.

Creation of Self Employment Opportunities

The Ministry of Micro, Small & Medium Enterprises, Govt. of India, New Delhi has introduced a new Credit Linked Central sponsored subsidy programme called Prime Minister's Employment Generation Programme by merging the two schemes that were in operation till 31st March 2008 namely PMRY and REGP for generation of employment opportunities through establishment of micro enterprises in rural as well as in urban areas. The Khadi & Village Industries Commission is the nodal agency at National Level for implementation of PMEGP scheme. In the territory, the scheme is being implemented through the A&N Islands Khadi & V.I. Board and DIC as under:



Implementing Agency	Area
A&N Islands Khadi & Village Industries Board, Port Blair	Rural Areas of the Territory excluding Havelock, Neil Island, Little Andaman and Nancowry Group of Islands
District Industries Centre, Port Blair	Port Blair Municipal Area, Havelock, Neil Island, Little Andaman and Nancowry Group of Islands

Maximum Project size

- Upto ` 25.00 lakh for manufacturing sector.
- Upto ` 10.00 lakh for Service sector.
- Upto ` 2.00 lakh for business / trading sector
in the form of sales outlets

During the year 2013-14 under the Prime Ministers Employment Generation programme loan has been disbursed/ sanctioned to 224 prospective entrepreneurs with a project cost of ` 651.84 lakhs and generating an employment for 654 persons.

**Capacity Building and Skill Development:-**

Entrepreneurship development and Skill building are the key factor to fight against unemployment, poverty especially targeting the school drop outs and women and to prepare these Islands for globalization in order to achieve overall economic progress. Entrepreneurship Development and Skill up gradation Scheme is an organized effort to meet the challenge of growing un-employment and stagnated growth in the MSME sector. The broad objective of the scheme is as under:-

- ❖ Conventional Training through Departmental Training Centers.
- ❖ Basic & Advance Training in Mainland Institutions or in any other Institution within the Islands for educated unemployed youths, Entrepreneurs and MSME.
- ❖ Organizing of Workshop and Seminar in various trades associating Dept. of Ministries of GOI, Commodity Board , Councils and other Institutes
- ❖ Organizing Study Tours for entrepreneurs and ex-trainees of the department of mainland.





During the year 2013-14, the Department has provided Training to 175 candidates under various Trades like Carpentry, General Engineering, Tailoring, Cane & Bamboo and Coir through the departmental training centers located in various parts of A & N Islands.

During the year 2013-14, 19 candidates were deputed on study Tour to South India (Chennai, Bangalore, Coimbatore, Allepy, Karur and Salem). The tour was conducted from 21st February 2014 to 24th March 2014 wherein 43 Industrial units were visited.

Handicrafts Development:-

Employment is a major factor which is becoming a lacuna in the social structure of A & N Islands hence to improvise the scenario, handicraft Industry can play a major role in eradication unemployment. Artisans involved in handicraft oriented work face difficulty for marketing their products, the second problem faced by them is because of the segregated islands and transportation problems. The Sagarika Emporium at Port Blair was providing marketing assistance to 08 units initially and by the end of Eleventh Five Year Plans the 54 unit/ Artisans are being provided with marketing assistance. In today's market the design makes a difference in value of the product improvising design is also a focus area during 12th FYP. To encourage the local artisans the Department provides marketing assistance through participation in various International, National & Local fairs. To get the knowledge of the changing techniques & design the local Artisans are also deputed to mainland in different institute. It has been observed that the handicrafts manufactured at A & N Islands are only confined to these islands hence to give a broader exposure and insured marketing to their products department is proposing for emporia & show window in metropolitan cities.



The Sagarika Emporium at Rajiv Gandhi Handicrafts Bhawan situated at Baba Kharag Singh Marg, New Delhi was inaugurated on 12th February 2014 by the First Lady of the A & N Islands.

During the year 2013-14 76 SMEs provided marketing support through Sagarika Emporium & Khadi Gramodyog Bhavan with a sales of ` 529.48 lakhs

During the year 2013-14 the following Workshops and seminars were organized :-

- Training on “Behavioral Skills & attitude, details sales management & product display, customer relation”, organized in association with Trade Wings Institute of Management at Port Blair from 2/09/2013 to 5/09/2013 wherein 50 candidates participated.
- Workshop of Design & Development on wood carving, organized in association with Office of Development Commissioner (Handicrafts), Bangalore at Port Blair from 11.09.13 to 27.09.13 wherein 29 candidates participated.
- Workshop on Design & Development in pandanus leaf craft, organized in association with Office of Development Commissioner (Handicrafts), Bangalore at Carnicobar from 12.09.13 to 26.09.13 wherein 30 tribal candidates participated.
- Workshop was organized in association with Indian Institute of Packaging, Kolkatta on packaging of Handicrafts from 18th December 2013 to 24th December 2013 at Port Blair wherein 26 candidates participated.

During the year 2013-14, Industries Department participated in eight International, National and local fairs including India International Trade Fair-2014 held at Pragati Maidan, New Delhi , Industrial India Trade Fair, Kolkatta, Island Tourism Festival etc. Through these fairs & exhibitions the Department gave exposure to the handicrafts of these Islands, 12 SMEs who are involved in manufacturing of various kinds of handicrafts like



shell handicrafts, Cane & bamboo handicrafts etc were provided marketing assistance through these fairs & exhibitions.

During the year 2013-14, Tribal handicrafts worth ` 1.66 lakhs has been procured from 25 tribal artisans of Nancowry and Carnicobar



Infrastructure Development:-

The department has nine Industrial Estates having an area of 56.59 hectares with 222 plots and 80 sheds has been developed in various parts of these Islands. These built up sheds and developed plots are being allotted to prospective entrepreneurs on nominal lease rent of @ ` 3.00 per sq. mtrs. Per annum and @ ` 1.10 per sq. ft. per month. The lease is generally for 5 years in respect of the built up sheds and while 15 years for the developed plot.

During the year 2013-14 11 plots at Industrial Estate Mithakhari, 14 plot and 02 sheds at Industrial Estate, Dollygunj, 02 sheds at IE, Campellbay, 04 plots at Industrial Estate, Bakultala, 01 plot at IE, Hutbay and 02 plots at IE, Garacharma has been allotted 36 prospective entrepreneurs.

Subsidy Assistance

The Geographical location of the A & N Islands, the distance of around 1200 km and 1800 km from the nearest point on India, Mainland and the weather conditions of these Islands are some of the major impediment in promoting wide varieties of SMEs which are easily sustainable in mainland. In order to take the corrective measures/ approach in order to tackle unemployment problem the following programmes are being implemented by the Department

- a. Andaman & Nicobar Island Transport Subsidy programme for SME.
- b. Andaman & Nicobar Inter Island Transport Subsidy programme for SME.
- c. Andaman & Nicobar Capital Subsidy programme for SME.
- d. 50% Subsidy for procurement of Pollution Control equipment, Captive Power Generating sets, Solar Power, Wind Power, Bio Mass, Hydro power for SME units in A & N Islands.
- e. 90% subsidy on Bakery equipments, hand tools for General Engineering, Carpentry, Masonry, Virgin Coconut Oil extractor and Handicrafts tools to tribal.

During the year 2013-14 the following subsidy assistance were provided to the SMEs:-

- 08 units have been assisted under the programme “A & N Capital Investment Subsidy” for an amount of ` 82.86 lakhs.
- 08 units have been assisted under the programme “50% subsidy for procurement of pollution control equipments or Captive Power Generation set or solar power or wind power or Bio Mass or Hydro power for SME” for an amount of ` 17.13 lakhs.
- 01 unit has been assisted under the programme “Andaman & Nicobar Island Transport Subsidy for SME” for an amount of ` 0.55 lakhs.

National Mission on Food Processing (NMFP)

The Department had launched National Mission on food processing (Central Sponsored scheme) with the support of Ministry of Food processing Industry, Govt. of India in A & N islands with effect from 1st November 2012. The Mission Directorate, NMFP is established within Directorate of Industries Building and functioning through Food Processing Cell. During the year 2013-14 the following works were undertaken under National Mission on Food processing:-

- A meeting of the Project Appraisal Committee was held on 13/03/2014 under the Chairmanship of Secretary (Ind), A & N Administration.
- The Committee evaluated and approved two proposals received from Central Agricultural Research Institute (CARI), Port Blair and WEBCON Consulting (India) Ltd respectively, sanctioning a total amount of ` 24.00 lakhs under “Human Resource Development”(Sch. No. 4 of NMFP)for Setting up of Food Processing Training Centre (FPTC) and “Promotional Activities” (Sch.No. 5 of NMFP) for Conducting Study on “Scope & Prospects of Food Processing Industries in Andaman & Nicobar Islands”.

Achievements made during 2016-17 (District Industries Centre)

1.Prime Ministers Employment Generation Programme:

(Rs in Lakhs)

Target				Achievement			
MM Subsidy	Physical	Sponsor	Sanction	Project Cost	MM Subsidy (Released)	Projects	Employment
	90	101	67	249.31	47.99	67	103

II Udyog Aadhaar Memorandum(UAM):

No	District Name	Udyog Aadhaar Regd.	Micro	Small	Medium
1.	Nicobar	17	14	3	0
2.	North & Middle Andaman	129	115	13	1
3.	South Andaman	1416	1135	260	21
	Total	1562	1264	276	22

III. Exemption of Octroi Tax to proposed and Registered MSME's

Sl.No	No of Units Assisted	Brief Description
1.	28	The PBMC exempts Octroi Tax on importing Machinery & Spares on recommendation of DIC to proposed and existing MSME's.

IV. Conversion of Electricity Tariff from Commercial to Industrial Rates

Sl.No	No of Units Assisted	Brief Description
1.	22	The Electricity department converts that tariff rates of MSME's on the recommendation of DIC from Commercial Rate to Industrial Rates which gives support to the Enterprise.

V. Extension and hand holding services to entrepreneurs

Particulars	Achievement
Counseling and Guidance	355
Preparation of Project Report	221

VI.Awareness

No	No. Of participants	Areas
14	741	Haddo Village, Neil Kendra(2), Sitapur, Govindnagar, Kalapathar, Shyamnagar, Patheguda, Conference Hall of Director of Industries, ITI, Biggiline, Garacharama, Kamorta, Katchal.

VII. Assistance under Stand Up India Scheme:

Sanctioned	Disbursed	Employment Generated
18	18	125