

Industrial Development in Andaman and Nicobar Islands and their Supporting Banks

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Introduction :

Industrial development means any development involving the use of premises (land and buildings) for manufacturing, processing, bulk storage, warehousing, servicing and repair activities, or if the use of premises is unknown, any development permitted or authorised by resource consent in an industrial zone.

In other words, industrial development means any premises devoted primarily to manufacturing, processing, assembly or storage of tangible personal property, research facilities, experimental or testing laboratories, warehouses, distribution and wholesale uses, utility service facilities, aircraft hangars and repair facilities for aircraft, and caretaker's quarters and other accessory buildings reasonably required for maintenance or security of the above uses. Notwithstanding the foregoing, "industrial development" shall not include any premises or development paid for with city funds provided such premises or development is to be used for a city purpose, but the definition of "industrial development" shall include any premises, development, building, facility and improvement funded by, constructed for and to be used by: (i) the city's power, water, waste water, storm water, or solid waste utility; or (ii) the city's golf enterprise.

Types of Industrial Development:

Primary Industry :

In a primary industry, the economic activities usually depend on the environment of that specific region. The economic activities in a primary industry revolve around the usage of the natural resources of the planet like vegetation, water, minerals, earth, etc. In this industry, the major economic activities are harvesting and hunting, fisheries, pastoral activities, mining, agriculture, extraction, and afforestation. The people engaged in working in the primary industry are generally referred to as red-collar workers.

Secondary Industry :

In a secondary industry, the economic activities revolve around adding value to the natural resources by transforming the various raw materials into usable and valuable products. This is done via several processing, manufacturing, and construction industries. The workers belonging to this industry are generally referred to as blue-collar workers.

Tertiary Industry :

In a tertiary industry, the major economic activities include exchange and production. Production usually involves the “provision” of a large array of services consumed on a large scale by millions of consumers. When we talk of exchange, this involves transportation, trade, and communication facilities that are often used to overcome distances. The workers belonging to this sector are generally referred to as white-collar professionals.

Andaman Nicobar Islands Economy :

The economy of the Union Territory is mainly centred on agriculture, which depends on the cultivation of various fruits and crops, few industries mostly of them are small scale and handicrafts and to some extent the tourism. Also fishing and farming contribute to an extent to Andaman and Nicobar's economy.

Agriculture :

The natives of the island mainly depend on agriculture as much as the whole of India does. Land occupying an area of 48,675 hectares of the territory of Andaman

and Nicobar is used for agricultural purpose. The major food crop of the Andaman region is paddy while cash crops like coconut and areca nut are the main crops cultivated in Nicobar Islands. Oilseed, pulses and vegetables are the major field crops cultivated in Andaman & Nicobar Islands.

A variety of fruit types as sapota, banana, mango, orange, pineapple, papaya and root crops are cultivated in the region. Clove, cinnamon, pepper, nutmeg, etc. are grown under the multi-tier cropping system and red oil, cashew, rubber and palm are also cultivated in a limited manner in the islands.

Industries in the region :

The Andaman and Nicobar Islands are industrially classified into the category “A” backward area. The administration’s policy stresses on developing industries which are based on the raw materials available from local resources and thus generate higher employment opportunities.

Several small scale industries have a major share in the trade and economy of the Union Territory of Andaman and Nicobar. Over the last two decades, the growth in the industry sector has been pretty poor due to problems in logistics division, poor availability of raw materials and non-availability of local markets. There are approximately 1,531 small scale units and handicraft industries in the region with remarkable development in the agro-processing sectors where there are various upcoming units in the export arena. The small scale industries in the region account mainly for the production of paints and varnishes, polythene bags, fibre glass, PVC conduit pipes and fittings, soft drinks, beverages, etc. The handicraft industries mainly manufacture wood and shell based handicrafts.

For growth of the civil supplies, tourism, and other industries, a body named Andaman and Nicobar Integrated Development Corporation (ANIIDCO) is responsible. The Oil and Natural Gas Commission is working in the region of oil and gas exploration.

Current Status of the industry in Andaman & Nicobar Islands :

Currently there are no large scale industries in the region. Presently twelve 100% EOU and nine IEMS have filed their application with SIA, New Delhi. Two

100% EOUs namely- M/s Islander Marine Products which is in the private sector and the other which is a joint venture with the Government namely M/s Andaman Fisheries are currently functioning. M/s Andaman Fisheries is involved in the export of fish, as frozen fish, shrimps or prawns, etc.

Another private industry in the power sector is M/s Surya Chakra Power Corporation which amounts to 20MW power generation Areas for Industrial Development in Region.

The sectors that have been recognized for Industrial Development in the territory of Andaman and Nicobar are enlisted below:

- Tourism
- I.T.
- Handicrafts
- High value added products
- Fisheries
- Coir
- Shipping sectors including transshipment ports
- Service industry

Banks :

The more a country or state economically grows up, the more it feels the need for upgrading its banking facilities. Very recently the Union Territory of Andaman and Nicobar Islands 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 instalments.

These banks at Andaman and Nicobar Islands have made the investors interested in different schemes offered by them. Financial assistance provided by these banks in Andaman and Nicobar Islands are a great help to the needy people. Security of money is a big factor behind the successful representation of several banks in Andaman and Nicobar Islands.

Following below is the list of the banks of Andaman and Nicobar Islands :

- Union Bank
- UCO Bank
- Punjab National Bank
- Allahabad Bank
- Vijaya Bank
- Canara Bank
- Indian Overseas Bank
- Indian Bank
- Andaman and Nicobar State Co-operative Bank

These banks provide financial security along with helping hands for the needy people.

Some Supporting Financial Institutions for Industrial Development :

- National Bank of Agriculture and Rural Development (NABARD)
- Industrial Development Bank of India (IDBI)
- Industrial Credit and Investment Corporation of India (ICICI)
- Small Industries Development Bank of India (SIDBI)

Benefits and Advantages of Industrial Development :

- Industrialization Improves Profits
- Industrial Development = Modernization
- Industrial Development Leads to Urbanization
- Industrial Development of One Industry Leads to Growth in Others
- Industrialization Reduces Unemployment & Poverty
- Industrialization Leads to a Higher Standard of Living

Conclusion :

Industrialisation is the period of social and economic change that transforms a human group from an agrarian society into an industrial one. The role of industry helps to improve economic development; it overcomes the agriculture by industrial development. The conclusion of the Industrial Revolution was the creation of many inventions that improved manufacturing capabilities of certain industries and improved the economy. Inadvertently this also led to a rise in poverty and unemployment as dependence on manual labour was reduced.

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