

The Union Territory of the Andaman and Nicobar Islands

Andaman and Nicobar Islands, a union territory of India lies in the Bay of Bengal. It consists of about 527 islands both small and large. The coastline of the Islands stretches for about 100 km. The Islands consist of two groups, the Andaman and Nicobar and are mostly covered with dense rain forest. These two groups are separated by about 300 km. The area of the Islands is about 8,249 square kilometers, of which 6,408 sq. km of area is occupied by the Andaman group and 1,841 sq km by the Nicobar groups of Islands. Of the total land area 92 percent of the land is covered with rain forests and of the 527 islands, only 38 islands are inhabited. The Nicobar Islands are still inhabited by primitive tribes and backward communities and the rest of the land is barren.

The capital city is Port Blair, which is the largest town situated in the southeast of South (Lower) Andaman Island.

Andaman and Nicobar Islands lie close to the Arakanmayo mountain range of Myanmar, which lies to the sides of Sumatra of Indonesia. Andaman is a developing land, with cultured and literate people.

The people in the Islands speak many languages. Peace prevails all over, as there are no political or communal riots or atrocities. Not only the beauty of nature and the various enticing features but also the peace loving people have made the Andaman and Nicobar Islands a tourist spot for visitors overseas. The people are given quality education. Quality medical facilities are available. The people are very much aware of their rights and concessions and so do they abide and maintain their standards. The people enjoy a lot of freedom. They do not have any limitations. They live in harmony. This is a rare sight that one finds in India, which is unusual as there are constraints, political and communal riots. and calmness situation in the other parts of India.

The people who dwell here are descendants of the prisoners put in from other parts of India, the refugees who settled down from countries like Bangladesh, Burma and Srilanka and government officials and army personnel. There are people of various castes and creed but these differences have not thrust a difference in people rather as they have formed a harmonious society. People of the various states and union territories have a free access to these Islands. If they wish to settle down in these Islands they are permitted to gain permanent resident status. Special permission is not needed to settle in these Islands. But tourists from other countries who wish to visit these Islands have to get prior permission from the Indian government. They are granted a visa for 30 days to visit the Islands. The visitors will enjoy Andaman and Nicobar islands more during December and March, as the climatic conditions and weather will be excellent.

# Andaman and Nicobar Island – General Overview

Number of District		2	
Total Area (in sq km)		8,293	
T . 1 D . 1	Persons	3,79,944	
Total Population (in million)	Males	202,330	
(m mmon)	Females	1,77,614	
Density of Population (per sq km)		46	
Sex Ratio (females per 1000 males)		878	
Literacy Rate (%)	Persons	86.27	
	Males	90.11	
	Females	81.84	
	Hindu	67.52	
	Muslims	7.61	
Religious Population (%)	Christian	23.95	
	Buddhists, Sikhs, Jains & others.	0.92	
Decennial Growth Rate (%) (2001-2011)		6.68	
Meteorological Data	Mean Min Temperature	22.8° C	
	Mean Max Temperature	29.8° C	

## **Economic Figures - Andaman and Nicobar Island**

The below mentioned chart provides a trend of gross state domestic product (GSDP) of Andaman and Nicobar Islands at market prices, with figures in US \$ millions estimated by the Ministry of Statistics & Programme Implementation.

Year	US\$ million
1980	11.77
1985	23.54
1990	42.20
1995	149.92
2000	212.33
2005	291.63

# Andaman and Nicobar Islands' Gross State Domestic (GSDP) product for 2010 is estimated at US\$ 810 million with per capita income of US\$ 2,132.

The contribution of the services sector (49 percent) was maximum followed by primary sector (17 percent) and then by secondary sector (34 percent). There is little manufacturing activity mainly contributed by wood processing which is also limited as a result of restriction on exploitation of forests.

# **Economy of Andaman and Nicobar Island**

Andaman and Nicobar Islands have immense collection of natural resources. The fishing industry supports a major portion of the economy of Andaman and Nicobar islands. Besides agriculture is also a major revenue-earning source for the peasants of that island.

The hilly and plain agricultural lands of Andaman and Nicobar Islands are important source of income for the rural people of those areas. Seasonal vegetables, oilseeds, pulses, pepper, nutmeg, cinnamon are some special crops cultivated here. Even the economy at Andaman and Nicobar Islands to some extent, depends on the red oil, rubber, palm and cashew nut that are grown here marginally.

Other major industries that are also a big contributor to the Andaman and Nicobar islands' economy include its handicrafts industry, minerals and energy resources. Even tourism is a big industry for the people of Andaman and Nicobar Islands. This land is full of natural beauties and the exotic collection of flora and fauna, which attract tourists worldwide. The innumerable tourist spots of Andaman and Nicobar islands support the tourism industry of the place.

The island abounds with lush green forests that are a storehouse of some rare variety of floras. As a result the timber industry have come up into the island. Woodcrafts are very beautiful that also plays a considerable role in the economy of Andaman and Nicobar islands.

## **Economic Advantage - Andaman and Nicobar Islands as an Investment Destination**

- Peaceful working environment and proper law and order situation.
- Significant potential for investment in tourism industry owing to its extensive scenic beauty.
- Vast unexplored marine sector for international market.
- There is potential for electronics and software industry.
- The islands are strategically located near to international trade corridor.
- High literacy rate.

## Agriculture in Andaman and Nicobar Island

Agriculture land available in Andaman and Nicobar Islands is very limited and restricted within 6 percent of the total area of this place. Due to the need to increase the fertility of this land, intense measures have been taken to bring scientific revolution to increase the production capability.

Agriculture crops in Andaman and Nicobar Islands include vegetables, which are cultivated during summer season when the climate is quite favorable for food productivity. The vegetable cultivation of the Andaman and Nicobar Islands includes vegetables like radish, lobia, brinjal, ladies finger, poi, cucurbits, marsa, etc. Agriculture of Andaman and Nicobar Island also produces vegetables like knolkhol, tomato, capsicum, cauliflower etc, which are mainly winter season vegetables.

Andaman and Nicobar Islands agriculture has very recently included the hilly areas to promote plantation of different spices crops and fruits. The hilly areas are best used for horticulture, with cultivation of crops like coconut and fruits like pineapple, guava, jackfruit, mango, citrus fruits and other special fruits specially found in this

island. Agriculture activity also includes red oil palm, rubber, cashew nut cultivation. A minimum amount of oilseeds and pulses cultivation could be seen in Andaman and Nicobar Islands.

#### **Handicrafts**

Andaman and Nicobar Islands handicrafts industry is mainly dependent upon its shell crafts. Shells of Andaman and Nicobar Islands are one of the most beautiful and fascinating objects found here. They are some unique creatures of these islands, which are the assets of these islands.

The shell-crafted items of Andaman and Nicobar Islands handicraft industry enjoy high demand worldwide. The abundance of small and big shells in the coastal areas have tempted the coastal people to indulge themselves in the practice of shell crafting.

Thus Andaman and Nicobar Islands handicraft industry is a major economic option for the local people. They collect the seashells and then clean them and process them. After processing they cut them in different desired shapes. Mainly shell crafting is done for making decorative items, ornaments, table lamps etc. The shell handicrafts industry in Andaman and Nicobar Islands is big economy recourse for the peasants of this land.

But due to the fear of sheer exploitation of these natural recourses the government has banned some of the export business related with this craft. Handicrafts industry at Andaman and Nicobar Islands also enjoys timber and woodwork culture. Andaman and Nicobar Islands also boasts of a wide collection of timber species among which some belong to rare families. They cut the timbers in different sizes and thus prepare simple objects giving unique forms to them. A variety of furniture and other figures are made of these woods. The local craftsmen produce decorative hand made beautiful furniture, which are worthy for interior decoration.

#### **Crafts of Andaman**

Seashells handicrafts form a major industry in the islands. Trancs, tortoise and turbos are the main types of shells. However there are certain areas of this sector banned by the government in order to avoid exploitation of natural resources

Timber and woodwork also form an important sector in the handicrafts industry. Padauk, Badam and Gurjan are the main varieties of useful timbers.

Handicrafts from coconut shells are also very popular

#### Crafts of Nicobar

Basketry and Mat making are the two important traditional crafts in the Nicobar

The mats are made from Pandanus leaves and coconut stems. Women generally make them.

Making the crossbows is a functional craft.

#### **Potential Areas of Investment in Handicraft**

Andaman and Nicobar have varied handicrafts like the products of coconut, wood, timber, shells, etc. which can attract investment for its uniqueness and beauty.

#### Banks in Andaman and Nicobar Islands

There are lots of private owned as well as government banks that have set up in different corners of these islands. Banks in Andaman and Nicobar Islands have given all the local people and outside visitors the opportunity of money transaction.

Very recently the Union Territory have developed both commercially and economically. Therefore a lot of banks have set up their branches to provide the peasants and business personnel of those islands with efficient banking facilities.

All the Andaman and Nicobar Islands banks provide facilities like money deposition and withdrawal along with their different terms and conditions. Cash credit facility, home and business loan options are also available to the natives of the islands by the various banks in Andaman and Nicobar Islands. Short term payable loan, medium or long term loans provided by different banks in Andaman and Nicobar Islands have inspired the local people to engage themselves to put up several small industries there. These loans are repayable in monthly, quarterly and yearly installments.

## Fishing Industry in Andaman and Nicobar Islands

Fishing industry is a big earning method and a big support to the economy of Andaman and Nicobar Islands.

It's a big way of earning for the people of this island and thus many people are engaged in different water related business. The island being surrounded by water provides a great boon to the fishing industry. As such many other fishing industries have come up with their ventures in this island.

Fishes like mackerels, barracuda, mullets, tuna, sardines and flying fishes are found in abundance. Other than these, seashells of different sizes and shapes are also found. Shark fishing was also a prime focus of this industry. Fishing Industry at Andaman and Nicobar Islands is a major industry but very recently a ban has been put on the continuous killing of sea sharks.

The islands have an exclusive economic zone (EEZ) of .06 million sq. km, which is about 30 percent of the country's EEZ and endowed with unique marine habitat

Andaman and Nicobar Island is richest in India in terms of corals diversity

The annual fishery potential of the islands (1.48 lakh tones) is about 3.8 percent of the fishery potential of the country

Fresh water fish production is also an important phenomenon in the islands. There are about 1,676 minor irrigation ponds

The main fishing gears, which are used, are gill nets, hook and lines, long lines, cast nets, shore seines or anchor nets

## **Potential Areas of Investment in Fishing**

- The fishery potential of the island is yet to be exploited with about 18.92 percent of level of catch
- Marine Fishing Policy, 2004 emphasizes increasing the fishery potential of the island by the introduction of improved type of fiberglass crafts and improved gears, intermediate class of fishing vessels, large deep sea fishing vessels to develop offshore fisheries. Infrastructure is to be developed for harvest and post harvest operations
- A fishing harbour and processing complex would be set up to attract investment
- The priority areas to be developed are the tuna fisheries and the coastal shrimp aquaculture. The tuna fishery resources account for 44 percent of the total fishery resource of the island

- There is a requirement of 15 tonne ice plant and establishment of 18 fish landing centers
- There is a potential for investment in the areas of fish processing, storage, transportation, marketing and export areas and also in the culture of fish or fresh water fish and shellfishes. Solar fish driers and deep freezers are to be introduced
- There is scope for coastal aqua culture and sports fishing as well.

## **Tourism Industry of Andaman and Nicobar Islands**

A hefty bulk of the revenue earned by the government of Andaman and Nicobar is through the tourism industry. As a matter of fact, the industry of tourism in Andaman and Nicobar islands has boomed and prospered into a completely new and advanced level.

The varied tourist spots in the tranquil islands of Andaman and Nicobar are so spectacular that people from all over the globe gather at least once to witness its charm and grandeur.

There are an amazing variety of conducted tours that are being organized to give the visitors a local taste of the islands and visit the tourist spots. The most prominent are: -

- Conducted tours by Directorate of Tourism: These are operated from the venues like Andaman Teal House, Port Blair and many more. This constitutes an important wing of the industry of tourism at Andaman and Nicobar islands. They conduct tours to Mahatma Gandhi National Park, Wandoor, Mount Harriet, Water Sports complex and Gandhi Park, Corbyn's Cove Beach, Jolly Buoy, Red Skin Chidiya Tapi and many more. The vehicles of choice are the bus and the boat.
- **Directorate of Shipping Services**: It is another essential appendage of the industry of tourism across Andaman and Nicobar islands and they conduct boat tours to Viper Island, Ross Island and Harbor Cruise.

There are also a number of package tours that form an integral part of the industry of tourism of Andaman and Nicobar islands. They include the following: -

Adventure Thrill which is a six day and five nights package tour and visits spots like Corbyn's Cove Beach, Chidiya Tapu and many more.

Explore Andaman, which is another package tour persisting for five nights and six days. It covers locales like the Viper Island and many more.

**Tourist Traffic in Andaman and Nicobar Islands in 2008** 

Tourist Traffic	Year (2008)
No. of Foreign Tourists	12,512
No. of Domestic Tourists	123,914
Total Tourists	136,426

#### **Potential Areas of Investment in Tourism**

There are opportunities in the area of water sports and adventure tourism including trekking, island camping, snorkeling and scuba diving. Sea aquarium, water theme park, wave surfing, marina yatch, convention centre, health resorts, sanctuaries, national park, inter-island cruise liner are among the various areas of interests which would need investment

## **Natural Resource in Andaman and Nicobar Islands**

The varied natural resources in Andaman and Nicobar islands have metamorphosed the twin islands into one of the most recurrently visited spots in India. The blanket of forests that extends across the terrain of Andaman and Nicobar approximately covers 86 percent of its total land. The forests constitute such an integral wing of the natural resource of Andaman and Nicobar that it houses 96 Sanctuaries and 9 National Parks, which is a spectacular feat in itself.

The main objective that primed the construction of so many sanctuaries and natural parks was to preserve those species of animals, which are hanging precariously on the verge of extinction. The sanctuaries cover a mammoth area that measures approximately 466.22 square kilometers whereas the national parks cover 1,153.94 square kilometers.

The primary sanctuaries that form a part of the natural resources of Andaman and Nicobar islands are Narcondum Hornbill Sanctuary that procures a suitable abode for the exotic species of birds known as hornbills, Mahatma Gandhi Marine National Park that houses an entire caboodle of aquatic creatures, Nicobar Pigeon Sanctuary, South Sentinel

Island Sanctuary which houses humongous robber crabs and North Reef Sanctuary which is principally dedicated to the nurturing of a variety of water birds.

The wild animals that wander about in the verdant forests are crab eating macaque, terrestrial shrews, squirrel, snakes, dolphins, bats, crocodiles, rats and many more which add a lot of variety to the natural resources at Andaman and Nicobar islands. These animals attract majority of the tourists with their charm and constitute the backbone of the natural resource across Andaman and Nicobar islands.

### **Livestock Pattern in Andaman and Nicobar Islands**

Livestock is one of the mainstays of the economy of the union territory. Farming is done on the areas that have been cleared from the forest regions of the islands, which have dense vegetation growth of rain forest. Although the total percentage of lands that are used for livestock is small, yet in some areas of Andaman and Nicobar Islands, livestock thrives despite harsh conditions.

Andaman and Nicobar Islands Livestock are almost exclusively comprised of indigenous varieties, with very few improved varieties available. Cattle, buffalo, goat and pig form the crux of Andaman and Nicobar Islands livestock. Buffalo is by far the most numerous of the species comprising livestock at Andaman and Nicobar Islands. Poultry also forms an important part of the livestock of Andaman and Nicobar Islands.

## Minerals and Energy in Andaman and Nicobar Islands

## **Energy**

Energy resources are of extreme important to the state's financial infrastructure. Although some thermal energy is produces, yet water energy is the mainstay of the energy in Andaman and Nicobar Islands. The main source of energy in the Islands is in the form of Hydro-Electricity. The government of Andaman and Nicobar Islands have privatized its power sector. The National Hydroelectric Power Corporation Ltd is in charge of protecting the energy resources of Andaman and Nicobar. However, the government of Andaman and Nicobar islands is committed towards broadening its energy base as well as to conserve its available energy resources

Andaman and Nicobar Islands Minerals and energy are extremely important part of the economy. Although the mineral wealth of Andaman and Nicobar is modest, yet the government of Andaman and Nicobar Islands is committed towards making the best of the available resources. As far as the energy of Andaman and Nicobar Islands go, the

state is looking at the possibilities of optimizing non-conventional energy resources along with the conventional forms.

There is no single power grid for all electrified islands. Instead there are separate powerhouses for all the islands.

The present total installed capacity is 68.46 MW with a peak demand of 38 MW

There was an increase in domestic consumption of energy during 2007-08 along with commercial use. However industrial consumption had decreased after the tsunami due to the latter.

The Andaman and Nicobar Islands have adequate power supply with a combined generation of 68 MW and the following additional capacity is planned in future:

- The government is implementing the New and Renewable Sources of Energy schemes. This is used in order to save cost since otherwise high speed diesel (HSD) oil is used which is imported
- The government along with National Thermal Power Corporation (NTPC) is to install 5 MW grid connected SPV Power Plant in South Andaman and 1 MW grid connected SPV Power Plant in Middle Andaman
- An Expression of Interest (EOI) has been floated for
  - 4 MW generation capacities through Bio Mass using Coconut waste etc., in South Andaman
  - 2 MW generation capacity through Biomass in Little Andaman
  - 1.5 MW generation capacity through Biomass in Car Nicobar
- In remote and isolated villages, solar photovoltaic energy systems are initiated

## **Potential Areas of Investment in Energy**

- The islands have potentiality of solar energy, wind energy, biomass energy, ocean energy and hydro energy.
- There is an approval for augmentation of 33 MW generation capacities in Andaman (S) by using multi fuels such as Bio Mass, Coal Dust etc
- The hydro potential of the Andaman and Nicobar Islands are now analyzed for establishing mini-micro hydroelectric power generating units.
- Ocean thermal energy is forecasted to be one of the sources of energy in place of diesel energy.

## **Upcoming Power Projects**

The Standing Finance Committee has cleared three-power projects for Andaman. The projects are as follows:

- Establishment of 5 MW Solar Photovoltaic Power Project at South Andaman to supplement costly diesel generation by DG sets at an estimated cost of US\$ 18.04 million (INR 81.23 crores).
- Establishment of Kalpong Downstream Small Hydro Project (2 x 250 KW) on the tailrace of existing 5.25 MW Kalpong Hydro Project Power House at Namagram, Diglipur, North Andaman at an estimated cost of US\$ 2.71 million (INR 12.18 crores).
- Establishment of 2x100 KW Korang Small Hydro Project (SHP) across Korang Nallah, Middle Andaman at an estimated cost of US\$ 1.69 millionj (INR 7.6 crores). (Source: <a href="http://andamanchronicle.com/content/view/3999/27/">http://andamanchronicle.com/content/view/3999/27/</a>)

#### **Minerals**

Andaman and Nicobar islands are not altogether rich in mineral resources. However, the state is not completely deprived of mineral resources too, and has the potentials of realizing them. The main Andaman and Nicobar Islands mineral deposits islands are copper and chromite. The government has diversified its mining operations through a process of introducing privatization in the system. It has not only proved beneficial for the mining and minerals of Andaman and Nicobar Islands, but has also been a steady revenue earner for the government.

# **Shipping** in Andaman and Nicobar Islands

Andaman and Nicobar is all set to become India's 13th major port after the government cleared a Shipping Ministry plan to this effect.

An Andaman and Nicobar Port Trust (A&NPT) will be established, with its headquarters at Port Blair. The existing Port Management Board (PMB) at Port Blair will be disbanded and transferred to the proposed A&NPT.

The Andaman and Lakshadweep Harbour Works will be bifurcated and a part of its establishment will be transferred to the newly formed port trust. All provisions of the Major Port Trusts Act, 1963, which apply to the country's existing dozen major ports, will be extended to the new port authority.

In opinion of many experts with the formation of the new port, it will significantly help in the economic development of the Andaman and Nicobar Islands.

## Potential Areas of Investment in Shipping.

- There is a great potential for container port industry.
- This offers the islands an opportunity to develop as a trans-shipment port.
- The government has emphasized the establishment of bunkering facility and dry dock along with the establishment of cargo vessels and passenger services.

## India plans to build trans-shipment port on Nicobar

India is planning to build a trans-shipment port at South Bay on Great Nicobar Island, a development that could be of both commercial and strategic significance to Southeast Asia. The idea is to create a hub for shipping companies with spokes radiating to the eastern seaboard of India, Bangladesh, Myanmar and Thai ports on the Andaman Sea.

Current planning provides for a berthing facility of a modest 3.2 million TEUs (twenty-foot equivalent unit) by 2015, rising to 7.4 million TEUs by 2020. Should the project take off, India expects to build capacity of 17.2 million TEUs by 2020. (Source: <a href="http://www.cargonewsasia.com/secured/article.aspx?id=3&article=23757">http://www.cargonewsasia.com/secured/article.aspx?id=3&article=23757</a>)

## Forestry in Andaman and Nicobar Islands

- 80.36 percent of the total geographical are under forest land i.e. 6,629 hectare as per the State Forest Report of 2005. 40.72 percent is dense forest, 32.08 percent is under moderately dense and 7.56 percent is open forest.
- 7.72 percent of the total forest area is under mangroves. It is the second largest in the country in terms of area.
- 35 percent of the forest area is Tribal Reserves wherein all forestry operations are prohibited.
- The forests are rich in Cane and Bamboo.
- The different types of forest of the islands include:
  - (i) Giant Evergreen Forest
  - (ii) Andaman Tropical Evergreen Forest
  - (iii) Southern Hilltop Tropical Evergreen Forest
  - (iv) Cane Brakes Forest
  - (v) Wet Bamboo Brakes
  - (vi) Andaman Semi-Evergreen Forest

- (vii) Andaman Moist Deciduous Forest
- (viii) Andaman Secondary Moist Deciduous Forest
- (ix) Littoral Forest
- (x) Submontane Hill Valley Swamp Forest
- Silviculture methodology is used for scientific management of forests.
- There is one zoological garden, one biosphere reserve, one biological park, nine national park, ninety-six wild life sanctuaries and one forest training school. There are two government saw mills

#### **Forest Features in Andaman and Nicobar Islands**

Particulars	Figures
Area under Forest in 2008	7,171 Sq. km.
a. Reserved Forest	2,929 Sq. km.
b. Protected Forest	4,242 Sq. km.
No. of islands under forestation	11
Total area covered under forestation in 2008	2,448 hectare
Timber extracted during 2007-08	8,154 Cu Mtr.
Revenue earned by forest department during 2006-07(US\$)	1.69 million

#### **Industries in Andaman and Nicobar Islands**

As per the 2008, there were 1,833 registered small-scale industries. Total investment was US\$ 3.85 million (INR 173.272 million) and an employment of 8,658 persons.

# **Industry Snapshot during 2008**

Sl No.	Particulars	Nos.
1	Large/Medium Scale Industry	5
2	Small Scale Industrial Unit	1,868
3	Industrial Training Centre	14
4	Industrial Estate	8

(Source: http://www.and.nic.in)

## Categorization of the Industrial Units and its percentage share.

Type of Unit	Total	Percentage
Wood based	243	13.28
Agro based	137	7.47
Marine based	65	3.54
Food based	142	7.74
Mineral based	93	5.07
Chemical based	48	2.61
Engineering based	356	19.43
Leather based	9	0.49
Textile based	126	6.87
Coir based	3	0.17
Misc. based	611	33.33
Total	1833	100

(Source: http://www.and.nic.in)

## **Initiatives by the Government**

- Subsidy for transportation of raw materials and finished products, procurement of power generation sets and pollution control equipments, solar power, wind power, bio mass, hydro power and water harvesting equipments
- Subsidy for the handicrafts and coir processing industries, bakery equipments, hand tools for general engineering, carpentry, masonry for the industry
- The following new programmes have been proposed in the Annual Plan 2009-10
  - Interest Free Loan to IT and ITES
  - 50 percent subsidy to IT and ITES

#### Cane and Bamboo

- Out of the total exploitable cane of around 33, 00, 000 running meter (RM) annually, about 12, 50,000 RM is available annually for meeting the requirement of Small Scale Cane Industries and for general consumption
- A complete ban has been imposed on the export of raw cane to ensure availability of cane for industrial use
- The Industrial Estate at Bakultala (Middle Andaman) is being developed as a cane and bamboo cluster by the Directorate of Industries, Andaman and Nicobar Administration

#### Potential Areas of Investment in Cane and Bamboo

The potential areas for setting up cane based industrial units are Baratang, Rangat, Mayabunder, Diglipur, Hut Bay and Katchal

#### Rubber

- Andaman and Nicobar Islands have about 1,000 Hectare of rubber plantation.
- The Forest and Plantation Development Corporation Ltd. produces about 450-500 M.T. of rubber in its plantation at Katchal annually.
- There is no rubber-based industry.

#### **Potential Areas of Investment in Rubber**

There is some scope for setting up of small number of industries producing value added latex rubber products such as rubber gloves, rubber thread, seat cushion, mattresses in Katchal and South Andaman.

#### **Coir and Coconuts**

It is estimated that 280 million coconuts are available annually for industrial exploitation. These coconuts can be used for development of a number of industries based upon coconuts such as production of copra, coconut oil, desiccated coconut, coconut shell powder, activated carbon and items from coconut shell.

It is estimated that 56,000 M.T. of coconut husk is available annually for exploitation for industrial use in these Islands but only a negligible quantity i.e. 120 M.T of coconut husk is being utilized presently for making coir products and the rest is wasted or used as domestic fuel.

There are a few small coir rope manufacturing units in Rangachang and Burmanallah area and one curled coir unit at Hati Tapu, South Andaman.

## **Potential Areas of Investment in Coir and Coconuts**

There is good potential for setting up coir-based industries in Andaman (S), Carnicobar, Katchal, Nancowrie and Campbell Bay. Major production and cultivation of Coconuts in the island is concentrated in these areas

## **Food Processing Sector**

In order to give a boost to the food-processing sector the government t. has allowed certain attractive tax provision.

The government emphasizes on multipurpose extension services, imparting training to entrepreneurs, pilot plant demonstration, food analysis and quality control and setting up of small-scale industries

#### **Number of Food Based Industries**

Туре	South Andaman	Middle Andaman	North Andaman	Nicobar	Nancowry	Campbell Bay	Total
Food Based	93	18	14	2	6	10	143

(Source: http://www.and.nic.in)

# **Information Technology and Enabled Service (ITES)**

• Desktop publishing, development of cyber and internet cafes, medical / legal transcription, development of call centres, business process outsourcing (BPO) knowledge process outsourcing (KPO) and software development are the areas of focus for the government.

- The Govt. of India has emphasized for implementation of laying undersea optical fiber cable between Port Blair and Mainland (India) as entrusted to M/s BSNL/MTNL.
- Land measuring 1.20 hectare at Hope Town (near LPG plant) is in possession of the administration for setting up of industrial estate, which could initially be earmarked for one of the ITES Park..

## **Potential Areas of Investment in ITES**

The ITES services/e-commerce in the areas of manufacturing, telecom, health, etc. is to be developed

# Annexure – I Important Contact Details

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Director of Fisheries	dirfish@and.nic.in	232770	232821	231474	
Forest Environment	dirforest@and.nic.in	233321	233260	230113	
Director of Industries	dirind@and.nic.in	232395	244007	230499	
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