

Minutes of the meeting held under the Chairmanship of Chief Secretary on 06 May 2016 regarding 'Government of Jharkhand –Industry Consultation Task Force'

List of Participants: Attached

Chief Secretary welcomed all participants.

Director-Industries, explained the Terms of Reference of the Government of Jharkhand-Industry Consultation Task Force, following which Additional Chief Secretary invited suggestions from the participants for improving the investment climate in Jharkhand.

Following issues and suggestions were discussed:

- It was suggested that Industrial Area Development Authority's (IADA) infrastructure needs to be strengthened. Funds available with IADA should be used for development of infrastructure.
- Wherever mega units are being set up in IADAs, the nearby areas may be developed as ancillary parks by the respective IADAs, if not being developed by mega units themselves.
- The members stated that provision in JIIPP 2016 (Jharkhand Industrial and Investment Promotion Policy) regarding requirement of minimum investment of Rs 1.5 crores for MSMEs to come under the definition of 'expansion' was unreasonable and be brought down to help them avail incentives under this policy.
- Director-Industries brought to the notice of the participants that a pharma park is to be developed in Jharkhand in Itkij area and stressed on the need for attracting more pharma players in Jharkhand. To this, the participants suggested on providing incentives such as exemption from excise, etc.
- The participants highlighted the fact that many industries are turning sick in Jharkhand and as a result, large number of industries are shutting down. Regarding this, the Chief Secretary suggested to hire an agency who shall undertake a study to understand the reasons behind industries going sick in Jharkhand.
- It was suggested that all purchases of the Government should be available in public domain so that local players may be able to analyse the demand and cater to these, accordingly.
- It was pointed out that a concept of 'service weightage' has been introduced in Jharkhand wherein, incentive is to be given to labourer based on specific number of years spent in the organization. As a result, many industries have been facing protests from the labourers.
- Need was felt by the industry members for strengthening 'Jharkhand State Mineral Development Corporation' (JSMDC). Since JSMDC owns all the mines, it should develop these mines also. To this, Additional Chief Secretary informed that Department of Industries, Mines and Geology was already working on providing linkages for the same.
- Director-Industries suggested that an advertisement may be issued by Jharkhand State Pollution Control Board stating the type/category of industries exempted from obtaining PCB clearances.

- With regard to the Procurement Policy of the state, the members highlighted the fact that an amount as high as Rs 10,000 is being charged for registration of every item by JBVNL. Instead, the registration should be of a unit, than for each item of the unit concerned.
- The members pointed out that due to the current Input Tax Credit (ITC) issue, the Government was incurring more revenue loss than before. As a result of which industries have started shifting out of Jharkhand. To this, Director-Industries informed them that a meeting has been scheduled for next week for its resolution.
- Regarding retrospective tax issue of MADA, Chief Secretary agreed to relook into the retrospective effect and assured that the issue shall be resolved soon.

Director-Industries informed that BIS (Bureau of Indian Standards) has been given land to setup their office in Jharkhand. Also, 'Plug and Play' infrastructure is being developed to boost the IT Industry in Jharkhand. CII was requested to rope in TCS and other IT companies for the purpose. Additional Chief Secretary informed that all four IADAs have been merged into Jharkhand Industrial Area Development Authority (JIADA) and a notification to this effect shall be released soon.

At the end of the meeting, the Chief Secretary reiterated that continuous support is required from all associations. She suggested that all members of the task force should have regular meetings with all departments and directed them to submit a case of all the issues which may be taken up on priority for their meaningful resolution. Also, it was directed that representatives from Department of Urban Development and Housing Development be also called in the next meeting. The meeting ended with a vote of thanks to the chair.

Sd/-
Chief Secretary
Government of Jharkhand

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Copy to: Principal Secretary, Deptt. of Forest, Environment & Climate Change/Principal Secretary, Deptt. of Water Resources /Principal Secretary, Deptt of Energy/Principal Secretary, Deptt of Labour, Employment, Training & Skill Development /Secretary, Deptt. of Revenue, Registration & Land Reforms/Chairman, CII, Jharkhand Chapter, Ranchi/Chairman, FICCI, Ranchi/Secretary, ASIA, Jamshedpur/Secretary, JSIA, Kokar, Ranchi/Secretary, FJCCI, Ranchi/Secretary, Laghu Udyog, Bharti, Ranchi/Executive Officer, Chief Secretary Office, Jharkhand & PPS(Industry Section) to Additional Chief Secretary, Deptt. of Industry, Mines & Geology, Jharkhand, Ranchi for Kind information & necessary action.

16/5/16
Director of Industries
Govt. of Jharkhand