

BIHAR IN THE MAKING



PRESENTATION STRUCTURE

- **The State**
- **Development Challenges**
- **Strategy-**
 - ◆ **Optimizing Opportunities**
 - ◆ **Scope for Investment**
 - ◆ **Growth Drivers.**

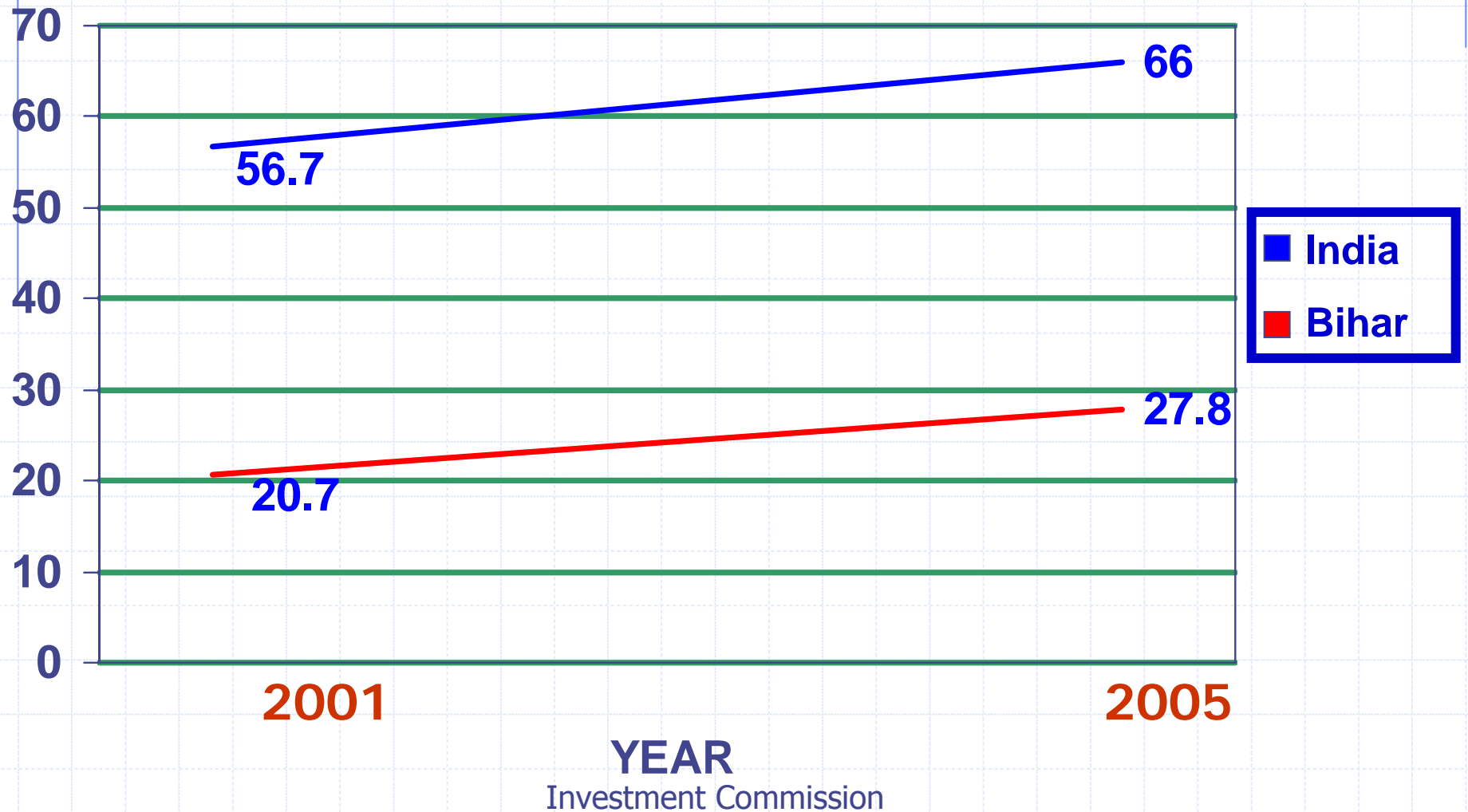
THE DEVELOPMENT DEFICIT

PER CAPITA INCOME



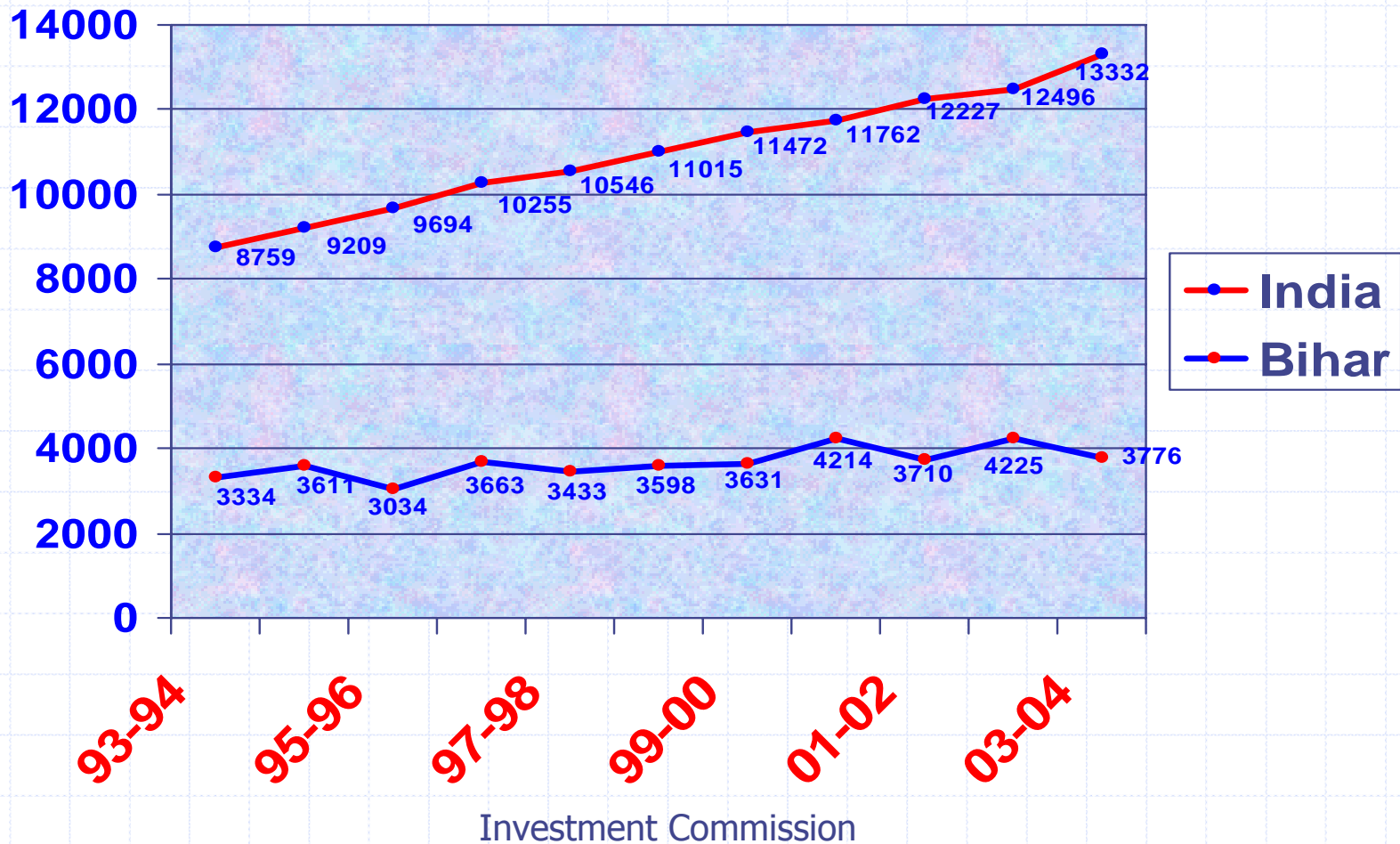
THE DEVELOPMENT DEFICIT

CREDIT DEPOSIT RATIO



THE DEVELOPMENT DEFICIT

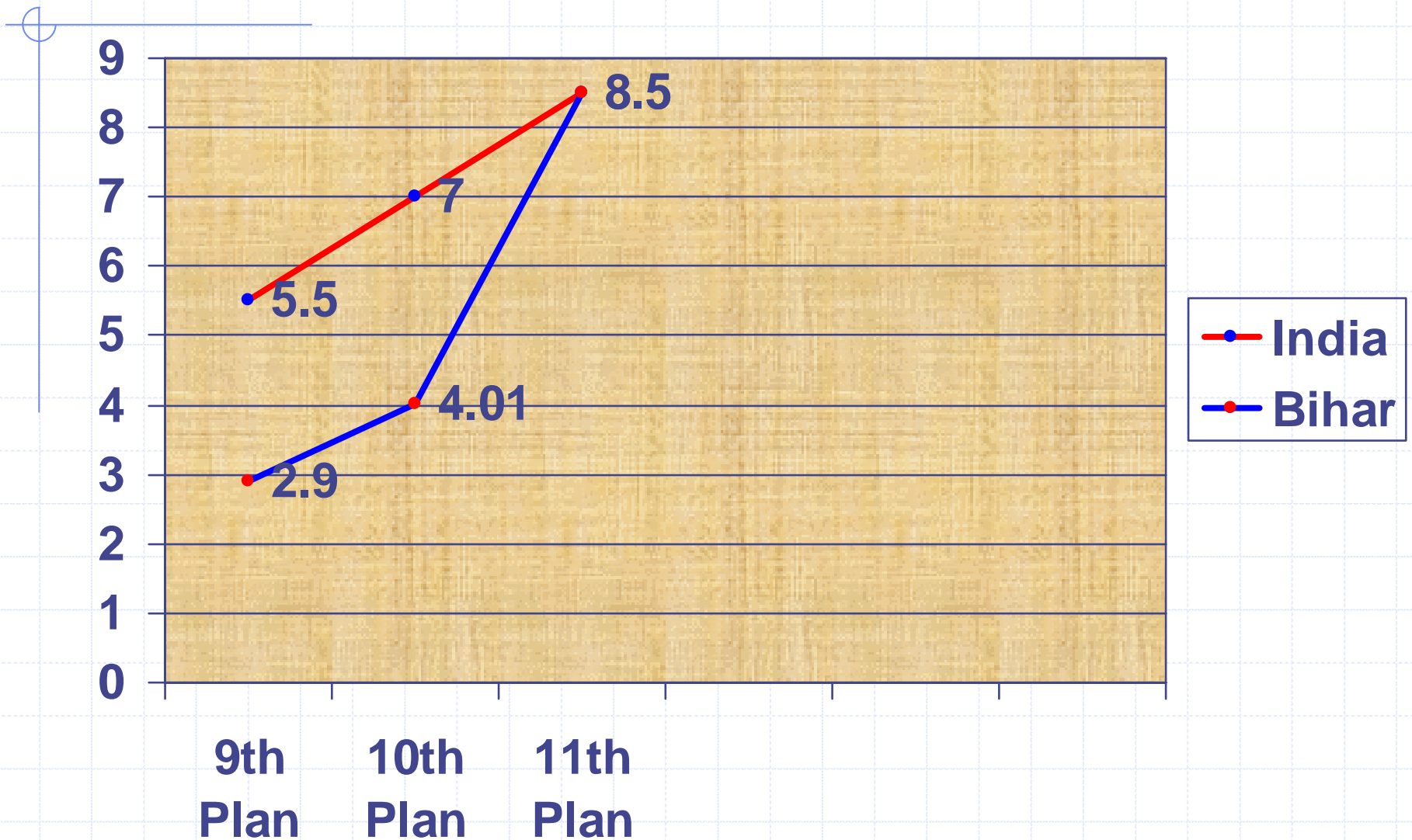
PER CAPITA GROSS DOMESTIC PRODUCT (AT 1993-94 PRICES)



THE NEW THRUST

- ❑ 40% Growth in Plan Expenditure in 2005-06
- ❑ 60% Growth in Plan Outlay 2006-07
- ❑ Per Capita Plan Expenditure has gone up from Rs 275.75 in 2002-03 to Rs 558.19 in 2005-06

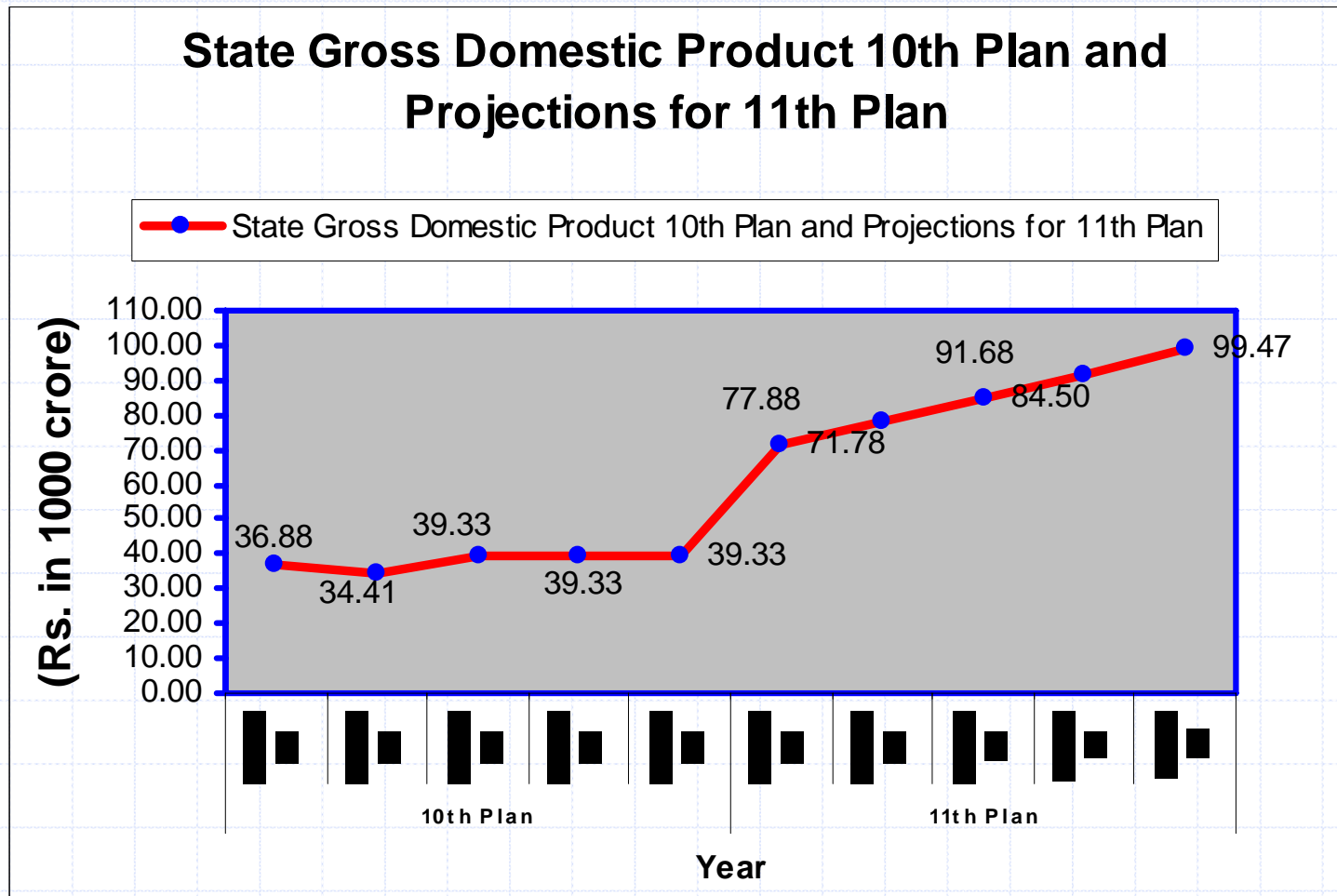
GROWTH RATES



CHALLENGES

- ❑ **Development of Bihar has been a matter of concern since independence.**
- ❑ **Low Human Development Indices.**
- ❑ **Problem areas are:-**
 - ❖ **Stagnant Economic Growth**
 - ❖ **Persistent Poverty**
 - ❖ **Complex Social Stratification**
 - ❖ **Very poor infrastructure**

GROSS STATE DOMESTIC PRODUCT (GSDP)





HOW ?

INVESTMENT

- ❑ **Public investment postulated to go up from Rs 21,000 cr in 10th Plan to over Rs 58,000 crores in 11th Plan**
- ❑ **Share of private investment in total investment postulated to go up from the present 59 % to 65 %**
- ❑ **State intends to attract large share of private investment and FDI**
- ❑ **Strategy would be through Infrastructure Development as well as Investments in Social Services (Education, Health and Nutrition)**

STRATEGY FOR 8.5% GROWTH

- ❑ **Utilisation of idle capital assets.**
- ❑ **Efficient use of existing potential.**
- ❑ **Direct investment from Central Government.**
- ❑ **Initiatives in areas of strategic importance e.g., Infrastructure such as Road, Bridges, Power, Increased Agricultural Productivity, Water Management including Flood Control & Interlinking of Rivers.**
- ❑ **Policy Initiatives for increased Private Investment.**

DEVELOPMENTAL STRATEGY

- ❑ **Multi dimensional approach for improving educational and health outcome through working with private, public and non governmental organizations.**
- ❑ **Administrative Reforms, capacity build up and strengthening of the institutions for skill upgradation.**


AREAS OF OPPORTUNITY

- Infrastructure**
- Power**
- Industry**
- Urban Infrastructure**
- Agriculture**
- HRD**
- Health**
- Science & Technology**

ADMINISTRATIVE REFORMS

Good Governance through-

- **Transparency & right to information**
- **Ensuring wide participation of citizens/NGOs in developmental programmes.**
- **Office management reforms**
- **Use of IT**



HEALTH

GOAL

To Raise the Infrastructure and Services in Health Sector to Indian Public Health Standard.

WHERE WE STARTED

- **Full Immunization-11%** (India 54%; Census-2001)
- **Maternal Mortality Rate-452** (India 407; NFHS-II)
- **Patient attendance at PHC - in Jan 2006 – Avg.per PHC 39 per month**
- **More than 85 % patients are going to Pvt. Sector**

➤ Recent Initiatives

Why Private Investment in Health Sector ?

- ◆ Large no. of patients go out side for specialized treatment.
- ◆ In the AIIMS, about 1.5 million OPD and 80,000 IPD cases are treated annually.
- ◆ According to un-official estimates up to 50% of the patients treated in AIIMS are from Bihar.

Limited super Specialty Services available

Reasons for exodus of patients

Super Specialty	No. of CGHS approved Centres in an around Hyderabad	No. in Bihar
Neuro Surgery & Neurology	2	2
Cardiology and Cardiothoracic Surgery	7	3
Nephrology and Renal Transplant	5	2
State of the Art Eye Center-Eye Bank & Retinal transplant	4	
Maternal Care-In Vitro Fertilization Center & Menopausal Care	8	
Neonatology	1	
State of the Art Diagnostic Center	25	
Pediatrics Surgery	2	1

Hence private investment is required in the State of Bihar

- Govt. has adopted two mechanism to facilitate private investment
 1. Private Investment
 2. Investment through Public Private Partnership



EDUCATION

Making it Happen

WHERE DO WE STAND?

Indicators	India	Bihar
Literacy	65 (F-54, M- 76)	48 (F-34, M-60)
Elm GER (6-14)	85 (G-81, B-88)	56 (G-49, B- 62)
Children: Teacher	38:1	63:1
Children:classroom	41:1	90:1
Out-of- school	10 million	2.4 million (24%)
Elm female teachers	36 %	24 %
GER Sec (14-18)	39 (G-34, B- 43)	17 (G-11, B-23)
Sec schools per 1 lakh	13	5
GER Hig Ed (18-23)	10 (includes DE)	6 (includes DE)
Degree and Tech Inst	AP 1059/63;UP 635/24	Degree-458, Eng-4

PATH BREAKING INITIATIVES

Initiatives	Salient features	Impact
Recruit 2.36 lakh elm and sec school teachers	Decentralized (PRI), technology driven, merit based, transparency abolish para-teachers	40:1 (PTR), conditions for improved GER and enrolment of out-of-school children , women teacher- 40%.
Make a 'school', not add classrooms	Integrated school development approach	40 children per CR in 2-3 years,quality improvement
For children	CCT- uniform,stationeries, TLM, improved MDM services	Towards free education and equity
Common School Commission	Implementing the NPE 1986/92 and Right to Free Education (21A)	Commitment to equal opportunity and social justice
Expansion of access to secondary education	12,000 backlog, 10,000 additional teachers	Expansion of access by 33%
Infrastructure improvement	Additional rooms, repairs, games and sports, computers	Addressing quality of secondary education

OPPORTUNITIES AHEAD

Enabling Platform	Investment Opportunities
Aryabhata National University of Technology and Management Bill 2006	Opportunities for opening private technical & professional institutions and affiliate with this University, market of 30,000 students migrating from the state for technical courses, <i>scope for PPP</i>
The University of Nalanda	An international university of excellence being set up at Nalanda, land acquisition has begun, a harmonious combination of classical and modern courses planned, <i>scope for PPP</i>
Establishment of Chankya National Law University and BIT extension	State's resolve, opportunities to participate in the development of these institutions
Comprehensive amendments of existing university laws and restructuring HE bodies	To bring them on the central university pattern, to give autonomy and facilitate raising of private finances, <i>scope for PPP</i>
Skill building, vocational courses and IT in secondary schools	<i>Scope for PPP</i> in secondary and senior secondary schools in the area of skill building, vocational /IT..

OPPORTUNITIES IN NALANDA-RAJGIR-BODH GAYA

- Conceptualization of the development of the entire region
- Some of the projects at different stages of development
 - University of Nalanda
 - International Convention Centre
 - International Golf Course (18 Holes)
 - Development of Airport of international standard
 - Integrated Forest Dev Project (Eco Tourism)
 - Development of Hot Water Spring (Health Tourism)
 - Hotels and Resorts/ Water Sports
 - Ordinance Factory, CRPF Training Centre, PTC, Sainik School...already coming up
 - Virayatan (Jain Centre), Nalanda Maha Vihar: existing



ROADS

INFRASTRUCTURE - ROADS

- **The State has**
 - 3629 Kms of National Highways
 - 3232 Kms of State Highways
 - 7714 Kms of Major District Roads
- **In three years the State will have Road Infrastructure which will rival the best in the country**

INFRASTRUCTURE – ROADS

- Out of 3629 Kms of National Highways over 1600 Kms are being 4-laned
- All major routes will be 4-laned
 - 205 Kms under NHDP-I
 - 513 Kms under NHDP-II
 - 985 Kms under NHDP-III
 - 245 Kms under Buddhist Circuit Project
 - 127 Kms under BOT

[MAP](#)

INFRASTRUCTURE – ROADS

[MAP](#)

- **All State Highways being 2-laned**
- **Resources Tied Up - 3000 Crores from Rashtriya Sam Vikas Yojana for the project**
 - **10 Packages (984 Kms) - tendered**
 - **04 Packages (405 Kms) - DPRs approved – to be tendered**
 - **08 Packages (656 Kms) - DPRs under approval**
- **1054 Kms – Newly declared State Highways – DPRs under preparation**

INFRASTRUCTURE – ROADS

- **Major District Roads – being upgraded to intermediate lane**
 - 4000 Kms tendered under Plan
 - 509 Kms – work in progress under RIDF
 - Another 2000 Kms to be taken up in 2007-08
- **Patna Roads Project – 91 Kms – 130 Crores – tenders received – being evaluated.**

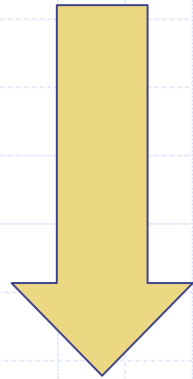
INFRASTRUCTURE – ROADS

**Total anticipated expenditure in the road sector
in the next three years:**

- 4-Laning (NHAI)	-	11400 Crores
- State Highways	-	4000 Crores
- Major District Roads	-	2500 Crores
Total	-	17,900 Crores

INFRASTRUCTURE – ROADS

Sole Constraint



Construction Capacity

RURAL ROADS

- **The State Govt. shall provide all weather connectivity to all unconnected villages**
 - **With a population of 1000 and above within the next three years**
 - **With a population between 500 – 999 within the next five years**
 - **Villages with a population of below 500 in three years thereafter.**
- **Funding**
 - **PMGSY (Pradhan Mantri Gram Sadak Yojana)**
 - **Mukhya Mantri Gram Sadak Yojana**
 - **State Plan**

RURAL ROADS

- **Works taken up**
 - **Construction of 2400 Km of link routes and upgradation of 2000 Km of through routes costing Rs. 1416.88 Crores under Pradhan Mantri Gram Sadak Yojana**
 - **Construction of 1000 Km of link routes costing Rs. 300 Crores under Mukhya Mantri Gram Sadak Yojana**
 - **Upgradation of 2460 Km of through routes costing Rs. 599 Crores under State Plan**

CIVIL AVIATION

- Offers major growth opportunity
- Population of 8.31 Crores - served by only one airport offering daily flights to Delhi, Kolkata, Mumbai - all flights overbooked
- No airport in North Bihar
- Nepal – no airport south of Kathmandu.
- Airports at Raxaul & Birpur envisaged on PPP basis

[MAP](#)

CIVIL AVIATION

- **Only one airport serving a population of 83 million**
- **25 Airstrips at divisional and district headquarters – a large diaspora within the country and abroad – together make setting up a regional air transportation hub in the State a major business opportunity.**

[MAP](#)

TOURISM

- Birthplace of two religions – Buddhism & Jainism and of the 10th Guru of the Sikhs

[MAP](#)

[PIX](#)

- Vision for exploiting the comparative advantage –
 - Provide world class connectivity – air connectivity, expressways
 - Construction of 5 Star Hotels, Golf Courses, Yoga and Meditation Centres at Gaya, Bodh Gaya, Rajgir, Pawapuri & Vaishali – market these as centres for peace and rejuvenation
 - International University at Nalanda

TOURISM

First Steps

- **Development of Airport of international standard - International airport at Gaya -flights from Thailand etc – land for extension being made available.**
- **International Golf Course (18 Holes) – designed by PGA - Land acquired at Bodh Gaya**

Further Steps...

- **Development of Natural Hot Springs at Rajgir**
- **International Conventional Centre at Nalanda / Rajgir**
- **Consultant from WTO visiting to draw strategic plan**

The image features a light blue grid background. In the top right corner, there is a solid blue rectangular area. On the left side, there are blue lines forming a partial frame: a vertical line, a horizontal line, and a small semi-circle at their intersection. The word "POWER" is written in a large, bold, blue, sans-serif font in the center of the page.

POWER

Investment Commission

PRESENT POWER SCENARIO

	Average	
	National	Bihar
% of Villages Electrified	84%	41%* (24903/45103)
Household Electrification	55.8 %	10.3 %
Per Capita Consumption	612 Units	76 Units
Installed Capacity	1,18,619 MW	584 MW
Actual Generation	71,000–75,000 MW approx	30 MW

***Under new Rajiv Gandhi Rural Electrification Programme (RGGY) 37% electrified village will also have to be revisited to cover left out households, and public buildings like Schools, Colleges, Hospitals etc.**

CURRENT DEMAND, SUPPLY & SHORTAGE

Figures in MW

	Peak	Off-Peak
Demand	1500	1100
Supply	950	900
Shortage	550	200

PROJECTED DEMAND BY 2012

- ◆ With Strengthening & extension of transmission and distribution systems under Accelerated Power Development and Reform Program (APDRP), & progress of RE under RGGVY Demand increasing rapidly.
- ◆ As per national consumption target of 1000Units Per Capita per annum demand by 2012 will be:-

12000 MW

POWER REFORMS

New Power Policy on the anvil whose CORE COMPONENTS are :-

- Augment generation and distribution by encouraging Private investment
- Bring down Average Transmission and Commercial losses (AT&C) by 3% p.a. in the next five years
- Stop cross subsidy and recover costs

PROPOSED THERMAL PROJECTS TO AUGMENT GENERATION

Sl. No	New Projects	Capacity (MW)	Total Capacity (MW)	Estimated cost (Rs. in crore)
1	<u>MTPS</u> Stage – I	2 x 250	500	2250
	Extension: Stage – II	1 x 250	250	1100
2	<u>Nabinagar TPS</u>	8 X 500 / 4 X 1000	2000	16000
3	<u>Katihar TPS:</u>	4 X 500	2000	8000
4	<u>Pirpainti T.P.S.,</u> Bhagalpur	8 X 500 / 4 X 1000	2000	16,000
	Total		5750	23350
5	Nuclear Power Project		2000	16,000
		Total :=>	7750	59,350

NIT has been issued for tariff based competitive bidding for RFQ and offers received from national industry leaders like TATA, RELIANCE, CESC etc.

PROPOSED THERMAL PROJECTS

◆ Shell companies being formed to secure coal linkage, environment clearance, land acquisition etc.

POWER REFORMS

- ✓ SEB is being re-organized into 8 companies. Power Finance Corporation appointed consultants for implementation
- ✓ State Regulatory Commission is in place and application filed for tariff revision

POWER REFORMS

- ✓ Appointment of Franchisee in all 11 KV distribution lines to be completed by Nov. 2006 for **IMPROVING CUSTOMER SERVICES & BOOSTING revenue collection**
- ✓ Already 31 such lines have been handed over to private parties for maintenance, minor repairs, fuse calls, billing and revenue collection and revenue has increased substantially in most of them and in some nearly by 100%

HYDRO POWER IN BIHAR

After partition Bihar's hydro power potential had been estimated at 3318 MW, the break up of which is as follows:-

<u>Small projects (Upto 25 MW capacity)</u>	<u>MW</u>
46 projects	72 MW
<u>Big (above 25 MW capacity)</u>	
Indrapuri Reservoir Project	450 MW
Pumped Storage Plants	2570 MW
Kosi river (Run of River)	226 MW

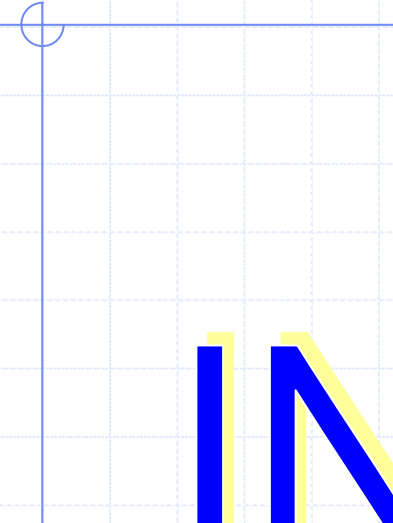
Steps have been initiated to renovate and modernize the Kosi Hydro-power Station (19.2 MW) which has been running in recent years at a derated capacity of 1 MW

NON-CONVENTIONAL ENERGY SOURCES

- Centre for Wind Energy Technology is to undertake wind resource assessment in to the current financial year
- Appointment of BEE accredited Consultants for energy audit of Important buildings for energy conservation in progress
- MOU being signed with MNES for non conventional electrification of Villages remote & inaccessible / uneconomical for grid power
- Action initiated for survey / setting up of generation of power from biomass, biofuel and municipal solid waste

REQUIRED INTERVENTION FROM THE COMMISSION

- Quick Coal Linkage for thermal power plants
- Attracting private investment in generation, transmission, and distribution



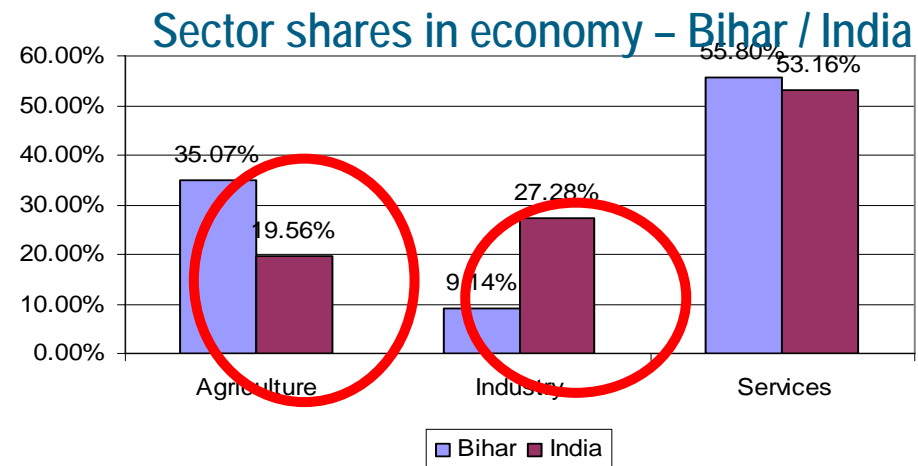
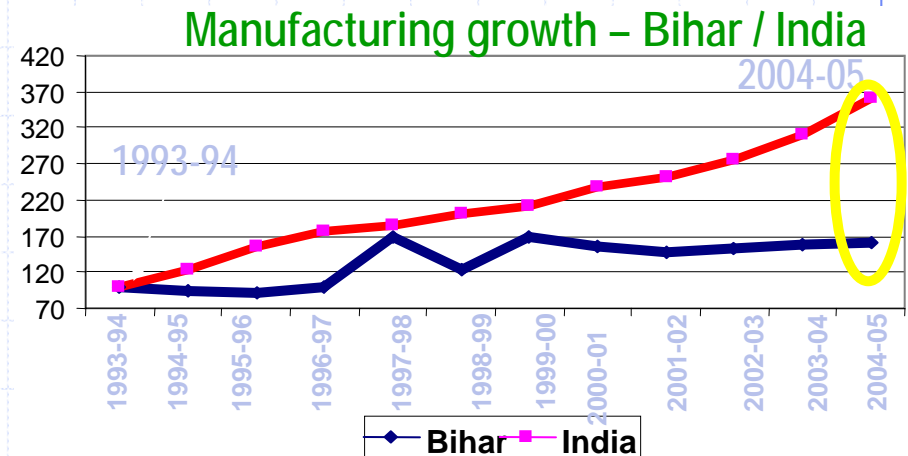
INDUSTRY

BIHAR INDUSTRY: A RELATIVE ANALYSIS

◆ Sector has grown at **0.38%** in past 5 years Vs national avg. of **7.8%**

◆ Share: **India 27%**
Bihar 9%

◆ Investment flow is bleak
– Only **0.4%** (Rs 7682 Cr) of proposed investments in India are planned in Bihar
(Recent IEM Data)



STRENGTHENING OF INDUSTRY SECTOR

● Value Addition Potential

- ✓ Food Processing
- ✓ Leather
- ✓ Drugs & Pharmaceuticals
- ✓ Textile

● Downstream petrochemicals engineering.

● Access to market.

● Out migration of skilled and un-skilled labours.

NEED TO PROMOTE INDUSTRY

- **For creation of employment opportunities**
- **To develop rural economy.**
- **To generate additional resources for Government for poverty alleviation.**

INVESTMENT CLIMATE

Major impediments to investment

- ✓ **Absence of long term policies, non implementation/ reversal of policy and approach of contract.**
- ✓ **Inflexibility of labour laws.**

Poor infrastructure – Government has already initiated steps to remove impediments. They are:-

- ✓ **Creation of enabling environment, legislative action, administrative reforms.**
- ✓ **Improvement in public delivery system.**

RECENT POLICY INITIATIVES

- **Bihar Single Window Clearance Act-2006**
- **Bihar Infrastructure Development Enabling Act 2006.**
- **New Industrial Policy -2006**
- **Price Preference Policy- 2006**
- **New Policy Initiatives for Entertainment, Tea Processing and Sugar Sectors - 2006.**
- **Policy for establishing higher Technical Institutions in Private Sector - 2006.**
- **Simplification of VAT Regime - 2006.**

SALIENT FEATURES OF NEW INDUSTRIAL POLICY

- **VAT reimbursement @80% of the deposited amount for a period of 10 years with a ceiling of 300% of the capital investment.**
- **Provisions for incentive even in zero VAT cases.**
- **Reimbursement of 50% of the amount spent on plant & machinery for captive power generation.**
- **25% of the VAT reimbursement for the existing units.**
- **Exemption from electricity duty for new units.**
- **Exemption from Stamp Duty and registration fee on land transfer.**
- **Incentive granted on land/shed in Industrial Area/ Industrial Park etc.**

SALIENT FEATURES OF NEW INDUSTRIAL POLICY

- Incentive granted on land/shed in Industrial Area/ Industrial Park etc.
- Corpus fund creation for sick & closed units.
- Exemption from annual minimum guarantee/ monthly minimum guaranty.
- CST reduced to only 1% for small & medium industries.
- 100% exemption granted
 - ✓ from luxury tax for 7 years.
 - ✓ from electricity duty for 7 years.
 - ✓ conversion charges
 - ✓ market fee

SALIENT FEATURES OF NEW INDUSTRIAL POLICY



New Policy for Sugar Industry

- **Incentive package includes reimbursement of Central Excise Duty on Sugar for 5 years.**
- **To exempt Purchase Tax on sugarcane for five crushing years.**
- **To exempt Stamp Duty and Registration Fees for land transfer.**
- **To Grant 10% Subsidy on capital Investment or a maximum Rs.10.00 crores, which ever is less on machinery, after completion of first year of commercial production.**

SALIENT FEATURES OF THE SUGAR INCENTIVE POLICY

Incentive Package for Distillery and Ethanol

- To exempt Administrative Charge on Molasses for 5 years.
- To reimburse Sales Tax (VAT) on Molasses for 5 years.
- To exempt Stamp Duty and Registration Fees for land transfer.
- To Grant 10% Subsidy on Capital Investment after completion of first year of commercial production.

SALIENT FEATURES OF THE SUGAR INCENTIVE POLICY

Incentive Package for Co-generation

- **To exempt Electricity Duty on Co-generated Power for 5 years.**
- **To exempt Stamp Duty and Registration Fees for land transfer.**
- **To Grant 10% Subsidy on Capital Investment.**
- **Transmission Line from Factory to Grid Station to be Laid by Electricity Board.**

MILESTONES

- **Total No. of Investment proposal approved in the last 6 months by SIPB** **49**
- **Value of Proposals approved** **10,000 cr**
- **Direct Employment generation potential** **18,000**
- **e-governance project launched to monitor implementation of programmes, for expeditious decision and for transparency in governance.**

AREAS OF OPPORTUNITY

- **Food Processing**
- **Dairy**
- **Sugar Sector**
- **Textile Sector**
- **Tourism Sector**
- **Drugs & Pharmaceuticals**
- **Leather**
- **Service Sector (Hotels, Hospitality etc.)**
- **Information Technology**
- **Automobile/ Auto components**
- **Agricultural Implements including Tractors.**

OPPORTUNITIES – SUGAR INDUSTRY

- **Traditionally, one of major sugarcane growing states**
- **Lowest sugar recovery in the state – 9 % against national figure of 10.36 %**
- **Most sugar mills closed down**

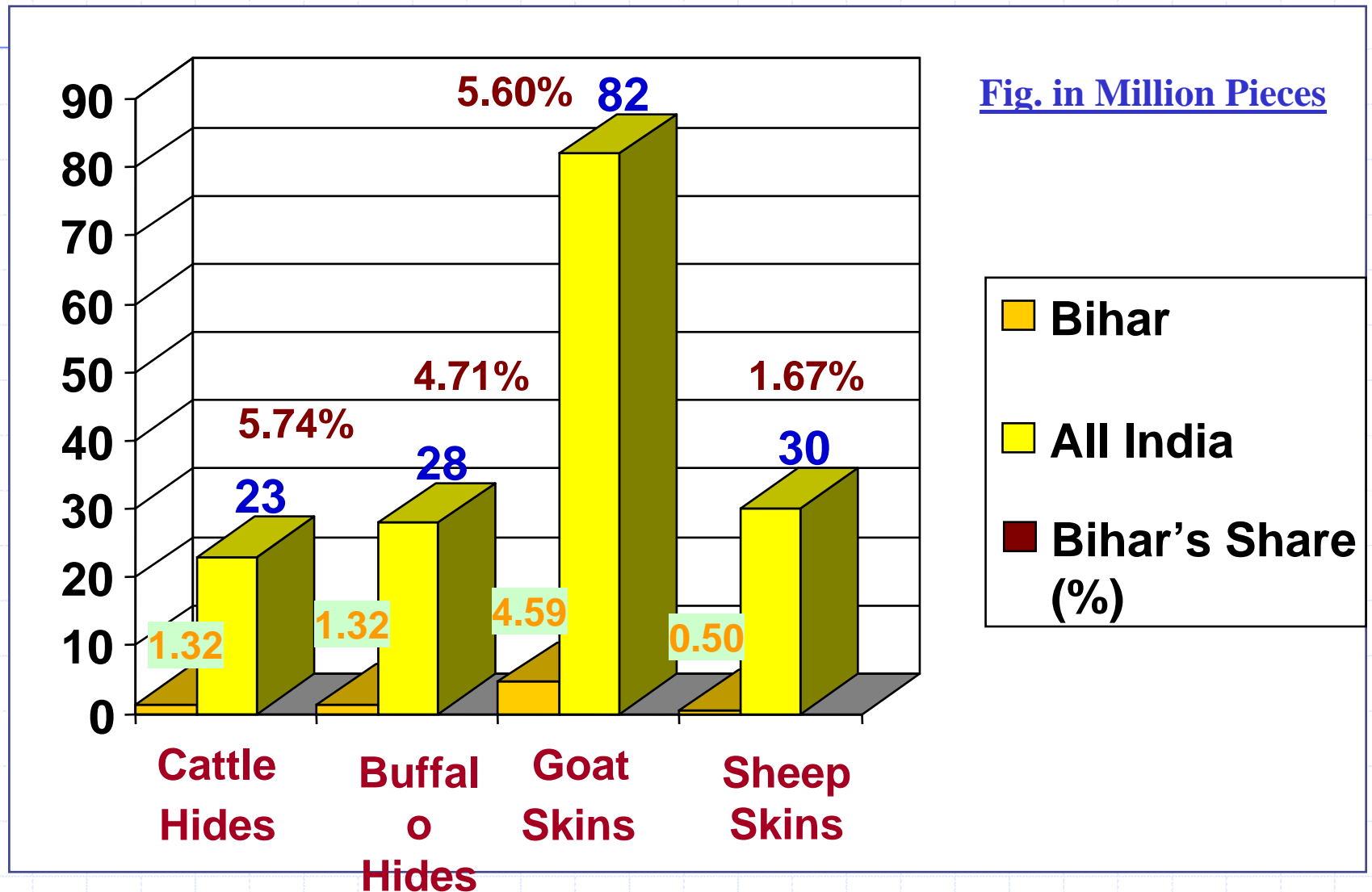
OPPORTUNITIES – SUGAR INDUSTRY

- **New Incentive Policies for Sugar Sector resulted in 14 green field proposals from sugar majors such as M/s Rajshree Sugars, Indian Glycols etc.**
- **Sugarcane cultivation area can be increased manifold**
- **Appropriate land resources along with suitable climate available**
- **Investment in Sugar and ethanol production need of hour**
- **Expansion proposals for the existing Private Sector Sugar Mills received.**

OPPORTUNITIES – SUGAR INDUSTRY

- **State has taken appropriate measures**
 - ✓ **To promote new high yielding varieties**
 - ✓ **Development of tissue culture labs**
 - ✓ **Coverage under tube well irrigation programme**
 - ✓ **Revitalisation of closed sugar mills**

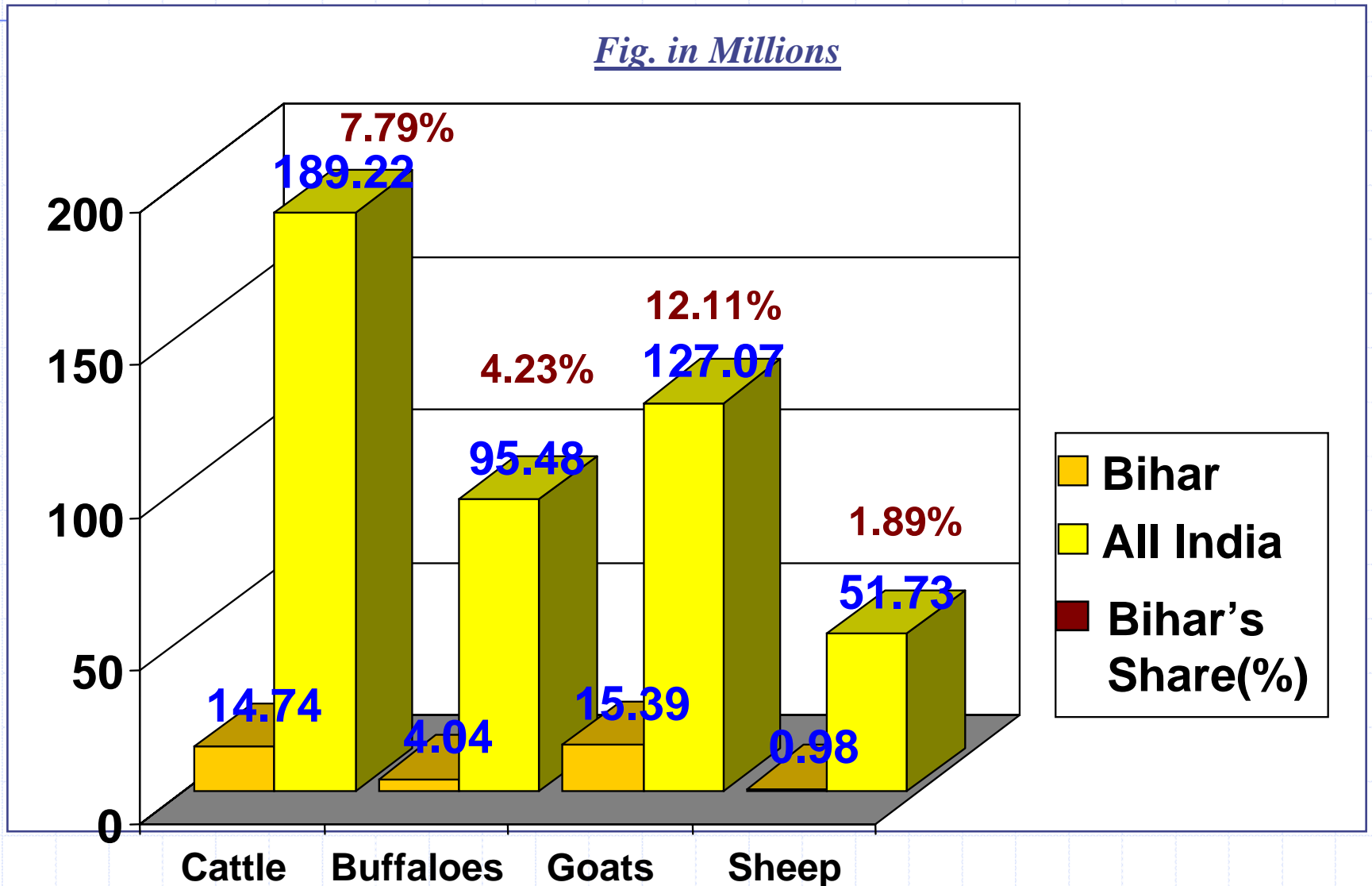
LEATHER



LEATHER

LIVESTOCK POPULATION

Fig. in Millions



LEATHER

- **Very rich in cattle population.**
- **Hides of Bihar are of the best quality in the country.**
- **There are 50,000 footwear artisans in the State.**
- **State has tanneries in the private sector.**
- **More tanneries & footwear units are to be set up in the private sector.**
- **Central Council of Leather Exports are in the process of preparing project report.**

TEXTILE INDUSTRY

- **Total number of weavers in the State is more than 90,000.**
- **Strong weaving traditions in the state.**
- **Bhagalpur known as leading silk city.**
- **Gaya – another major weaving centre –around 8000 powerlooms operational.**
- **Most of textile centres in state on decline, producing low value goods.**
- **Need of the hour- To move up the value added chain.**
- **Skilled and Cheap labour available.**

TEXTILE INDUSTRY

- **Strong traditional handloom clusters in the districts of Bhagalpur, Gaya, Nalanda, Darbhanga, Madhubani, Siwan, Patna.**
- **Infrastructure Leasing and Financial Services is preparing Project Report for Textile Parks and also for Cluster Development Programmes.**
- **Govt. have announced series of measures for improving the competitiveness.**
- **Action already initiated for strengthening the training institutions.**
- **Training in Computer Aided Design has been introduced.**
- **Nathnagar Silk Institute is being revamped and strengthened.**

TEXTILE INDUSTRY

- **Design Centre at Patna and Dye & Processing Centre at Nalanda & Darbhanga are being strengthened.**
- **Schemes for modernizing looms & construction of work sheds are under implementation.**

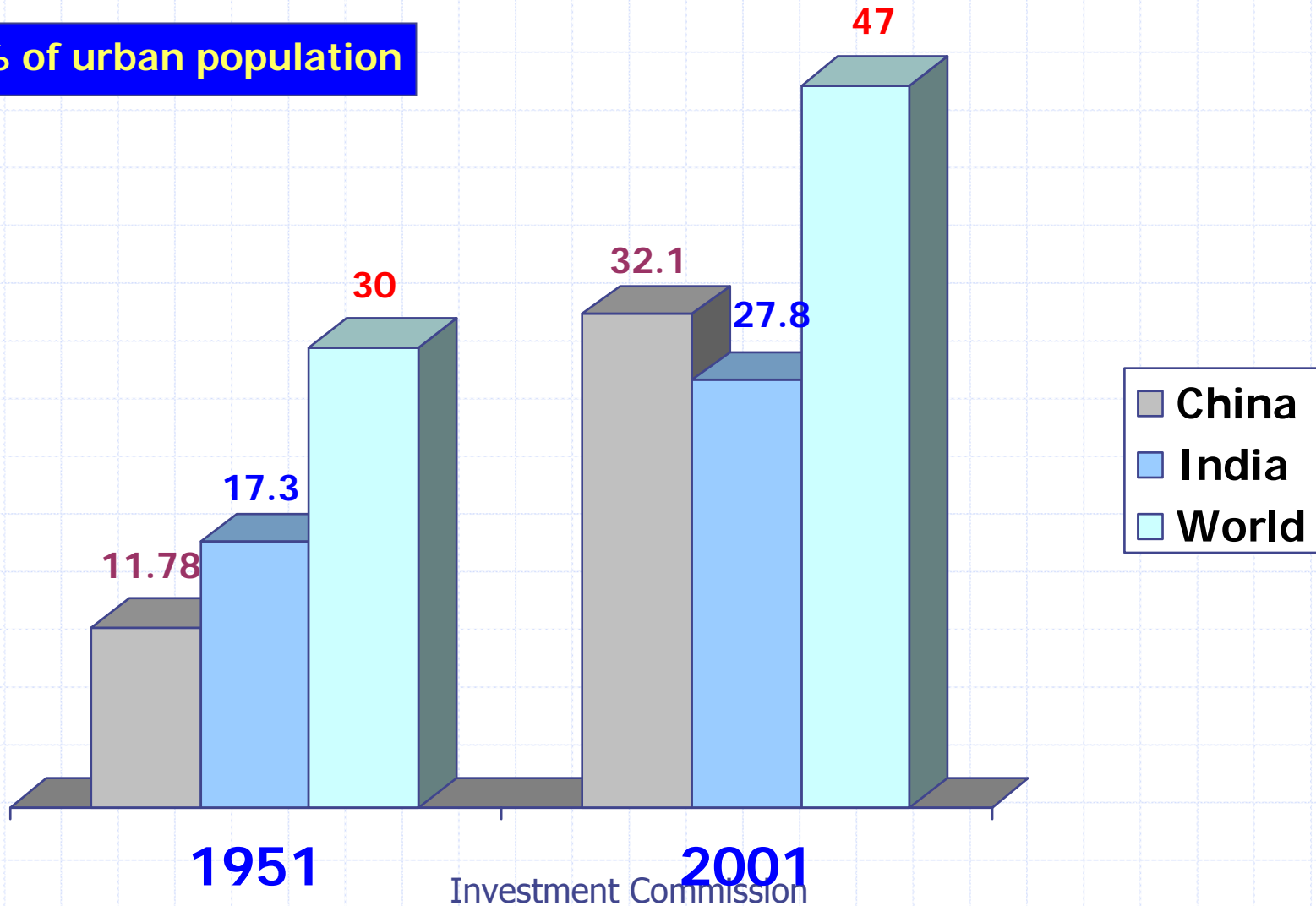


URBAN DEVELOPMENT

LEVEL OF URBANISATION

The pace of urbanisation has been slower in India as compared to other countries in the world.

% of urban population

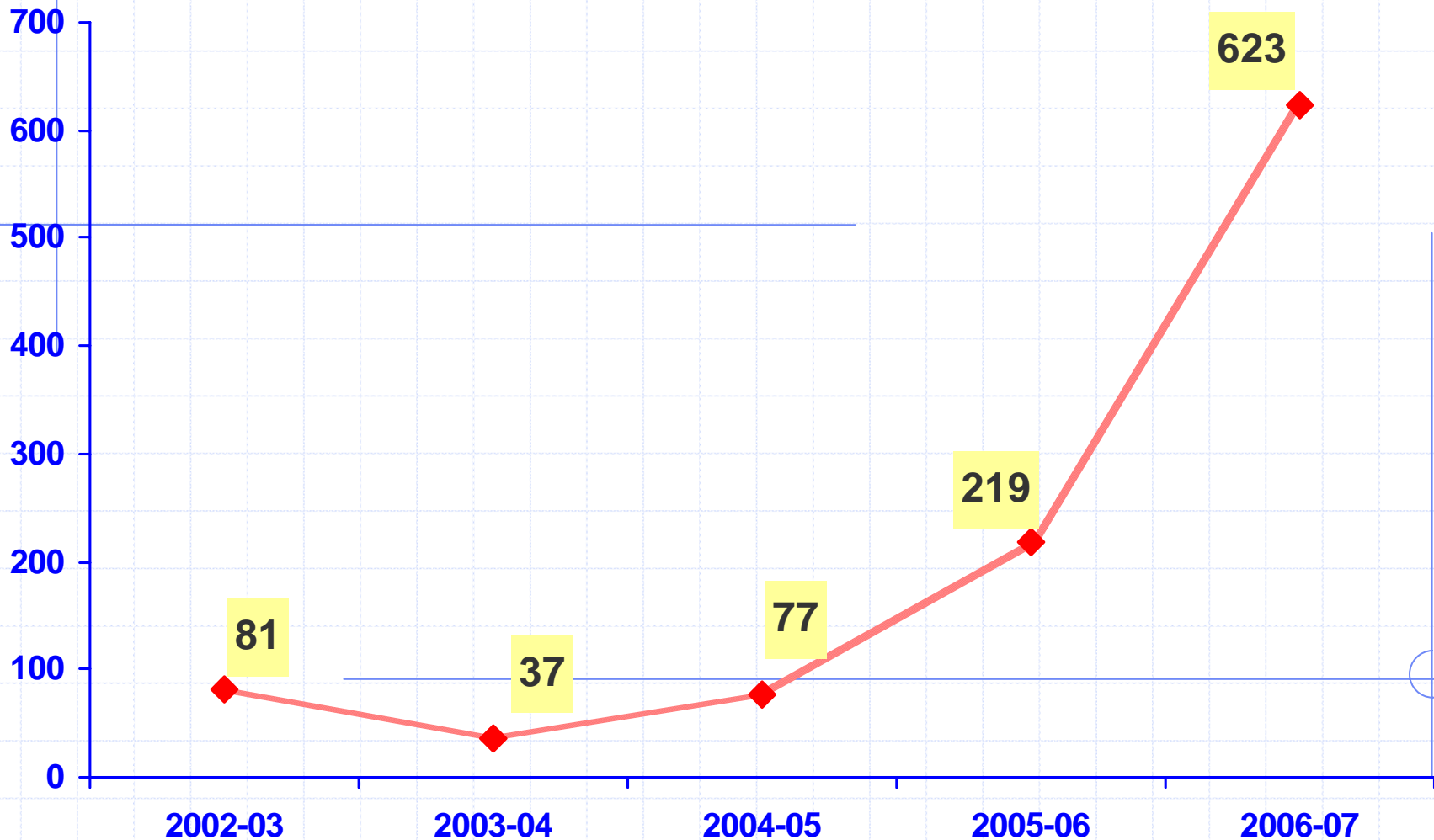


URBAN INDICATORS

- The level of urbanisation in Bihar (10.5%) is much below the national average (27.78%); way behind states like Maharashtra (42.4%).
- Using per capita water supply as a surrogate variable, Bihar (61 litres per day) is woefully below the National average (142 litres per day) and that of Maharashtra (175 litres per day) in civic amenities.
- Urban poverty in Bihar (32.91%) is much above the national average of 23.62%.

PLAN EXPENDITURE/OUTLAY

(Rs. in crore)



URBAN REFORM INITIATIVES

- Effective implementation of decentralisation initiatives as envisaged in 74th CAA.
- Urban Land (Ceiling and Regulation) Act has been repealed.
- The Apartment Ownership Act which had severe shortcomings, restricting investment in the sector, has been amended in August 2006.
- Reform of Rent Control / Municipal Law has been finalised.

URBAN REFORM INITIATIVES

- Rationalisation of stamp duty - brought down from the existing 18% to 10% in May 2006, with a target to reach 5% in 7 years.
- E-governance - Introduction of a system of e-governance using IT application, GIS and MIS for various urban services and reform of property tax.

URBAN REFORM INITIATIVES

- **Bye-laws have been revised in May 2006 to streamline the approval process for construction of buildings.**
- **In order to attract investment in multiplexes and malls, building bye-laws, cinema rules have been amended in August 2006.**
- **Building bye-laws have been amended in April 2006 to incorporate structural safety norms, rainwater harvesting and provision for disabled persons etc.**
- **State Government has computerised registration of land and property, and property title certification.**
- **In several ULBs Public Private Participation projects have been experimented.**

INVESTMENT IN URBAN INFRASTRUCTURE

Emphasis on creating and augmenting basic infrastructure facilities in water supply, sewerage, storm water drainage, solid waste management, roads and bridges in all the 122 ULBs in the State.

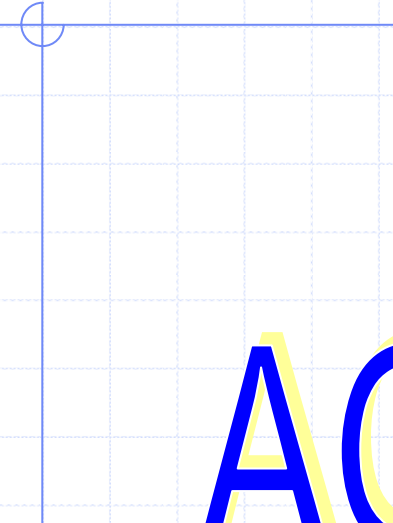
Master Plans and GIS Mapping of major towns have been taken up.

The City Development Plan for Patna and Bodh-Gaya under the National Urban Renewal Mission have been posed to the Government of India, envisaging an investment of Rs. 3580 crore for Patna and **Rs. 420 crore for Bodh-Gaya.**

INVESTMENT OPPORTUNITIES

There is tremendous opportunity for both private and public sector investment in the urban sector in Bihar:

- ✓ **Multiplexes and Malls**
- ✓ **Housing Complexes**
- ✓ **Mass transit systems**
- ✓ **Tourism**
- ✓ **Communication facilities**
- ✓ **Basic infrastructure such as water supply, drainage, solid waste management.**



AGRICULTURE

AGRICULTURE IS CORE COMPETENCE OF BIHAR

QUALITY LAND RESOURCES	<ul style="list-style-type: none">* Type – Alluvial Plain*Texture – Loam* pH – 6.5 – 7.5*Medium to rich in NPK
QUALITY WATER RESOURCES	<ul style="list-style-type: none">◆ Annual Rainfall – 1297.2 mm.◆ Irrigation Potential<ul style="list-style-type: none">Surface water – 6.33 million HaGround water – 4.85 million HaTotal – 11.19 million Ha◆ Irrigated Area – 4.88 million Ha
QUALITY HUMAN RESOURCES	<ul style="list-style-type: none">◆ 1145 Agriculture graduates trained in agri clinic /agri-business management◆ Hard working farmers

We can take three crops (Kharif, Rabi & Garma) a year !!!

AGRICULTURAL PRODUCTION SCENARIO

CROP/ ENTERPRISE	ANNUAL PRODUCTION (MILLION MT)	BIHAR'S SHARE IN NATIONAL POOL (%)	MARKETABLE SURPLUS (%)
VEGETABLES	8.59	9.0	100
FRUITS	3.35	8.0	80
FOOD GRAIN	11.90	5.6	75
SUGARCANE	13.00	5.5	100
FISH	0.27	8.3	100
MILK	4.06	4.4	100

MAIZE

PRESENT PRODUCTION:

1.5 million MT (10% of country production)

TARGETED PRODUCTION(2015):

- ✓ **4.5 million MT**
- ✓ **Maize is grown round the year**
- ✓ **Productivity is above the national average**
- ✓ **Producers' price is comparable to export parity price making maize internationally competitive (W. bank report)**

PROJECTS FOR PRIVATE INVESTMENT

- **Contract Farming**
- **Ethanol, Corn oil, Feed, Starch industry**
- **Export of Baby corn**

SUGARCANE

PRESENT PRODUCTION

13.00 million MT

TARGETED PRODUCTION BY 2015

46.72 million MT

PROJECTS FOR PRIVATE INVESTMENT

- ✓ **New green field Sugar mills Capacity expansion of existing mills**
- ✓ **Ethanol manufacturing**
- ✓ **Molasses based alcohol**
- ✓ **Cogeneration of power**
- ✓ **Bagasse based paper**

LITCHI

PRESENT PRODUCTION

0.28 million MT (Bihar contributes 71% of national production)

TARGETED PRODUCTION BY 2015

0.5 million MT

Litchi's whole sale price in Bihar is less than that of competing states, giving comparative advantage for domestic and export market (W. Bank report)

PROJECTS FOR PRIVATE INVESTMENT

- Contract Farming**
- Export of fresh fruits**
- Export of processed fruits**
- Litchi Honey**

MAKHANA

An Aquatic organic crop rich in Protein-10% and low Fat- 0.02% !!!

PRESENT PRODUCTION-

0.003 million MT (Bihar contributes 85% of national production)

TARGETED PRODUCTION (2015)

0.050 million MT.

PROJECTS FOR PRIVATE INVESTMENT

- Contract farming**
- Processing & Export**

MANGO

PRESENT PRODUCTION:

1.4 million MT(13% of All India)

TARGETED PRODUCTION BY 2015:

3.0 million MT

VARIETIES

Jardalu, Langra, Krishna bhog

PROJECTS FOR PRIVATE INVESTMENT

- **Contract Farming**
- **Export of fresh/ processed fruits**
- **Cool chain**

VEGETABLE

•PRESENT PRODUCTION:

8.60 million MT (9% of All India)

PARWAL, organic vegetable of Diara (1.1 million ha.) with annual production of 48000 MT. Production can be substantially increased with market support

•TARGETED PRODUCTION(2015):

12.4 million MT

PROJECTS FOR PRIVATE INVESTMENT

- **Contract Farming**
- **Processing & export**
- **Cool chain**

HONEY

- **PRESENT PRODUCTION:**

1300 MT (13% of All India)

- **TARGETED PRODUCTION(2015):**

3900 MT

PROJECTS FOR PRIVATE INVESTMENT

- **PROCESSING**
- **CONTRACT FARMING**
- **MARKETING**

AROMATIC RICE

PRESENT PRODUCTION:

0.015 million MT

TARGETED PRODUCTION(2015):

0.05 million MT

PROJECTS FOR PRIVATE INVESTMENT

- **Contract Farming**
- **Modern rice mill**
- **Export**

DAIRY

Milk Production (Present) : 4.06 million MT
Targeted Production (2015): 8.46 million MT

COMPFED:A Success Story

COMPFED has established 5023 cooperative societies with 2.54 lakh membership -highest among the eastern states.

PROJECTS FOR PRIVATE INVESTMENT

- **Dairy equipment**
- **Fodder block making units**
- **Processing infrastructure(Milk powder, Packaging material)**
- **Marketing infrastructure**

FISHERY

PRESENT PRODUCTION :

0.27 million lakh MT

TARGETED PRODUCTION (2015):

0.43 million MT

PROJECTS FOR PRIVATE INVESTMENT

- **Feed manufacturing units**
- **Cold chain**
- **Marketing**
- **Aqua tech and amusement parks**

RECENT INITIATIVES

Repeal Of Agriculture Produce Market Act (Apmc) To Enable

- **Direct Purchase From Farmers**
- **Private & Co-operative Markets**
- **Contract Farming**
- **Speciality Market**

RECENT INITIATIVES

Administrative Measures

- **Extension Reforms To Promote Public Private Partnership**
- **Establishment Of Kvk In Every District For Research Support At District Level**
- **Horticulture College At Nalanda For Exclusive Research And Education In Horticulture**

SUPPORTING PROGRAMMES

- National Horticulture Mission**
- State Horticulture Mission**
- Micro Irrigation**
- Macro Management Mode Of
Agriculture**
- Integrated Scheme Of Oilseeds,
Pulses And Maize**

SUPPORTING PROGRAMMES

GREAT NEWS FOR FARMERS

- Prize of Rs 1 lakh and title of “Kisan-Sri” for best farmer in all 534 blocks
- Prize of Rs 2 lakh and title of “Kisan-Bhushan” at district level
- Prize of Rs 5 lakh and title of “Kisan-Ratna” at state level every year
- Government to benefit from good will of these 573 farmers every year

INFRASTRUCTURE READY TO USE

- 55 DEVELOPED MARKET YARDS**
- 347 DEVELOPED RURAL HATS**
- AGRI EXPORT ZONE FOR LITCHI, HONEY AND VEGETABLES**
- FOOD PARK AT HAZIPUR, BEGUSARAI**
- RAILWAY CONTAINER DEPO AT FATUHA**
- MODERN SOIL CUM SEED TESTING LAB. IN EVERY DISTRICT**
- TISSUE CULTURE LAB. FOR SEED MULTIPLICATION OF SUGARCANE**

AREAS FOR PRIVATE INVESTMENT

CROP	PROCESSING	COOL CHAIN	EXPORT	CONTRACT FARMING	ETHANOL/ CORN OIL /STARCH INDUSTRY	MODERN RICE MILL
LITCHI						
HONEY						
MAKHANA						
MANGO						
MAIZE						
VEGETABLE						
AROMATIC RICE						
FISH						



SCIENCE & TECH.

SCIENCE & TECHNOLOGY

AREAS OF COVERAGE

- **Technical Education**
- **Scientific Research & Services**
- **I.T. Development**

INSTITUTIONAL ARRANGEMENTS

 No. of Engineering Collages	3
 No. of Private Engineering Collages	6
 Institutes taken over by State Govt. (to be activated)	3
 National Institute of Technology, Patna	1
 No. of Govt. Polytechnics	13
 Govt. Women Industrial Schools (1 yr. Certificate Course)	12

SCIENTIFIC SERVICES

- **Bihar Council of Science & Technology**
 - ✓ Promotes awareness regarding Science & Technology.
 - ✓ Promotes public utility activities related to Science & Technology.
- **Bio-Technology Policy under formulation by Bihar Council of Science & Technology.**
- **Planetarium**
 - **Bihar Remote Sensing Application Centre.**

I.T. DEVELOPMENT

POLICY INITIATIVES

- **Policy for establishing Higher Technical Educational Institutions in place.**
- **Introduction of self certification scheme for Software units.**
- **Exemptions from**
 - ✓ **Pollution Control Board.**
 - ✓ **Legal Power Cuts.**
 - ✓ **Zoning Regulations in respect of location.**

I.T. DEVELOPMENT

POLICY INITIATIVES

- **Exemptions from provisions under Bihar Shops & Establishment Act 1953. (i.e. related to hours of business & weekly closures)**
- **Hours of work for women employees relaxed under section 66 of the Factories Act, 1948**

SCIENTIFIC SERVICES

- Exemptions provided under section 87 of Employees State Insurance Act 1948.
- Workers of I.T. Industries will be classified separately under minimum Wages Act.
- All incentive schemes as per New Industrial Policy would be applicable to I.T. Industry.

MILESTONES

- **Software Park (STP) set up at Patna.**
- **Another Software Park is on the anvil.**
- **e-governance project is under implementation.**

MILESTONES

- **MOU signed with Tata Consultancy Services for software applications for**
 - ✓ **Integrated Workflow & Data Management System.**
 - ✓ **Monitoring of Rural Management.**
 - ✓ **Bihar Revenue Administration including VAT administration.**
 - ✓ **Central Portal Centre.**
 - ✓ **Nearly 8,000 Common Services Centres to be established.**

OUTCOME

- **Promotion & use of I.T. for good governance.**
- **Transparency and enabling access to the people.**
- **Two new Engineering Colleges are being set up. One under PPP & the other in the Private Sector.**
- **Taken over Technical Institutions are to be handed over to Private Sector for management.**
- **Computer room in all block headquarters.**

OUTCOME

- **Birla Institute of Technology to commence session at Patna.**
- **Modernization of Engineering Colleges & Govt. Polytechnic are being taken up in the current year.**
- **A new Govt. Polytechnic in Nalanda & Women Polytechnic at Gaya are being set up.**
- **Computer room in all block headquarters.**



THANK YOU