

THE STATE'S PROFILE

Jharkhand is endowed with a wide variety of natural resources and is one of the most attractive destinations because of its natural wealth, coupled with its skilled and industrious people, low cost of living and great industrial climate. Since its creation, the state has set in place a range of enablers for investment. Today with its investment friendly climate and expertise in geology, mining and immense power potential, Jharkhand has the potential to become the most financially viable state in the country. At present major industrial centres in the state are Tatanagar, Bokaro steel city, Dhanbad, Ranchi, Deoghar and Hazaribagh.



The vast potential that state posses is lying unexplored domestically and internationally, with miniscule export figures. Also, there are no reliable statistics available. According to the Export Potential Survey of Jharkhand conducted in year 2005-06, exports stood at \$17 million. There is much potential in exports of silk, handicrafts, automobile etc. Due to the lack of exports figures, we have to rely on the regional figures. Eastern region including Jharkhand contributes 10% to India's exports. Keeping in view the immense and untapped potential of the eastern region, exports can be grown to 20% by the year 2020.



EXPORT CAPABILITIES OF THE STATE

- Jharkhand is the sole producer of coking coal, uranium and pyrite. It ranks first in the production of coal, mica, kyanite and copper in India. It has untapped reserves of gold, silver, base metals, decorative and precious stones. The state has around 28% of the iron ore deposit of the entire country, 32% of the coal reserve, 25% of the copper ore, 29% of the area covered under the forest, 40% of the country's mineral reserve and 563 million tonnes of limestone. Forests and woodland occupy more than 29 percent of the area in the state, amongst highest in India.
- The economy of the state of Jharkhand gets its revenue from Agriculture sector as almost 75% of the population is involved in this sector. Various kinds of cereal crops, fruits, vegetables and flowers are grown in the state.
- The four largest cities Jamshedpur, Dhanbad, Ranchi and Bokaro are all vibrant industrial growth centres with adequate infrastructure. Two of India's major integrated steel plants are located at Jamshedpur and Bokaro along with many other industry majors.
- There is adequate availability of power. 17,000 mega watt (MW) power capacity is being installed by private investors. The state is poised to attain self sufficiency in power and become a net exporter of energy by 2012-13. Several thermal power plants are in various stage of construction such as Maithan Power Limited at Dhanbad (2X525 MW).

SECTORS WITH EXPORT POTENTIAL

A) MINERAL AND MINERAL BASED INDUSTRIES

The state accounts for 40% of the country's mineral deposits like Uranium, Mica, Bauxite, Granite, Gold, Silver, Graphite, Magnetite, Dolomite, Fireclay, Quartz, Feldspar, Coal, Iron and Copper. Owing to its large mineral resources, leading industrialized cities like Jamshedpur, Ranchi, Bokaro and Dhanbad are located in Jharkhand. In the year 2010-2011, the state contributed 5.86% of the total mineral production from the country.

1. IRON & STEEL INDUSTRY

Over 20% of the country's total steel is being produced in the state. Steel Production has increased from 8 million tonnes to over 12 million tonnes per annum during 11th plan period. The state is endowed with deposits of Iron Ores of both, Hematite & Magnetite. The Hematite deposits are mainly located in the West Singhbhum District and have a resource base exceeding 4036 Million tonnes. These have been explored only in pockets by large industry houses in their lease hold. There is a very good scope of enlarging this resource base by further exploration. The Magnetite Deposits are located in the East Singhbhum, Latehar & Palamu districts. The State contributed 28% hike in the production of Iron ore from 17.97 million tonnes in 2005-06 to 23 million tonnes in 2009-2010.



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2. LIMESTONE

Limestone mining in India is mainly utilized for the manufacture of cement. Next to cement industry, its potential consumers are the chemical and Iron & Steel industries. The deposits occur in Hazaribagh, Singhbhum, Pakur, Garhwa, Ranchi, Giridih and Bokaro districts. The State contributed 34% hike in the production of limestone from 1.42 million tonnes in 2005-06 to 1.91 million tonnes in 2009-2010.

3. BAUXITE

Jharkhand holds a very large potential of bauxite amounting to a reserve of 68.1 million tonnes. 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. The State contributed 6% hike in the production of Bauxite from 1.66 million tonnes in 2005-06 to 1.50 million tonnes in 2009-2010.

MINERAL PRODUCTION IN JHARKHAND IN LAST FIVE YEARS (Million tonnes)										
Minerals/ year	2005-06		2006-07		2007-08		2008-09		2009-10	
	I	J	I	J	I	J	I	J	I	J
Iron ore	165.23	17.97	180.9	18.58	213.24	20.75	212.96	21.2	218.63	23
Limestone	170	1.42	179.3	1.95	193.08	2.03	221.56	1.94	228.93	1.91
Bauxite	12.59	1.50	15.66	1.48	22.62	1.24	15.55	1.58	13.95	1.66

Note: I- India, J- Jharkhand; Source: Deptt. of Mines & Geology, Jharkhand

B) AGRI AND ALLIED SECTORS

Jharkhand has diverse agro climatic condition suitable for cultivation of wide range of agriculture and horticulture. The State has exhibited its potential in farming of fruits and vegetables that include items like Potato, Pumpkin, Tomato, Green peas, Cauliflower, Brinjal, Cabbage, Chilli, Guava, Lemon, Mango, Banana, Pomegranate, Sugarcane and so on. Litchi is grown in Dumka, Deogarh, Godda, Jamtara and Ranchi. Under cereals, Rice is the major crop of the state covering 80% of the cropped area. In the area of medicinal plants cultivation, the state highlighted the importance of Bacopa Mounieri. The state presented its success stories achieved in floriculture with special focus on plastic mulching and cultivation of Rose, Gerbera, Gladiolus, Carnation and Marigold.



Pulses mainly Arhar, Urad, Moong, Kulthi, Bengal gram, Masur and Pea are grown in the state. The production of all these pulses in 2011-12 is 308.456 thousand tonnes. By 2012-13, it is targeted to be around 618.749 thousand tonnes. Productivity of pulses from Jharkhand state is 7.94 quintal/ha which is more than the national average of 7.54quintal/ha. Jharkhand has a progressive farming community who are involved in organic farming. It alone can play a major contributory role in increasing the exports of organic products to markets such as US, Europe and Japan.

There is also a scope of Pisciculture in the state by promoting reservoir, fisheries and concept of Matsya Mitra and fish cooperatives. Fish production has increased from 14, 000 MT to 72, 000 MT in the last 10 years.

C) SILK INDUSTRY

Mainly Tassar silk is produced in Jharkhand. Singhbhum, Santhal, Praganas, Dumka, Giridih, Hazaribagh, Ranchi, Palamau and Dhanbad are the major silkworm rearing areas. Reeling and weaving areas are Bhagaiya, Kharsava, Chaibasa, Puraini and Katoria. In 2011-12, Jharkhand produced 1025 tonnes of silk, which is more than the planned target of 900 tonnes. During the next five-year period, the State is targeting to increase silk production to 8,000 tonnes. US, UK, Germany, France, Turkey, Japan, Australia, Sweden, and Switzerland are the main export destinations of Tassar silk from Jharkhand.

D) HANDICRAFTS

It constitutes an important sector due to its popularity domestic as well internationally. Handicrafts of Jharkhand reflect the State's cultural heritage, customs and traditions. In the 11th Five Year Plan period (2007-12), as many as 10 lakh people were provided jobs in the sector, while the target was to double the figure in the 12th Five Year Plan Period (2012-17). Jharcraft, an organization for promotion of handicrafts and silk has reaped a turnover of Rs 70 crore in the 2011-12 fiscal and aims at Rs 100 crore in 2012-13. Growing domestic demand apart, it has an export footprint in around 10 countries viz. US, UK, France, Germany, Japan, Australia, Italy, Switzerland and Sweden. So far, earnings from exports have been around Rs 4 crore.

E) ENGINEERING & AUTOMOBILES

Jharkhand has several large engineering and mining industries. A number of heavy engineering companies located in the state produce equipments and provide turnkey and consulting services to the existing metal and mining industry. The state also has an expanding automotive industry which includes original equipment manufacturers as well as auto component production units. There are more than 600 auto ancillary industries including auto components units have been set up subsequently at Jamshedpur and Adityapur to cater to the needs of automobile companies. Auto components produced in



the Jharkhand range from simple items like nuts and bolts to complex items like Shafts, Radiators and Axles. Auto-Cluster is also being made operational at Jamshedpur to extend common facilities such as testing centre, design lab, effluent treatment plant etc. to auto component makers.

MAJOR DISTRICTS THAT CAN BE COVERED

S. No	District	S. No	District
1	Ranchi, Khunti, Ramgarh, Lohardaga	8	Deogarh
2	Gumla	9	Dumka
3	Simdega	10	Sahebganj
4	Palamu	11	Hazaribagh
5	West Singhbhum	12	Koderma
6	Seraikela	13	Giridih
7	East Singhbhum	14	Dhanbad
		15	Bokaro

OBJECTIVE OF THE STUDY

Study would aim to identify the new products looking at the capability and competitiveness of the industries located in Jharkhand and World market for such products. The study will also highlight the major competitors in main markets.

In order to achieve the objective, the aim of the Study would be to identify the existing policy related bottlenecks which the exporters of various districts of Jharkhand are facing with. After taking their inputs, the export policy of various sectors having export potential will be formulated. Under infrastructure-study would identify bottlenecks and recommendations pertaining to connectivity with the hinterland of ports and airports.

Through field visits FIEO would shortlist the products that need the supporting intervention in terms of policy changes and infrastructure requirement. In co-operation with local associations inputs would be collected on problems and recommendations to ease the bottlenecks hindering export growth.

METHODOLOGY OF THE STUDY

- Collection of Primary Data through questionnaire to be circulated to exporters to capture their inputs.
- Statewide field visits to interview the chambers, exporters, other stakeholders involved like CHAs, DIC etc.
- Analyse the data received and draft the ministry-wise recommendations.



- Thereafter, submit the first draft to State Government for inputs by end of January 2013
- Once draft report is approved, amend and submit the final report

KEY OUTPUTS AND DELIVERABLES

- Recommendations for proposed Export policy required and its desired salient points
- Assessing Export infrastructure at ICDs, Connectivity to Ports to identify the bottlenecks and suggest strategy to address them.
- Identification of new and emerging sectors and suggesting strategy to promote the export. Some of the emerging sectors are: Horticulture, Handicrafts, Floriculture, Food Processing, Sericulture, Iron, Steel and mineral industry.

