



PROGRESS HARMONY DEVELOPMENT

Estd. - 1905

State Development Monitor

A monthly newsletter of Northern, Central & North-Eastern States of India



- Arunachal Pradesh
- Assam
- Bihar
- Chandigarh
- Chhattisgarh
- Delhi
- Haryana
- Himachal Pradesh
- Jammu & Kashmir
- Jharkhand
- Madhya Pradesh

- Manipur
- Meghalaya
- Mizoram
- Nagaland
- Punjab
- Rajasthan
- Sikkim
- Tripura
- Uttar Pradesh
- Uttarakhand

October 2015

PHD Research Bureau

PHD Chamber of Commerce and Industry

SDM Newsletter

Significant developments in states have been observed at various fronts such as economic development, agriculture, infrastructure, tourism and health. Punjab deputy Chief Minister Shri Sukhbir Singh Badal ji reported that the state government of Punjab would soon come up with a new policy under “Make in Punjab” to encourage the local industry with growth incentives. We look forward to its effective implementation in the coming times.

On agricultural front, the National Bank for Agriculture and Rural Development has sanctioned a loan of Rs 134.64 crore to the Haryana government under Rural Infrastructure Development Fund for 2015-16.

On infrastructural front, the Punjab government has approved a proposal to extend fiscal incentives to units located in industrial zones, benefitting small and medium enterprises in the state. The fiscal sops under the revised Fiscal Incentives for Industrial Promotion 2013 Policy were available only to units that were located in industrial parks. This step would be instrumental in giving a fillip to small and medium scale industries.

Government of India and KFW, Federal Republic of Germany have signed Loan Agreements worth Euro 125 Millions for KFW assisted Himachal and Andhra Pradesh Green Energy Corridors' Projects. With the Green Energy Corridors, the intra-State network will feed the renewable energy to the respective State grids and the high capacity transmission corridors and inter-State network will connect major renewable energy pockets with the national grid.

The Cabinet also approved the 'The Punjab Development of Trade and Industries Ordinance, 2015' for the creation of fund to be utilized for the execution of several works for the purpose of development of trade, commerce and industry in the state such as development of industrial estates, focal points and industrial clusters being developed by the government, to provide infrastructure to the trade and industry, financial incentives, grants, subsidies etc.

Further on tourism front, Hon'ble Chief Minister of Jammu and Kashmir, Shri Mufti Mohammad Sayeed ji recently asked top brass of the administration to connect Bhaderwah tourist spot with Himachal Pradesh through Chamba district and Punjab through Pathankot-Lakhanpur-Bani to attract more tourists, which would boost economy of not only Bhaderwah but entire Chenab Valley.



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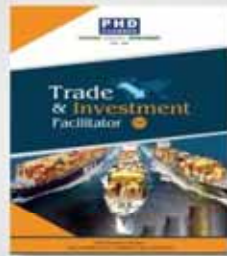
EAC - 1st week of every month

Economic Affairs Committee (EAC) issues a comprehensive newsletter on the economic and social developments in the economy in a particular month. The report provides a concise view of the movements in lead indicators in that month and in the coming times.



GEM -2nd week of every month

Global Economic Monitor (GEM) aims to disseminate information on latest updates on global macro-economic indicators including growth, inflation, trade, markets, commodities, unemployment, policy developments and publications of international organization



TIFS - 3rd week of every month

Trade and Investment Facilitator (TIF) aims to provide information on recent developments in India's foreign trade, foreign investments, policy developments, bilateral economic relations, trade agreements, WTO among others.



SDM - 4th week of every month

State Development Monitor captures the developments on various fronts such as economic, health, infrastructure, rural economy and tourism in central and northern states of India.

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1. Economic developments

1.1 Punjab

New 'Make in Punjab' promotion policy to be drafted, says Deputy Chief Minister- Punjab deputy chief minister Sukhbir Singh Badal reported that the state government of Punjab would come up with a new policy under "Make in Punjab" to encourage the local industry with growth incentives. Special purpose vehicles (SPVs) would be set up in each industrial area under the new policy. The SPVs would collect taxes from industrialists and spend this money on the development of industrial areas. This aims at solving the problem of the requirement of basic amenities at the focal points. The aim is to provide entrepreneurs with congenial atmosphere, liberal policies, and online facilities for overall progress and job opportunities in Punjab.

1.2 North Eastern states

Mizoram, Manipur to soon implement National Food Security Act- The Mizoram government will implement the National Food Security Act (NFSA) from November and Manipur would implement it by January 2016, the ministers of these states said on Friday. Under which around 706,296 people out of around 11 lakh population of Mizoram would be provided rice at subsidised rate under NFSA while the remaining households would be able to buy eight kg rice per month at the rate of Rs 15 per kg. An additional annual expenditure of Rs 16.73 crore would be borne by the state exchequer to provide food grain subsidy for priority households.

1.3 Uttarakhand

Union Water Resources Ministry Approves Various Schemes in Uttarakhand- Union Ministry of Water Resources, River Development and Ganga Rejuvenation has approved various schemes sent to it by Government of Uttarakhand. Under which a new Ghat will be constructed in

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Haridwar at Chandighat. The construction will be managed by central PSUs and work will start next month. The sewage treatment plants at Muni ki reti and Jagjeetpura in Rishikesh will be set up by central PSUs. The work is likely to start by February next year.

2. Rural economy: Agriculture & Agri business developments

2.1 Haryana

Over 6 lakh metric tonnes paddy arrives in Haryana- A total of 6.22 lakh metric tonnes of paddy has arrived in the mandis of Haryana so far in the ongoing marketing season as against 3.64 lakh tonne of crop brought by farmers in the corresponding period last year. Of the total arrival, 1.45 lakh MT paddy has arrived in Karnal, 1.08 lakh MT in Kaithal, 99,527 MT in Ambala, 41,973 MT in Yamunanagar, 24,033 MT in Panchkula, 22,531 MT in Fatehabad, 3,698 MT in Sirsa, 2,758 MT in Jind and 684 MT in Hisar. The Food and Supplies Department has purchased 2.50 lakh MT of Paddy while 2.08 lakh MT purchased by HAFED, followed by 54,356 MT by the Haryana Agro-industries Corporation and 29,494 MT by the Haryana Warehousing Corporation.

NABARD sanctions Rs 135-crore loan to Haryana for rural infra- The National Bank for Agriculture and Rural Development has sanctioned a loan of Rs 134.64 crore to the Haryana government under Rural Infrastructure Development Fund for 2015-16. The objective of the project is overall growth of southern districts of the state and a higher per capita income for farmers.

2.2 Madhya Pradesh

Madhya Pradesh government to review stock limits on pulses – Madhya Pradesh government had imposed a limit on storage of pulses to do away with the hoarding and black-marketing. Owing to the objections raised by the mill owners and traders, the Madhya Pradesh government is reported to review the imposition of stock limits on pulses.

2.3 Uttar Pradesh

Uttar Pradesh Chief Minister Asks Officials to Provide Arhar dal at Reasonable Prices- As per the directives given by the Hon'ble Chief Minister lentil would be provided at cheaper rates through depots of Uttar Pradesh State Employees Welfare Corporation and ration cards. The Hon'ble Chief Minister also directed the officials to take stern action against hoarders and profiteers.

3. Infrastructure developments

3.1 Government of India and KFW, Federal Republic of Germany Sign Loan Agreements Worth Euro 125 Millions for KFW assisted Himachal and Andhra Pradesh Green Energy Corridors' Projects- Loan agreements have been signed by the Government of India and

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Government of Germany. With the Green Energy Corridors, the intra-State network will feed the renewable energy to the respective State grids and the high capacity transmission corridors and inter-State network will connect major renewable energy pockets with the national grid.

3.2 Himachal Pradesh

Investors Meet: Himachal gets Rs 10k-crore investment proposals- Leading companies have proposed investments worth Rs 10,000 crore in Himachal Pradesh at an Investors Meet recently. Proposals in sectors such as retail, housing, defence, solar energy and healthcare for setting up industrial units to manufacture products in Himachal Pradesh have also been discussed at the meet.

3.3 Punjab

Punjab approves incentives for SMEs in industrial zones- The Punjab government has approved a proposal to extend fiscal incentives to units located in industrial zones, benefitting small and medium enterprises in the state. The fiscal sops under the Fiscal Incentives for Industrial Promotion (revised), 2013 Policy were available only to units that were located in industrial parks. Those units which are located in industrial zones as per master plans with an investment of Rs 1 to 10 crore would also be covered under the policy. This step would be instrumental in giving a fillip to small and medium scale industries. The Cabinet also approved the 'The Punjab Development of Trade and Industries Ordinance, 2015' for the creation of fund to be utilized for the execution of several works for the purpose of development of trade, commerce and industry in the state such as development of industrial estates, focal points and industrial clusters being developed by the government, to provide infrastructure to the trade and industry, financial incentives, grants, subsidies etc.

4. Tourism developments

4.1 Uttarakhand

Uttarakhand to open new stunning trek routes near Valley of Flowers- After opening the passage from Kunthkhal to Hanuman Chatti near Valley of Flowers, which was closed in 1970, the forest department of Uttarakhand now plans to promote new treks around the valley. Another trek route is being planned is a 16-km stretch in Santopath valley ahead of Mana village near China border. This initiative would promote tourism in the state.

No entertainment tax in Uttarakhand hotels- Hon'ble Chief Minister of Uttarakhand Shri Harish Rawat ji reported that hotel industry in Uttarakhand will now be exempted from paying entertainment tax to bolster tourism in the hill state. He further mentioned that incentivizing the hotel industry is important as it has a big role to play in promotion of tourism which is the mainstay of the state's economy.

4.2 Rajasthan

NTCA tourism capacity rule to affect tiger safaris- The National Tiger Conservation Authority has come up with a new formula of calculating tourism carrying capacity inside the reserves that is likely to affect the number of both gypsies and canterers. The new formula has been prepared "to ensure minimal disturbance to the core/critical tiger habitat of tiger reserves" and states having tigers have been asked to comply with it. As per the new formula, tourist carrying capacity of a canter would be considered on the basis of a gypsy.

4.3 Jammu and Kashmir

Jammu and Kashmir to connect Baderwah directly with HP, Punjab to boost tourism- Hon'ble Chief Minister of Jammu and Kashmir, Shri Mufti Mohammad Sayeed ji recently asked top brass of the administration to connect Baderwah tourist spot with Himachal Pradesh through Chamba district and Punjab through Pathankot-Lakhanpur-Bani to attract more tourists, which would boost economy of not only Baderwah but entire Chenab Valley. He also mentioned the vast potential of religious tourism in Baderwah and surrounding areas as a number of Yatras take place during Monsoon season and asked the authorities to take all steps to promote religious and other forms of tourism in the area.

5. Health developments

5.1 Haryana

Haryana factories install air-pollution control devices at PCB's behest- As part of Haryana government's efforts to control air and water pollution in the state, 222 industrial units in Haryana have installed effluent treatment plants and 370 units have installed air-pollution control devices during the past one year.

5.2 Jammu and Kashmir

Housing, health, education need to be under ambit of EFPs: Mufti Sayeed, J&K Chief Minister - Emphasizing on timely completion of the ongoing state projects, Jammu and Kashmir Hon'ble Chief Minister Shri Mufti Sayeed ji stressed upon the requirement of bringing vital sectors like housing, health and education within ambit of Externally-Funded Projects.

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Summary of economic indicators of Northern & Central states of India

Macro-Economic components	Jharkhand*	MP**	Punjab*	Rajasthan*	UP**	Uttarakhand**
Real GSDP (Rs. bn) ¹	1187.4	2535.3	1832.98	2772	4923.83	775.52
Geographical Area (Sq Km)	79714	308000	50362	342239	240928	53484
Population Size (mn) ²	32.6	76.2	30.3	70.5	213	10.3
Economic Growth ¹	9	10.2	5.2	6	6	9.3
State GSDP as % of India's real GSDP ³	1.8	4.7	3.2	5.3	9.1	1.3
Per-capita Income (Rs) ¹	30950	29218	51403	31836	20057	63820
Growth of Agriculture Sector ¹	9	18.8	-0.1	3	4.2	5.12
Growth of Industry Sector ¹	5	4.5	2.5	3	1.9	12.3
Growth of Services Sector ¹	7	8.1	10	9	8.3	7.8
Share of Agriculture Sector ¹	19	36.7	26.7	27.5	28.9	14.4
Share of Industry Sector ¹	33.9	21.1	23.6	26.8	19.4	36.5
Share of Services Sector ¹	46	42.2	49.8	45.7	51.7	49.1
Literacy Rates (%) ²	67.6	70.6	76.7	67.1	69.7	79.6
RD/ GSDP ³	-1.9	-0.9	0.1	-0.1	-3	-0.5
GFD/ GSDP ³	2.3	2.6	2.8	3.5	2.9	2.9
Debt/ GSDP ³	21	20.9	31	24.9	30.1	24.8

Macro-Economic components	Bihar**	Chattisgarh**	Delhi**	Haryana*	HP*	J&K*
Real GSDP (Rs. bn) ¹	1897.89	1008.42	1327.2	1996.56	472.54	451
Geographical Area (Sq Km)	94163	136034	1483	44212	55673	222236
Population Size (mn) ²	102	27	17.5	26.5	7	12.1
Economic Growth ¹	9.5	5.9	8.2	8	6.2	-2
State GSDP as % of India's real GSDP ³	3.5	1.9	4.2	3.9	0.8	0.9
Per-capita Income (Rs) ¹	16801	29047	125809	71493	54494	30612
Growth of Agriculture Sector ¹	4.4	2.7	2.8	0.1	13.4	4.9
Growth of Industry Sector ¹	9.1	4.7	5.3	5	2.4	1.2
Growth of Services Sector ¹	11.2	8.6	8.5	11	6.8	-15
Share of Agriculture Sector ¹	23	22	0.8	26.1	20	22
Share of Industry Sector ¹	17	38	11.7	28.8	37	25
Share of Services Sector ¹	60	40	87.7	55.1	44	52.6
Literacy Rates (%) ²	63.8	71	86.3	76.6	83.7	68.7
RD/ GSDP ³	-2.5	-1.2	-1.9	1.1	3.5	-6.8
GFD/ GSDP ³	2.8	2.7	-0.4	2.5	5.7	2.3
Debt/ GSDP ³	24.3	15.2	5.8	20	39.3	45.9

Source: PHD Research Bureau, compiled from various sources

RR: Revenue Receipts, GFD: Gross Fiscal Deficit

Note: 1: Data Pertains to FY15

2: Data Pertains to Census 2011

3: Data Pertains to FY15 (BE), Negative (-) sign indicates surplus

4: * implies Data pertains to FY14, ** implies Data pertains to FY15

Summary of economic indicators of North-Eastern states of India

Macro-Economic components	Sikkim *	Arunachal Pradesh **	Assam **	Meghalaya **
Real GSDP (Rs. bn) ¹	61.52	63.21	924.3	145.6
Geographical Area (Sq Km)	7096	83743	78438	22429
Population Size (mn) ²	0.6	1.5	32.2	3.2
Economic Growth ¹	7.8	7	6.4	9.1
State GSDP as % of India's real GSDP ³	0.14	0.15	1.8	0.24
Per-capita Income (Rs) ¹	83527	9243163	23968	39503
Growth of Agriculture Sector ¹	3.4	3.13	3.5	6
Growth of Industry Sector ¹	9.37	8.12	7.3	4
Growth of Services Sector ¹	6.4	9	6.4	13
Share of Agriculture Sector ¹	10.1	45	23	15.1
Share of Industry Sector ¹	62.9	24	22	30.7
Share of Services Sector ¹	27	30	56	54.3
Literacy Rates (%) ²	81.4	65.4	72.2	74.4
RD/ GSDP ³	-8.7	-10.3	-2.2	-4.8
GFD/ GSDP ³	2.5	3.5	2.2	2.1
Debt/ GSDP ³	24.8	28.1	19.1	25.7

Macro-Economic components	Nagaland **	Manipur *	Tripura *	Mizoram *
Real GSDP (Rs. bn) ¹	121.39	83.3	187.3	56
Geographical Area (Sq Km)	16579	22327	10486	21081
Population Size (mn) ²	2.1	3	3.7	1.2
Economic Growth ¹	6.8	6.2	9.3	7.7
State GSDP as % of India's real GSDP ³	0.14	0.15	0.3	0.11
Per-capita Income (Rs) ¹	51888	24042	47261	41094
Growth of Agriculture Sector ¹	3.4	3.13	7.4	0.07
Growth of Industry Sector ¹	8	2	8.4	3.1
Growth of Services Sector ¹	8	9.5	10.3	11.3
Share of Agriculture Sector ¹	26.5	21.4	23.4	16.3
Share of Industry Sector ¹	13.9	22.4	20.6	26
Share of Services Sector ¹	59.5	56.2	56	57.7
Literacy Rates (%) ²	81.4	65.4	87.2	91.3
RD/ GSDP ³	-8.1	-7.2	-8.7	-1
GFD/ GSDP ³	2.9	3.3	3.9	4.9
Debt/ GSDP ³	36.8	44.1	30.8	49.9

Source: PHD Research Bureau, compiled from various sources

RR: Revenue Receipts, GFD: Gross Fiscal Deficit

Note: 1: Data Pertains to FY15

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The Research Bureau has been instrumental in forecasting various lead economic indicators national and sub-national. Many of its research reports have been widely covered by media and leading business newspapers.

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