

# Infrastructure

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## **INDUSTRIAL AREA**

The State has at present three Industrial Area Development Authorities with Head Quarters at Adityapur, Bokaro and Ranchi. These authorities are responsible for acquisition of land, development of infrastructure facilities like road, drainage, park, water supply, public utilities, etc. within their jurisdiction. It is contemplated to establish an Industrial Area Development Authority for Santhal Pargana with Head Quarters at Dumka.

The State Government would endeavor to identify new industrial areas so as to ensure each District has at least two industrial areas which would facilitate balanced growth of the entire State.

The Government is committed to provide international standard infrastructure and facilities in the industrial areas and estates managed by the Industrial Area Development Authorities. Existing infrastructure shall be upgraded and maintained efficiently. Supporting facilities in these industrial areas in terms of access to information, transportation linkages, housing facilities, telecommunication, health, education, sports etc. would further be strengthened and new facilities wherever required would be provided.

Steps would be taken to revamp the Industrial Area Development Authorities and bring them under unified control to ensure uniform application of procedures, facilities and benefits to the entrepreneurs.

## **LAND**

### **LAND / SHEDS IN GROWTH CENTRES / INDUSTRIAL AREAS, ETC.**

Land / Sheds in growth centres, Industrial areas, etc. would be allotted to entrepreneurs for setting their industrial units on lease of 30 years on annual rent with the facility of renewal. The rent payable for land so allotted would be subjected to revision after every 10 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 terms and conditions of the lease deed shall be determined by the Industry department.

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 authorising 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% of such investment or maximum limit of Rs. 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 minimised along with decentralisation 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 authorised 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 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 industrialisation. These growth centres envisages an investment of Rs. 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 locational 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.

## **ROAD NETWORK**

The status of roads in the State is as follows:

**National Highways** : 1600 Kms

**State Highways** : 2711 Kms

An ambitious project of providing Four Lane Highway between Hazaribagh and Baharagoda (Jamshedpur) measuring 333 kms is under construction. A detailed project report for construction of High Specification Road between Ranchi and Sahebganj via Govindpur, Jamtara and Dumka is being prepared, which will provide gateway to Assam and North East. Similarly Ranchi - Daltonganj - Garhwa road shall also be strengthened.

Special attention shall be paid to improve and upgrade the existing road network and providing new road linkages / by-passes with bridges over rivers to facilitate quick and efficient movement of raw materials and finished goods.

The Government shall encourage Private Sector participation on Build-Operate-Transfer (BOT) concept for building and maintenance of roads and bridges. With respect to the bridges upon the National Highways, the State Government shall undertake steps to involve Private Sector Participation in consultation with the Government of India. The State Government would also allow commercial use of specified road side land in order to improve the economic viability of such road / bridge projects as per the approval plan.

The Government shall plan for, and in the long run provide expressways

along the main high-density corridors across the state.

The Government shall also encourage private sector participation in the management of inter-state and intra-state bus terminuses across the State.

## **RAILWAYS**

The state has extensive and well-developed railway system providing vital links to mining industry and tourism with important cities and ports of the country. The State has extensive goods handling facilities available at Ranchi, Bokaro ,Dhanbad and Jamshedpur (Tata Nagar). In addition, ore loading facilities are available at Kiriburu , Lohardaga and all the coal mines of Central Coalfields Ltd.

## **RAILWAY PROJECTS IN THE OFFING**

New Division at Ranchi

Ongoing projects

Koderma -Hazaribagh-Ranchi

Koderma-Giridih

Deoghar-Dumka-Rampur Haat

An Inland Container Depot (ICD) is coming up at Tatanagar to facilitate export efforts. The depot is expected to be commissioned by end December, 2001.

## **AIR TRANSPORT**

Air link is vital to attract investment and to promote tourism in the State. There is vast untapped potential in this sector of public transport.

Ranchi, the State capital is connected with Delhi, Patna, Mumbai by regular air services. Efforts are being made to provide connectivity with Kolkata and other major national and commercial cities. To upgrade Ranchi airport as international airport ,the State Government shall extend all assistance to IAAI .

Major towns in the State, such as, Jamshedpur, Dhanbad, Bokaro, Giridih, Deoghar, Hazaribagh, Daltonganj, Noamundi have air strips. The State Government would take steps to strengthen and improve these air strips along with proper fencing and establishing terminal buildings. The air strip at Dumka would also be upgraded. These airstrips shall be allowed to be used by private air taxi / cargo service operators. Concessional landing facilities

for a period of one year from the date of starting such air taxi / cargo service shall be provided. Re-fueling facilities shall also be made available.

### **AIR CARGO COMPLEX**

The State Government has taken steps to set up Air Cargo Complex at Ranchi. This would provide boost to export oriented industries, specifically, those operating in the area of high value and perishable commodities. Floriculture and horticulture based industries can take advantage of this facility.

### **SEA ACCESS**

Jharkhand is a land locked state. Efforts are being made to provide inland water transport facilities by making Suvernrekha river navigable. In addition, navigational infrastructure at Sahebganj and Rajmahal is also contemplated to be provided on river Ganges to facilitate sea port access. The State Government would strive to possess a dedicated berth at either Haldia Port or Paradeep Port to facilitate imports and exports.

### **WATER**

The State possesses a large number of water bodies, reservoir and river basins (17) 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 1400 mm spread across the whole region.

### **TOURISM**

Tourism has been given the status of an industry. The State Government intends to give boost to tourism sector by attracting higher investment in the areas with tourist. potential and to generate employment opportunities through combined efforts of governmental agencies and the private sector. Priority shall be accorded to develop eco-tourism, religious tourism, heritage- tourism, adventure tourism, amusement parks, resorts and way side amenities.

Air taxi services would be promoted to provide package tours especially keeping in mind the Buddhist circuit and international tourist flow

### **TELECOMMUNICATION**

After the creation of the State of Jharkhand focused attention on telecommunication facilities has resulted into a significant improvement in the telecommunication services and facilities

A separate Telecommunication Circle for Jharkhand has started functioning which would take care of the requirements of this sector. Jharkhand has 337 telephone exchanges having total switching capacity of 3.52 lakhs and has 2.75 lakhs working telephone connections. All district headquarters are connected to the main network by reliable media and STD facility in all district headquarters is available. The switching capacity of major towns of the State such as Ranchi, Hazaribagh and Giridih are being upgraded. The Ranchi internet node has been upgraded to "A" category. Optical Fibre Cable (OFC) media connectivity is available in all district headquarters. At present 6 internet nodes are operational in Jharkhand Telecom Circle. Local dialing facility to access internet is available for all district headquarters.

Regular cellular mobile telephone service (Bharat Mobile Service) in Jharkhand State shall be available by March 2002. The Jharkhand Telecom Circle has formulated extensive plans to link the rural areas through WLL (Wireless in Local Loop). It is also proposed to connect all telephone exchanges through OFC / UHF. It is also proposed to provide limited mobile services to the rural areas. Extensive plans have been made to set up Cyber Cafes at each block headquarter.

The State Government would take steps to utilise the communication facilities available with Railways to set up a dedicated communication network for the State.

#### **PRIVATE INVESTMENT IN TELECOMMUNICATION SECTOR :**

The State Government acknowledges the need to induct private investment in this sector to speed up the process of linking up the rural areas with business centres in the State and outside, and also to upgrade the existing system in key areas to that of international standards. The government will thus encourage telecom companies to set up basic services in the State specially in the rural hinterland of the State as well as the areas that are emerging as industrial centres. Presently Reliance Telecom is providing cellular mobile services in the major towns of Ranchi, Jamshedpur, Dhanbad, Hazaribagh, Bokaro, Chas, Katras and Ramgarh.

The state government has taken steps to establish Software Technology Park at Ranchi. A "Dedicated Earth Station" shall be installed to enable satellite linked international communication facilities. Such facilities shall also be made available at Jamshedpur etc.

All block headquarters are being connected through optical fibre. Remote areas shall be provided access through Wireless in Local Loop (WLL) facility.

The State Government has adopted E-Governance as the future model to provide transparent and sensitive governance.

**INFORMATION**

**TECHNOLOGY**

The Government of Jharkhand, recognising 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 a knowledge based society.

The policy is aimed at accomplishing the following basic objectives:

Info-Infrastructure Drive: Accelerate the drive for setting up a world class Info-Infrastructure with an extensive spread of Fibre Optic Network, Satcom networks and Wireless networks for seamlessly interconnecting the Local Informatics Infrastructure (LII), National Informatics Infrastructure (NII) and the Global Informatics Infrastructure (GII) to ensure a fast nation-wide onset of the INTERNET, EXTRANETS and INTRANETS.

With India's potential to achieve \$50 billion dollar of IT exports by 2008, policy ambience will be created for Jharkhand IT industry to target for a \$ 5 billion annual export by the year 2010.

IT for all by 2010 : Accelerate the rate of computer penetration in the state so that it reaches a penetration of one per 50 people by the year 2010. Towards the goal of IT for all by 2010, policies are provided for setting the base for a rapid spread of IT awareness among the citizens, propagation of IT literacy, networked Government, IT-led economic development, rural penetration of IT applications, training citizens in the use of day-to-day IT services like tele-banking, tele-medicine, tele-education, tele-documents transfer, tele-library, tele-info-centres, electronic commerce, public call centres, among others; and training, qualitatively and quantitatively, world class IT professionals.

Coordinate with all Central Government and private agencies involved in putting together the Info-Infrastructure in Jharkhand and actively put supplementary connectivity to the last mile. Requests made by STPs would be acted on within two weeks of receipt. In this regard, any renovation or construction of State Highways, new power transmission lines and new township development projects would look into the possibility of adding Optical Fibre network in these projects.

To provide Info Infrastructure to all areas with access to power within a period of 2 years.

To deliver e-governance, computerise the secretariat functioning within 2 years and earmark at least 2% of the departmental budget for IT related development.

To create a network right down to the block level administration within 2 years and bring the village level e-governance by 2005.

Promote 'IT Habitats' in the rural hinterland adjacent to cities with modern telecom and communications infrastructure along with top class educational/research institutions.

Create a Centre of excellence like IIIT in and around Ranchi and Regional Engineering Colleges through private participation.

Government to support all development of IT support services in regional language.

State Institutes of Public administration would be re-oriented to help bring about IT responsive State administration.

Suitable floor space in Government buildings, which are not utilised during non-office hours, would be considered to be given to private educational institutions for IT training purposes in return for a proportionate number of free nominations of Government employees for IT training, etc.

Feasibility of introducing a Citizen ID Number for creation of state wide database will be explored.

#### **SPECIAL INCENTIVES FOR THE IT INDUSTRY:**

- (a) Exemption from environmental clearance
- (b) Exemption from zoning regulations for purposes of location
- (c) Self-certification for purposes of compliance of the following Acts

Water and Air Pollution Act,  
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; etc.

- (d) General permission to run a three-shift operation
- (e) The Government would provide rebate in the cost of land allotted to an IT Industry @ 0.25% of the cost of land per job created subject to the following conditions:

(i) The rebate shall be applicable only in respect of land allotted by the Government/IADA with prospective effect.

(ii) The rebate shall be restricted to 0.25% of the cost of such land per job created or the cost of the bare land (excluding development charges/cost), whichever is less.

(iii) The minimum number of employees to be employed by a company in order to avail the concession on land cost shall be fifty (50), at least 30% of

which should be resident of Jharkhand.

(iv) The minimum gross salary/wage for an employment to be considered to have been created would be Rs. 4,000/- per month.

(v) The period for which such employment would have to be sustained to be eligible to be reckoned for this incentive shall be two (2) years.

(vi) The number of employees to be considered for the purpose of this provision shall not exceed the number arrived at by the following formula operated by the company at the location :  
Number of computer workstations at a location x 1.33 x number of shifts (of 8 hrs each).

(vii) The Government shall specify suitable guidelines to ensure that the benefits of this provision reaches a company only after it meets the stipulated conditions regarding job creation and that the employment figures reported are corroborated by other supporting data such as investment, turnover, returns filed with RBI, returns filed with STPI ,Ranchi etc.

(f) For establishing IT industries in the existing structures located in the industrial areas under IADA . Concessions will be in the form of rebate on registration charges and stamp duty for sale / lease of such built-up space to the IT industry in the following manner:

<b>Sl. No.</b>	<b>Duration during which facilities established &amp; sold / leased</b>	<b>Rebate admissible</b>
1	1-8-2001 to 31-3-2003	90%
2	1-4-2003 to 31-3-2004	70%
3	1-4-2004 to 31-3-2005	50%

Similar concessions would also be admissible for establishing IT infrastructure facilities on private/Government land. This concession would be available only for such localities which are notified by the Industries Department and which provide certain minimum facilities like uninterrupted/backup power, reliable telecom links etc. (h) This concession would be available only for the first transaction when the first sale by IADA / Other concern is made to an IT industry.

The above concession would also be available on the purchase of land by an IT Industry establishing an IT park for its own use provided it does not avail the concessions.

## **POWER**

Power is the lifeline for industrial development of any State. The creation of new Jharkhand State has thrown a challenge of development of the state and to bring it to the level of other developed states. The main intention is to improve the system so that the industries should get power of right quality, right quantity and one, which is uninterrupted with constant voltage and frequency at affordable cost. The State Government will follow the power reforms on the lines of Central Power Bill - 2001. The objective is also to simplify the procedures with respect to tariff and other aspects. It is also targeted to generate power from non-conventional sources.

The development of power sector is to be given highest priority in the state's economic planning to bridge the gap between demand and supply. The State Government shall encourage the following:

### **PRIVATE SECTOR PARTICIPATION**

The State Government shall encourage Private Sector Participation in generation and distribution of power. The distribution of power in industrial areas and major cities of the State like Ranchi, Jamshedpur and Dhanbad are being contemplated for privatisation. The private sector power plant would be able to sell power to the State Electricity Board or to supply directly to bulk consumers and units in their designated load areas. 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. Thus, it is intended to provide wheeling and banking of power through the transmission and distribution system of the State Electricity Board.

### **CAPTIVE POWER GENERATION**

The Government would encourage private sector in setting up of Captive Power Generation Plants of any capacity to meet the existing as well as future demand for power of industrial units. For setting up such power generation unit, no permission from SEB shall be required.. The surplus power generated by such plant could also be purchased by the State Electricity Board on mutually agreed terms .The State Electricity Board shall allow wheeling and banking to such power plants . Large industrial unit / consortium of industrial enterprises in growth centers / industrial areas shall be allowed to set up power generating units as well as to take over distribution of power in such industrial complexes . Such captive power generation and purchase shall be provided exemption from electricity duty for a period of ten years from the date of commercial production. Entrepreneurs will be permitted to use power generating sets. The unit desirous of using power generating sets shall be required only to inform the State Electricity Board of their intention in this regard.

### **PRIORITY TO INDUSTRIAL CONNECTION**

To ensure timely starting of industrial project, the State Electricity Board shall provide LT and H T industrial connection to such units within a period of 30 and 60 days respectively.

All incentives given to new industrial units shall also be available to the new power projects.

The Govt. would encourage two-tier tariff system for "peak and off peak" hour separately. To avoid this facility T.O.D. meter shall have to be installed by the industrial units at their own cost.

The Government shall endeavor to provide exclusive dedicated feeder to industrial areas to ensure quality, uninterrupted supply of power to the industrial units located within.

Concept of maximum connected load will be changed to the concept of maximum Demand Load. Units desirous of availing this facility shall have to install electronic meters at their own cost.

Industrial units applying for a load of 100 H.P / 100 KVA or less shall be given connection under LTIS.

Industrial units applying for more than 100 H.P / 100 KVA shall be given connection under HTIS.

Exemption from payment of Minimum Guarantee Charge for new Industrial Units having connected load up to 500 KVA or equivalent H.P, as per billing norms.

For the period the Board is unable to supply power or the consumers unable to take supply due to certain reasons beyond their control such as natural calamity, accidental fire, labour unrest, major industrial accident etc., proportionate relief will be given in fixed charges and Minimum Guarantee charges.

For security, money the SEB will accept NSC / Fixed Deposits.

Amount of Security Deposit / Advance shall be fixed on the basis, on which Minimum Guarantee Charge is calculated and not on the basis of average consumption.

The rate of delayed payment surcharge shall be recoverable from the defaulting units at ½ % (half) interest per week basis and not on monthly basis.

Notice period for disconnection or reduction of power load by HT consumers shall be six months.

For H.T. consumers, if the consumption exceeds the contracted demand up to 15% in a particular month, minimum guarantee charges, fixed charges, etc. shall be charged extra for that particular month only. On the other hand if consumption exceeds the contracted demand beyond 15%, minimum guarantee charges, fixed charges etc. shall be charged extra for a period of only 6 months instead of present 12 months.

## POWER TARIFF

An independent Electricity Regulatory Commission shall be established by the Government to rationalise the power tariff and ensure timely disposal of electricity related disputes between the industrial consumers and the Board.

## INSTALLED CAPACITY OF POWER IN JHARKHAND

Units	Type	Installed capacity
Tenughat Thermal Power Station	Thermal	420 MW
Patratu Thermal Power Station	Thermal	840 MW
Sikkidiri	Hydel	130 MW
DVC	Thermal / Hydel	1200 MW
<b>Total</b>		<b>2590 MW</b>

There is immense prospect of capacity addition in both the thermal and hydel sectors. The Government shall take steps to enhance the capacity of existing power plants.

## POWER POTENTIAL IN JHARKHAND

There is immense potential for setting up of Thermal, Hydel, Geothermal Atomic, Methane and Gas based new power plants in Jharkhand. The prospects of capacity addition in various power stations is as follows:

Sl. No.	Unit	Type	Capacity
1	Patratu	Thermal	420 MW
2	Tenughat Vidyut Nigam Ltd. Phase	Thermal	630 MW
3	Tenughat Vidyut Nigam Ltd Phase II	Thermal	500 MW
4	Chandil	Thermal	500 MW
5	North Karanpura	Thermal	2000 MW
6	Shankh II	Hydel	186 MW
7	Tilaiya Dhadhar	Hydel	50 MW
8	Kanhar	Hydel	450 MW
<b>Total</b>			<b>4736 MW</b>

Besides, a number of mini and micro hydel power plants can also be installed at various identified localities, each of which may provide 1 MW power to 10 MW to the adjacent localities. The Government shall accord "Industry Status" to such mini / micro power generating units which would be allowed to wheel energy.

Private sector would also be encouraged to exploit and develop non-conventional sources of power, such as geothermal energy, biomass based power, solar power, wind power etc. to generate power locally and provide it in the remote areas. The Government shall accord "Industrial Status" to such non-conventional sources of power generating units, which also would be allowed to wheel energy.

### **RURAL ELECTRIFICATION**

The State Government has undertaken massive rural electrification programme to provide electricity to all villages and rural areas. The investment being made for this purpose is Rs. 30 crores in the current year 2001-2002