

**Rising Jharkhand:  
Economic Profile**

# **Rising Jharkhand: Economic Profile**

**January 2019**

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रघुवर दास  
Raghubar Das



मुख्यमंत्री  
झारखण्ड सरकार  
Chief Minister  
Govt. of Jharkhand

### MESSAGE

The State of Jharkhand is the land of boundless opportunities; endowed with unlimited natural resources. The State has achieved a steady and strong growth path during the last few years with a promising and sustainable growth trajectory, going forward.

The dynamic and vibrant economic reforms are at the forefront of the thought process of the State Government and is instrumental in achieving conducive business environment for the industry stakeholders.

I am delighted that the State has achieved a significant improvement in the ease of doing business in the recent years and is being ranked among the Top states in India.

Going ahead, the focus of the State is to become a Skills Hub of India. Government is dedicated to enable access to skill-based livelihood opportunities and encourage self employment. Various schemes have been initiated and are running successfully for the growing young workforce.

The State's initiative for organising Global Skill Summit 2019 will not only promote awareness among the stakeholders about the milestones achieved in skilling of the workforce during the last several years, but also capture the imagination of the youth and inspire them to join the skill development programme.

I wish this event a grand success.

  
(Raghubar Das)



धर्मेन्द्र प्रधान  
धर्मेंद्र प्रधान  
Dharmendra Pradhan



मंत्री  
पेट्रोलियम एवं प्राकृतिक गैस ;  
कौशल विकास एवं उद्यमशीलता मंत्रालय  
भारत सरकार, नई दिल्ली  
Minister  
Petroleum & Natural Gas ;  
Skill Development & Entrepreneurship  
Government of India  
New Delhi

### MESSAGE

Development of human capital is necessary for nation building. As India is one of the youngest nations in the world and is poised to grow as one of the leading knowledge economies, education and skill development remains one of the utmost priorities for the Government.

To reap the demographic dividend of our country, India needs to equip its workforce with employable skills and knowledge so that they can contribute substantively to the economic growth of the country. Building up of an effective skill ecosystem will also lead to harnessing Indian capacity for entrepreneurship

It is encouraging to note that Jharkhand Government has taken significant reforms in the area of skill development. These steps will enhance employability of the youth of Jharkhand and also lead them on to the path of entrepreneurship.

I am confident that Global Skill Summit 2019 will provide a focused and effective platform to the stakeholders for deliberating on strengthening skilling, enhancing employability of youth and facilitating industrial development in Jharkhand. I extend by best wishes for successful organisation of the Summit.

  
(Dharmendra Pradhan)

New Delhi  
January, 2019



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Minister of State  
Skill Development & Entrepreneurship  
Government of India



8<sup>th</sup> JANUARY 2019

### MESSAGE

Investment in human capital is a prerequisite for a healthy and productive population for nation building. **Skill India is an initiative of the Government of India which has been launched to empower the youth of the country with desired skill sets** to make them more employable and more productive in their work environment.

Today, India is a country with 65% of its youth in the working age group. The only way to derive benefits from this demographic advantage is through the skill development of the youth so that they add not only to their personal growth, but to the country's economic growth as well.

The Skill Mission launched by the **Hon'ble Prime Minister Shri Narendra Modi on 15th July 2015**, has gathered tremendous steam. Presently the skill ecosystem in India, is witnessing some great reforms and policy interventions for preparing the youth for job and growth opportunities in the various sectors of the economy.

The success of a nation depends on the success of its states undertaking reforms for improving the prosperity of its citizens. I congratulate, the Government of Jharkhand for undertaking various initiatives for accelerating and enhancing the quality of skilling and vocational education in the state which is in line with the national focus towards skilling including the "Skill India" and "Make in India" missions.

I, extend my warm wishes for the Global Skill Summit scheduled to be held in Ranchi, Jharkhand.

ANANTKUMAR HEGDE



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कौशल विकास और उद्यमशीलता मंत्रालय  
GOVERNMENT OF INDIA  
MINISTRY OF SKILL DEVELOPMENT  
AND ENTREPRENEURSHIP

8<sup>th</sup> January, 2019



MESSAGE

India has taken numerous initiatives towards skill development, generation of employment opportunities and developing entrepreneurship ecosystem in the country. Human resource development is one of the significant components to leverage the advantage of the demographic dividend of our country's population in the coming years.

Today, the world and India require a skilled workforce for overall development and growth. Rising population of youth should acquire the skills which could contribute towards making India a modern country. Thus, the growing workforce could prove advantageous only if sufficient investment is undertaken to enhance their productivity.

Effective education and skill development hold the key to reaping the emerging demographic dividend. Going ahead, the education system should be aligned with needs of the industry to enhance employability of the youth.

It is encouraging that at the States level, several efforts are being taken to enhance the employability of the youth. Government of Jharkhand has been promoting the skilling of its youth at the forefront of its development activities.

I hope that the creation of appropriate ecosystem that facilitates imparting employable skills to its growing workforce over the next few decades would be significant for the growth and development of the country.

I extend my best wishes to all the stakeholders participating in the Global Skill Summit 2019 at Ranchi.

(Dr. K.P. Krishnan)



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## **Rising Jharkhand: Economic Profile**

### **From Chief Secretary, Government of Jharkhand's Desk**



**Shri Sudhir Tripathi**

The predominance of youth population in India holds immense significance as it will determine the direction of economy and business in the coming times. As India moves progressively towards becoming a global knowledge economy, it must meet the rising aspirations of its youth.

With this backdrop, the state of Jharkhand has taken several reforms for the growth and development of youth, enhancing literacy, skill development and entrepreneurship. It is committed towards generating skill based opportunities and encourages self employment ecosystem in the state.

Promotion of skill development is the shared responsibility of the key stakeholders i.e. Government and Industry. Hence, efforts in the strengthening skill landscape and Government-Industry interface would be critical to empower youth of the country to achieve their full potential in the coming times.

Going ahead, promotion of university and industry linkages and skilling on a large scale with high standards would be critical to promote a culture of innovation based entrepreneurship to ensure sustainable livelihoods for all citizens in the country.

I convey my best wishes to all the participants in the Global Skill Summit, 2019 at Ranchi. This summit is the harbinger for positioning Jharkhand as the skill capital of India.

**(Sudhir Tripathi)**



## **Rising Jharkhand: Economic Profile**



**Shri Rajesh Kumar  
Sharma**

### **From Secretary, Jharkhand Skill Development Mission Society's Desk**

Jharkhand is one of the emerging states of India and has marked significant developments over the years. Since skill development is one of the important pillars of sound growth and development of any economy, the state has made genuine efforts to focus on skill development and capacity building of its workforce.

The vision of Government of Jharkhand for skill development aims at helping the youth of Jharkhand in their skill development initiatives and to create a complete labour market of skilled resources of Jharkhand. The endeavor is to increase employability for the youth of Jharkhand.

The Government of Jharkhand has initiated various schemes to raise employment by way of investing in skill development, providing social security and promoting self-employment. Hence, development of skilled manpower is a thrust area that the state has been working on and the results so far have been fruitful.

I am sure the Global Skill Summit, 2019 will go a long way in establishing Jharkhand as the 'Skill Destination' of the country.

**(Rajesh Kumar Sharma)**





## **Rising Jharkhand: Economic Profile**



**Shri Rajeev Talwar**

### **From President's Desk, PHD Chamber**

The state of Jharkhand is endowed with rich natural resources and offers tremendous investment opportunities in mineral and natural resource based industries, MSMEs, food processing, sericulture, khadi and village industries, handicraft and handloom, tourism, engineering and auto components, chemicals, electronic goods, iron and steel, among others.

The state has provided a large number of incentives to promote industry especially the MSMEs and has been progressing fast on adopting best practises for strengthening investor friendly environment to boost investments and employment generation.

Knowledge and skill development are the key driving forces of economic growth and social development for any state. A skilled and high productivity manpower base is a critical enabler in the growth of agriculture, manufacturing, and services. The Government of Jharkhand is committed to facilitate overall growth of the state through skilling of its youth, promoting entrepreneurship and private investments for encouraging skill development in several sectors of the economy.

Going ahead, faster pace of skill development, setting up of more number of MSMEs, strengthening infrastructure, building strong entrepreneurship eco-system and sustainable agriculture sector could go a long way in pushing the growth of the state into higher trajectory.

My best wishes for the grand success of “Global Skill Summit 2019” for offering an excellent interactive platform for the youth, skill providers, employers, policy makers and other thought leaders across the world.



**(Rajeev Talwar)**





## **Rising Jharkhand: Economic Profile**

### **From Senior Vice President's Desk, PHD Chamber**



**Shri D K Aggarwal**

A sound physical, financial and socio-infrastructure is the key requirement for the progress of any economy. In this regard, it is commendable that a large number of initiatives have been taken by the state to strengthen its infrastructure over the years.

The state has developed and maintained infrastructure facilities for systematic growth of industrial units. Jharkhand Industrial Infrastructure Development Corporation (JIIDC) is working aggressively for the growth of catalytic infrastructure.

Although, agriculture forms an important component of Jharkhand's economy, however, services and industrial sectors of the state have also made significant developments over the years. As forests and woodlands occupy a major chunk of the area under the state, it provides ample opportunities for the development of minor forest produce based industries and herbal based industries.

Skill development and employment go hand in hand. For the balanced growth of its economy, Jharkhand needs to consistently focus on enhancing the skills and efficiency of its workforce, through the further diversification of industrial activities.

I am sanguine that Global Skill Summit 2019 would go a long way in promoting human resource development in the state and providing tremendous opportunities for the growth of youth in the state.

  
(D K Aggarwal)



## **Rising Jharkhand: Economic Profile**

### **From Vice President's Desk, PHD Chamber**



**Shri Sanjay Aggarwal**

The state of Jharkhand is endowed with rich cultural heritage and bestowed with bounties of nature. The state boasts of luxuriant forests, captivating wild life, enthralling waterfalls, exquisite handicrafts, classical and folk dances, among others.

The arts and crafts from the state showcase sublime and evocative designs and exhibit high quality workmanship, creativity and imagination which are not only popular in India but world over. Special thrust has been given by the Government on the promotion of sericulture, textile and handicraft sector.

Jharkhand is emerging as one of the prominent tourist destinations in the country. Certainly, the tourism activity would help integrate the region further into the overall Indian as well as the global economy, thus having significant social, class and political ramifications.

Going ahead, tourism should be promoted further at a large scale in order to boost the state's economic development. The promotion of eco-tourism, religious tourism and heritage tourism by the state in the coming times would not only help generate employment opportunities but would also help enhance the external orientation of its regional economy.

I believe that Global Skill Summit 2019 is the right platform for developing skill ecosystem in the state. My best wishes to all the distinguished participants of the Summit.



**(Sanjay Aggarwal)**



## **Rising Jharkhand: Economic Profile**

### **From Secretary General's Desk, PHD Chamber**



**Dr Mahesh Y Reddy**

“Rising Jharkhand: Economic Profile” is an extensive report on the state of Jharkhand which has been prepared with the objective to highlight the latest socio-economic developments in the state. This report captures the state’s economic, social, industrial developments.

I firmly believe that skill development is a grassroots’ level activity which leads to the overall socio-economic progress of a nation with the creation of desired employment opportunities for the growing workforce, and also help meet the industry demand in various types of skill-sets.

Jharkhand is keenly working in the direction of promoting skill development by organising several programmes/summits for creating an excellent and effective communication platform for the policy makers, employers, skill providers, youth, among others.

I extend my gratitude to the State Government of Jharkhand for providing us their valuable support for Global Skill Summit 2019.

I commend and appreciate the tireless efforts of PHD Research Bureau team led by Dr. S P Sharma, Chief Economist and assisted by team members Ms. Surbhi Sharma, Associate Economist, Ms. Bhawna Kakkar, Research Associate, Ms. Shivani Mehrotra, Research Associate and Mr. Sonu Sah, Research Trainee for preparing this informative report.



**(Dr. Mahesh Y Reddy)**





## **Rising Jharkhand: Economic Profile**

### **From Chairman's Desk, Jharkhand Committee, PHD Chamber**



**Shri Vishal Chaudhary**

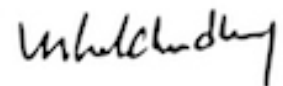
Jharkhand is a land of boundless opportunities which offers distinct advantage for investments and industrial development. It is progressing fast on adopting best practices for making an investor friendly environment to facilitate investments, employment generation and welfare of the people.

Over the years Jharkhand has been keeping the skilling of its youth at the forefront of development activities with an aim to establish the state as a "Skill Hub of India".

The "Global Skill Summit 2019" will witness impressive international participation from various countries. Their presence will ensure concurrence of best practices and taking Jharkhand's success stories in skilling, employability and industrial development to the world.

Going ahead, PHD Chamber assures its full support and cooperation to the state Government of Jharkhand in the promotion of skill development and strengthening entrepreneurship ecosystem in the state.

My warm wishes for the Global Skill Summit, 2019 in Ranchi, Jharkhand.



**(Vishal Chaudhary)**



## **Rising Jharkhand: Economic Profile**

### **From Chairman's Desk, Skill Development Committee, PHD Chamber**



**Shri Vishal Jindal**

Jharkhand has made genuine efforts to focus on skill development, capacity building of its workforce and promotion of entrepreneurship in the state. The State Government is dedicated to enable access to skill-based livelihood opportunities and encourage self employment.

Various schemes have been initiated and are running successfully for the skill development to growing young population for their deployment in specific, strategic and growing sectors of the economy.

The state is committed to skilling of youths through establishing robust institutional mechanisms and developing state of the art training infrastructure.

Going ahead, strengthening university and industry linkages and strong Government-Industry interface would be critical to empower growing young workforce.

My best wishes for the grand success of Global Skill Summit 2019.

**(Vishal Jindal)**



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## Rising Jharkhand: Economic Profile

### Abbreviations

AAI	Airports Authority of India	JSMDC	Jharkhand State Mineral Development Corporation
APPBO	Average Population Per Bank Office	JHARCRAFT	Jharkhand Silk Textile and Handicraft Development Corporation
APMC	Agricultural Produce Market Committee	JSHM	Jharkhand State Horticulture Mission Society
AIADA	Adityapur Industrial Area Development Authority	JSPCB	Jharkhand State Pollution Control Board
ATC	Aggregate Technical and Commercial	JSHRC	Jharkhand State Health System Resource Centre
BE	Budget Estimates	JV	Joint Venture
BIADA	Bokaro Industrial Area Development Authority	KCC	Kisan Credit Card Scheme
BPL	Below Poverty Line	MGNREGA	Mahatma Gandhi National Rural Employment Guarantee Act
BRAP	Business Reform Action Plan	MT	Million Tonnes
BPM	Business Process Management	MNCs	Multinational Companies
BPO	Business Process Outsourcing	MSMEs	Micro Small and Medium Enterprises
CD			
Ratio	Credit Deposit Ratio	MSEs	Micro and Small Enterprises
CDAC	Centre for Development of Advanced Computing	MW	Megawatt
CETPS	Common Effluent Treatment Plants	MoUs	Memorandum of Understanding
CFC	Common Facility Centres	MMR	Maternal Mortality Rate
CHCDS	Comprehensive Handloom Cluster Development scheme	NSDP	Net State Domestic Product
CPIS	Comprehensive Project Investment Subsidy	NAC	Notified Areas Committees
CSC	Common Service Centre	NID	National Institute of Design
CSO	Central Statistics Office	NIFT	National Institute of Fashion Technology
CTE	Consent to Establish	NOC	No Objection Certificate
CTO	Consent to Operate	NIELIT	National Institute of Electronics and Information Technology
DCCBs	District Central Cooperative Banks	NSS	National Sample Survey
DIPP	Department of Industrial Policy and Promotion	PSUs	Public Sector Undertakings
DPR	Detailed Project Report	PACS	Primary Agricultural Credit Societies
DRDO	Defense Research Development Organization	PAMC	Project Approval & Monitoring Committee

## Rising Jharkhand: Economic Profile

	Entrepreneurship Development		
EDP	Program	PD	Primary Deficit
EMD	Earnest Money Deposit	PPPs	Public Private Partnerships
EOUs	Export Oriented Units	PRD	Primary Revenue Deficit
EPF	Employees Provident Fund	PRB	Primary Revenue Balance
EPIP	Export Promotion Industrial Park	PV	PhotoVoltaic
ESI	Employees' State Insurance	Rs	Rupees
	Electronics System Design and		
ESDM	Manufacturing	RD	Revenue Deficit
FDI	Foreign Direct Investment	R&D	Research and Development
FY	Financial Year	RBI	Reserve Bank of India
FOF	Fund Of Funds	RCD	Road Construction Deaprtment
GFD	Gross Fiscal Deficit	RRB	Regional Rural Banks
			Ranchi Industrial Area
GOI	Government of India	RIADA	Development Authority
GoJ	Government of Jharkhand	SHGs	Self Help Groups
			Swarna Jayanti Sahari Rojgar
GSDP	Gross State Domestic Product	SJSRY	Yojana
GSVA	Gross State Value Added	SPV	Special Purpose Vehicle
HT	High Tension	SEZ	Special Economic Zone
IADA	Industrial Area Development Authority	SC	Scheduled Caste
ICD	Inland Container Depot	SD	Security Deposit
	Indian Institute of Information		Scheme for Integrated Textile
IIIT	Technology	SITP	Parks
IP	Internet Protocol	ST	Scheduled Tribe
			Software Technology Parks of
IT	Information Technology	STPI	India
			Technology Upgradation Fund
IMR	Infant Mortality Rate	TUFS	Scheme
INR	Indian Rupee	UDAY	Ujjwal Discom Assurance Yojna
IoT	Internet of Things	UTs	Union Territories
	Information Technology Enabled		
ITES	Services	USD	United States Dollar
KMS	Kilometres		
KVA	Kilo-Volt-ampere		
KWH	Kilowatt-hour		
LT	Low Tension		
	Jharkhand Industrial Infrastructure		
JIIDCO	Development Corporation		



## **Rising Jharkhand: Economic Profile**

### **Executive Summary**

Jharkhand is a state in the Eastern part of India sharing its border with the states of Bihar to the North, Uttar Pradesh and Chhattisgarh to the West, Odisha to the South, and West Bengal to the East. The state is well known for its rich mineral base as it boasts about 40% and 29% of India's mineral and coal reserves<sup>1</sup>, respectively. Some of the important minerals found in Jharkhand are Bauxite, Chromite, Dolomite, Mica, Iron, Copper, Limestone, Asbestos, Uranium, Sillimanite, Gold, Graphite, Manganese, pyrite, Silver, Bauxite, Coal, among others.

The GSDP of Jharkhand has increased significantly during the recent years. The state's GSDP has increased from about Rs. 174724 crores in FY2013 to about Rs. 255271 crores in FY2018. The real GSDP of the state has grown at 5.3% (average) during the period FY2013 to FY2018. The size of economy of Jharkhand is expected to surpass<sup>2</sup> more than Rs. 3 lakh crore by FY2020.

The state has made impressive strides over the years in industrialization. The share of secondary sector<sup>3</sup> in GSVA stands at 24% in 2017-18. The key industrial areas of the state include Jamshedpur, Dhanbad, Bokaro, Deoghar, Hazaribagh, Singhbhum, Ghatshila, among others. Jharkhand offers a wide range of fiscal and policy incentives for boosting growth of various sectors of the economy. It is endowed with rich natural resources and offers tremendous investment opportunities in mineral and natural resource based industries, MSMEs, food processing, sericulture, khadi and village industries, handicraft and handloom, tourism, engineering and auto components, chemicals, electronic goods, iron and steel, heavy and light engineering, medicinal and aromatic plants, forest based industries, metallurgy, tourism, power generating and allied sector, among others.

Jharkhand is a land of boundless opportunities which offers distinct advantage for investments and industrial development. Jharkhand Industrial and Investment Promotion Policy 2016 aims to make the state as one of the most preferred destinations for industrial investments. Several incentives have been offered by the state to spur the growth of industrial sector and promote entrepreneurship ecosystem in the state. It has immense potential for industrialisation as the state is rich in vast mineral deposits.

Jharkhand is progressing fast on adopting best practices for making an investor friendly environment in the state to facilitate investments, employment generation and welfare of the people. Measures like Jharkhand Investment Promotion Board, single window clearance, online payments, online verification, third party certifications, self- certification, time bound approvals, availability of information online, standard operating procedures for approvals, deemed approvals, etc. are being adopted by various departments of the Government.

<sup>1</sup> Data pertains to India Brand Equity Foundation, November 2018.

<sup>2</sup> Projections by PHD Research Bureau

<sup>3</sup> Includes manufacturing, Electricity, gas, water supply & other utility services and Construction



## **Rising Jharkhand: Economic Profile**

Jharkhand Export Policy 2015 has been formulated to facilitate and provide incentives for boosting exports from the state and envisage to increase its share in India's exports to 2% by 2019. The major export items from the state are iron and steel, auto components, mica, motor vehicles/cars, among others. The volume of exports<sup>4</sup> from the state stands more than USD 1000 million during the recent years.

Around 48% share in State's exports is contributed by iron and steel sector. The volume of exports from the state is estimated<sup>5</sup> to reach about USD 2000 million by 2021-2022 on the basis of speedy reforms being taken to spur industrial growth and promotion of export oriented units of the state in the coming times.

Agriculture and allied sector forms an important component of Jharkhand's economy as a large proportion of population depends on it for their livelihood and is the largest contributor in the rural economy. The state holds immense potential in areas like horticulture, fishery and animal husbandry. Rice is the major food crop of the state, covering 80% of the cropped area<sup>6</sup>. The state's soil and climatic conditions support cultivation of ornamental plants, mushrooms, spices and tea. Owing to the cultivable land resources of the state, Jharkhand offers high growth potential for horticulture and forest based products.

Jharkhand is emerging as one of the prominent tourist destinations in the country. Certainly, the tourism activity would help integrate the region further into the overall Indian as well as the global economy. Going ahead, tourism should be promoted further at a large scale in order to boost the state's economic development. The promotion of eco-tourism, religious tourism and heritage tourism by the state in the coming times would not only help generate employment opportunities but would also help enhance the external orientation of its regional economy.

Building a high class infrastructure is crucial for the effective functioning of the industrial sector especially for the manufacturing competitiveness. The state government is making serious efforts towards the development of infrastructure to promote trade, commerce and industry in the state. The state boasts of a good network of road, rail and civil aviation. The state has made significant strides in improving the quality of its social infrastructure during the last few years. Jharkhand is committed to provide education for all and the concerted efforts of the government have resulted in the state to increase its literacy rate quite impressively over the past few years. The state's literacy rate has increased significantly from around 13% in 1951 to around 35% in 1981, 54% in 2001 and about 66% in 2011.

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<sup>4</sup> Data pertains to IBEF

<sup>5</sup> Projections by PHD Research Bureau, the research arm of PHD Chamber

<sup>6</sup> IBID



## Rising Jharkhand: Economic Profile

### Jharkhand

Jharkhand is a state in the Eastern part of India sharing its border with the states of Bihar to the North, Uttar Pradesh and Chhattisgarh to the West, Odisha to the South, and West Bengal to the East. The state is well known for its rich mineral base as it boasts about 40% and 29% of India's mineral and coal reserves<sup>7</sup>, respectively. Some of the important minerals found in Jharkhand are Bauxite, Chromite, Dolomite, Mica, Iron, Copper, Limestone, Asbestos, Uranium, Sillimanite, Gold, Graphite, Manganese, pyrite, Silver, Bauxite, Coal, among others.



Jharkhand offers a wide range of fiscal and policy incentives for boosting growth of various sectors of the economy. The state's industries enjoy a unique location-specific advantage as it is close to the vast market of eastern India. Jharkhand's proximity to ports of Kolkata, Haldia and Paradip make it as an ideal location for boosting growth of export oriented units. The key industrial areas of the state include Jamshedpur, Dhanbad, Bokaro, Deoghar, Hazaribagh, Singhbhum, Ghatshila, among others.

The natural resources, policy incentives and location-specific advantages of Jharkhand offers conducive investment environment in sectors such as mining and metal extraction, engineering, iron, steel, chemicals and food processing, power, infrastructure, manufacturing, among others. The state is also encouraging investments and promoting ease of doing business in the several areas including agro development, education, healthcare, tourism, among others for strong and sustainable growth trajectory in the coming times.

Agriculture sector is one of the main sectors of the state with about 80% of the total population practicing agricultural activities. Although, being an industrial belt, Jharkhand also provides enough scope for cultivation of crops, such as wheat, paddy, pulses, maize, etc. As forests and woodlands occupy more<sup>8</sup> than 29% of the state, it holds plenty of biomass for electricity generation, and rivers and streams hilly terrain is suitable for running of hydel projects.

<sup>7</sup> Data pertains to India Brand Equity Foundation, November 2018.

<sup>8</sup> Data pertains to India Brand Equity Foundation, November 2018.



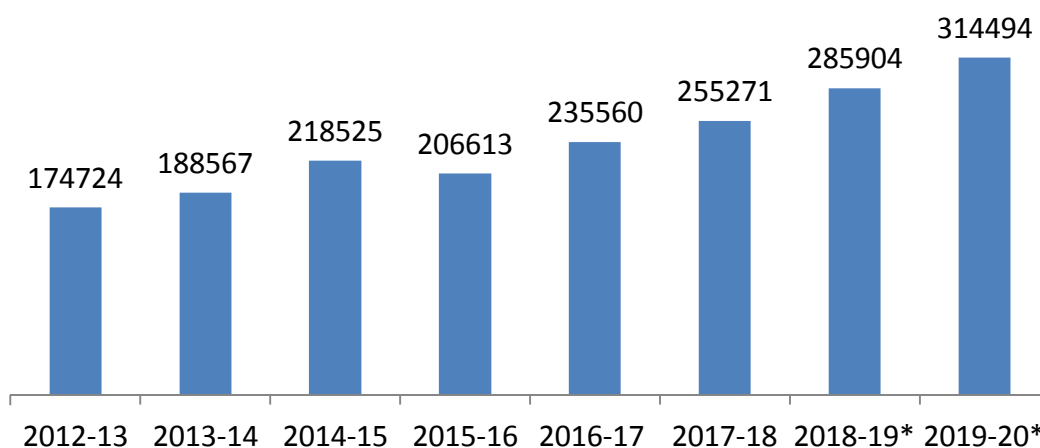


## Rising Jharkhand: Economic Profile

### 1. Structure of the Economy

The GSDP of Jharkhand has increased significantly during the recent years. The state's GSDP has increased from about Rs. 174724 crores in FY2013 to about Rs. 255271 crores in FY2018. The real GSDP of the state has grown at 5.3% (average) during the period FY2013 to FY2018. The size of economy of Jharkhand is expected to surpass<sup>9</sup> more than Rs. 3 lakh crore by FY2020.

**Chart 1. Gross State Domestic Product at current prices (Rs crore)**



Source: PHD Research Bureau, compiled from Ministry of Statistics and Programme Implementation, Government of India.

\* Data for 2018-19 and 2019-20 are projections by PHD Research Bureau of PHDCCI

Tertiary sector contributes a significant share of around 49% in the GSVA of the state followed by the primary sector and secondary sector at 27% and 24% respectively during FY2018. The NSDP of the Jharkhand has increased significantly from Rs 160304 crore in FY2013 to around Rs 234052 crore in FY2018.

**Table 1. Gross State Domestic Product and its Composition**

Components	FY2013	FY2015	FY2017	FY2018
GSDP at current prices (Rs. crore)	174724	218525	235560	255271
NSDP at current prices (Rs. crore)	160304	200357	216000	234052
Economic Growth % (GSDP at constant prices)	8.2	12.5	11.2	4.6
<b>Sectoral Contribution in GSVA at current prices (%)</b>				
Primary	27	30	27	27
Secondary	35	31	25	24
Tertiary	38	39	48	49

Source: PHD Research Bureau, compiled from Ministry of Statistics and Programme Implementation, Government of India. Primary sector include Agriculture, forestry and fishing and Mining and quarrying; Secondary sector include Manufacturing, Electricity, gas, water supply & other utility services and Construction; Tertiary sector include Trade, repair, hotels and restaurants, Financial services, Real estate, ownership of dwelling & professional services, Public administration and Other services

<sup>9</sup> Projections by PHD Research Bureau

## Rising Jharkhand: Economic Profile

**Table 2. Summary of socio-economic indicators**

State Capital	Ranchi
Hon'ble Governor of Jharkhand	Smt. Droupadi Murmu
Hon'ble Chief Minister of Jharkhand	Shri Raghubar Das
Geographical Area (Sq. km)#	79,714
Population (Census 2011)	32,988,134
Population Density (persons/Sq. Km) Census 2011	414
Male population (Census 2011)	16,930,315
Female population (Census 2011)	16,057,819
No. of districts	24
GSDP at Current Prices (FY2018)	Rs. 255271 crores
Growth of GSDP at Current Prices (FY2018)	8.4 %
NSDP at Current Prices (FY2018)	Rs. 234052 crores
Growth of NSDP at Current Prices (FY2018)	8.4 %
Per Capita NSDP at Current Prices (FY2018)	Rs. 63754
Growth of Per Capita NSDP at Current Prices (FY2018)	6.6 %
Population below poverty line (%)^	37%
Gross Fiscal Deficit as % of GSDP (FY2018)*	2.5%
National Highway length (Kms)#	2661
State Highways (Kms)#	6880
Literacy Rate (2011 Census)	66.4%
Sex Ratio (2011 Census)	948 female per 1000 males
Key Industries	Agro-based industries, food processing, mining and mineral based industries, heavy and light engineering, chemicals, medicinal and aromatic plants, sericulture, forest based industries, handicraft, handloom, steel, electrical and electronics, metallurgy, tourism, engineering and auto components, power generating and allied sector, among others.
Main Industrial Cities	Bokaro, Dhanbad, Jamshedpur, Deoghar, Hazaribagh, Singbhum, Ghatshila, among others.
Prominent tourist destinations	Hundru Fall, Jonha Fall, Betla National Park, Rock Garden, Dalma Wildlife Sanctuary, Palamau Fort, among others
Airports	Birsa Munda Airport (Ranchi), Sonari Airport, Dhanbad Airport, among others airstrips

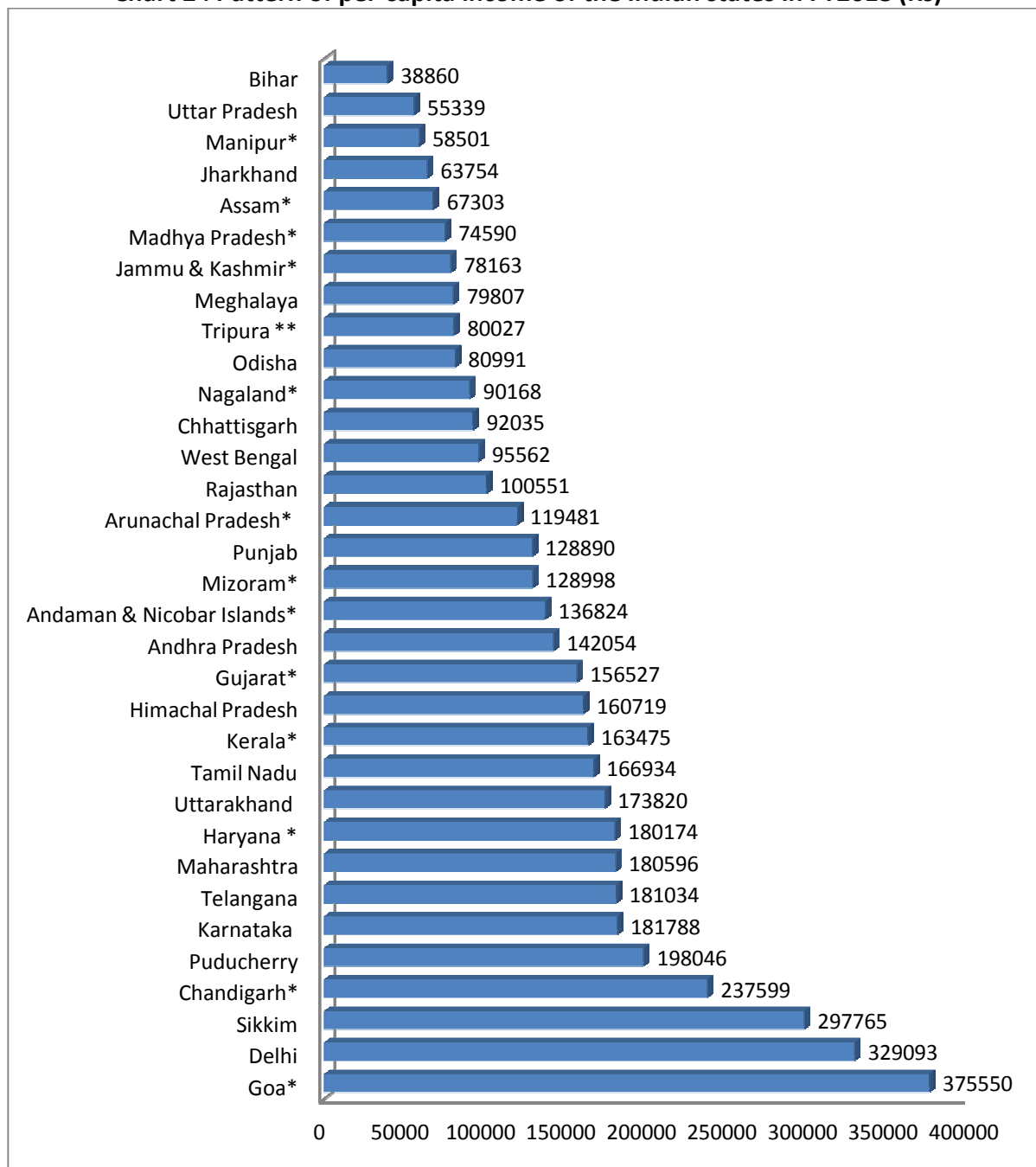
Source: PHD Research Bureau, compiled from Government of Jharkhand, Census 2011, Government of India, IBEF, among other sources. # Data pertains from IBEF, ^ Percentage of Population below Poverty Line - 2011-12, according to Tendulkar Methodology Planning Commission, Government of India, June 2014

## Rising Jharkhand: Economic Profile

### 1.1 Per-capita income

Per capita income of Jharkhand has increased significantly over the years. The per capita NSDP (at current prices) has increased from Rs 41254 in FY2012 to Rs 50,000 in FY2014 and Rs. 63754 in FY2018.

**Chart 2 : Pattern of per-capita income of the Indian states in FY2018 (Rs)**



Source: PHD Research Bureau, compiled from Ministry of Statistics and Programme Implementation, Govt. of India. Note: Comparable data available for FY2018 at current prices base year of 2011-12,\* data pertains to FY2017, \*\* data pertains to FY2016, Data for Dadra and Nagar Haveli, Lakshadweep and Daman & Diu are not available.



## Rising Jharkhand: Economic Profile

### 1.2 Fiscal Deficit

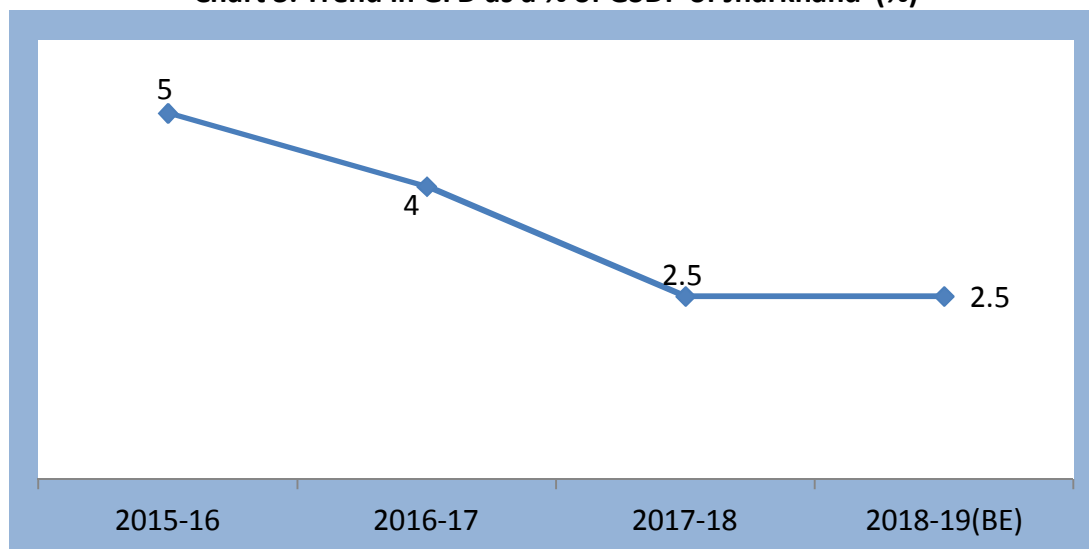
The state has very strategically addressed its gross fiscal deficit over the years. The Gross fiscal deficit of the state as a percentage of GSDP has declined to around 2.5% in FY2018 and projected to remain same<sup>10</sup> at 2.5% in FY2019. The GFD as a % of GSDP was at 4% in FY2017 and 5% in FY2016. Primary deficit as percent of GSDP is also projected to decline to 0.6% in FY2019 as against 0.9% in FY2018, 2.3% in FY2017 and 3.5% in FY2016.

**Table 3: Fiscal Indicators (% of GSDP)**

Fiscal components	2015-16	2016-17	2017-18 (RE)	2018-19 (BE)
RD/GSDP	(-)1.8	(-)0.8	(-)2.8	(-)2.1
GFD/GSDP	5.0	4.0	2.5	2.5
PD/GSDP	3.5	2.3	0.9	0.6

Source: PHD Research Bureau, compiled from RBI. RD: Revenue Deficit, GFD: Gross Fiscal Deficit, PD: Primary Deficit; BE: Budgeted Estimates, RE: Revised Estimates, (-) sign refers to surplus.

**Chart 3: Trend in GFD as a % of GSDP of Jharkhand (%)**



Source: PHD Research Bureau, compiled from RBI

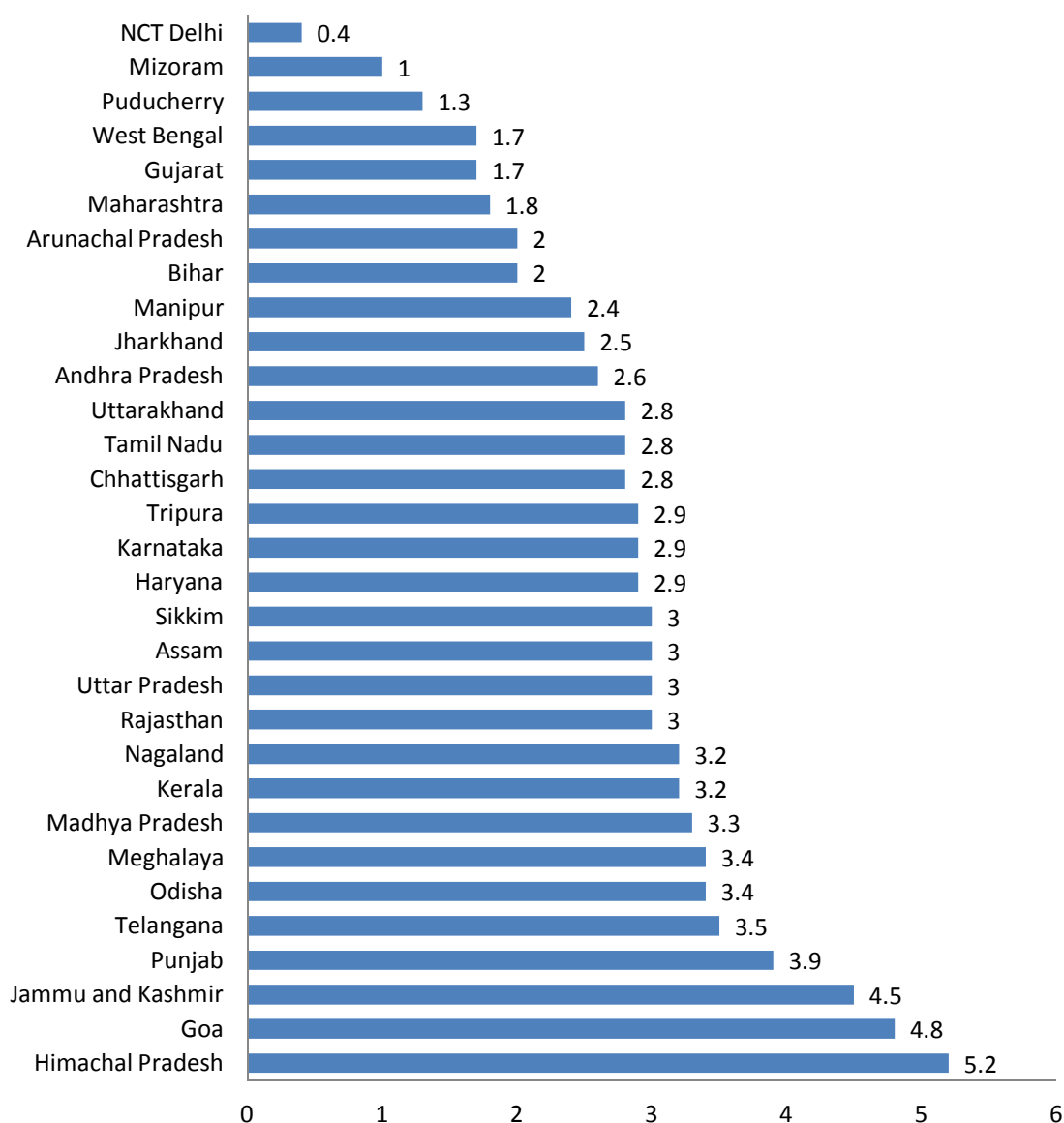
<sup>10</sup> Data as per State Finances : A Study of Budgets of 2017-18 and 2018-19, released by RBI

## Rising Jharkhand: Economic Profile

### 1.3 Comparison of fiscal position with other states

Gross fiscal deficit as a % of GSDP of Jharkhand is lower in comparison to states like Himachal Pradesh, Goa, Jammu and Kashmir, Punjab, Telangana, Odisha and higher than the states like Delhi, Mizoram, West Bengal, Gujarat, Maharashtra, Bihar, etc.

**Chart 4: Comparison of Gross Fiscal Deficit as a % of GSDP 2018-19**



Source: PHD Research Bureau, Compiled from RBI, Note: Data pertains to 2018-19 (Budget Estimates)

Note: Data for Andaman and Nicobar Islands, Dadra and Nagar Haveli, Lakshadweep, Daman & Diu, Chandigarh are not available.

## Rising Jharkhand: Economic Profile

### 1.4 Industrial investments

Jharkhand is a land of boundless opportunities which offers distinct advantage for investment and industrial development. Jharkhand Industrial and Investment Promotion Policy 2016 of the state aims to make Jharkhand one of the most preferred destinations for industrial investments. It has immense potential for industrialisation as the state is rich in vast mineral deposits amounting to 40% of the total minerals of the country. It is the sole producer of coking coal, uranium and pyrite and the leading producer of coal, mica, kyanite and copper in the country.

Jharkhand is progressing fast on adopting best practices for making an investor friendly environment in the state to facilitate investments, employment generation and welfare of the people. Measures like Jharkhand Investment Promotion Board, single window clearance, online payments, online verification, third party certifications, self- certification, time bound approvals, availability of information online, standard operating procedures for approvals, deemed approvals, etc. are being adopted by various departments of the Government.

The state has taken numerous initiatives for promoting industrialisation in the sectors such as agro-based industries, food processing, mining and mineral based industries, industries based on medicinal and aromatic plants, sericulture, forest based industries, engineering and auto components, chemical based industries and power generating and allied industries. Department of Industries, Mines and Geology, organizations like Industrial Area Development Authorities (IADA), Jharkhand State Khadi and Village industries Board, Jharkhand Industrial Infrastructure Development Corporation (JIIDCO), Jharkhand State Mineral Development Corporation (JSMDC), Single Window Society and Jharkhand Silk, Textile and Handicraft Development Corporation (JHARCRAFT) are making significant contribution to facilitate entrepreneurs and develop industrial infrastructure in the state.

The share of Jharkhand in India's industrial investment proposals has grown steadily over the years. The average share of Jharkhand in country's industrial investment proposals stands at around 1% during 2014 to 2017.

**Table 4: Industrial investment proposals in Jharkhand vis-à-vis India (Rs Crore)**

Year	Jharkhand	India	Share of Jharkhand in India's Total industrial investment proposal (%)
2014	368	405027	0.09
2015	154	311031	0.05
2016	1329	414086	0.32
2017	13002	395296	3.29
2018(October)	2457	366104	0.67

Source: PHD Research Bureau, Compiled from Department of Industrial Policy and Promotion, Govt. of India

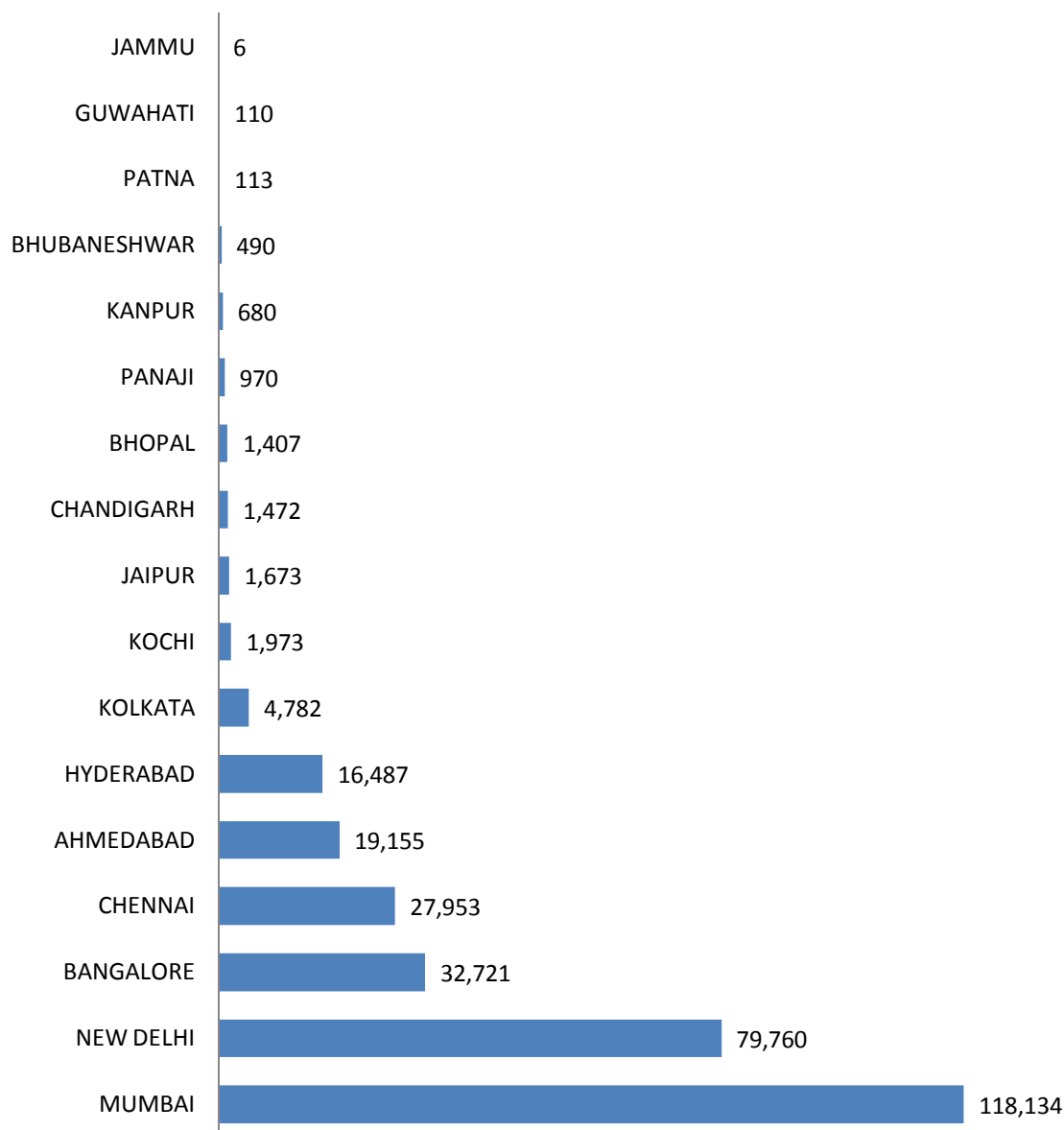


## Rising Jharkhand: Economic Profile

### 1.5 FDI inflows

During recent years, the FDI inflows (Patna region)<sup>11</sup> in the state have posted a steady growth. However, the region constitutes below 1% of the total FDI inflows in India.

**Chart 5: Regional (Patna) share of FDI in India's total FDI inflows (USD million)**



Source: PHD Research Bureau, Compiled from Department of Industrial Policy and Promotion, Govt. of India.

Note: Data pertains to Apr'00-June '18 and represents FDI equity inflows

<sup>11</sup> Pertains to Bihar and Jharkhand

## Rising Jharkhand: Economic Profile

FDI inflows<sup>12</sup> in Patna region has remained steady at about USD 10 million during FY2017 and FY2018. The cumulative FDI inflows during April, 2000 -June, 2018 stands at about USD 113 million.

**Table 5: Pattern in attracting FDI (equity) inflows: Patna Region**

Year	FDI inflows (USD million)
FY 2016-17	10
FY 2017-18	10
FY 2018-19 (April,18– June,18 )	0
Cumulative Inflows (April, 2000 -June, 2018)	113

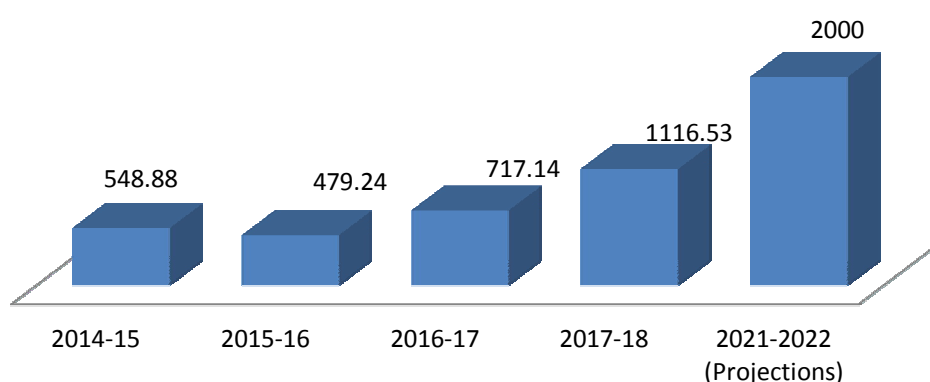
Source: PHD Research Bureau, compiled from Department of Industrial Policy and Promotion, Govt. of India.

## 1.6 Exports

Jharkhand is endowed with rich mineral resources such as coking coal, uranium, pyrite, mica and copper etc. The state's proximity to the ports of Kolkata, Haldia and Paradeep, makes the State attractive for it to be an ideal location for Export Oriented Units (EOUs). It is also rich in agriculture and forest resources and has number of manufacturing units producing variety of items suitable for exports.

The major export items from the state are iron and steel, auto components, mica, motor vehicles/cars, among others. The volume of exports<sup>13</sup> from the state stands at around USD 1117 million during 2017-18. Around 48% share in State's exports is contributed by iron and steel sector in the year 2017-18. The volume of exports from the state is estimated<sup>14</sup> to reach about USD 2000 million by 2021-2022 on the basis of speedy reforms being taken to spur industrial growth and promotion of export oriented units of the state in the coming times.

**Chart 6: Trend in exports of Jharkhand (USD million)**



Source: PHD Research Bureau, compiled from IBEF, November 2018; 2021-2022 projections by PHD Research Bureau of PHD Chamber

<sup>12</sup> Represents FDI equity inflows

<sup>13</sup> Data pertains to IBEF

<sup>14</sup> Projections by PHD Research Bureau, the research arm of PHD Chamber

## **Rising Jharkhand: Economic Profile**

Jharkhand Export Policy 2015 has been formulated to facilitate and provide incentives for boosting exports from the state and envisage to increase its share in India's exports to 2% by 2019. The export policy 2015 introduced a number of measures for facilitating export promotion and marketing which includes infrastructure support for exports and fiscal incentives enabling the exporters to achieve higher growth trajectory.

Several exports promotion measures have taken up by the Jharkhand to encourage and promote exports from the state. Further, efforts have been made to have MoU/ strategic partnership / task force engagement with various organisations for the promotion of export from Jharkhand on Value Added Products. Inland Container Depot (ICD) has been set up at Jamshedpur for large scale containerization of value added and manufactured exportable goods with the assistance of Government of India.





## Rising Jharkhand: Economic Profile

### 2. Agriculture and Allied Sector

Agriculture and allied sector forms an important component of Jharkhand's economy as a large proportion of population depends on it for their livelihood and is the largest contributor in the rural economy. The state holds immense potential in areas like horticulture, fishery and animal husbandry. Rice is the major food crop of the state, covering 80% of the cropped area<sup>15</sup>. The state's soil and climatic conditions support cultivation of ornamental plants, mushrooms, spices and tea. Owing to the cultivable land resources of the state, Jharkhand offers high growth potential for horticulture and forest based products.

**Table 6: Summary of agro statistics**

Sr. No	Components	Growth/production
1	Agriculture & allied GSDP at Current prices (FY2018)	Rs 61613 Crore
2	Growth of Agriculture & allied real GSDP (Average from FY2013 to FY 2018)	3%
3	Agricultural & allied sector's contribution in GSVA (FY 2018)	27%
4	Total food grains production (FY2017)	6730 Thousand tonnes
5	Total cereals production (FY2017)	5864 Thousand tonnes
6	Total pulses production(FY2017)	844 Thousand tonnes
7	Total oilseeds production(FY2017)	268 Thousand tonnes
8	Net irrigated land *	207 Thousand hectare
9	Net area sown*	1385 Thousand hectare
10	Population dependent on agriculture	80%
11	Rice Production (FY2016)	2882.2 Thousand Tonnes
12	Wheat Production (FY2016)	287.3 Thousand Tonnes
13	Coarse Cereals (FY2016)	395.5 Thousand Tonnes
14	Sugarcane (FY2016)	708.9 Thousand Tonnes

Source: PHD Research Bureau, Compiled from Economic Survey of Jharkhand, 2017-18, RBI and other sources; \* Data for FY2015

Several steps have been taken in the direction of promoting sustainable agriculture sector such as conversion of fallow land into cropped area, double cropping rice fallow scheme, agricultural mechanisation promotional scheme for women self help groups (SHGs), horticulture development

<sup>15</sup> Data pertains to IBEF

## **Rising Jharkhand: Economic Profile**

scheme, organic certification, organic fertiliser production, among others. Jharkhand has lot of scope for bringing additional area under cultivation through vertical and horizontal expansions, increasing area under irrigation, increasing production and productivity of food crops through optimum utilization of inputs like quality seeds, fertilizers, agricultural tools and equipments etc.

### **Key initiatives taken by the state for promoting agriculture**

- In order to give an impetus to the growth of the Food Processing Sector in Jharkhand, Mega Food Park at Ranchi has been set up to offer several facilities including Multi Chamber Cold Storage, Dry Warehouse, Vegetable Dehydration Line, modern Quality Control & Testing Laboratory and other processing facilities for fruits & vegetables.
- Special crop scheme focuses on to promote the cultivation of thick crops like ragi, gudgi, jowar, madua and other pulses. Single window and mobile based e-solutions are promoted to facilitate farmers with efficient and modern methods of agriculture, assistance, suggestions and solutions through single window centres at designated areas.
- Agriculture fairs, workshops, training programmers, exhibitions, encouragements and promotion of various agriculture related schemes are intended to create awareness in agricultural activities and output.
- Rice is the primary crop in the Jharkhand. After the harvesting of rice, with an objective to not leave the fields vacant post harvest season, Double cropping rice fallow scheme was launched to encourage farmers to grow other crops in the off-season.
- Quality control laboratory provides necessary information and knowledge about the seeds, diseases, maintaining and enhancing the crops and ways of increasing productivity. Ponds reconstructions scheme for reconstructing ponds for the irrigation purpose of farmers. Distribution of pump sets scheme aims to increase the options of irrigation among small and marginal farmers having covered with irrigation wells under MGNREGA by the distribution of pump sets to them.
- Mechanization of agriculture scheme target towards increasing mechanization in agriculture especially aimed at increasing role of women in the same. Distribution of agricultural tools and irrigation pumps scheme intends to distribute agricultural tools and irrigation pumps which are operated through solar energy
- Interest subvention scheme: Agriculture sector requires credit during cultivation and harvesting. The small farmers faces financial crunch and take short term loans. To incentivize prompt repayment additional interest subvention of 3% to farmers is provided under this scheme.



## **Rising Jharkhand: Economic Profile**

### **3. Economic Policy Environment**

Jharkhand is rich in forests and minerals complementing its vibrant tribal culture, art and crafts. Wild taser silk, lac, sal and palm leaves and other forest produce remain important to craft production in the state. Jharkhand has large deposits of minerals that amounts to 40%<sup>16</sup> of the total mineral wealth of India. In 2017-18, the state's share of primary sector in GSVA at current prices was 26.98%, secondary sector was 23.67% and tertiary sector was 49.34%. The state has made impressive economic progress over the years. Jharkhand has important steel plants and mines. Jharkhand's automotive industry produces a wide range of products from simple nuts and bolts to complex items like shafts, radiators and axles.

Around 30%<sup>17</sup> of Jharkhand's geographical area is covered with highly bio diversified forests, that provide an opportunity for development of Minor forest produce based industries and herbal based industries. Also, its agro-climatic condition is suitable for development of Agri-based and allied sector industries. Strong emphasis is also being placed on Micro, Small and Medium Enterprises (MSME).

Measures like Jharkhand Investment Promotion Board, single window clearance, online payments, online verification, third party certifications, self- certification, time bound approvals, availability of information online, standard operating procedures for approvals, deemed approvals, etc. are being adopted by various departments of the Government. Such measures are an indicator that Jharkhand is progressing fast on adopting best practices for making an investor friendly environment in the state to facilitate investments, employment generation and welfare of the people.

#### **3.1 Jharkhand Industrial and Investment Promotion Policy 2016**

Industrial development policy of Jharkhand aims at promoting higher capital formation, raising wage incomes and absorbing surplus workforce to bring about equitable development throughout the state. Jharkhand Industrial and Investment Promotion Policy aims to establish state-of-the-art infrastructure, promote manufacturing, enhance inclusivity, foster innovation and create employment opportunities across sectors.

The state intends to be the most preferred destination for investors by providing favourable business climate, excellent infrastructure, good law and order and peaceful industrial relations. The new industrial and investment promotion policy focuses on creating a conducive eco-system which makes industries based in Jharkhand innovative and globally competitive. Special emphasis has also been given on creation of industry friendly environment for maximizing investments in mineral and natural resource based industries, MSMEs, infrastructure development and rehabilitation of viable sick units in the state.

<sup>16</sup> Jharkhand Industrial and Investment Promotion Policy 2016

<sup>17</sup> Jharkhand Industrial and Investment Promotion Policy 2016



## **Rising Jharkhand: Economic Profile**

**Key highlights of Jharkhand's Industrial and Investment Promotion Policy 2016 are as follows:**

- To convert Jharkhand into a favoured destination for investors and to promote sustainable Industrial growth of the State.
- To create time bound, web based transparent working mechanism for project clearance, Date of Production declaration and financial and non-financial assistances and clearances.
- To establish linkages between large industries and MSME/ ancillary industries.
- To ensure participation of scheduled tribes, scheduled castes and other underprivileged sections of the society for inclusive industrial growth.
- To promote employment generation in industrial and service sector by providing facilitation under Industrial and Investment promotion Policy, MSME Act 2006 and other policy interventions.
- To promote MSME sector for textile, auto component, food processing and I.T., besides ancillary and downstream industries.
- To increase the level of processing, reduction of wastage, value addition, enhance the income of farmers as well as increase exports thereby resulting in overall development of food and feed processing sector.
- To create more Industrial Parks in private, joint venture and PPP mode under Jharkhand Industrial Park Policy 2015.
- To provide direct and indirect employment in the MSME sector.
- To promote SEZ for IT and auto components.
- Time bound disposal of project clearances through Single Window System.
- To promote quality certification, FPO, process ISO and patent certification for local industries.
- To promote new tool rooms and expand the activities of existing tool rooms.
- To set up new training institutes/centres for skill development with emphasis to train 30% women and up-gradation of existing training institutes with modern standard syllabus.
- To realise the potential of Agriculture sector and rural economy by setting up some more food parks in Jharkhand.
- To revive viable sick units.
- To promote specific sector approach and value addition in production.
- To encourage the adoption of green, clean-energy business practices.
- To promote innovation, start-ups and technology transfer.
- To promote qualitative enhancement of skill and human resources of the State
  - Improving business environment with stress on 'Ease of Doing Business
  - Enabling manufacturing processes
  - Zero effluent discharge plants



## **Rising Jharkhand: Economic Profile**

### **Incentives of the Jharkhand Industrial and Investment Promotion Policy 2016**

Government of Jharkhand proposed to provide the best incentives, exemption and concessions for industrial units to be established in the state.

**Comprehensive Project Investment Subsidy (CPIS)** –MSME units shall be entitled to get CPIS for investments made in fixed capital investment. Subsidy under CPIS for MSME shall be admissible at the rate of 20% of investments made in fixed capital investment. Non MSME Units shall be entitled to get Comprehensive Project Investment Subsidy (CPIS) for investment made in Plant and Machinery, Pollution Control Equipment, Environment friendly alternative power generation equipment and Employee Welfare (EPF, ESI, Health Insurance Scheme).

**Stamp duty and Registration fee-** Industrial units will enjoy 100% exemption / reimbursement of stamp duty and registration fee for land directly purchased from the raiyats / acquired through consent award (lessee of IADA / industrial parks will not be eligible for this benefits). This facility will be granted only for the first transaction for a particular plot of land.

**Patent Registration-** Industrial units will be encouraged for filing their successfully generated, registered and accepted patents based on their original work / research. The State Government will provide financial assistance of 50% of the expenditure incurred, up to a maximum of Rs. 10 lakh, per patent. Out of these a maximum of Rs 4 lakh may be given on expenditure incurred in filing of patent, attorney fees, patent tracking etc. and up to maximum of Rs. 10 lakhs on final acceptance of the patent.

**Incentive for Cluster Development-** A grant of 15% of the grant released by the government of India shall be offered by State Government to Cluster schemes approved by Government of India for the State to SPV/ promoter.

### **3.2 Jharkhand Mineral Policy 2017**

Jharkhand is known as Museum of Minerals right from coal bed methane to coal in fossil fuel to industrial minerals, Uranium, Kyanite, Copper and associated minerals, precious and semi precious mineral, among others are found in the state. Minerals are the biggest source of revenue to the State Exchequer as well as the highest job provider.

The Government of Jharkhand formulated Mineral Policy 2017 according to the aims and objectives as pronounced by National Mineral Policy 2008 and guidelines of Government of India. Presently in the State of Jharkhand 417 leases of Major Minerals are granted out of which 206 are operative and 211 are non operative.



## **Rising Jharkhand: Economic Profile**

### **Key highlights of the Jharkhand Mineral Policy 2017 are as follows:**

- Geological Survey of India, Central Mining Planning, the Directorate of Geology and other important organizations will be ensured for greater coordination and exchange of information amongst them.
- In order to increase the resource base of the state, the directorate of Geology will be strengthened and shall take up annual programmes.
- The state shall prepare District Survey Report for Minor Mineral for all District of Jharkhand.
- The state shall actively encourage private investment in exploration of mineral resources.
- The Department of Industries, Mines and Geology shall establish a Technical Cell to develop expertise in Mining Plans and Mine Closure Management Plan.
- To facilitate and ensure sustainable development of mineral resources in harmony with the environment, a comprehensive view on land use will be taken keeping in view the needs of development as well as needs of protecting the forest, environment and ecology.
- The state shall focus on development of roads within the mining areas and connecting roads to railway stations/ports.
- Efforts will be made to attract mineral based industries into the State to add value and increase economic activity and bring in the best practices in mining and sustainable development.
- Reservation for the areas of public sector shall be made to meet the reasonable needs of a unit or for the purpose of supply of ore to local industries in a transparent and equitable manner as part of ore-linkage scheme.

### **3.3 Jharkhand Procurement Policy 2014**

In order to encourage industrial development and employment generation, the state government has taken various measures for setting up new industries. The state has given special focus on the MSME sector to promote sustainable industrial growth and development. Hence, with the aim to promote and develop Micro and Small Enterprises (MSEs) of the state on preferential basis, Jharkhand Procurement Policy has been formulated which provide preference to the purchases of products and services in comparison to the units located outside the state.

Jharkhand Procurement Policy 2014 aims at promoting and developing Micro and Small Enterprises (MSEs) of the State by giving preference in purchases of its products and services in comparison with the units located outside the state, without compromising the quality, competitiveness and cost effectiveness. This Jharkhand Procurement Policy 2014 is based on the core principles of encouraging competitiveness amongst local MSEs and other industrial units through sound, fair and transparent practices. The policy is basically aimed at facilitating the purchases from Micro and Small Enterprises (MSEs) of the State by Government Departments and institutions.



## Rising Jharkhand: Economic Profile

**Table 7: Key highlights of Jharkhand Procurement Policy 2014**

Objective of the policy	To promote and develop MSEs of the state on preferential basis.
	Based on the principles of encouraging competitiveness through fair and transparent practices.
Mandatory procurement from Micro and Small Enterprises by state government	Annual goal of achieving overall procurement of 20% of total annual purchases of products and services rendered in a period of three years.
Special provisions for Micro and Small Enterprises owned by Scheduled Castes or Scheduled Tribes	A sub target of 20% shall be earmarked for procurement from MSEs owned by scheduled castes or schedule tribes entrepreneurs out of 20% target of annual procurement from MSEs .
Report of targets in Annual Reports	The goals set with respect to procurement from MSEs and the respective achievements made by the departments of state government, aided institutions and PSUs would be reported in their Annual Reports.
Purchase from Exclusive List	An exclusive list of goods and services will be prepared according to the capacity of local MSEs which will be reserved for exclusive purchase from MSEs .
Rate contract	Rate Contract System would provide the list of goods and services by the state PSUs to be reserved for procurement.
Procurement through Open Tendering	The procurement of goods and services by other than those given in the exclusive list or on rate contract card shall be done through open tendering by state government departments.
Reduction in Transaction Cost	In order to promote MSEs, tender form for bidding shall be provided free of cost, exemption of earnest money deposit (EMD), MSEs shall be required to deposit only 10% of security deposit (SD) and facility of bill discounting shall be made available on Govt. orders.

Source: PHD Research Bureau, compiled from Jharkhand Procurement Policy 2014.

## Rising Jharkhand: Economic Profile

### 3.4 Jharkhand Solar Power Policy 2015

To achieve a sustainable development route that provides for advancement in economic as well as environmental objectives, the Government of Jharkhand is determined in taking necessary steps to encourage the generation based on renewable energy resources. The State has high solar insolation around 300 days of clear sun and offers good sites having potential of more than 4.5 to 5.5 kWh/m<sup>2</sup>/day, which the State intends to harness to support the energy requirements of the State.

**Key objectives of the solar policy are as follows:**

- To encourage participation of Private Sector to set up Solar Power based projects in the State and increase solar power generation to 2500 MW by the year 2020 in a phased manner.
- To build a favourable atmosphere for setting up Solar Power projects.
- Ensure energy security of the State by a stable and non-polluting means.
- To promote local manufacturing facilities which will generate employment in the State.

**Table 8: Key Highlights of Jharkhand Solar Power Policy 2015**

Minimum Target	(in MW)						
	Description	FY2015-16	FY2016-17	FY2017-18	FY2018-19	FY2019-20	Total
	Solar Photovoltaic Power Plants	100	250	500	500	750	2100
	Rooftop Solar Power Plants	25	50	100	125	200	500
	Solar Thermal Power Plants	5	10	10	10	15	50
Source: PHD Research Bureau compiled from Jharkhand Government							
Implementation Plan	The State aims at developing utility scale solar power plants under following segments to realize the minimum targets:						
	<ul style="list-style-type: none"> <li>• Development of Solar Power Plants for Sale of Electricity to the Distribution Licensee</li> <li>• Development of Solar Power Plants for Sale of Electricity to any Person other than the Distribution Licensee</li> <li>• Development of Solar Parks</li> <li>• Development of Solar Power Plants under Renewable Energy Certificate Mechanism</li> <li>• Development of Solar Power Plants on Canals</li> <li>• Development of Solar Power Plants under the schemes announced by Government of India</li> <li>• Development of Solar Power Plants under any other scheme of State Government.</li> </ul>						

Source: PHD Research Bureau, Compiled from Jharkhand Solar Policy 2015



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The government has prepared a draft Jharkhand State Solar Rooftop Policy 2017 with the following objectives:

- To contribute to solar capacity addition and energy security
- To optimally utilise the available solar energy resource in the state.
- To encourage development and promotion of environment benign solar energy generation contributing to sustainable development.
- To reduce the cost of power and ensure community participation in promotion of green energy.
- To maximise utilisation of state's energy distribution infrastructure.
- To encourage sustainability of economically weaker classes through innovative business models, among others.

### 3.5 MSMEs in Jharkhand

MSMEs provide the largest share of employment after agriculture and hence, can contribute enormously to the socio-economic development in Jharkhand. There are 15.88 Lakhs MSMEs in Jharkhand that constitute 2.50% of the MSMEs in all over India.

Table 9: Estimated Number of MSMEs (in Lakhs)				
	Micro	Small	Medium	Total MSME
Jharkhand	15.78	0.10	0	15.88
All India	630.52	3.31	0.05	633.88
Share of Jharkhand MSME in All India	2.50%	3.02%	0	2.50%

Source: Compiled by PHD Research Bureau, Annual report of MSMEs 2017-18 (State-wise Distribution Estimated Number of MSME (NSS 73rd Round, Annexure-I)) [Note: The figures are as per the National Sample Survey (NSS) 73rd round, conducted by National Sample Survey Office, Ministry of Statistics & Programme Implementation during the period 2015-16]

MSMEs are complementary to large industries as ancillary units. Therefore, Government of Jharkhand has placed strong focus on the development of this sector. The Government intends to offer a conducive eco-system and competitive fiscal incentives to MSMEs for the growth of MSMEs in the state.

#### Key incentives for Micro, Small and Medium Enterprises (MSMEs) of the state

- For goods manufactured by Micro and Small Industries of Jharkhand, price preference will be allowed in case of purchases by Government Departments and State owned PSUs including Boards, Corporations, Development Authorities, Improvement Trusts, Municipalities, Notified Area Committees, Cooperative bodies and institutions aided by State Government and Companies where Government share is 50% or more.

## **Rising Jharkhand: Economic Profile**

- The state government proposes to formulate a Marketing Policy for safeguarding the interest of local Micro and Small Enterprises. Government of Jharkhand launched Procurement Policy in 2014.
- Provision of platforms for interaction between Enterprises of Jharkhand and also for interaction between Enterprises of Jharkhand and potential domestic and global markets through Trade Fairs and Road shows.
- Encouraging the MSEs to participate in national and overseas business fairs and exhibitions and international delegations.
- Setting up a permanent exhibition-cum-convention centre for exclusive display of MSME products.
- Strengthening of Micro and Small Enterprises Facilitation Council to redress the problems faced by local MSEs in marketing their quality products in the state of Jharkhand. Information technology shall be effectively utilized for facilitation and speedy disposal of cases in this council.
- The raw material generating units shall be persuaded to give purchase preference to the local industries, whose production is dependent upon the supply of such raw material. Similarly, the PSU's / Private Sector large industries, located within the state would be persuaded to give purchase preference to the local industries while making purchases of raw materials and other items required by it. Preference would also be given to the local industries in supply of forest produce available in the state.
- The government proposes to develop symbiotic relationship between the MSME and the technical institutions by linking each cluster with a technical institution to solve the technical and design related problem of the MSMEs.
- Efforts will be also be made to provide linkages for MSMEs with micro-finance institutions, raw materials, focused market access etc.
- Special emphasis on provision of Common Facility Centres (CFC) will be given mainly through Public-Private-Partnership (PPP) initiatives to MSME projects of a cluster.
- Schemes like Credit Guarantee Fund Trust Scheme, Cluster Development Programme for MSMEs, Credit Linked Capital Subsidy Scheme, Technology Up-gradation Scheme being operated by Govt. of India and various other promotional schemes of different ministries of Govt. of India are proposed for the benefit of MSMEs of the State. Efforts will also be made to suitably complement these schemes enabling the entrepreneurs to avail maximum advantage of these schemes.



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### 3.6 Services Sector in Jharkhand

The services sector of Jharkhand has exhibited a tremendous progress over the last many years. The government of Jharkhand has taken proactive steps in different areas such as ease of doing business, formulating policies for conducive startup environment, drafting a policy for Internet of things which is an upcoming area in the information technology, among others. The government has also been taking steps to provide healthy incentives to attract investors for entrepreneurship.

#### 3.6.1 Ease of Doing Business in Jharkhand

According to the Business Reform Action Plan (BRAP) rankings for 2017-18, Jharkhand ranked 4<sup>th</sup> in terms of ease of doing business<sup>18</sup>. Recently, on December 20<sup>th</sup>, 2018, the Department of Industrial Policy and Promotion (DIPP) announced results of the first ever States' Start-up Ranking 2018 in which Jharkhand emerged among the 'Aspiring Leaders'.

In sync with the 'Make in India' campaign launched by the central government, Jharkhand has launched 'Make in Jharkhand' to enhance the experience of industry as well as society stakeholders. To create an environment which is conducive for entrepreneurship development, industry consultation, timely clearances, responsive administration and transparent government, timely clearances and responsive post investment facilitation services have been identified as the cornerstone for improving business environment and boosting investor confidence.

**Table 10: State-wise Business Implementation Reform**

S. NO.	State	Rank	Score (%)
1.	ANDHRA PRADESH	1	98.30
2.	TELANGANA	2	98.28
3.	HARYANA	3	98.06
4.	JHARKHAND	4	98.05
5.	GUJARAT	5	97.99
6.	CHHATISGARH	6	97.31
7.	MADHYA PRADESH	7	97.30
8.	KARNATAKA	8	96.42
9.	RAJASTHAN	9	95.70
10.	WEST BENGAL	10	94.59
11.	UTTARAKHAND	11	94.24
12.	UTTAR PRADESH	12	92.89
13.	MAHARASHTRA	13	92.88
14.	ODISHA	14	92.08
15.	TAMIL NADU	15	90.68

<sup>18</sup> Business reform action plan, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India

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16.	HIMACHAL PRADESH	16	87.90
17.	ASSAM	17	84.75
18.	BIHAR	18	81.91
19.	GOA	19	57.34
20.	PUNJAB	20	54.36
21.	KERALA	21	44.82
22.	JAMMU & KASHMIR	22	32.76
23.	DELHI	23	31.69
24.	DAMAN & DIU	24	28.69
25.	TRIPURA	25	22.45
26.	DADRA NAGAR & HAVELI	26	21.88
27.	PUDUCHERRY	27	15.65
28.	NAGALAND	28	14.16
29.	CHANDIGARH	29	11.54
30.	MIZORAM	30	3.66
31.	ANDAMAN & NICOBAR ISLANDS	31	1.25
32.	MANIPUR	32	0.27
33.	SIKKIM	33	0.14
34.	ARUNACHAL PRADESH	34	0.00
35.	LAKSHADWEEP	34	0.00
36.	MEGHALAYA	34	0.00

Source: PHD Research Bureau compiled from the Department of Industrial Policy and Promotion, Government of India as on 5<sup>th</sup> January 2019

**Table 11: Ease of Doing Business**

<b>Responsive and Simplified Operations</b>	<ul style="list-style-type: none"> <li>On non-compliance to services covered, punitive actions have been defined under Jharkhand Right to Service Guarantee Act.</li> <li>Combined application for different type of mandatory state approvals.</li> <li>Only two documents are required for obtaining Electricity connection.</li> <li>Online availability of Standardized Contract templates.</li> <li>Unified ID will work for all State Taxes.</li> <li>Online availability of defined inspection procedure for Commercial Taxes, State Pollution control board, Labour laws compliances and other departments.</li> <li>Availability of online payment Gateway operational through a broad network of 67 Banks and two way online payment arrangement through six Banks.</li> <li>Simple online e-filing return facility for dealers through Common Service Centre (CSC) - 'Pragya Kendra'.</li> </ul>
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	<ul style="list-style-type: none"> <li>• 24x7 availability of Helpline Numbers assisting tax payers in preparing and filing returns.</li> <li>• Single Joint Site Inspection for Construction permit approval.</li> </ul>
<b>Reduced Timelines</b>	<ul style="list-style-type: none"> <li>• Professional Tax registration certificate is issued within one working day.</li> <li>• Inspection reports for Pollution Control Board, Forest, Urban, Commercial Tax, and Labour Dept. within 48 hours.</li> <li>• Water allocation approval now available within 30 days.</li> <li>• Processing timelines for HT and LT Power connection has been reduced to 15 days.</li> <li>• Inspection lead time for electricity connection has been fixed at 2 days from the time of application.</li> </ul>
<b>Initiatives for Online Applications and Approvals</b>	<ul style="list-style-type: none"> <li>• Online allotment of land in industrial areas.</li> <li>• Online application and payment for Land Registration, disbursement of incentives, Electricity connection, Consent to Establish, Consent to Operate, authorizations.</li> <li>• Registration, Licencing and Renewal of Certificate for employing Contract Labour, Registration under Shops and Establishments Act, Registration of Societies and Firms, Registration under Building and Other Construction workers (RECS) Act, Grant and renewal of Factory License, Approval of Factory Building Plan, Grant of License and renewal for Boilers.</li> </ul>
<b>Online Inspector Allocation and Register Maintenance</b>	<ul style="list-style-type: none"> <li>• Online inspector allocation for field verification, tree felling and issue of transit permit by Forest Department.</li> <li>• Online system for allocation of inspectors for Tax inspections based on computerised risk assessment.</li> <li>• Online Register for Environment/ Pollution compliances</li> <li>• Provision for Simplified online registers for easy compliance of labour laws.</li> </ul>
<b>Ease in Environment Compliance</b>	<ul style="list-style-type: none"> <li>• No CTO and CTE approval required for Green industries having investment below Rs 50 Lakhs.</li> <li>• Auto Renewal of CTE and CTO based on self-certification/ 3rd Party certification</li> <li>• Computerised risk assessment for Inspection for Pollution compliance</li> <li>• CTE and CTO clearance provided for minimum of five years validity.</li> </ul>
<b>Amendments for Easy Compliance</b>	<ul style="list-style-type: none"> <li>• Factory plan approval for up to 50 workers at regional offices</li> <li>• Self-Certification Scheme for Boilers, permission for 3rd party inspection</li> </ul>

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	<ul style="list-style-type: none"> <li>• Self-Certification Scheme: Single joint inspection for 14 labour laws</li> <li>• Self-Certification Scheme: Single annual return for 14 labour laws</li> <li>• Self-Certification Scheme: Inspections once in 5 years</li> <li>• Standard Operating Procedure and Inspection Checklist for Labour laws</li> <li>• No returns for Small Shops and Establishments (&lt; 10 workers)</li> <li>• All licences and certificates of Labour Dept. are verifiable online</li> <li>• Efforts will also be made to bring all mandatory state approvals provided by all State departments under Single Window Clearance mechanism for easy compliance improving business eco- system in the state.</li> </ul>
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Source: PHD Research Bureau, Compiled from Jharkhand Industrial and Investment Promotion Policy 2016

Jharkhand State has taken a giant leap by introducing the Single Sign-on at Single Window portal of Government of Jharkhand, i.e., [www.advantage.jharkhand.gov.in](http://www.advantage.jharkhand.gov.in). A single sign-on technology available at Jharkhand's portal for Ease of Doing Business portal is the first of its kind in India. For the promotion of investment and industries, in the state of Jharkhand, department of Industries has established a single window clearance system. It is for the "Ease of Doing Business", and to provide mandatory clearances and disbursement of fiscal incentives within the given time limit.

The state government has focused especially on trade to attract investment (both domestic and foreign) and employment. It is doing so via schemes like Ease of Doing Business and Skill Development Centre. Jharkhand ranks 7th on the Ease of Doing Business rank list. It has launched Land Bank to encourage domestic trade. The government has also initiated Jharkhand Corporate Social Responsibility Council in 2015 to perform social work via corporate sector.

### 3.7 Startup Policy of Jharkhand

Jharkhand is undertaking progressive and holistic strides towards building a robust business friendly ecosystem, which promotes innovation and nurtures entrepreneurial spirits. Government of Jharkhand tends to create opportunities for every section of the society by providing healthy ecosystem for development of entrepreneurship and innovation.

State recognizes that there cannot be "one size fits all" approach; therefore start-up will enable, empower and engage start-ups from very early stage. This policy focuses on effective short-term measures to boost entrepreneurship, revitalize economy and investment in the state, it also aims at bringing positive change in the mindsets of the individual and society's attitude towards becoming an entrepreneur.



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### **Highlights of the startup policy of Jharkhand are as follows:**

- The government of Jharkhand aims to create 1,00,000 sq.ft. of dedicated incubation space offering end-to-end support for the startups in the State.
- The government aims to create a fund of funds (FOF) by public-private partnership (PPP) to promote startups in the State.
- The government aims to facilitate the development of at least 100 innovative technology based startups, with social impact, specific to the needs of the state in this policy plan period.
- The government aims to create robust and synergetic platform for the academia and industry to supplement each other's efforts.
- The government of Jharkhand aims to promote gender equality, environment sustainability and improve social factors among others.
- The government of Jharkhand aims to promote entrepreneurship in educational institutions (primary, secondary and higher educational institutions).

### **Incentives of Startup Policy of Jharkhand**

**General Incentives:** The startups which shall be based out from the State of Jharkhand will be eligible for self-certification, in the prescribed format under the below mentioned laws:

- The Factories Act, 1948
- The Maternity Benefit Act, 1961
- The Jharkhand Shops & Establishments Act, 1953
- The Contract Labour (Regulations & Abolition) Act, 1970
- The Payment of Wages Act, 1936
- The Minimum Wages Act, 1948
- The Employment Exchanges (Customary Notification of Vacancies) Act, 1959
- Payment of Gratuity Act, 1972
- Air (Prevention & Control of Pollution) Act, 1981
- Water (Prevention & Control of Pollution) Act, 1974
- The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996
- The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979
- The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- The Employees' State Insurance Act, 1948

Further, in case of these labour laws, inspections will not be conducted for three years, unless a complaint is received. For environmental laws, random checks would be carried out to ensure compliance.



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### **3.8 Draft IoT (Internet of Things) Policy of Jharkhand 2017**

Jharkhand Government is focused on accelerating the development and deployment of intelligent devices, creating “systems of systems by horizontally connecting the edge of IoT solutions to the cloud, and enabling end-to-end analytics to transform business to address immediate and future market demands for the IoT. The major factors for IoT in Jharkhand are:

- Decrease in sensor and Electronics costs- Commercial cost of fully functional computer (Raspberry PI Zero).
- Increase in computing power and mobility- Computing power of a phone exceeds total power of all NASA computers used for Apollo 11 mission to the moon.
- On demand cloud computing- Storage cost of 1 GB of data decreased.
- Decrease in cost of connectivity- Transfer cost of 1mb of data dropped.

#### **IoT Goals**

A vibrant and state-of-the-art IoT ecosystem is critical to Jharkhand’s global competitiveness and economic stability in the 21st century.

- The Jharkhand Government should work with industry to establish a long-term goal that Jharkhand leads India with IoT solutions, with short-term milestones may be put in policy to track the State’s achievement.
- A State’s policy framework shall be encouraged for the development of a robust IoT ecosystem that promotes critical capabilities, including connectivity and interoperability, privacy and security, and intelligent analytics and big data.
- To accelerate and maintain the long term viability of the IoT, the policy framework should encourage solutions based on horizontal building blocks and an open architecture – one that is scalable, interoperable, and reusable across deployments, vendors, and sectors.
- The State’s public policy framework shall contemplate tools to accelerate IoT adoption and enable cost-effective introduction of new technologies, including open standards efforts, targeted State funding, and impactful public private partnerships.

#### **Incentives**

##### **Non Fiscal Incentives**

- Adoption of IoT proposals/products for implementation: The eligible IoT proposals/products for adoption and implementation by Government of Jharkhand shall be adopted.
- IT, ITes and Communication industry as Continuous Process industry: The IoT industry units shall be treated as essential industry and continuous process industry.
- Land Banks: The State of Jharkhand shall create land banks in selected districts by acquiring land and demarcating them as IT Parks/ IT SEZs with provision of basic IT infrastructure and connectivity.





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- **Land Banks:** The State of Jharkhand shall create land banks in selected districts by acquiring land and demarcating them as IT Parks/ IT SEZs with provision of basic IT infrastructure and connectivity.
- **Allotment of Government Land-**
  - Allotment of Government land in Jharkhand to the IoT Industry shall be made subject to availability, fulfilment of eligibility criteria by the applicant of IT/ITES based IoT company and on payment of land cost & development cost, as determined from time to time by the allotment agency, and the concerned local Statutory/ development Authority.
  - Export oriented units will be preferred in land allotment by the State.
- **Power:** IoT industry shall be classified as industrial unit for the purpose of levying the industrial power tariff category. Industrial Power Certificate shall be accorded to all the IT/ITeS Connections (Power Meter), and exclusively used by the IT industry and Communications industry companies/units (as per GoI definitions) for their operations, even in multiple locations/meters. The effective date of application of the incentive of Industrial Power Category tariff, is from the date of issue of the said Certificate by the Govt. of Jharkhand.

### **Fiscal Incentives**

- 100% reimbursement of the Stamp Duty, Transfer Duty and Registration Fee paid by the respective IoT entity to the Sub /Registrar, Registration & Stamps Department, on rental/lease premium/ lease deeds on the first transaction only.
- **Recruitment Assistance:** Recruitment assistance at the rate of INR 20,000 per employee for a minimum annual recruitment of 10 new IT/ITES professionals from the colleges located in physical limits of Jharkhand. The assistance shall be paid for employees whose tenure in the unit is minimum one year. This assistance will be managed and disbursed by a nodal agency nominated by the State. The assistance will be provided once each in 2nd, 3rd and 4th year of starting the unit.

### **3.9 Jharkhand Textile, Apparel and Footwear Policy 2016**

Jharkhand introduced textile, apparel and footwear policy 2016 to attract large scale investment for manufacturing world class facilities and realizing hon'ble prime minister's vision of 'Make in India' and 'Zero Defect- Zero Effect' at each level of the value chain. Textiles, apparels and footwear is a labour intensive industry, through this policy Jharkhand would be able to provide employment to its people. Through this policy industrial units have been offered wide range of incentives for setting up and starting of operations.



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**Table 12: Jharkhand's Textile Sector**

<b>Development of Handloom</b>	<ul style="list-style-type: none"> <li>State has taken steps for revival of cotton wool weaving. More than 80 societies have become functional.</li> <li>Fifteen cluster development schemes are being implemented for cotton weavers, for carpet and wool weaving. This will help create employment for more than 4000 weavers.</li> <li>35 mini handloom clusters have been sanctioned by Government of India with each cluster consisting of 250-300 weavers. The scheme is being implemented by Jharcraft with an objective to provide basic infrastructure to weavers such as looms and accessories and training for skill upgradation, design support and marketing support</li> </ul>
<b>Mega Handloom Cluster</b>	<ul style="list-style-type: none"> <li>DPR of Mega Handloom cluster has been approved by PAMC under comprehensive Handloom Cluster Development scheme (CHCDS). All six districts of Santhal Pargana i.e. Deoghar, Dumka, Godda, Sahebganj, Jamtara and Pakur will be covered under this Mega Handloom cluster.</li> <li>DPR of the said Mega cluster with total project cost of Rs. 76.57 crore (with Jharkhand government's share of Rs. 69.99 crore and remaining Rs. 6.58 crore by SPV/beneficiary/State Govt.) has been approved by PAMC.</li> </ul>
<b>Development of Sericulture</b>	<ul style="list-style-type: none"> <li>Jharkhand government is keen to develop Tasar post cocoon activities in the state in view to provide employment opportunities particularly for the women in the rural areas.</li> <li>To develop post cocoon activities, Common Facility Centres (CFCs) are being established where facility of reeling machines and other necessary equipment are provided for Tasar silk reeling for a group of 30 women.</li> </ul>
<b>Textile and Apparel Parks</b>	Jharkhand has already developed few parks in the Textile and apparel sector and has proposed to build some more in this area to boost specialization of a particular product based on the location, raw material and other advantages boosts the niche market contribution in the state.

Source: PHD Research Bureau, Compiled from Jharkhand Textile, Apparel and Footwear Policy 2016

Jharkhand has experienced substantial growth in Sericulture Sector. In order to maintain the benchmark and rejuvenate existing rural industries including sericulture, handloom, handicraft, khadi, textile etc., the Government is promoting the sectors in modernization/ technological upgradation and provide necessary common facilities, backward and forward linkages including product design, marketing support etc. so as to make them globally competitive and their product remunerative.

### Objectives of the Jharkhand Textile, Apparel and Footwear Policy 2016 are as follows:

- The Jharkhand textile, apparel and footwear policy aims to modernize textile manufacturing and improve productivity in order to ensure availability of quality fabric at affordable prices to cater to domestic and international demand.
- Strengthening and enhancing capacity of all the essential value chain activities such as Spinning, Weaving (Handloom and Powerloom) including pre loom activities, Knitting, Processing, Garmenting, Technical Textiles and other supporting ancillary activities including Textile Machinery Manufacturing
- Promoting well-being of the cooperative sector spinning mills.

## **Rising Jharkhand: Economic Profile**

- Supporting and strengthening the power loom sector in order to modernize production technologies, enabling supply of good quality fabrics in the required quantum.
- Making Information Technology (IT) an integral part of the entire value chain of textile production and thereby facilitate the industry to achieve international standards in terms of quality, design and marketing.
- To equip the industry to withstand pressures of import penetration and maintain a dominant presence in the domestic market.
- To liberalise controls and regulations so that the different segments of the textile industry are enabled to perform in a greater competitive environment.
- To facilitate emerging Technical Textiles in critical areas such as production, technology and research and development. The Policy will encourage integrated development in the sector aiming to sustainability of the textile units in the State.
- Strengthening the process of bridging the skills gap by providing better institutional linkages, creating a good pool of trainers by conducting Training of Trainers and the Assessment and Certification process to ensure the quality of training program.
- Infrastructure development to make Units globally competitive and meet the export compliance through Cluster based Textile Parks, Mega Projects and CETPs etc.

### **Incentives of Jharkhand Textile, Apparel and Footwear Policy 2016**

#### **Export Subsidy**

As per Jharkhand Export Policy 2015, MSME Exporters shall be assisted with 75% of Stall charges paid up to maximum of Rs. 2,25,000/- (90% of Stall charges paid up to maximum of Rs. 2,70,000 /- for women entrepreneurs) for one fair/ exhibition. Also, assistance of 75% of Air fare by economy class, maximum up to Rs. 50,000/- (90% by economy class, max. up to Rs. 60,000/- for women entrepreneurs) per person per unit per annum shall be provided to MSME Exporters.

#### **Skill Development**

- One-time support of Rs. 13,000 or actual cost of training per person, whichever is lower, for capacity building of persons belonging to Jharkhand (skilled/semi-skilled) engaged in the sector (Any other category notified by the Government) as per notification of Jharkhand Skill Development Mission Society.
- Also, the State shall provide Employment generation subsidy of Rs. 5,000 per month per worker for 7 years for capacity building of workers. For SC/ST/Women, this subsidy will be Rs 6,000 per month per worker for 7 years.
- In addition to this, the state shall reimburse to employer up to Rs. 1000 per person per month to towards expenditure on ESI and EPF for 5 years



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### **Support for Incubation centres**

For setting up of incubation centres, financial support of Rupees 50 lacs annually for the first 5 years (maximum 10 institutions can be given this grant in the first year) will be provided. Any private university/research institution can also apply for this funding, given the fact that they have operated in the state for the last 4 years and qualify through the selection process. A special incentive of INR 10 lacs would be given to the incubator for every successful start-up (Start-up that raises series B funding) they incubate.

### **Establishment of new Textile/ Apparel/ Footwear Parks**

- Private Sector, PPP mode and JV mode industrial parks play an important role in the establishment of necessary infrastructure in the state. Government of Jharkhand has already launched Jharkhand Industrial Park policy 2015 for the establishment of apparel and textile park under sector specific and general parks.
- Eligible institution, both private and public can establish apparel and textile parks under the Jharkhand Industrial Park policy 2015.

Mega Textile/Apparel Park- With an objective to provide the industry with State of the art world-class infrastructure facilities for setting up their textile/ apparel units, Government of Jharkhand shall support setting up of Textile/ Apparel parks with size more than 75 acres. This would facilitate textile and apparel units to meet international environmental and social standards.

### **3.10 Jharkhand BPO/BPM Policy 2016**

Jharkhand is a leading state in providing good governance through information technology and e-governance. Various departments of the state are providing citizen services through e-governance applications. BPO/BPM industry is dependent on entrepreneurial skills and risks that are associated with business, in such a case government of Jharkhand is taking a step to provide a conducive environment for an industry to thrive in urban, rural and sub-urban areas.

The focus of BPO/BPM policy is on-

- BPO/BPM infrastructure development along with capacity building of workforce.
- Incentives on fixed capital and operating capital.

#### **Objectives of the Jharkhand BPO/BPM Policy 2016 are as follows:**

- Creation of employment opportunities for at least 15000 people by promoting IT/ITes industry by facilitating setup BPO/BPM operations in districts of Jharkhand by 2021.
- To promote establishment of BPO/BPM units in urban/sub urban/rural districts of Jharkhand.
- To use IT and ITes as a leverage to enhance the quality of life of citizen of the state by extending the development and infrastructure opportunity in smaller cities.





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### **Incentives of the Jharkhand BPO/BPM Policy 2016**

#### **Land Incentives**

**Land cost-** a reimbursement on the cost of land will be provided at the rate of rupees 30000 per full time employee (who is resident of Jharkhand OR has done above 10<sup>th</sup> class studies from Jharkhand) for BPO/BPM projects. The payment will be subject to minimum of 15 employees in Type A and 10 employees in Type B,C districts respectively and also subject to a maximum of 80% of the land cost as determined by allotment agency. Prescribed securities would be taken from the sponsors of the project for the rebate.

**Registration Charges-** 100% reimbursement of stamp duty, transfer duty and registration fee paid by BPO/BPM companies on sale/lease deeds on the first transaction only. This incentive shall not be provided on the government land.

#### **Operating Expenses**

**Power-** BPO/BPM industry shall be classified as industrial unit for the purpose of levying the industrial power tariff category. Industrial power certificate shall be accorded to all BPO/BPM units, connections for their operations, even in multiple locations/meters.

**Solar Power-** 15% additional one time reimbursement over and above the prevailing subsidy by central government schemes on capital costs of capital solar PV Systems, for self-use shall be provided. The subsidy shall be in the form of reimbursement provided after commissioning and inspection of solar PV systems installed. All other benefits mentioned in the solar of solar power policy of the state shall also be applicable.

**Electricity duty-** BPO/BPM units covered under this policy will be fully reimbursed, the payment of electricity duty from the date of commencement of operation for a period of 3 years.

**Grant of EPF for employment generation-** Units established in the state shall be reimbursed EPF amount paid by the employer for its BPO/BPM/IT/ITes professional for a period of 3 years subject to a maximum of 500 employees per year.

For the establishment of Call Centre (BPO), capital reimbursement and operational cost reimbursement has been proposed. The work is under process at the department and a few companies have shown further interest in it. Around Rs. 200.00 lakh has been proposed for this project.



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### **3.11 Jharkhand IT/ITes Policy 2016**

Jharkhand is focusing on becoming globally competitive information technology/information technology enabled services destination that promotes faster sustainable investment environment inclusive growth and employment in the state.

The policy will also work towards establishing the state as a preferred IT destination for Micro, Small and Medium Enterprises (MSMEs) by providing assistance in interest rate subsidy, quality certification, technology acquisition fund, skill enhancement, R&D institutions, establishment of premier IT institutions, patent assistance, among others.

#### **Objectives of the policy**

- To deliver all government services at doorstep of every citizen.
- To promote Jharkhand as an attractive investment destination for digital entrepreneurs.
- To promote Ranchi and other Tier 2 cities as alternative IT destinations and provide leading edge IT infrastructure in all Tier 2 and Tier 3 cities of the state.
- To provide assistance in setting up of IT infrastructure like IT parks, IT SEZs and IT Cities to benefit of the industry.
- To use IT and ITes as leverage to enhance the quality of life of citizen of the state.

#### **Highlights of the Jharkhand IT/ITes Policy 2016**

**Citizen services-** The citizen services will provide information to the citizen of the state. The state has implemented IT and ITes services that are used by the citizens and other stakeholders. Efforts have been made at multiple levels to improve the delivery of public services and simplify the process of accessing them. The objective of this effort is to bring the public services closer to citizens. The government is committed to develop IT infrastructure in the state to ensure smooth functioning of all departments.

#### **Bridge between government and industry-**

- Setting up shop- the state shall encourage industry associations unrepresented in Jharkhand to set up offices in Jharkhand. The government shall make available office space for the same at subsidized rates as decided by the allotting agency.
- Convention center- A convention centre shall be constructed at the IT park/IT city/smart city Ranchi for holding conferences, seminars and events, etc.
- Awards- the state of Jharkhand shall participate each year in the National e-governance awards held by DARPG, Government of India and other important awards.
- Brand Jharkhand- The state government shall create a positive global image of the state in terms of IT/ITes investment in the national and international arena through 'Brand Jharkhand' and create awareness on efforts made by state as IT/ITes destination.



## **Rising Jharkhand: Economic Profile**

- State Portal- Jharkhand shall add to the state portal the details and links of all the IT and ITes related services being implemented by the state to educate the citizens about service being offered.
- Innovation Hub- Jharkhand shall create 3 ESDM innovation hubs at Ranchi, Jamshedpur, and Dhanbad with land for multi product electronic, IT and ITes including ESDM industry.
- IT Park/IT SEZ- The government encourages to setup IT parks on their own, the private developers with proven track records will also be encouraged to develop IT parks in the state in PPP mode.

### **Create a knowledge Base**

- An entrepreneurship development program (EDP) shall be started by the Department of IT and e-gov. The EDP would focus on IT and ITes sector and will be specially designed and implemented in consultation with department of IT and e-gov/management institutes and experts.
- All government engineering colleges with seats in IT and computer technology will be assisted to increase their intake of students every year by 10% extra seats every year for next 5 years, Government colleges shall be assisted financially to increase staff strength.
- The state shall increase the number of institutes teaching IT And computer sciences disciplines from among the colleges of repute who do not have such disciplines.
- A knowledge centre is proposed to be set up in Department of IT and e-Gov to help government department convert their application to cloud and Internet of things. The state shall support students and entrepreneurs to develop their applications through knowledge centre.
- Focus areas for specific incentives facilitation
- Government of Jharkhand identified focus areas for which additional incentives are available. These include mega projects, startup companies, IT based research and development companies, Tier II and III locations, MSMEs and Mid-scale companies, Designated technology parks, Internet of Things.

### **Cyber security: Understanding Threats and Responses**

The main purpose of cyber security is to inform government users, employees, contractors and other authorized users of their essential requirements for protecting the data, information, technology and information asserts of the government. The government information must be protected from unauthorized access, theft and destruction.

### **Some of the initiatives taken by Government of Jharkhand include:**

- Online land bank for setting up of IT and ITes industry in Jharkhand has been created
- 400 acres IT City and IT Park is being planned in Ranchi
- Capacity building for ESDM and IT/ ITES units
- 5 acres of land being provided to NIELIT
- 5 acres of land being provided to CDAC



## **Rising Jharkhand: Economic Profile**

- MoU signed for setting up IIIT in Ranchi
- 4 STPI centres being set up at Jamshedpur, Dhanbad, Bokaro, Deodhar

### **Special Incentives for the IT Industry**

- Exemption from No Objection Certificate (NOC clearance) of JSPCB
- Exemption from zoning regulations for purposes of location
- IT industries will be accorded priority in allotment of land by IADA
- In case of land allotment by IADA, mega IT units will be allowed deferred payment of land value i.e. payment of land value by such units will be allowed in five equal installments spread over five years
- Motor Vehicles Act will be amended to enable the IT Companies to make use of hired privately owned omnibuses etc. to transport their employees between their residence and work place
- Self-certification for purposes of compliance of the following Acts:
  - Factories Act
  - Employment Exchange (Notification of vacancies) Act
  - Payment of Wages Act
  - Minimum Wages Act
  - Contract Labour (Regulation and Abolition) Act
  - Workmen Compensation Act
  - Shops and Establishments Act
- Alternate Source of Power Generation: IT-ITES units with 5 KVA power requirements can be set up anywhere in the State.

The state of Jharkhand introduced JAPIT (Jharkhand Agency for Promotion of Information Technology) that plays an important role in the digitization of all the services in the state. Till date, 125 e-governance services have been provided. The modernized infrastructure, surveillance camera and, biometric service have technically been updated and modernized which has helped in achieving the onsite security, advanced requirements, and manpower in the State.

### **3.12 Jharkhand Tourism Policy 2015**

Tourism is essentially an expression of a natural instinct for learning, experience, education and entertainment. The motivating factors for tourism include social, religious business interest and quest for knowledge. Tourism adds to the foreign exchange earnings, contributes to Government revenue, spreads economic and social benefits to under-developed areas, generates income and creates job thereby raising living standards of the stakeholders. Jharkhand is endowed with rich cultural heritage and bestowed liberally with bounties of nature. The tourism policy of the State aims at making Jharkhand as one of the most preferred destination for tourists, both inside and outside of the country and to ensure accelerated development of tourism related infrastructure, increasing employment opportunities, augmenting the resources of the State as also showcasing the rich cultural heritage and traditions of the State.





## Rising Jharkhand: Economic Profile

**Table 13: Jharkhand Tourism Policy 2015**

<b>Main Objectives</b>	<ul style="list-style-type: none"> <li>To promote tourism in the State in such a manner that it contributes to mass generation of employment, rapid economic growth and bringing the tourist closer to the cultural heritage and traditions of the State.</li> <li>Optimum harnessing of resources to attract the maximum number of domestics and foreign tourists with increased average duration of their stay in the State.</li> <li>To position every place of tourist interest as an exclusive tourist centre different from others.</li> <li>To promote private sector participation in the development of tourism with Government facilitation to develop necessary infrastructure in the State.</li> <li>To establish Jharkhand prominently upon the tourism map of the country with a demand created by tribal and trade market in Jharkhand and tapping the untapped potential of various heritage monuments in the State.</li> <li>To encourage cooperative tourism through peoples participation in tourism promotion and to extend economic benefits to the people through such active participation and cooperation.</li> <li>To position Jharkhand as one stop destination for all adventure related tourism activities, comprising of air, land and water based adventure facilities.</li> </ul>
<b>Categories for development included in tourism policy</b>	<p><b>Infrastructure:</b> The State Government would actively encourage both-Indian and foreign private investment/ participation in tourism infrastructure projects. The Government would also be prepared to participate in joint ventures for such infrastructure development projects.</p> <p><b>Land:</b> All lands identified for promoting tourism development activities would be constituted into a Tourism land bank under the control of the Department of Tourism.</p> <p><b>Road Transport:</b> An efficient road network equipped with modern tourist facilities will be developed to connect the important pilgrimage and tourist destinations in the State.</p> <p><b>Air Connectivity:</b> The State Government would take steps to strengthen and improve the air strips located in the State as per the standard norms.</p> <p><b>Rail Transport:</b> The State Government would make over all out efforts to complete the on-going railway projects within the state so as to enable the tourists take advantage of the same.</p> <p><b>Power:</b> All out efforts would be made to provide quality power, which would be uninterrupted with constant voltage and frequency and at affordable cost.</p> <p>Other areas are: Hygienic conditions and clean drinking water, accommodation, modern telecommunication facilities, private tourism zones, private sector participation, foreign direct investment, among others.</p>

Source: PHD Research Bureau, Compiled from Jharkhand Tourism Policy 2015s

## Rising Jharkhand: Economic Profile

### 3.13 Banking

A sound financial infrastructure is the key requirement for the progress of an economy. The deposit and credit are the core functions of the banking business. These functions have expanded gradually in Jharkhand over the years, 2014 onwards. There has been an increase in deposits by about 12.5% between 2016 and 2017. CD ratio has increased from 56.78% in 2014 to 58.78% in 2017.

**Table 14: Banking in Jharkhand ( as of September end)**

	2014	2015	2016	2017
<b>Deposit (Rs Crore)</b>	128163.93	146956.73	168852.39	189992.80
<b>Credit (Rs Crore)</b>	61540.98	68449.93	77152.36	81599.81
<b>CD Ratio (%)</b>	56.78	60.71	61.16	58.78

Source: PHD Research Bureau Compiled from Economic Survey of Jharkhand 2017-18, 61st SLBC, Jharkhand

### Thrust areas of Jharkhand

<b>Tourism</b>	Jharkhand is endowed with rich cultural heritage and bestowed liberally with bounties of nature. The State Government actively encourages both-Indian and foreign private investment/participation in tourism infrastructure projects. The Government is also prepared to participate in joint ventures for such infrastructure development projects. The State Government will endeavour to have direct links with important cities of the country. Air taxi services linking Ranchi, Jamshedpur, Deoghar, Bokaro, Dhanbad, Palamu, Dumka etc. will be encouraged. Super luxury trains on the pattern of "Palace On Wheels" would be introduced so as to enable the tourists visit to various tourist destinations located in the State and relish the cuisine and hospitality being offered in such super luxury trains.
<b>Film Industry</b>	Endowed with large number of beautiful natural religious, heritage and industrial sites, dense forest, natural waterfalls and availability of cheap labour makes Jharkhand attractive site for film shooting and its development. Film industry in the State can be a good source of direct and indirect employment. Private investment is being promoted by providing special incentives for setting up of film studios, film city, multiplexes etc. through Jharkhand Film Policy 2015.
<b>Textile and Apparels</b>	Government of Jharkhand proposes that Industrial units under textiles and apparels including Jharcraft, or projects under joint venture, PPP mode, State Government etc. may be facilitated to get access to all the existing schemes of Government of India such

## Rising Jharkhand: Economic Profile

	<p>as Technology Up gradation Fund Scheme (TUFS), Scheme for Integrated Textile Parks (SITP), Scheme for Integrated Skill Development. Since there is substantial scope of employment generation in textile sector, efforts will be made to set up reeling / spinning / weaving / readymade garments / apparel parks etc. under PPP / Joint venture / private mode.</p>
<b>Sericulture, Handloom and Handicraft</b>	<p>Jharkhand ranks first in India in production of Tasar silk. JHARCRAFT was established in 2006 to give support in design, training, entrepreneurship development, marketing, raw material support in clustered and organized manner by grouping local artisans and NGOs involved in similar activities. Skill development efforts in the area of Sericulture, Handloom and Handicraft have been intensified with the setting up of Jharkhand Silk Training Centre, Kharsawan, in collaboration with NIFT, Kolkata; Saheed Nirmal Mahto Institute at Bhagaiya in collaboration with NID, Ahmedabad; and Apparel Training Centre, Namkum, Ranchi in collaboration with Export Promotion Council, Government of India. Further expansion of this sector for setting up of reeling / spinning / weaving etc. is envisaged in PPP mode with viability gap funding.</p>
<b>IT and ITes</b>	<p>Government of Jharkhand is introduced a new IT and ITes policy in 2016 that envisages providing a proactive and industry-friendly climate conducive for expansion of IT companies incentives and assistance for allotment of land, mega IT/ ITes projects, development of IT/ ITes Technology Park, registration/ stamp duty concession, lease rentals, Electricity Duty Exemption and Industrial Tariff for IT/ITes.</p>
<b>Electronics System and Design Manufacturing</b>	<p>Government of Jharkhand has introduced a draft of Electronics System Design and Manufacturing Policy 2016 with the aim of establishing a self-reliant Electronics System Design and Manufacturing (ESDM) Industry which caters to domestic needs besides gaining a foothold in the international market.</p> <p>The policy includes development of human resources, creation of local demand for electronic products, promotion of ESDM companies in the State, creation of eco system for innovation and promotion of R&amp;D. The policy also includes incentives for clusters and anchor units, registration and stamp duty concession, uninterrupted availability of power tariff subsidy, employment generation grant on EPF, single window clearance system. The incentives for ESDM MSMEs are interest subsidy, quality</p>

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	certification, technology acquisition fund, and support to R&D institutions, patent assistance, and market development assistance.
<b>Biotechnology</b>	Jharkhand is working to promote biotechnology which offers an excellent opportunity in augmenting value creation and employment generation not only in areas of states, traditional activities but will also provide avenue for its application in medicine, agriculture and industry. The State's advantage is its large forest coverage with medicinal plants, vast reservoir of scientific human resources and centres of academic excellence, dependence of its large population on agriculture etc. Government will encourage the setting up of venture capital funds for biotech industries.
<b>Automobile and Auto components</b>	<p>India's one of the leading automobile industry. The industry today is among the leaders in producing commercial vehicles and is among the top three companies in production of passenger vehicles in the country. Auto-Cluster is being made operational at Jamshedpur to extend common facilities such as testing centre, design lab, effluent treatment plant etc. to auto component makers.</p> <p>Automobile Vendor Park will be established under PPP mode or Private sector by Mega Automobile Manufacturing Units. Mega automobile manufacturing units will be encouraged to set up a skill development centre for the skill up gradation and training in activities like driving, vehicle maintenance etc. The capacity of the centre will not be less than 1000 trainees per annum. State Government will bear 50% cost of training subject to a maximum of Rs. 5000 per trainee for each successful completion of training.</p>
<b>Renewable Energy</b>	To achieve a sustainable development route that provides for advancement in economic as well as environmental objectives, the Government of Jharkhand is determined in taking necessary steps to encourage the generation based on renewable energy resources. Jharkhand aims to encourage participation of Private Sector to set up Solar Power based projects in the State and increase solar power generation to 2650 MW by the year 2020 in a phased manner, build a favourable atmosphere for setting up Solar Power projects, ensure energy security of the State by stable and non-polluting means and promote local manufacturing facilities which will generate employment in the State.



## Rising Jharkhand: Economic Profile

	The State shall identify land and promote development of solar park on non-productive Government land or any other land falling within the area of solar park.
<b>Agro-Food Processing Based Industries</b>	<p>Jharkhand has huge untapped potential in Agriculture, Horticulture, Fishery and Animal Husbandry. Horticultural development has a vast potential not only in terms of meeting the local requirements of fruits, vegetables, medicinal and aromatic plants but also in terms of exploiting the opportunities for exports. There are many horticultural commodities from Jharkhand which can be made available in National and International markets.</p> <p>To facilitate growth in this sector, the state is developing Food Parks and modern processing facility for fisheries which will enhance value addition. Following activities will be incentivized:</p> <ul style="list-style-type: none"> <li>• Hi-Tech Agriculture</li> <li>• Organic farming</li> <li>• Pre-farm gate value addition projects</li> <li>• Agro processing and Agri-infrastructure projects</li> <li>• Research for varietal development</li> <li>• Post-harvest management</li> <li>• Quality Certifications in entire value chain</li> <li>• Setting up of Food testing Laboratories</li> <li>• Export of fresh fruits, vegetables, flowers, live plants by air and sea route</li> <li>• Participation in International Trade Fairs</li> <li>• Setting up of Cold Chain</li> </ul>

Source: PHD Research Bureau compiled from various sources of the state Government of Jharkhand

## Rising Jharkhand: Economic Profile

### 4. Infrastructure

Infrastructure is a vital sector for the development of the industry and economy and the state government is making serious efforts towards the development of infrastructure to promote industry, commerce and trade in the state. The state aims to develop quality infrastructure including road, water, land, power, connectivity through railways, etc.

**4.1 Roads**—Roads are the major mode of transportation services available in Jharkhand. The state<sup>19</sup> has 2649 km of national highways, 1231km of state highways, 4845 km of major district roads and other RCD roads of 5455 km. In 2016-17, 2054 kilometres of rural road were successfully constructed, through state schemes, whereas through centrally sponsored scheme, the state got 1370 km of concrete rural roads. Further, the Asian Development Bank (ADB) has provided financial support in the form of a loan for road development. The ADB funded road Govindpur-Jamtara-Dumka-Sahebganj, 310 km, has already been dedicated to people by Hon'ble PM in 2017-18.

**Table 15: Road infrastructure in Jharkhand**

Category of road	Length in Kms
National Highways	2649
State Highways	1231
Major district roads	4845
Other RCD Road	5455

Source: PHD Research Bureau, Compiled from Economic Survey of Jharkhand 2017-18

**4.2 Railways** - Railways have an important role to play in promoting the development of Jharkhand. The State Government has given high priority to expand the railway network in the State.

A Memorandum of Understanding was signed between the State of Jharkhand and the Ministry of Railways, Government of India for the construction of six new railway projects, of which the train service has started for Deoghar-Dumka (60 Km), Dumka-Rampurhat (64 Km), Ranchi- Lohardaga-Tori (113 Km); while for Koderma- Hazaribagh-Barkakana (137 Km) train services has started and for Barkakana-Ranchi (63.34 Km) is likely to be completed by March, 2019; for Koderma-Nawadih-Kawar (88 Km) the train service has started and for Kawar-Giridih (23 Km) is likely to be completed by March, 2019; for Koderma-Tilaiya (14 Km), 5 km railway track has been laid down and is likely to be completed by March 2019<sup>20</sup>.

For the Development of Santhal-Pargana region, (MoU) has been signed between the State of Jharkhand and the Ministry of Railways, for the construction of Godda-Hansdiha (32.46 Km) and Pirpainti - Jasidih new railway line (97.17 Km)<sup>21</sup>.

<sup>19</sup> Jharkhand Economic Survey 2017-18

<sup>20</sup> IBID

<sup>21</sup> IBID

## **Rising Jharkhand: Economic Profile**

**4.3 Aviation** – The state is focusing on enhancing air connectivity with other states and countries with view of the fact that air link is vital for attracting investment and promoting tourism. Government of Jharkhand has signed a tripartite MoU<sup>22</sup> on 25.03.2017 with DRDO (Defense Research Development Organization) and AAI (Airports Authority of India) for development of Deoghar airport in Deoghar district of Jharkhand. The department (Civil Aviation Division) is under process to strengthen the airstrips at various places. The runway at Giridih airport is being strengthened along with the construction of Hanger, Boundary wall and VIP lounge over there. Out of an estimated cost of Rs. 6.86 crores, an amount of Rs. 2 crores<sup>23</sup> has been allocated for the strengthening of runway, construction of boundary wall and drainage system at Palamu airport.

Jharkhand has an airport located in Ranchi while efforts shall be made for commercial operation of Jamshedpur airport. However, the air strips in Jamshedpur, Dhanbad, Bokaro, Giridih, Deoghar, Hazaribagh, Daltonganj, Noamundi shall be developed for the more improved operation of air taxis, air ambulance and private jet operations etc.

Aerospace industries, manufacturing of drones, maintenance of aircrafts etc are the sunrise industries in the country. Existing infrastructure available in the air strips of the state shall be utilised to encourage setting up of these industries and services in the state.

**4.4 Ports-** Even though Jharkhand is a land-locked state, but it is very near to Bay-of-Bengal. Kolkata, Haldia and Paradip ports are in close proximity to the industrialist regions of Jharkhand. The government has decided to take the following measures to improve the import and Export potential through these ports:

- Internal container depot at Jamshedpur shall be strengthened
- Road connectivity and rail connectivity shall be strengthened to these ports in coordination with Ministry of Surface Transport and Shipping, Government of India and concerned State Governments.
- Dedicated freight corridor shall be established from the industrialist regions of Jharkhand to these ports in coordination with Ministry of Railway.

**4.5 Energy–Power** is a vital infrastructure for economic development and Jharkhand has recognised development of environmental friendly sources of energy as one of the key thrust areas of the state. The State has also become the first state in the country to sign the Ujjwal Discom Assurance Yojna (UDAY). The State Electricity Sector is dominated by fossil fuels, especially by coal or the thermal Power.

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<sup>22</sup> Jharkhand Economic Survey 2017-18

<sup>23</sup> Jharkhand Economic Survey 2017-18



## Rising Jharkhand: Economic Profile

**Table 16: Installed Capacity (In MW) of Power Utilities in Jharkhand**

Ownership	Mode wise Breakup							Grand Total
	Thermal				Nuclear	Hydro	Renewable Energy Source (RES)	
	Coal	Gas	Diesel	Total				
State	420	0	0	420	0	130	4.05	554.05
Private	730	0	0	730	0	0	32.07	762.07
Central	393.74	0	0	393.74	0	61	0	454.74
Sun Total	1543.74	0	0	1543.74	0	191	36.12	1770.86

Source: PHD Research Bureau compiled from Central Electricity Authority; Note: As on 30.11.2018

The following are the targets set by the government for FY2018 and FY2019:

- For strengthening the system and augmenting the capacity, a total number of more than 1,01,001 distribution transformers with a capacity of 25 kVA, 63 kVA, 100 kVA, 200 kVA and 500 kVA are to be installed
- To facilitate the existing consumers, 171 additional power transformers are to be added to the existing operational capacity of 33/11 kV power sub-station
- For better electricity access, a total number of 246 new 33/11 kV power sub-station along with 5, 300 km, 33 kV line and reconductoring of 1600 kms of 33 kV existing line, new 33 kV link line -666 km, new 11 kV line -49,000 km and new LT line replacement of 45,000 km have been proposed.

The Ministry of Power has electrified 56 villages in Jharkhand as a part of Government of India's objective to electrify 18,500 un electrified villages by May 2018. Under the rural electrification, a separate scheme namely Jharkhand Samproon Bijli Acchhaadan Yojna has been designed. It aims to strengthen the distribution system in rural areas of Jharkhand in the next two years. Under this scheme, 50 sub power stations was set to be constructed, 53289 service transformers are to be set up and 9013 Circuit K.M. line were set to be provided.

Energy department of Jharkhand plans to set up rooftop solar power plants on government office buildings. To achieve a sustainable development route that provides for advancement in economic as well as environmental objectives, the Government of Jharkhand is determined in taking necessary steps to encourage the generation based on renewable energy resources. The State has high solar insolation around 300 days of clear sun and offers good sites having potential of more than 4.5 to 5.5 kWh/m<sup>2</sup>/day, which the State intends to harness to support the energy requirements of the State.

**4.6 Urban Infrastructure**—Urban development department of Jharkhand is responsible for ensuring availability of civic amenities and planned development of urban areas of Jharkhand. There are around 39 urban local bodies comprising 3 Municipal Corporations, 14 Municipal Councils, 19 Nagar Panchayats and 2 Notified Areas Committees (NAC) with 1 municipality for the effective implementation of urban infrastructure. Jharkhand has received an approval from the



## **Rising Jharkhand: Economic Profile**

central government for US\$ 210 million assistance from the World Bank for urban infrastructure projects.

**4.7 Telecom**—Telecom is extremely important to further strengthen telecommunication system in the state since it is the backbone of IT/ ITeS sector and e-governance. This sector has been identified as priority for the state, so that its benefits are available to the rural and urban areas in addition to industries. State government is continuously working on provision of necessary administrative assistance related to the development of broadband, high speed communication and data connectivity, 4-G and similar new technologies for transfer of information and data at high speed.

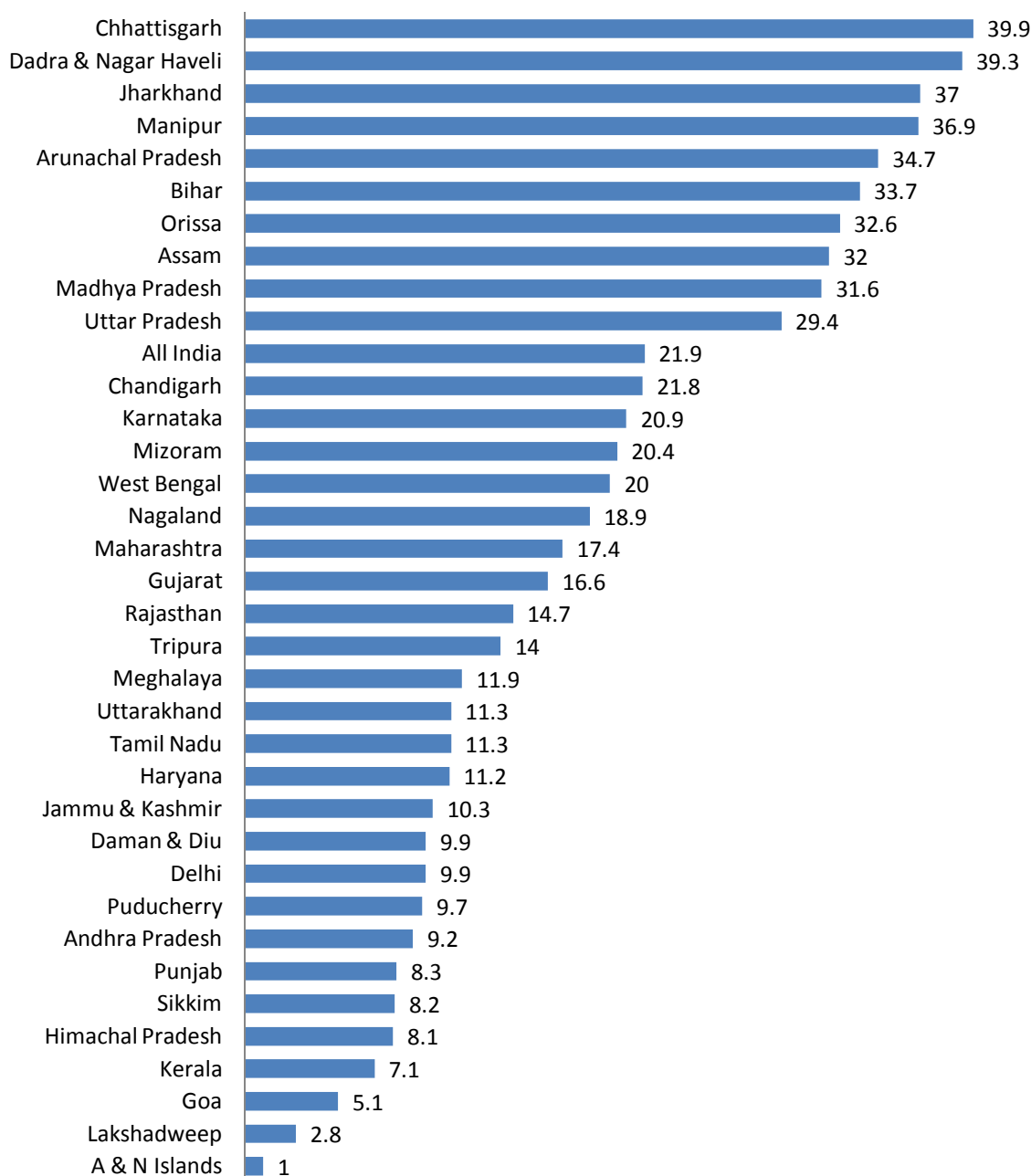
Jharkhand State Information and Communication Network (Jharnet) is the State-of-the-art communication network connecting State headquarters with headquarters of 24 districts, 35 sub division and 212 blocks. Jharnet is a broad band IP based E-Governance network which provides a secure platform to transfer data across the State.

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### 5. Social Infrastructure

**Poverty**– It is encouraging to note that the state of Jharkhand has been able to significantly reduce its poverty numbers during the last few years. The percentage of population below poverty line of the Jharkhand has declined by around 8 percentage points from 45% in 2004-05 to 37% in 2011-12.

**Chart 7: Percentage of Population Below Poverty Line – 2011-12 (%)**



Source: PHD Research Bureau, compiled from Planning Commission (Report of the Expert Group, 2014) Note: Data for 2011-12

## Rising Jharkhand: Economic Profile

**Unemployment**– The unemployment rate is defined as the number of person unemployed per 1000 persons in the labour force. The unemployment rate according to usual principal & subsidiary status approach (PS+SS) for Jharkhand stands at 2.2% during 2011-12 which is lower than 3.7% for India.

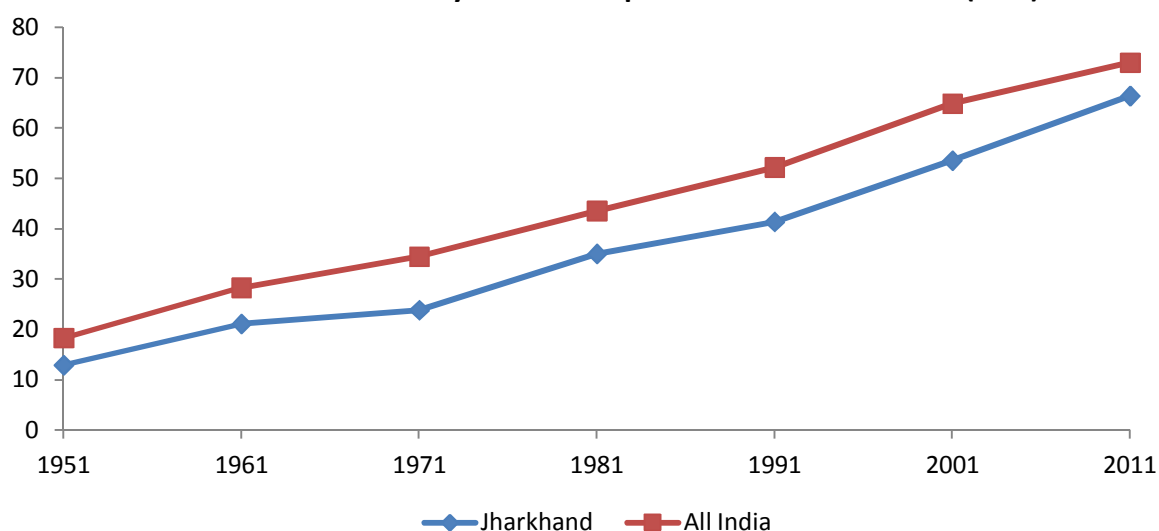
**Table 17: Unemployment rate for persons aged 15 years and above in India and Jharkhand (2011-12) (in %)**

India/Jharkhand	Rural			Urban			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
India	2.9	4.7	3.4	3	10.9	4.4	3	5.8	3.7
Jharkhand	1.5	0.7	1.2	6.5	15.6	7.9	2.5	1.8	2.2

Source: PHD Research Bureau, compiled from Economic Survey of Jharkhand, 2017-18

**Education**– Education plays an important role in enhancing the capability of the people and in promoting human resource development. The state of Jharkhand is committed to provide education to all. The concerted efforts of the government have resulted in the state to increase its literacy rate significantly over the years. The state's literacy rate has increased significantly from around 13% in 1951 to around 35% in 1981, 54% in 2001 and about 66% in 2011

**Chart 8: Trends in literacy rate in comparison with other states (in %)**

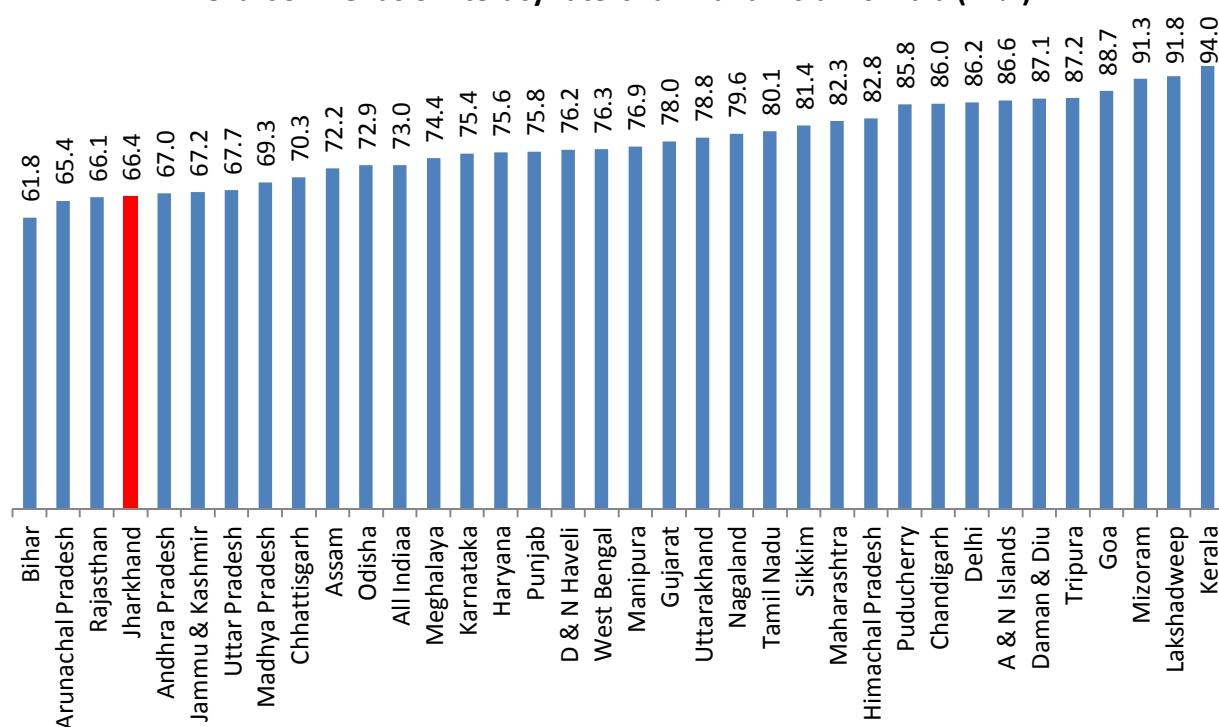


Source: PHD Research Bureau, compiled from Economic Survey, 2017-18, Government of India

## Rising Jharkhand: Economic Profile

As per the Economic Survey 2017-18, the state has a literacy rate of 66.4% which is higher than states such as Rajasthan, Arunachal Pradesh and Bihar.

**Chart 9: Trends of literacy rate: Jharkhand vis-à-vis India (in %)**



Source: PHD Research Bureau, compiled from Economic Survey, 2017-18

**Health**— Over the years, Jharkhand has focused to provide quality health care services to the people. To achieve this target, Government of Jharkhand (GoJ) has accorded top priority to improvements in its health infrastructure. The population of Jharkhand according to the Census 2011 was 32.96 million, consisting of 16.93 million males and 16.03 million females. The life expectancy in Jharkhand was seen to be higher than the national average for the period of 2011-2015. Similarly, the Crude Birth Rate (CBR) of Jharkhand was higher than India. Alternatively, the Crude Death Rate (CDR) of the state is lower than India, implying better health status in Jharkhand vis-à-vis India.

The child mortality rates, i.e., neonatal, infant and under-five mortality in Jharkhand were below the national average. However, it is encouraging that Jharkhand's position is better as compared to other high-focus states of India. The Total Fertility Rate (TFR) of the state is higher than the All India figure of 2.3.



## Rising Jharkhand: Economic Profile

**Table 18: Status of health indicators of Jharkhand and India**

Indicators	Jharkhand	India
Population	32.96 Million	1.21 Billion
Female Literacy Rate	55.42	53.7
Sex-ratio (Female per 1000 male)	948	919
Life Expectancy at Birth	67.2	68.3
Crude Birth Rate	23.5	20.8
Crude Death Rate	5.8	6.5
Neonatal Mortality Rate	23	25
Infant Mortality Rate	44	41
Under-five Mortality Rate	54	50
Maternal Mortality Ratio	245	167
Total Fertility Rate	2.7	2.3
Mean age at effective marriage (Females)	20.7	21.2

Source: PHD Research Bureau, compiled from Economic Survey, Jharkhand 2017-18.

### Availability of safe drinking water and sanitation facilities

The state of Jharkhand has made substantial achievements over the past years in realising the goal of strengthening health indicators. With the advent of large scale programs such as Swachh Bharat Abhiyan, the State has the required thrust to realise the goals of achieving treated drinking water supply and safe sanitation practices. Households having access to improved drinking water facilities have increased to 77.8% in 2015-16 from 57% in 2005-06 (National Family Health Survey, 2015-16). Access to improved sanitation facilities has also increased substantially, i.e., from 15% in 2005-06 to 24% in 2015-16.

### Status of Swachh Bharat Abhiyan (Rural)

Swachh Bharat mission launched by the Hon'ble Prime Minister Shri Narendra Modi intended to improve the level of sanitation and cleanliness with a vision to make India a clean country by 2019. For Jharkhand, the toilet coverage has increased from 26.57% in 2014 to 63.35% as on December 2017. Since 2nd October 2014, 1826203 toilets have been built in Jharkhand as on December 2017. In the financial year 2017-18 alone, 611948 toilets were built which is indicative of the concerted efforts taken by the state of Jharkhand.

The Ministry of Drinking Water and Sanitation is the nodal Ministry for the implementation of Swachh Bharat Mission (Gramin). In rural India, this would mean improving the level of cleanliness through Solid and Liquid waste management activities and making villages Open Defecation Free (ODF), clean and sanitized. With 70% of the state's population residing in rural areas, this has been a challenging task for the Government. However, Jharkhand has in the recent years made continuous improvements for making the state Swachh.

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Status of Swachh Bharat Abhiyan (Urban): Swachh Bharat Mission (Urban) is overseen by the Ministry of Urban Development and is mandated to provide sanitation and household toilet facilities in all 4041 statutory towns with a combined population of 377 million. The estimated cost is Rs. 62,009 crore over five years with the Centre stated to assist with Rs. 14,623 crore. The Mission aims to cover 1.04 crore households, provide 2.5 lakh community toilet seats, 2.6 lakh public toilet seats and set up in all towns solid waste management facilities.

At the core of this mission lie six components:

- Individual household toilets;
- Community toilets;
- Public toilets;
- Municipal Solid Waste Management;
- Information and Educating Communication (IEC) and Public Awareness;
- Capacity Building

### **Four Jharkhand cities among 100 cleanest in the country**

Jharkhand emerged as one of the top performers in cleanliness (as per the Swachh Sarvekshan 2017, the annual ranking of the cities being done by the Centre since 2014). Four of the cities of Jharkhand attained the position among the top 100 cleanest cities of country. Chas of Bokaro district ranked 41 out of 434 cities surveyed. Chas was also announced as the cleanest among towns in Eastern India which have a population under two lakhs. While Jamshedpur was announced as the cleanest among towns in Eastern India which have a population of 10 lakhs. Nine cities of Jharkhand participated in the Survey. The Temple Town of Deoghar stood at 102nd position while Dhanbad bagged the 109th position, Mango urban local body in Purbi Singhbhum was ranked 131st while Adityapur in Seraikela Kharsawan district was ranked 97.

Source: PHD Research Bureau, compiled from Economic Survey of Jharkhand 2017-18.

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### 6. Budget Highlights 2018-19

For the fiscal year 2018-19, Jharkhand has presented a budget worth of Rs. 80200 crore where the total allocated state budget for 2018-19 is 5.98% more than the fiscal year 2017-18. In the total budget allocation, Rs. 62744.44 crore has been marked for revenue expenditure and Rs. 17455.56 crore has been allocated for capital expenditure. For fiscal year 2018-19, it has been pledged to accomplish the “New India New Jharkhand” motto:

- A major share of the budget has been allocated to the education sector with Rs. 10,873.74 crore which is 3.29% of the total budget.
- Funds for technical education and skill development have been increased from Rs. 704 crore to Rs. 831.40 for the financial year 2018-19.
- The state government has increased the allocation in agriculture sector by 8.05% to Rs. 5,807.64 crore.
- The gender budget fund allocation has been increased by 6.64% to Rs. 8194.59 crore.
- The budget has also laid emphasis on development of Scheduled Tribes (ST) and Scheduled Castes (SC) and has allocated Rs. 46503 crore for special schemes related to their upliftment. Further, Rs. 20,326.17 crore has been allotted for development of ST areas while Rs. 4083.89 crore has been set aside for development of SC areas. Therefore, the total allocation comes out to be Rs. 24,410.06 crore which is 52.49% of the total budget set aside for the schemes related to their upliftment.

**Table 19: Budget at a glance (Rs. Crore)**

S. No.	RECEIPTS	2018-2019(B.E)	EXPENDITURE	2018-2019 (B.E)
1	Revenue Receipts	69130.00	Establishment Expenditure	33697.00
2	Tax Revenue	46250.00	Revenue Expenditure	62744.44
3	Non- Tax Receipts	22880.00	Capital Expenditure	17455.56
4	Capital Receipts	11070.00	Total Expenditure	80200.00
5	Total Receipts	80200.00		

Source: PHD Research Bureau, Compiled from Jharkhand Budget 2018-19.

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### **7. Conclusions and Recommendations**

Jharkhand is a state in the Eastern part of India sharing its border with the states of Bihar to the North, Uttar Pradesh and Chhattisgarh to the West, Odisha to the South, and West Bengal to the East. The state is well known for its rich mineral base as it boasts about 40% and 29% of India's mineral and coal reserves<sup>24</sup>, respectively. Some of the important minerals found in Jharkhand are Bauxite, Chromite, Dolomite, Mica, Iron, Copper, Limestone, Asbestos, Uranium, Sillimanite, Gold, Graphite, Manganese, pyrite, Silver, Bauxite, Coal, among others.

The GSDP of Jharkhand has increased significantly during the recent years. The state's GSDP has increased from about Rs. 174724 crores in FY2013 to about Rs. 255271 crores in FY2018. The real GSDP of the state has grown at 5.3% (average) during the period FY2013 to FY2018. The size of economy of Jharkhand is expected to surpass<sup>25</sup> more than Rs. 3 lakh crore by FY2020. Tertiary sector<sup>26</sup> contributes a significant share of around 49% in the GSVA of the state followed by the primary sector<sup>27</sup> and secondary<sup>28</sup> sector at 27% and 24% respectively during FY2018. The NSDP of the Jharkhand has increased significantly from Rs 160304 crore in FY2013 to around Rs 234052 crore in FY2018.

**Reforming agriculture and allied sector critical to enhance farm income:** Agriculture and allied sector forms an important component of Jharkhand's economy as a large proportion of population depends on it for their livelihood and is the largest contributor in the rural economy. The state holds immense potential in areas like horticulture, fishery and animal husbandry. Rice is the major food crop of the state, covering 80% of the cropped area<sup>29</sup>. The state's soil and climatic conditions support cultivation of ornamental plants, mushrooms, spices and tea.

The state possesses huge potential in agro exports, due to its extensive presence of agricultural base. Going ahead, diversification in the farm sector, crop rotation and organic farming should be encouraged and promoted in the state to improve the soil quality and to enhance the crop productivity. The reforms in agriculture sector would push the growth rate of agriculture sector and help rural economy to strengthen and contribute in overall growth of the state. There is a need to focus on enhancing off farm based livelihoods, promote farm mechanization, agro forestry, strengthen storage and processing infrastructure, marketing and agri infrastructure including strengthening of irrigation/tube-well facilities, rural roads and linkages with mandis.

There is a need to deviate from the traditional mode of operation towards a more professional conduct of business both during pre and post-harvest period and processing period. Also, minimization of the wastages with augmenting storage capacities, modernizing/ upgrading the

<sup>24</sup> Data pertains to India Brand Equity Foundation, November 2018.

<sup>25</sup> Projections by PHD Research Bureau

<sup>26</sup> Tertiary sector include Trade, repair, hotels and restaurants, Financial services, Real estate, ownership of dwelling & professional services, Public administration and Other services

<sup>27</sup> Primary sector include Agriculture, forestry and fishing and Mining and quarrying;

<sup>28</sup> Secondary sector include Manufacturing, Electricity, gas, water supply & other utility services and Construction;

<sup>29</sup> Data pertains to IBEF, November 2018





## **Rising Jharkhand: Economic Profile**

godowns and setting up of more cold storage facilities would enhance farmer's income in the coming times.

**Strengthen employment oriented industrial growth:** The state has made impressive strides over the years in industrialization. The key industrial areas of the state include Jamshedpur, Dhanbad, Bokaro, Deoghar, Hazaribagh, Singhbhum, Ghatshila, among others. Jharkhand offers a wide range of fiscal and policy incentives for boosting growth of various sectors of the economy. It is endowed with rich natural resources and offers tremendous investment opportunities in mineral and natural resource based industries, MSMEs, food processing, sericulture, khadi and village industries, handicraft and handloom, tourism, engineering and auto components, chemicals, electronic goods, iron and steel, heavy and light engineering, medicinal and aromatic plants, forest based industries, metallurgy, tourism, power generating and allied sector, among others.

Jharkhand is a land of boundless opportunities which offers distinct advantage for investment and industrial development. Jharkhand Industrial and Investment Promotion Policy 2016 aims to make the state as one of the most preferred destinations for industrial investments. Several incentives have been offered by the state to spur the growth of industrial sector and promote entrepreneurship ecosystem in the state. It has immense potential for industrialisation as the state is rich in vast mineral deposits.

It is the sole producer of coking coal, uranium and pyrite and the leading producer of coal, mica, kynite and copper in the country. The state has lucrative sericulture sector, handloom sector, textile sector, handicraft sector, among others. Going ahead, there is a need to strengthen employment oriented industrial development by establishing state of art infrastructure, sustainable manufacturing, enhanced inclusivity, foster innovation, creating employment opportunities by providing favourable and globally competitive business climate.

**Boost industrial investments and exports:** Jharkhand is progressing fast on adopting best practices for making an investor friendly environment in the state to facilitate investments, employment generation and welfare of the people. Measures like Jharkhand Investment Promotion Board, single window clearance, online payments, online verification, third party certifications, self- certification, time bound approvals, availability of information online, standard operating procedures for approvals, deemed approvals, etc. are being adopted by various departments of the Government.

Jharkhand Export Policy 2015 has been formulated to facilitate and provide incentives for boosting exports from the state and envisage to increase its share in India's exports to 2% by 2019. The major export items from the state are iron and steel, auto components, mica, motor vehicles/cars, among others. The volume of exports<sup>30</sup> from the state stands at around USD 1117 million during 2017-18. Around 48% share in State's exports is contributed by iron and steel sector in the year 2017-18. The volume of exports from the state is estimated<sup>31</sup> to reach about USD 2000 million by

<sup>30</sup> Data pertains to IBEF

<sup>31</sup> Projections by PHD Research Bureau, the research arm of PHD Chamber



## **Rising Jharkhand: Economic Profile**

2021-2022 on the basis of speedy reforms being taken to spur industrial growth and promotion of export oriented units of the state in the coming times.

The state's industries enjoy a unique location-specific advantage as it is close to the vast market of eastern India and export demand of SAARC nations. Jharkhand's proximity to ports of Kolkata, Haldia and Paradip make it as an ideal location for boosting growth of export oriented units. Going ahead, development of export oriented units, participation in international trade and exhibitions, strengthening of export and warehousing infrastructure, reforms in ease of doing trade would go a long way in boosting overall exports from the state.

**Strengthening of MSMEs is necessary to push industrial growth:** MSMEs sector can be a major growth vehicle for the new industrial environment in the state to achieve higher growth trajectory in manufacturing and overall industrial sector. MSMEs provide employment opportunities to a large section of people in the state and hence, can contribute enormously to the socio-economic development of Jharkhand. The Government of Jharkhand has placed strong focus on the development of this sector. The need of the hour is to build sound industrial infrastructure particularly for the MSMEs, ease of borrowing at reasonable rates and conducive environment for encouraging MSME start-up ecosystem. Also, setting up of more large scale units in Jharkhand must be encouraged as many small and medium scale industries become ancillary to these large scale units which will generate revenue and employment in the state.

**Expansion of services sector necessary to boost foreign investments, exports and employment generation:** The services sector of Jharkhand has exhibited a tremendous progress over the last many years. The government of Jharkhand has taken proactive steps in different areas such as ease of doing business, formulating policies for conducive business environment in the areas of IT and ITeS, tourism sector, business process outsourcing, banking and financial sector, a policy for Internet of things which is an upcoming area in the information technology, among others.

Jharkhand is emerging as one of the prominent tourist destinations in the country. Certainly, the tourism activity would help integrate the region further into the overall Indian as well as the global economy. Going ahead, tourism should be promoted further at a large scale in order to boost the state's economic development. The promotion of eco-tourism, religious tourism and heritage tourism by the state in the coming times would not only help generate employment opportunities but would also help enhance the external orientation of its regional economy.

In order to encourage development of services sector of the state, it is necessary to enhance tourism publicity, training, skill development and re-skilling of people engaged in the services sector of the state, strengthening and promotion of computerization and modernization, enhancing banking sector outreach, boosting adoption of financial literacy, spreading digital awareness, among others. Further, expansion of services such as financial, telecom and internet services in the rural areas will strengthen not only the growth of services sector but also the overall economic growth of the state.



## **Rising Jharkhand: Economic Profile**

**Development of physical infrastructure necessary for speedy growth of industry:** Building a high class infrastructure is crucial for the effective functioning of the industrial sector especially for the manufacturing competitiveness. The state government is making serious efforts towards the development of infrastructure to promote trade, commerce and industry in the state. The state boasts of a good network of road, rail and civil aviation. The installed plant capacity for electricity supply should increase in tandem with the increasing demand from the industrial sector. There is a vital need for speedy approvals of power projects, project management techniques, rapid up-skilling of manpower, strengthening transmission and distribution system and promoting alternative sources of energy like solar, wind, bio-gas, agriculture bio-mass to meet the increasing demand for power in the state. There is a need to develop dry ports and improve industrial infrastructure for the enhancement of industrial development in the state as state of the art infrastructure is required to boost industrial output of the state.

**Leveraging social infrastructure to achieve greater prosperity –** The state of Jharkhand has made significant strides in improving the quality of its social infrastructure during the last few years. This is in line with the vision statement of the state which says, “Empowering the people of Jharkhand through accelerated, sustainable and inclusive economic and social development”. It is encouraging to note that the state has been able to reduce its poverty numbers during the last few years. The percentage of population below poverty line of the Jharkhand has declined by around 8 percentage points from 45% in 2004-05 to 37% in 2011-12.

Similarly, the unemployment rate according to usual principal & subsidiary status approach (PS+SS) for Jharkhand stands at 2.2% during 2011-12 which is lower than 3.7% for India. However, in order to reduce poverty and unemployment and increase Monthly Per Capita Expenditure (MPCE), there is a need to improve the productivity of various sectors especially agriculture and enhance the earning of those engaged in this sector. It is suggested to promote rural non-farm sector, encourage skilling of workforce which will improve their productivity and earning, and create an environment conducive for investment, especially in labour-intensive enterprises.

Jharkhand is committed to provide education for all and the concerted efforts of the government have resulted in the state to increase its literacy rate quite impressively over the past few years. The state’s literacy rate has increased significantly from around 13% in 1951 to around 35% in 1981, 54% in 2001 and about 66% in 2011.

Similarly, the status of common health indicators for Jharkhand has also improved over the years. Going ahead, promotion of university and industry linkages and skilling on a large scale with high standards would be critical to promote a culture of innovation based entrepreneurship to ensure sustainable livelihoods for all citizens in the country. In case of healthcare, it is necessary to strength health services by adding more numbers of Primary Health Centres (PHCs) and Community Health Centres (CHCs) every year to ensure access to critical health care services by the citizens of the state.



## **Rising Jharkhand: Economic Profile**

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## Rising Jharkhand: Economic Profile

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PHD Research Bureau; the research arm of the PHD Chamber of Commerce and Industry was constituted in 2010 with the objective to review the economic situation and policy developments at sub-national, national and international levels and comment on them in order to update the members from time to time, to present suitable memoranda to the government as and when required, to prepare State Profiles and to conduct thematic research studies on various socio-economic and business developments.

The Research Bureau has been instrumental in forecasting various lead economic indicators national and sub-national. Many of its research reports have been widely covered by media and leading newspapers. Recently, the Research Bureau has undertaken various policy projects of Government of India including Framework of University-Industry Linkages in Research assigned by DSIR, Ministry of Science & Technology, Study on SEZ for C&AG of India, Study on Impact of Project Imports under CTH 9801 for C&AG of India, among others.

Research Activities	Comments on Economic Developments	Newsletters	Consultancy
<ul style="list-style-type: none"> <li>Research Studies</li> </ul>	<ul style="list-style-type: none"> <li>Macro Economy</li> </ul>	<ul style="list-style-type: none"> <li>Economic Affairs Newsletter (EAC)</li> </ul>	<ul style="list-style-type: none"> <li>Trade and Investment Facilitation Services (TIFS)</li> </ul>
<ul style="list-style-type: none"> <li>State Profiles</li> </ul>	<ul style="list-style-type: none"> <li>States Development</li> </ul>	<ul style="list-style-type: none"> <li>Forex and FEMA Newsletter</li> </ul>	
<ul style="list-style-type: none"> <li>Impact Assessments</li> </ul>	<ul style="list-style-type: none"> <li>Infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Global Economic Monitor (GEM)</li> </ul>	
<ul style="list-style-type: none"> <li>Thematic Research Reports</li> </ul>	<ul style="list-style-type: none"> <li>Foreign exchange market</li> </ul>	<ul style="list-style-type: none"> <li>Trade &amp; Investment Facilitation Services (TIFS) newsletter</li> </ul>	
<ul style="list-style-type: none"> <li>Releases on Economic Developments</li> </ul>	<ul style="list-style-type: none"> <li>International Trade</li> </ul>	<ul style="list-style-type: none"> <li>State Development Monitor (SDM)</li> </ul>	
	<ul style="list-style-type: none"> <li>Global Economy</li> </ul>	<ul style="list-style-type: none"> <li>Industry Development Monitor (IDM)</li> </ul>	

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15. Imperatives for Double Digit Growth (December 2013)
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17. Emerging Contours in the MSME sector of Uttarakhand (April 2014)
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28. SEZs in India: Criss-Cross Concerns (February 2015)
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31. Economy on the Eve of Union Budget 2015-16 (February 2015)
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33. Druzhba-Dosti: India's Trade Opportunities with Russia (April 2015)
34. Impact of Labour Reforms on Industry in Rajasthan: A survey study (July 2015)
35. Progress of Make in India (September 2015)
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