JHARKHAND
An Investment Destination
**JHARKHAND – A GENERAL OVERVIEW**

Jharkhand, which is located in the eastern region of India, was born on 15 November 2000. It was bifurcated from the southern part of Bihar. It is a landlocked territory bounded by the State of Bihar in the north, West Bengal on the east, Orissa in the south and Chhattisgarh in the west. The State comprises 24 districts with the capital being Ranchi.

Rivers like Koel, Subarnarekha, Damodar, Barakar, Ajoy, Mor, Konar and Bokaro flow in the State and this explains the potential of hydel power in the State.

Climate of the State in general is tropical with hot summers and cold winters. Maximum rainfall occurs from July to September accounting for more than 90 percent of total rainfall in the State.

The State is generously endowed with mineral wealth. It has some of the richest deposits of iron and coal in the world apart from being part of one of the most industrialized regions in the country. Besides minerals, it is gifted with adequate water resources, relatively moderate climate and a very fertile land providing tremendous scope for horticulture and floriculture.

The State offers a large pool of trained manpower, good educational and technical institutions, research laboratories, favorable industrial climate and a good rail, road and telecommunication network.
## Jharkhand – Demographic Details

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of District</td>
<td>24</td>
</tr>
<tr>
<td>Total Area (in sq km)</td>
<td>79,714</td>
</tr>
<tr>
<td>Total Population (in million)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Persons</td>
</tr>
<tr>
<td></td>
<td>Males</td>
</tr>
<tr>
<td></td>
<td>Females</td>
</tr>
<tr>
<td>Density of Population (per sq km)</td>
<td>414</td>
</tr>
<tr>
<td>Sex Ratio (females per 1000 males)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Persons</td>
</tr>
<tr>
<td></td>
<td>Males</td>
</tr>
<tr>
<td></td>
<td>Females</td>
</tr>
<tr>
<td>Religious Population (%)</td>
<td></td>
</tr>
<tr>
<td>Hindu</td>
<td>68.10</td>
</tr>
<tr>
<td>Muslims</td>
<td>13.80</td>
</tr>
<tr>
<td>Sarna</td>
<td>13.00</td>
</tr>
<tr>
<td>Christian</td>
<td>4.10</td>
</tr>
<tr>
<td>Buddhists, Sikhs, Jains and others</td>
<td>1.00</td>
</tr>
<tr>
<td>Decennial Growth Rate (%) (2001-2011)</td>
<td>22.34</td>
</tr>
<tr>
<td>Summer</td>
<td>Mar-Jun</td>
</tr>
<tr>
<td>Monsoon</td>
<td>Jul-Oct</td>
</tr>
<tr>
<td>Winter</td>
<td>Nov-Feb</td>
</tr>
<tr>
<td>Meteorological Data</td>
<td></td>
</tr>
<tr>
<td>Temperature (in Degree Celsius)</td>
<td></td>
</tr>
<tr>
<td>Summer</td>
<td>42 - 45</td>
</tr>
<tr>
<td>Winter</td>
<td>02 - 22</td>
</tr>
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</table>
Jharkhand - Economic Figures

<table>
<thead>
<tr>
<th>GSDP for 2010-11</th>
<th>Per Capita Income 2010-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>US $ 22.46 billion</td>
<td>INR 27,180</td>
</tr>
</tbody>
</table>

Economy growth of Jharkhand has been slow in comparison with the national average. The economy depends mostly on mineral resources, industries, agricultural, and tourism sectors. **The State's Gross Domestic Product amounted to US $ 14 billion in 2004, which moved to US $ 22.46 billion in 2010-11.**

Jharkhand’s per capita income increased by 40.82 percent in the last ten years.

The per capita GSDP in the State in 2000-01 was INR 16,084 (at 2004-05 prices), which increased to INR 27,180 in 2010-2011.

Jharkhand - Economy

The economy of the Jharkhand gets its revenue from the mineral resources sector for the State has a rich storehouse of minerals. The State has almost 40 percent of the mineral reserves found in India. The various kinds of minerals found in Jharkhand are iron ore, granite, coal, copper, mica, bauxite, and chromite. Jharkhand also exports its mineral products to various countries such as Saudi Arabia, Bangladesh, South Africa, and Nepal. This sector has given a major boost to the economy of the State.

The economy of the State of Jharkhand depends for its revenue on the industrial sector to a very large extend. This is due to the fact that the State has industrialized cities such as Bokaro, Jamshedpur, and Dhanbad. In Jharkhand there are companies like Tata Iron and Steel Company, Indian Tube Company, Sriram Bearing, Usha Martin, and Tata Engineering and Locomotive Company. The industries have contributed to the growth of the economy in Jharkhand.

The economy in the State of Jharkhand gets its revenue from the agricultural sector, as almost 75 percent of the people of the State are dependent on this sector. The various kinds of crops grown in Jharkhand are rice, oilseeds, wheat, potatoes, maize, and pulses. The State also produces a wide variety of vegetables and fruits like ladies finger, brinjal, tomato, cabbage, mango, lemon, and papaya. Jharkhand produced in land of round 18.05 lakh hectares more than 21 lakh tonnes of agricultural produce. This sector has also to a certain extend helped the State’s economy to grow.
Jharkhand’s economy also gets its revenue from the tourism sector but this sector's contribution is comparatively less. This is due to the fact that although the State has places of religious and archaeological significance and also lakes, hills, and wildlife to attract the tourists, the State government has not fully exploited this sector.

The other sectors that contribute to the economy in the State of Jharkhand are cottage industry, IT industry, and silk goods. In order to boost the economy, the State government has started to make some efforts by developing the infrastructure and also by promoting the setting up of new industries.

The economy survey report 2011 says the performance of the primary sector declined in the last decade, though the secondary and tertiary sectors performed well in relative terms.

In the primary sector, agriculture growth remained stagnant in the last ten years, mainly due to inadequate irrigation. Jharkhand irrigated only 12 per cent of its cultivable land.

The primary sector, which also includes animal husbandry, forestry and fishing, declined to 23.30 percent of GSDP from 30 per cent in the last ten years.

However, Jharkhand is expected to collect US $ 463.32 million (INR 2,086 crore) as royalty from mining and sale of minerals in the current financial year 2010-11.

By December 2010, the royalty collection was US $ 284.65 million (INR 1,281.6 crore). In the financial year 2009-10, the royalty collection was US $ 384.31 million (INR 1,730.3 crore).

Meanwhile, the Jharkhand government has proposed US $ 7.36 billion (INR 33,121.70 crore) Annual Budget for the coming fiscal year 2011-12, laying extra focus on development of infrastructure both in urban as well as rural areas and irrigation facilities.

The GDPS of the State has been projected to US $ 30.66 billion (INR 1,38,028 crore) in the coming fiscal year.

While the non-plan expenditure has been kept at US $ 3.58 billion (INR 16,096.77 crore) against the current fiscal of US $ 2.89 billion (INR 13,022.82 crore), the government has identified road, energy, education, agriculture and health as thrust areas to work with enhanced fund allocation.
Below are some proposed plan outlay for different sectors:

<table>
<thead>
<tr>
<th>Sector</th>
<th>Proposed Allocation US $ Mn (INR, Crore)</th>
<th>Previous Allocation US $ Mn (INR, Crore)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Road</td>
<td>377.58 (1,700)</td>
<td>156.59 (705)</td>
</tr>
<tr>
<td>Energy</td>
<td>355.37 (1,600)</td>
<td>166.58 (750)</td>
</tr>
<tr>
<td>Education</td>
<td>266.53 (1,200)</td>
<td>168.80 (760)</td>
</tr>
<tr>
<td>Food and Civil Supply</td>
<td>168.80 (760)</td>
<td>111.05 (500)</td>
</tr>
<tr>
<td>Health</td>
<td>143.70 (647)</td>
<td>85.51 (385)</td>
</tr>
<tr>
<td>Agriculture</td>
<td>111.05 (500)</td>
<td>57.75 (260)</td>
</tr>
<tr>
<td>Welfare</td>
<td>278.74 (1,255)</td>
<td>168.80 (760)</td>
</tr>
</tbody>
</table>

Jharkhand Economy has grown slowly over the years but the recent efforts taken by the State government are bound to ensure results and rise the economy of the State.

**Overview of Different Sectors in Jharkhand**

**Agriculture Sector**

Agriculture is the main stay for the 80 percent of rural population of the State. It is their employment and primary income generating activity. The agricultural economy of the Jharkhand is characterized by dependence on nature, low investment, low productivity, mono cropping with paddy as the dominant crop, in inadequate irrigation facilities and small and marginal holdings. Agriculture activities are depended totally on rainfall and 92 percent of the total cultivated area is yet to come under irrigation.

The cultivable land resources of the State have good potential for higher production of horticulture and forest products. The soil is young and has high capacity of fixation of humus. The forest provides sufficient biomass to feed its soiling. However, soil erosion and failure to recycle the biomass is depleting the soil fertility. Despite the fact that the State has a good rainfall, the surface water availability to agriculture is not sufficient due to inadequate storage facilities etc. as far as the status of ground water is concerned, it is also in the poor the State, due to little recharging of ground water by
natural process in absence of artificial recharging facilities, as a result, the water label in the plateau is going down

**Agriculture Sector Data**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Total Land Area (million hectares)</td>
<td>7.79</td>
</tr>
<tr>
<td>Cultivable Land (million hectares)</td>
<td>3.8</td>
</tr>
<tr>
<td>Irrigated Area (million hectares)</td>
<td>0.16</td>
</tr>
<tr>
<td>Total Food Grain Production (million tonnes)</td>
<td>4.2</td>
</tr>
<tr>
<td>Major Food Grains</td>
<td>Rice Wheat Maize Chickpea</td>
</tr>
<tr>
<td>Horticulture Production (million tonnes)</td>
<td>4.05</td>
</tr>
<tr>
<td>Vegetable Production (million tonnes)</td>
<td>3.63</td>
</tr>
<tr>
<td>Major Vegetables Produced</td>
<td>Brinjal, Cabbage, Cauliflower, Ladies finger, Onion, Peas, Potato, Pumpkin, Mushroom, Capsicum, Green chilly,</td>
</tr>
<tr>
<td>Fruit Production (million tonnes)</td>
<td>0.4</td>
</tr>
<tr>
<td>Major Fruits produced</td>
<td>Mango, Leechi, Guava, Banana, Papaya, Lemon, Jackfruit</td>
</tr>
<tr>
<td>Flower Production (million tonnes)</td>
<td>1.73</td>
</tr>
</tbody>
</table>

Source: Ministry of Agriculture, Government of India
Production of Major Crops

<table>
<thead>
<tr>
<th>Crop</th>
<th>Production (Million Tonnes)</th>
<th>Yield (Kilograms / Hectare)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rice</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2007 – 08: 0.39</td>
<td>2007 – 08: 2018</td>
<td></td>
</tr>
<tr>
<td>2008 – 09: 0.33</td>
<td>2008 – 09: 2031</td>
<td></td>
</tr>
<tr>
<td>2009 – 10: 0.24</td>
<td>2009 – 10: 1505</td>
<td></td>
</tr>
<tr>
<td>Wheat</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2007 – 08: 0.14</td>
<td>2007 – 08: 1621</td>
<td></td>
</tr>
<tr>
<td>2008 – 09: 0.15</td>
<td>2008 – 09: 1541</td>
<td></td>
</tr>
<tr>
<td>2009 – 10: 0.15</td>
<td>2009 – 10: 1550</td>
<td></td>
</tr>
<tr>
<td>Maize</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2007 – 08: 0.36</td>
<td>2007 – 08: 1509</td>
<td></td>
</tr>
<tr>
<td>2008 – 09: 0.30</td>
<td>2008 – 09: 1407</td>
<td></td>
</tr>
<tr>
<td>2009 – 10: 0.28</td>
<td>2009 – 10: 1332</td>
<td></td>
</tr>
<tr>
<td>Pulses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2007 – 08: 0.30</td>
<td>2007 – 08: 736</td>
<td></td>
</tr>
<tr>
<td>2008 – 09: 0.28</td>
<td>2008 – 09: 724</td>
<td></td>
</tr>
<tr>
<td>2009 – 10: 0.28</td>
<td>2009 – 10: 734</td>
<td></td>
</tr>
</tbody>
</table>

Source: Ministry of Agriculture, Government of India

Initiatives of the government to improve the agriculture sector.

- Encouraging shifting from the traditional mono-cropping to multiple cropping, horticulture, organic farming and diversified agriculture.

- Better management of natural resources for sustainable agriculture and post harvest management and processing.

- Improvement of the soil texture and structure by soil treatment programmes organized by the Department of Agriculture and the establishment of Soil Testing Laboratories to gauge the fertility status of the soil.
• Establishment / Renovation of Seed Village to increase the Seed Replacement Rate (the percentage of area sown out of the total area of crop planted in the season by using certified / quality seeds).

• Control of pest and diseases through Integrated Pest Management techniques to get maximum productivity.

• Increasing productivity by introducing intensive modern agricultural implements and minimizing cost of production.

**Jharkhand - Mining**

**Availability of Minerals in Jharkhand**

Jharkhand has large deposits of minerals. 40 percent of the total minerals of the country are available in the State. The State is the sole producer of cooking coal, uranium and pyrite. It ranks first in the production of coal, mica, kyanite and copper in India. The geological exploration and exploitation of gold, silver, base metals precious stones etc. are the potential areas of futures. The principal export destinations for minerals are Bangladesh, Nepal, South Africa and Saudi Arabia.

**Mineral Reserves - Quantum, Location and Uses**

<table>
<thead>
<tr>
<th>Mineral</th>
<th>Quantum ('000 t)</th>
<th>Location</th>
<th>Uses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apatite</td>
<td>3070</td>
<td>Singhbhum</td>
<td>Mineral Fertilizers and Gem Stones</td>
</tr>
<tr>
<td>Asbestos</td>
<td>40</td>
<td>Roroburu, Singhbhum</td>
<td>Pipes, Asbestos Sheets, Gloves, Ropes</td>
</tr>
<tr>
<td>Barytes</td>
<td>15</td>
<td>Singhbhum</td>
<td>Hydrated Alumina</td>
</tr>
<tr>
<td>Bauxite</td>
<td>68135</td>
<td>Palamu, Ranchi, Gumla, Lohardaga</td>
<td>Alum, Aluminium, Refractory Industry, Imery</td>
</tr>
<tr>
<td>Mineral</td>
<td>Quantum ('000 t)</td>
<td>Location</td>
<td>Uses</td>
</tr>
<tr>
<td>--------------</td>
<td>-----------------</td>
<td>----------------------------------------------</td>
<td>----------------------------------</td>
</tr>
<tr>
<td>China clay</td>
<td>45930</td>
<td>Lohardaga, Ranchi, Dumka, Sahibganj, Singhbhum</td>
<td>Crockery, Glass</td>
</tr>
<tr>
<td>Chromite</td>
<td>334</td>
<td>Singhbhum</td>
<td>Chrome Magnesite Refractory</td>
</tr>
<tr>
<td>Coal</td>
<td>6208485</td>
<td>Jharia, Bokaro, Karanpura, Hutur, Auranga,</td>
<td>Different Industrial uses</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Daltonganj, Deoghar, Rajmahal Coal Fields</td>
<td></td>
</tr>
<tr>
<td>Copper Ore</td>
<td>108690</td>
<td>Singhbhum, Giridih</td>
<td>Copper</td>
</tr>
<tr>
<td>Dolomite</td>
<td>29864</td>
<td>Palamu, Garhwa</td>
<td>Cements, Magnesia, Building Stone</td>
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<tr>
<td>Felspar</td>
<td>5152</td>
<td>Dumka, Hazaribagh, Deoghar</td>
<td>Crockery Wares, Glazed Tiles, Refractories</td>
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<tr>
<td>Fireclay</td>
<td>50462</td>
<td>Dhanbad, Hazaribagh, Palamu, Bokaro, Giridh, Ramgarh</td>
<td>Firebricks, Stoneware crockeries</td>
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<tr>
<td>Garnet</td>
<td>72</td>
<td>Hazaribagh</td>
<td>Beads, as gemstone</td>
</tr>
<tr>
<td>Gold Ore</td>
<td>7.2</td>
<td>Ranchi, Singhbhum</td>
<td>Gold</td>
</tr>
<tr>
<td>Graphite</td>
<td>389678</td>
<td>Palamu</td>
<td>Graphite powder, pencils</td>
</tr>
<tr>
<td>Mineral</td>
<td>Quantum ('000 t)</td>
<td>Location</td>
<td>Uses</td>
</tr>
<tr>
<td>---------------------</td>
<td>------------------</td>
<td>-----------------------------------------------</td>
<td>----------------------------------------------</td>
</tr>
<tr>
<td>Iron Ore</td>
<td>308326</td>
<td>Singhbhum,Palamu</td>
<td>Iron</td>
</tr>
<tr>
<td>Kyanite</td>
<td>90</td>
<td>Singhbhum</td>
<td>High Alumina Refractories</td>
</tr>
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<td>Limestone</td>
<td>964917</td>
<td>Hazaribag,Santhal Pragana,Palamu, Singhbhum,Ranchi</td>
<td>Lime,Fertilizer,Cement</td>
</tr>
<tr>
<td>Manganese Ore</td>
<td>2363</td>
<td>Singhbhum</td>
<td>Manganese</td>
</tr>
<tr>
<td>Mica</td>
<td>13554</td>
<td>Koderma,Giridh,Hazaribagh</td>
<td>Insulation Bricks,Mica Powder</td>
</tr>
<tr>
<td>Nickel Ore</td>
<td>9</td>
<td>Singhbhum</td>
<td>Nickel</td>
</tr>
<tr>
<td>Quartz (silica sand)</td>
<td>136429</td>
<td>Singhbhum,Dumka,Hazaribag,Deogarh,Palamu,Sahidganj</td>
<td>Glass,Crockery Ware,Glaze,Acid Resistant Bricks and Tiles</td>
</tr>
<tr>
<td>Quarzite</td>
<td>219842</td>
<td>Singhbhum</td>
<td>Gemstone</td>
</tr>
<tr>
<td>Talc/ Stealite/Soapstone</td>
<td>289</td>
<td>Singhbhum,Giridh</td>
<td>Talcom Powder,Wall Tile,Electrical Insulators,Cookware</td>
</tr>
</tbody>
</table>

**Mining as a Percentage of GSDP**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>2007-08</th>
<th>2008-09</th>
<th>2009-10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount (US $ billion)</td>
<td>2.21</td>
<td>1.78</td>
<td>1.92</td>
</tr>
<tr>
<td>As a % of GSDP</td>
<td>11.62</td>
<td>11.47</td>
<td>11.34</td>
</tr>
</tbody>
</table>
Opportunities in Mining and Minerals Sector (Mineral Based Industries)

The availability of abundant mineral resources has led to the setting up of a number of industries in the State which include, inter alia, iron and steel, cement, coke ovens, washeries, refractories, alumina, sponge iron, ceramic, graphite processing, granite cutting and polishing etc.

The State Industrial Policy (SIP) has categorized the mineral based industries as a thrust area. The SIP also lays down the policy instruments, strategy and infrastructural support for establishment of such projects.

Coal

The State of Jharkhand is endowed with 72.2 billion tonnes of coal of all categories. This is distributed in twelve major coalfields. The maturity of coal varies from meta lignitous coal of low rank to semi anthracitic coal. Jharkhand is the only State, which is having prime coking coal, which with or without washing can be directly fed to coke oven for making metallurgical coke. Jharkhand State Mineral Development Corporation Ltd., (JSMDC Ltd.), and four major companies of Coal India Ltd i.e. Central Coalfields Limited, Bharat Coking Coal Ltd., Eastern Coalfields Limited and Central Mine Planning and Design Institute Ltd. are contributing to the production of coal. Other entrepreneurs like Tata Steel, Tenughat Vidyut Nigam Ltd. and Damodar Valley Corporation are also having their captive mines in the State. As is well known, the major resources of coal in the country are with high ash contents. As per the guidelines of Ministry of Environment and Forest (MOEF), the coal to be transported beyond 1,000 km has to be washed to 34 percent ash. The State supplies about 70 MT of coal for thermal power stations located in various parts of the country. There is a vast scope for establishing washeries both for the coking coal and non-coking coal in the State. For this, JSMDC is being geared up for entering into a joint venture with private entrepreneur. The washing of the coal is also required for supply of 24-25 percent ash coal to sponge iron plants, which are being set up on large scale in the State. The State has vast resources of deep-seated coal deposits, which are being tapped for Coal Bed Methane. The future lies in the underground gasification of coals, which are difficult to reach physically. The technologies like coal liquefaction are also on anvil and there is a scope to develop it.
Iron and Steel

The State is endowed with deposits of iron ores of both, Hematite and Magnetite.

The Hematite deposits are mainly located in the west Singhbhum district and have a resource base exceeding 3,700 million tonnes. These have been explored only in pockets by large industry houses in their leasehold. There is a very good scope of enlarging this resource base by further exploration.

The Magnetite Deposits are located in the east Singhbhum, Latehar and Palamu districts. They comprise lenticular ore bodies as well as Schist rocks with 80 to 36 percent magnetic. The exploration of these bodies is yet to be taken up. The existing steel mills are sourcing their iron ore (Hematite) from west Singhbhum. The Magnetite ore is being used in heavy media coal washeries and paints.

Alumina and Aluminium

Jharkhand holds a very large potential of bauxite amounting to a reserve of 68.1 MT. Though most of the mined bauxite is targeted for metallurgical purposes for the extraction of metal aluminium, it has variety of uses in other industries, such as, abrasive, alloy-steel, aluminium, cement, ceramic, chemical, ferro-alloys, iron and steel, petroleum refining, refractory and vanaspati products, creating opportunities for various industries in small, medium and large scale.

Limestone

Limestone mining in India takes its place next to coal mining. It is mainly utilized for the manufacture of cement. Next to cement industry, its potential consumers are the chemical and iron and steel industries. Total reserve of limestone in Jharkhand is 511.104 MT. The deposits occur in Hazaribagh, Singhbhum, Pakur, Garhwa, Ranchi, Giridih and Bokaro districts. Production of limestone during 2001-02 in Jharkhand was 2.13 million tonnes.

Gem Stone

There is good scope for setting up a number of gem-based industries in the State.

Minor Minerals

There is scope for value addition activities in respect of minor minerals, such as stone crushing, brick making, etc. in SSI sector.
Status of the minerals in State that creates several opportunities

Barytes
Barytes occurs in Singhbhum, Palamau and Ranchi districts. Jharkhand has total known resources of 15 thousand tonnes of Barytes. Barytes production in Jharkhand is only 0.2 percent of total production in India. So, there is ample potentiality of small-scale mining in Jharkhand.

Clay

China Clay: Jharkhand is an important china clay producer in India and it has great potential with total reserve of 45.335 MT.

Fire clay: Fireclay beds are associated with coal seams in Gondwana rocks of Chhotanagpur terrain. The fireclays of Jharia coalfield are of good refractory quality. Fireclay is also reported from Dhanbad, Dumka, Giridih, Hazaribagh, Palamu, Singhbhum and Ranchi districts. Total reserve of fireclay in Jharkhand is 03.45 MT.

Felspar
Felspar occurs as abundant mineral in Bihar-Jharkhand mica belt. Total reserve of feldspar in Jharkhand is 2.19 MT. The major feldspar reserve in Jharkhand is Hazaribagh, Palamau, Kodarma, Deoghar, Giridih and Dhanbad districts. Production of Felspar can be boosted through small-scale mining and industries developed locally.

Garnet
Occurrences of major massive garnet (granitite) rock at isolated localities in Chhotanagpur granite terrain were earlier reported. Massive garnet rock occurs in concentrated clusters at several places to the east of Hazaribagh. Total reserve of garnet in Jharkhand is 72 thousand tonnes and entirely confined in Hazaribagh district.

Graphite
Graphite is a soft crystalline form of naturally occurring carbon. Occurrences of Graphite in Jharkhand are entirely confined to Palamu, Garhwa and Latehar district. Its grade in few places in terms of fixed carbon varies from 20 percent to 75 percent. In most of the occurrences, it occurs as dissemination in graphite schist and its content in the rock varies from 15 percent to 30 percent. Jharkhand has a reserve of 6.39 MT of graphite ore.
Kyanite
Kyanite occurs in Jharkhand in east Singhbhum and Kharsawan- Saraikela districts and its reserve in this region is 0.90 MT. It occurs either in massive form or as Quartz-Kyanite rock.

Dolomite
The reserve of Dolomite in Jharkhand has been estimated at 29.86 MT. This deposit is confined in Garhwa and Palamau districts.

Mica
Kodarma Mica Belt is the biggest mica track in the country and occupies about 145.74 sq. km of area and lies nearly north of Kodarma Railway Station. The major area of mica deposits is in Kodarma, Giridih and Hazaribagh districts. The production during the year 1999-2000 was 267 tonnes of mica crude and 222 tonnes of mica waste and scrape.

Quartz and Silica Sand
Jharkhand has got a reserve of 0.96 MT of quartz and silica sand. It occurs in Dhanbad, Ranchi, Deoghar, Palamau, Dumka, Giridih, Kodarma and Hazaribagh districts.

Quartzite
The entire quartzite deposit is confined in east Singhbhum, west Singhbhum (Chaibasa) and Seraikella-Kharsawan districts. Total reserve of quartzite is 37.22 MT. Total production of quartzite during the year 1999-2000 was 11,725 tonnes, which is 18.72 percent of total quartzite production in India.

The Industrial Policy covers the following clauses relevant to the mining and mineral sector:

- Simplify procedures and expedite granting of mining leases.
- Provide relief to make mining activities easier.
- Encourage use of modern exploration techniques.
- Set up a resource inventory of various minerals in the State.
- Encourage joint venture projects with the State Mineral Development Corporation.
- Clear mining lease applications and project report within 60 days.
- Encourage foreign investment and technological collaboration.
Mineral Policy 2006

To facilitate systematic, scientific and planned utilization of mineral resources and to accelerate the mineral based development of the State; the Jharkhand Mineral Policy has been formulated. To ensure optimal utilization of available mineral resources, development of vast mineral potential, generate revenues for socio-economic development, impart boost to the economy of the State and enhance the employment opportunities.

Opportunities for investor in mining based industries

- Mineral Exploration:
  - Modern and advance geological techniques and systems to investigate the presence of minerals
  - Remote Sensing
  - Consultancy Services

- Growth of the metals sector provides a cascading effect on related industries; sectors like Engineering, Plastics and Rubber, Chemicals, Electrical, Cement, Metallurgy and Automobile and Automobile components provide opportunities

- Equipments for Heavy Engineering companies

Infrastructure

Land

Land / Sheds in Growth Centre / Industrial Areas etc.

Land / Sheds in growth centres, Industrial areas, etc. would be allotted to entrepreneurs for setting their industrial units on lease of thirty years on annual rent with the facility of renewal. The rent payable for land so allotted would be subjected to revision after every ten years. The land/sheds allotted for the purpose of setting up of industrial unit shall not be allowed to be used for any other purpose other than the purpose for which the land has been leased. It would also be ensured that land is allotted as per the actual requirement.
However, the Industry Department shall determine the terms and conditions of the lease deed. The State Government shall constitute a "Land Bank" at District level to make available the required land to intending entrepreneurs to overcome the delay in land acquisition process. Waste land / Degraded forest land may be made available by the State Government on long term lease basis after taking prior approval from the Government of India under section 2 of Forest (Conservation) Act, 1980 wherever required, for plantation development / tourism purposes which will encourage forest based / tourism industries.

**Land for Industries outside Industrial Areas / Growth Centres**

The State government will assist the entrepreneurs in providing land and also in acquiring land for locating industrial units outside industrial areas / growth centres. Enabling amendment in Chhotanagpur Tenancy Act 1908 has already been made to facilitate setting up of any unit for industrial purpose or for the purpose of mining (Bihar Act 2 of 1996). Similarly, enabling amendments have already been made in the Bihar Tenancy Act authorizing conversion of agricultural land. The Government shall encourage such entrepreneurs by providing approach road, in case of those industries where minimum investment in plant and machinery is Rs. one crore. However, the cost involved in providing such communication facility shall be subject to a limit of 20 percent of such investment or maximum limit US $ .06 million (INR 25 lakhs) whichever is lower.

**Allotment of Government Land**

Allotment of government land at times gets delayed mainly on account of the fact that the competent authority is required to make references to a number of departments before taking a view in the matter.

To expedite the process, number of inter departmental references would be minimized along with decentralization of powers to the level of Collectors.

Collectors would maintain detailed information regarding all available government land in the district in the form of 'Land Bank'. While the Collectors would be authorized to allot up to 5 acres of government land for industrial purpose, Government land in excess of 5 acres would be leased to entrepreneurs with the approval of the High Level Empowered Committee headed by the Member, Board of Revenue. The land would be allotted at predetermined rates.
Private Industrial Estates

Government would encourage establishment of Private Industrial Estates by acquiring and making available such land at the acquisition cost. The Government in turn will also provide infrastructure facilities such as water, electricity and road at the doorstep of such private industrial estate. The extent of such private industrial estate shall not be less than hundred (100) acres. Such private industrial estate shall be allowed to install a Captive Power Plant to generate and distribute power directly within such industrial estate.

Social Infrastructure

Social infrastructure in close proximity of industrial areas / estates would be developed. The Government would encourage private participation in putting up well planned and systematic residential facilities, quality residential / non-residential schools, hospitals etc. Large industries would be persuaded to establish such facilities individually or to pool their resources to set up these facilities collectively. The State Government shall endeavor to provide land and other facilities at concessional rates for this purpose.

Growth Centres

The State Government has formulated an ambitious plan to set up and promote 3-Tier Growth Centres, namely at Mega, Mini and Micro levels.

Mega Growth Centres at Barhi, Hazaribagh have been taken up for providing modern infrastructure facilities for rapid industrialization. These growth centres envisages an investment of US $ 6.66 million to US $ 8.88 million (INR 30 to 40 crores) and shall provide quality infrastructure inputs like land, water, power, communication, etc.

Industry specific Mini Growth Centres are being contemplated to be set up by the government at different locations in the State where specific industrial activity needs to be boosted. The location of these growth centres has been selected keeping in mind the inherent location advantages with respect to availability of raw material, manpower, connectivity and market.
The Government shall provide following facilities at such growth centres:

- Highest slab of capital investment and interest subsidy.
- Highest slab of other relevant subsidies.
- Quality infrastructure support, which includes, good road connection to the nearest highway.
- Priority in power allocation to such growth centres.

These Growth centres would shift the focus of growth of industries into rural areas, yet ensuring that these growth centres are located near main highway and the district head quarters. This would help in generating employment for the local population, and the nearest town would provide residential / schooling facilities for the families.

The following Mini Growth centres are proposed to be set up at the following locations:

a. Tasar / Silk Park at Chaibasa and Godda  
b. Agro based Food Processing Park at Ranchi and Dumka  
c. Plastic Park at Koderma  
d. Electronic Park at Namkum / Tatisilwai  
e. Chemical Park  
f. Export Promotion Industrial Park (EPIP) at Dhanbad.  
g. Software Technology Park (STP) at Ranchi / Jamshedpur.  
h. Biotech and Herbs Park.

To give boost to village based industries, the Government intends to set Micro Industrial Areas / Parks at each block level which shall provide basic infrastructure facilities to the rural entrepreneurs, artisans and craftsman. This shall give a fillip to employment and rural growth.

**Water**

The State possesses a large number of water bodies, reservoir and river basins spread across the State, which is available for industrial use. It need not be stressed that water is an important industrial input, which should be easily available. The State has undertaken steps to store run-off water for water harvesting. The State has normal rainfall pattern of 1,400 mm spread across the whole region. Adequate water resources, moderate climate, fertile and bio-diverse land provides immense scope for Hydel Power generation, Horticulture and Floriculture.
Power

The miseries of Jharkhand residents reeling under acute power crisis are unlikely to end soon as the State faces an electricity shortage of 300 mw per day.

According to a recent estimate by the Central Electricity Authority (CEA), the demand and supply mismatch in the power sector of Jharkhand may worsen the situation in coming days. The State will require 3,135 mw of electricity for the financial year 2011-12, whereas the power demand will go up to 4,000 mw in 2014-15 and it is expected to surge to 5,870 mw in 2020-21.

The Ministry of Power believes the State has great potential to generate electricity and has given nod to several private and public sector’s power projects in the State. The projects include Tata Power Limited and Damodar Valley Corporation’s two units of 1,050 mw in Maithon.

Tata Power’s 120-mw unit in Jojobera is almost complete, while other projects, which have been approved, include 2,000-mw capacity thermal power unit in Tiruldih, 1,000 mw thermal power plant in Dumka, 4,000 mw Tilaiyya Ultra Mega Power Project in Hazaribagh, 2,000 mw Thermal Power Project in Chandwa by Essar Power Ltd and 1200 mw power project in Palamu district.

Even if no obstacle is created in the land acquisition process or clearance from Ministry of Environment and Forests, the aforesaid units will take another six to seven years to start power generation.

As it takes a long time to set up mega power projects, the Ministry of Power has proposed to set up small hydropower projects in Jharkhand.

(Source: http://post.jagran.com/power-situation-deteriorates-in-jharkhand-1309097424)

Power as a percentage of GSDP

<table>
<thead>
<tr>
<th>Particulars</th>
<th>2007-08</th>
<th>2008-09</th>
<th>2009-10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount (US $ million)</td>
<td>222.25</td>
<td>230.38</td>
<td>238.14</td>
</tr>
<tr>
<td>As a % of GSDP</td>
<td>1.43</td>
<td>1.35</td>
<td>1.28</td>
</tr>
</tbody>
</table>
Installed capacity of power in Jharkhand (Megawatts – MW)

<table>
<thead>
<tr>
<th>State Govt. and Central Govt. (1324.1 mw +360 mw)</th>
<th>1684.1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private Sector</td>
<td>258.8</td>
</tr>
<tr>
<td>Total Installed Capacity</td>
<td>1942.9</td>
</tr>
</tbody>
</table>

- At the time of creation of State in the year 2000, the demand for power was approximately 700 – 750 MW which has increased to 1,100 MW and it is estimated that by 2011 – 12, the peak load would be between 1,500 MW and 1,978 MW.

- The Government of Jharkhand is committed to open its power sector for private investment and extend all facilities and incentives to investors.

- An investor friendly industrial policy has been adopted that will ensure all cooperation to an investor; some of the salient features are:
  - Help in organizing project reports.
  - Help in dealing with Departments of the Government.
  - Expeditious disposal of proposal related matters.
  - Help in identifying local agencies for association with the project.

- The private sector would be able to sell power to the State Electricity Board or to supply directly to bulk consumers; it shall also be able to sell power to any grid or export power outside the State with the concurrence of the State Electricity Board.

- The Government would encourage private sector in setting up of Captive Power Generation Plants of any capacity to meet the existing as well future demand for power of industrial units. For setting up such power generation unit, no permission from the State Electricity Board shall be required; the surplus power generated by such plant could also be purchased by the State Electricity Board on mutually agreed terms.
• Apart from Thermal, there is immense potential for setting up Hydel, Atomic and Methane and Gas based power plants in Jharkhand; a number of mini and micro hydel power plants can also be set up at various identified places, each of which will provide 1 MW to 10 MW power to the adjacent areas.

• The private sector will be encouraged to develop Non – Conventional sources of energy for power generation such as Geo – thermal energy, Biomass based power, Solar power and Wind power; Industrial status will be accorded to these units by the State Government; sales tax would be exempted on a wide range of equipments operated by the sector.

• Thermal projects of more than US $ 122 million to be treated as Mega Projects and Hydel Projects of more than US $ 25 million would be treated as Mega Projects.

• The Jharkhand Renewable Energy Development Agency (JREDA) is the nodal agency for promoting the use of renewable energy sources in the State; it is working for the implementation of fiscal and financial incentives made available by the Central Government to develop the sector.

Some of the Power Projects

Tiruldih Power Project, Jharkhand (3x660 MW): The process of land acquisition in Jharkhand is expected to take around 12-18 months. In principle, clearance has been received from the Railways for the transportation of coal from Tubed Coal Block. This block has been jointly allotted to Tata Power and Hindalco in Jharkhand. (Source: http://www.tatapower.com/services/power-projects.aspx#tiruldih)

Reliance Power of Anil Dhirubhai Ambani Group (ADAG) won the bid for 4,000 mw Tilaiya ultra mega power project (UMPP). The project will require an investment of US $ 4 billion (INR18,000 crore). (Source: http://www.kseboa.org/news/reliance-power-bags-tilaiya-ultra-mega-power-project-in-jharkhand-2901542.html)

VISA Power has signed a MoU with the State for setting up a 2,640 MW integrated power plant. The estimated cost of the project is US $ 3.05 billion (INR 13,750 crore). The project to be developed at Seraiikela (Kharsawan) district. (Source: http://visapower.net/projects/jharkhand.php)
**Jindal Power:** The project for 1,320 MW coal based power project in Dumka and 660 MW coal based power project in Godda, Jharkhand are still under implementation stage.


Urja Global Ltd is currently developing a 100 MW coal-based power plant near Jamtara district of Jharkhand. The project capacity is proposed to be enhanced to 200 MW by addition of a second unit of 100 MW at a later stage. The project site is located about 30 km from Jamtara district of Jharkhand. Total land requirement for the ultimate capacity of 200 MW is estimated to be about 188 acres. The company has initiated the process of land acquisition through Industrial Infrastructure Development Corporation of Jharkhand (IDCJ). The project is expected to be completed within 42 months and estimated cost of the project is US $ 106.06 million (INR 477.5 crore.)(Source: [http://www.urjaglobal.in/Thermal_Project.html](http://www.urjaglobal.in/Thermal_Project.html))

**Information Technology**

The Government of Jharkhand, recognizing the impressive growth of the IT sector in the country, has resolved to make Jharkhand an IT powerhouse and a front-runner in the Information revolution. The government considers IT as an agent of transformation of every facet of human life, which will bring about knowledge based society.

IT policy of the State of Jharkhand will provide guidance to all agencies involved in the goal of overall development of the State using IT as the enabler. Agencies in the State who are likely to use the IT policy are citizens, various ministries, legislative, IT entrepreneurs, businessmen and professional associations and other stakeholders. The State has developed the IT policy keeping in mind the enhanced opportunities that IT will unleash over the next decade. These opportunities will allow corporate to create immense value, provide significant opportunities for talent development and employment, and enhance efficiencies in governance and social service. Therefore, the core objective of the new IT policy is to allow different constituents within the State to leverage this opportunity.

The aspirations of the State’s IT objectives are comprehensive and aimed towards achieving the vision of the policy. The focus will not be limited only to making the State the most attractive destination for IT investments. In addition, the State will leverage the IT opportunity for upliftment of the quality of life within the State.
Improved Communications and Infrastructure:

- Implement a Statewide high-speed communication backbone, ensure voice and data connectivity at all blocks and villages, and high speed international gateway.
- Ensure best in class social and physical infrastructure to attract leading companies to invest in IT and ITeS in Jharkhand

Education and Development of Human Resources:

Recognizing that human resource development is the key to sustained growth in the sector, the State government has identified the following as its Human Resources (HR) objectives

- Ensure significant growth in job potential in IT sector.
- Improve, accelerate and spread education to achieve 10 percent computer literacy in the State in ten years and 30 percent in twenty years
- Develop IT skills and capabilities to meet most of the IT resource demand in the State (that will arise out of the targeted investment and increased job potential) by the year 2010.

Effective Governance:

The State government will computerize and network all major departments over the next five years and ensure that information and services are delivered through electronic media to achieve speedy, transparent and accountable governance.

Government Initiative in IT Sector

The State government has recognized that a comprehensive set of initiatives will be required to reach the objectives of the IT Policy. Accordingly the State has embarked upon the following initiatives. These initiatives have been grouped against the respective objectives.

Initiatives for “Improved Communications and Infrastructure”

- **JharNet** - Statewide High Speed, Reliable and Scalable Communication links will be set up by the State government.
• **Internet connectivity across the State** - Measures would be taken to provide strong basic Internet infrastructural support to increase Internet penetration in the State of Jharkhand. The Government will, in co-ordination with the Central Government and private vendors, expand the Internet network to all the districts, towns and villages of the State.

• **Seamless connectivity among various govt. organizations** - Development of Wide Area Network in the State to connect all districts HQ with State HQ. To provide Internet connectivity, e-mail facility and other value added services in this area in every part of the State.

• **Setting up IT Parks** - A well planned Satellite Township or IT Park as it is now being called will be setup. The town-ship will have the facilities like Office Complex and Residence Blocks covering Schools, Hospitals, Recreation Centers and will be well connected to the main city for other services. IT Park will have its own convention centre for International seminars, conferences and exhibitions. The habitat will also have its own captive power generation. The IT Complex will be equipped with High Speed Links to International Gateways to take care of Software Export, Internet Pipe, good quality voice lines to support software development, training, and IT enabled remote services.

• **International Airport** - Air services are essential in IT business to facilitate travel of foreign experts, funding agencies, clients and cargo movement. The Government of Jharkhand will promote an International Airport at Ranchi for the following essential services:
  - Travel of IT professionals
  - Import of IT equipment
  - Cargo movement- products of local IT industry

• **Rural Telephony** - Appropriate telecom infrastructure will be created in the private/joint sector to provide connectivity to all the villages of the State.

• **Multi-purpose Community and Service Delivery Centres** - The State will also promote provision of infrastructure for establishment of tele centres, kiosks, Internet etc for delivery of information and services to the common man. This will also ensure employment to large number of educated youth in the State.

**Key Strategies to be followed to implement the above initiatives**

• Involvement of private sector would be a key enabler for creation of infrastructure without the State having to make large up-front investments. Operating models such as BOOT (Build, Own, Operate and Transfer) and others will be adopted to invite private sector investments wherever applicable.
• The State will focus on creating strategic alliances and partnerships with global leaders in specific thrust areas of IT mainly on IT Infrastructure and IT Education.

• The entire IT and communication architecture of the State will be based on Open and Inter-operable standards to ensure seamless integration with applications across various platforms. The standards adopted will be reliable and scalable to cater to all IT security requirements and growth of the IT usage in the State.

• A single window service will be provided from State Government to all agencies willing to invest in infrastructure initiatives.

**Initiatives for “Education and Human Resource Development”**

The State recognizes that expanding the talent base will be central to the success of its IT initiative. Accordingly, the State govt. has drawn up the following list of initiatives to aggressively ramp up the education and human resource development in the State.

• **Setting up virtual campuses of reputed overseas universities**
  The State will set up virtual campuses of reputed overseas universities for I.T. education and establish suitable linkages between State universities and overseas reputed institutions/universities to enable knowledge sharing and skills development.

• **Upgrade top engineering colleges to provide high standard IT education**
  The State will identify the top three engineering colleges and upgrade all required facilities of the computer science departments to ensure high standards of IT education comparable to that of IITs.

• **Create specialized IT institutes**
  The State will create special institutes for IT educations (similar to Indian Institute of Information Technology – IIIT). Besides regular Bachelor and Master level course, the Institutes would conduct research in software engineering and productivity and conduct short-term courses for industry. All efforts shall be made this an institute of excellence, recognized internationally. The State shall also create high standards institutes to promote knowledge building in the following areas.

  - Proper degree courses for IT Enabled Services
  - Diploma and Certifications courses for Infrastructure Management in order to cater to management and operations of the growing IT infrastructure of the State.
• **Link Institutions, E-learning and Distance Education**
The State will initially link the engineering colleges and later selected schools with specialized IT institutes for distance education. The State will make use of network of NIC/private VSAT networks/cable TV networks/wireless networks/internet/INET/SAT/JharNet to link all schools, colleges, universities, engineering colleges and research organizations to specialized IT institutes for this purpose.

• **Training for the Government employees**
The State Government will take focused initiatives for Training of all government employees in use of I.T. and its products. Special training institutes will be created to cater to such training of the Govt. employees.

• **Computer Literacy Programs**
The State will undertake programs to expand basic computer literacy among students in schools. In order to ensure this, the State will work with appropriate private partners. Such interactions will ensure that the content of IT education is aligned to the specific demands of the human resources market. Measures will be taken to include free for public use internet kiosks, public terminals in government schools and other public places and free IT literacy classes for the poor.

• **Common Knowledge Resource**
The State government will take measures to create electronic libraries, which will be used by all appropriate agencies as a repository of information resources.

**Key Strategies to be followed to implement initiatives**

• **Encouraging private sector investment**
The State govt. will encourage private sector investments in building and running private institutes in I.T. education. The quality of such education will be monitored through a Board of Computer Education

• **Internet and TV to be used for spreading education to remote areas**
An Expert Advisory Group with leading experts from the IT industry and academic institutions will be formed under the aegis of the IT Department to recommend the enabling steps to accelerate the process of TV and Internet penetration in the State for spreading education to remote areas.
• **Outsource training and development in IT at selected schools and colleges**
  In order to accelerate training and development in IT, it is necessary to involve private training agencies. They should be authorised to train people in IT as per an approved syllabus and public examinations. Diplomas awarded through these programs may be treated as equivalent to formal education.

### Initiatives for “Effective Governance”

Any Government exists for its people. All its activities and initiatives are directed to the goal of providing good governance. The aim of the government will be to institute a process of administration and reforms, which will reduce the controls and regulations to a bare minimum.

The State realizes the important role of government initiatives that increase IT usage by creating internal demand and spurring growth in the industry during the formative years. It also realizes that increased IT literacy improves both the demand for IT as well as the supply of trained IT workers. E-Governance in a graded and pragmatic way will be introduced in the State.

• **Organizing annual I.T. events with the help of industry associations**
  The Government understands and would promote the IT sector in the State via mega IT events organized with the help of industry associations like CII and NASSCOM. Such events would help the government in showcasing its IT developments to prospective investors and entrepreneurs thereby attracting more participation and investments from foreign as well as national IT players. In short such events would aim at marketing the State as an attractive IT destination for investment.

• **Introduce e-mail and Internet access in all Govt. districts offices**
  E-mail has been found to be the easiest way to introduce IT literacy among people. It is also self-propagating. With free availability of e-mail services from several Internet Service Providers e-mail can be provided and popularized practically free to every one. E-mail will also serve to connect far-flung areas of Jharkhand to Government and other institutions. E-mail with local language interface will also be introduced to take it in to the villages.

• **Computerization of Govt. Departments**
  The State Govt. will take all appropriate measures to initiate computerization of all its major functions.
Planning:
World-class Geographic Information System (G.I.S.) solutions will be used in land record management, watershed management, master plan preparation, municipal planning etc.

Revenue Collection:
Transport, Excise, Commercial Taxes

Citizen Services:
Registration of documents, Birth and Date, Ration Cards, Consumer Courts, Employment Exchange, Welfare Schemes, Market Committee, Forms, Rural Development, Grievance etc.

Tourism
Fiscal Planning
Agricultural Input Management,
Hospital and Health Management,
Law and Order Administration etc
Criminal Justice Systems
HR Administration
Common and Shared database for State Government’s knowledge base.
Video Conference across all State departments
Linking of all government offices up to district level

Key Strategies to be followed to implement the above initiatives

• JAPIT (Jharkhand Agency for Promotion of IT): An executive agency of the Department of IT will be further strengthened to play an effective role as the main implementing agency for IT Sector.
• State level steering committee headed by the Chief Secretary and consisting of all Secretary/Principal Secretary to Government will be formed to accelerate IT application in all departments. This group will also have representatives of industry associations, users and academia
• An IT committee shall be formed which shall act as the agency for implementation and development of I.T. in the State.
• The State government will earmark one percent of the departmental budget for computation and training of personnel.

Investment Promotion and Incentives

State Government proposes to provide incentives necessary to foster rapid growth of the industry. Incentives to the IT industry will be provided to ensure conditions conducive to its establishment and sustained growth in the State. Simplification of procedures for
compliance with various regulatory Acts and Rules will be undertaken. For creating an investor friendly environment in the State, the Government will ensure the following:

**Logistics and Infrastructure related incentives**

- Preferential allotment of land for I.T. Industry by development authorities.
- Continuous and uninterrupted power supply for I.T. Industries by providing a dedicated feeder for IT parks/ Locations. Captive power generation in I.T. locations.
- Special efforts will be made to develop high quality social infrastructure like schools, housing, health and entertainment/leisure facilities in I.T. locations.
- To create a pool of highly qualified professional for use of I.T. Industry, State help will be provided to software companies to set up shop in Jharkhand.
- Internal arrangement will be made for obtaining easy clearance and approvals from various government departments.
- Having regard to the Government’s responsibility envisaged in the Acts and Regulations mentioned below, the Government permits self-certification to IT companies for the following:
  - Payment of Wages Act
  - Minimum Wages Act
  - Contract Labour Act
  - Workmen’s Compensation Act
  - Employees State Insurance Act
  - Shops and Commercial Establishments Act
  - Payment of Gratuity Act
  - Employees Provident Fund and Miscellaneous Provisions Act
  - Maternity Benefits Act
  - Water and Air Pollution Act.

- There will be one Common Application form for setting up of IT unit in the State. The Single Window System setup for private investment proposals shall be applicable on IT proposals
- Data protection: The State intends to define a data protection act (this will lay out the nature of information protected under the law, set up a regulatory authority to ensure enforcement, declare penalties for violation, etc.) to help both IT and ITeS companies provide additional comfort to their customers.
- IT security: The State government is committed to initiating legal proceedings against people compromising the security of government databases (i.e., hacking into government databases) and supporting aggrieved companies in initiating proceedings in similar offences against company databases.
Anti-piracy measures: The government will set up an anti-piracy cell to review serious piracy cases and initiate appropriate action. The mandate of the e-governance committee will be extended to include steps to increase awareness of anti-piracy measures in various departments and initiate the move towards setting up of compliance infrastructure.

Investment and Fiscal Incentives in IT Sector

- Creation of Venture Capital Fund with State Government/ Private Enterprises/SIDBI and others for I.T. Industry. Special financing packages will be developed by the State Financial Agencies to fulfill the unique needs of the I.T. sector.
- All software industries including Services and Training Institutions in IT will be entitled to "Industry" status. Such units shall be eligible for all concessions and incentives applicable to Industries. For the purpose of this clause, accredited Training Institutions will also be eligible to claim industry status, subject to certain norms which will enable them to obtain Term Loans and Bank Finance at industry rates.
- Special financing packages will be developed by the State Financial Agencies to fulfill the unique needs of the I.T. sector. The financial institution will provide term loans and equity on priority.
- The rate of sales tax on computer software shall not be fixed above the Uniform Floor Rate announced by the State Government.
- The rate of sales tax on computer hardware including all additional taxes shall not be fixed above the Uniform Floor Rate announced by the State Government.
- No sales tax on raw material used for exports.
- The rate of tax on Software leases/work contract or licenses to use in any form will not be fixed above the Uniform Floor Rate announced by the State Government.
- I.T products produced in the State will be provided quantity and price preference.
- I.T units in Information Technology Parks and STPs will be charged the same power tariff as the SSI.
- Special package of incentives will be formulated for I.T. industries involving an investment of Rs. 50 crores or more.
- Complete exemption to software industry from the provisions of Pollution Control Act both for air and water pollution.