

Bihar Special

Bihar IT Policy 2024

The Bihar IT Policy 2024 was introduced in January 2024 by the Nitish Kumar government with a focus on job creation for the state's youth.

- ❖ The policy aims to attract IT professionals who are currently working outside Bihar to return and contribute to the state's growth.
- ❖ This initiative is designed to foster a robust IT ecosystem within Bihar.

Investment Incentives:

- ❖ **Subsidy for Investments:**
 - **Details:** Companies that invest between Rs 5 to Rs 30 crore in Bihar will receive a substantial subsidy from the Bihar government.
 - **Incentive:** The government offers a 30% subsidy on the investment amount, making it financially attractive for businesses to set up operations in the state.
- ❖ **Interest Subvention Subsidy:**
 - **Details:** For investments up to Rs 40 crore, the policy provides an interest subvention.

- **Rate:** A 10% interest rate subsidy is offered on up to 50% of the project cost for a period of 5 years.

- ❖ **Energy Bill Reimbursement:**

- **Details:** To support operational costs, the Bihar government will reimburse 25% of annual energy bills for 5 years.

Additional Support:

- ❖ **Subsidy for ESI/EPF Deposits:**

- **Details:** Companies investing in Bihar will receive a Rs 5,000 subsidy for Employee State Insurance (ESI) and Employees' Provident Fund (EPF) deposits made on behalf of their employees.

- ❖ **Employment Generation Subsidy:**

- **Details:** An employment generation subsidy is provided to further incentivize job creation.
- **Amount:** Companies will receive a maximum of Rs 5,000 per worker, per month, for up to 5 years. This includes a reimbursement of 100% of the employer contribution to ESI and EPF, capped at Rs 5,000 per employee per month.

- ❖ **Lease Rental Subsidy:**
 - **Details:** New companies setting up in Bihar will benefit from a 50% subsidy on lease rentals, reducing the cost of establishing a physical presence in the state.
- ❖ **Electricity Expenses Subsidy:**
 - **Details:** The policy also includes a 25% subsidy on the company's electricity expenses, helping to lower operational costs.

Tailor-Made Package for Large Investments:

- ❖ **Details:** For investors and IT companies making substantial investments ranging from Rs 100 crore to Rs 1,000 crore, the Bihar government offers a "Tailor-Made Package."
- ❖ **Purpose:** This package is designed to provide customized support and incentives, developed in collaboration with the investors to meet their specific needs and ensure successful project implementation in the state.

The infographic titled 'BIHAR IT POLICY 2024' is presented by the Department of Information Technology, Government of Bihar. It features a portrait of an official and lists several incentives:

- 30%:** Fixed Capital Subsidy - 30% of Fixed Capital Investment up to ₹30 Crore including land, building, plant & machinery. Or Interest Subvention Subsidy - 10% Interest Subvention up to 50% of project cost or ₹40 Crore whichever is lower, for 5 years.
- 50%:** Lease Rental Subsidy - 50% subsidy of the lease rental amount for 5 years.
- 25%:** Energy Bill Subsidy - Annual reimbursement of 25% of Energy Bill for 5 years.
- 100%:** Employment Generation Subsidy - Reimbursement of 100% of the employer's contribution of ESI and EPF up to ₹5,000 per employee per month for 5 years.

 A note at the bottom states: 'Provision of tailor-made package for mega projects with an investment above ₹100 Crore or generating minimum 1000 direct employment'.

International Relations

Political unrest in Bangladesh: Prime Minister Sheikh Hasina resigns

Why in the news?

Prime Minister Sheikh Hasina of Bangladesh has resigned and fled to India amid significant political unrest and protests in the country.

Cause of Protests

- ❖ **Court Decision:** Protests began in July in Dhaka, initially led by students angered by a court's reinstatement of a job quota scheme rescinded in 2018.

- ❖ **Quota Policy:** Reserved 30% of government jobs for descendants of veterans from the 1971 war of independence, mainly linked to Hasina's Awami League party.
- ❖ **Additional Allocations:** 26% of jobs allocated to women, disabled people, and ethnic minorities, leaving about 3,000 positions for 400,000 graduates competing in civil services exams.
- ❖ **Unemployment:** A fifth of Bangladesh's 170 million people are unemployed.

India - Bangladesh Strategic Importance

- ❖ **Land Boundary:** A 4,096 km shared border covering West Bengal, Assam, Tripura, Meghalaya, and Mizoram.

Key Agreements and Treaties

- ❖ **Indira-Mujib Pact (1972):** Resolved border issues and facilitated the exchange of enclaves between India and Bangladesh.
- ❖ **Land Boundary Agreement (LBA) (2015):** Addressed long-standing border disputes and exchanged enclaves. It also facilitated better border management and connectivity.

- ❖ **Protocol on Inland Water Transit and Trade (PIWTT):** Facilitates trade through waterways; renewed periodically to include new routes and ports.
- ❖ **Bangladesh-Bhutan-India-Nepal (BBIN) Motor Vehicles Agreement (MVA):** Promotes seamless cross-border movement of vehicles among the BBIN countries.

Connectivity

- ❖ **Transportation Links:** Includes road, rail, and waterways.
- ❖ **Key projects include:**
 - **Maitri Setu:** A bridge connecting Tripura (India) with Bangladesh.
 - **Agartala-Akhaura Rail Link:** Enhances connectivity between Northeast India and Bangladesh.
 - **Feni River Agreement:** Facilitates border management and connectivity.

Water Sharing

- ❖ **River Agreements:** Bilateral agreements address water-sharing issues related to rivers like the Ganges and Brahmaputra. The Ganges Water Treaty (1996) and negotiations on the Teesta River are significant.

Multilateral Platforms and Economic Growth

- ❖ **Regional Cooperation:** Collaborations in SAARC and BIMSTEC.



India hosts first ever BIMSTEC Business Summit

Why in the news?

India is hosting the inaugural BIMSTEC Business Summit in New Delhi from August 6-8, 2024, marking a pivotal moment for regional collaboration in the Bay of Bengal region.

Overview

- ❖ **Event:** First BIMSTEC Business Summit
- ❖ **Location:** New Delhi, India
- ❖ **Date:** August 6-8, 2024
- Organizers:** Ministry of External Affairs (MEA) and Confederation of Indian Industries (CII)

Objectives

- ❖ **Primary Aim:** Foster greater regional collaboration through enhanced trade and investment relations among BIMSTEC member countries
- ❖ **Focus Areas:** Trade facilitation, regional connectivity, energy security, inclusive growth, and sustainable development

About BIMSTEC:

The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) is a regional organization aimed at fostering collaboration and integration among countries in the Bay of Bengal region.

- ❖ **Established on:** June 6, 1997
- ❖ **Members:**
 - **South Asian Countries:** Bangladesh, Bhutan, Nepal, India, Sri Lanka
 - **Southeast Asian Countries:** Myanmar, Thailand



Economy

Announcement of Investment Plans in Agriculture

- ❖ **Export Clusters:**
 - **Announcement:** The government plans to invest ₹18,000 Crore in establishing 100 export clusters specifically for agriculture.
 - **Aim:** These clusters aim to enhance the infrastructure and facilities needed to boost agricultural exports and support farmers in reaching international markets.
- ❖ **Self-Sufficiency in Pulses:**
 - **Announcement:** Additional budget of ₹6,800 Crore has been allocated to achieve self-sufficiency in pulses production.
 - **Aim:** To increase domestic production and reduce dependence on imports, ensuring a stable supply of pulses for the country's needs.

Defence And Security

First Multinational Air Exercise 'Tarang Shakti 2024'

Why in the news?

Overview:

- ❖ **Event:** India's first multinational air exercise, 'Tarang Shakti 2024.'

- ❖ **Location:** The exercise will take place in two phases—Sular, Tamil Nadu and Jodhpur, Rajasthan.

Dates:

- **Phase 1:** August 6 to August 14, 2024, in Sular, Tamil Nadu.
- **Phase 2:** August 29 to September 14, 2024, in Jodhpur, Rajasthan.

Participants:

Countries Participating:

- Australia
- Bangladesh
- France
- Germany
- Greece
- Spain
- United Arab Emirates
- United Kingdom
- USA
- Singapore

- ❖ **Countries Attending as Observers:** 18 countries.

Objectives:

- ❖ **Showcase Indian Defense Capabilities:** Highlight India's indigenous-made fighter aircraft and defense equipment.

- ❖ **Promote Interoperability:** Provide a platform for participating militaries to enhance cooperation and coordination.



Awards and Honors

Companion of the Order of Fiji

Why in the news?

President Droupadi Murmu was conferred the Companion of the Order of Fiji, the highest honour of Fiji, during her two-day visit to the capital, Suva.

International Ranking:

Company	Ranking	Sector
Walmart	1	Retail
Amazon	2	Retail
State Grid	3	Electric Utility
Saudi Aramco	4	Oil & Gas
Sinopec Group	5	Oil & Gas
China National Petroleum	6	Oil & Gas
Apple	7	Technology

Index and Report

Fortune Global 500 List

Why in the news?

Reliance Industries Limited (RIL) has improved its ranking by two places to become the 86th largest company in the Fortune Global 500 list for 2024.

India in International Ranking:

Company	Ranking	Sector
Life Insurance Corporation of India (LIC)	95	Insurance
Indian Oil Corporation (IOC)	116	Oil & Gas
State Bank of India (SBI)	178	Banking
Oil and Natural Gas Corporation (ONGC)	180	Oil & Gas
Bharat Petroleum Corporation Ltd (BPCL)	258	Oil & Gas
Tata Motors	271	Automotive
HDFC Bank	306	Banking



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