

NOTIFICATION
BIHAR INDUSTRIAL AREA DEVELOPMENT AUTHORITY
GOVERNMENT OF BIHAR
BIADA AMNESTY POLICY, 2021

The Bihar Industrial Area Development Authority ('BIADA') created under the Statute by the State of Bihar for the purpose of planned development of Industrial Areas, promotion of industries and matters appurtenant thereto. As part of its activity, the Authority has developed the land handed over to it by the Government as industrial areas, provided basic infrastructure and plots of different sizes for allotment to investors/entrepreneurs to set up industries. The plots in the respective Industrial Estates/ Areas are allotted to the intending entrepreneurs. However, some of the plot/shed/land remain unutilized and locked due to Industrial inactivity. In order to ease these lands, the following amnesty shall be available for the existing and old allottees.

Further, this policy is to provide amnesty for extension of time and surrender of Industrial plots for sick or closed units which have become sick or are closed because of various reasons *inter alia* such as financial problems, dispute, debts to banks, and no market demand to products. In order to unlock underproductive land occupied by such units and to discourage speculative real estate motive on the part of allottees of BIADA. Moreover, as the scarcity of land is seriously affecting industrial growth of the state, it is expected that this policy will facilitate utilization of unutilized Industrial land of BIADA.

Therefore, in exercise of powers conferred u/s Section 6 (3a) of Bihar Industrial Area Development Authority (BIADA) Act, 1974, as amended from time to time, the Authority is pleased to issue the policy and procedure for the following voluntary amnesty for existing allottees (units), in order to ease and utilize the Industrial land.

1. SHORT TITLE, EXTENT AND COMMENCEMENT

- 1.1 This Policy shall be called the "BIADA Amnesty Policy, 2021" and shall extend to the whole of Bihar.
- 1.2 This Policy shall come into force with effect from the date of notification and shall remain in force for one year from the date of notification.
- 1.3 The Authority may amend any terms and conditions, forms of applications, fees, required documents, and other relevant conditions as may be necessary from time to time particularly in the overall interest and efficacy of the BIADA Amnesty Policy, 2021.
- 1.4 The allottee who is keen in availing this Policy shall have to apply in the prescribed format within the existence of Policy Period and any such claim after the expiry of Policy period shall not be entertained.
- 1.5 The Authority may extend this Policy for such further period as it may think expedient in the interest of Industrialization.
- 1.6 If any question arises relating to the interpretation of this policy, it shall be referred to the Authority whose decision thereon shall be final.

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2 ELIGIBILITY

- 2.1 The units of BIADA whose allotment has not been cancelled and is not presently functional shall be eligible to avail this Policy within the existence of Policy Period.
- 2.2 The units of BIADA shall apply in the prescribed form for availing the benefit of this Policy along with an Affidavit.
- 2.3 In general it will be essential for the units to become functional within the time frame as mentioned in the allotment letter. If the unit has not become functional even after exerting every effort or has become dysfunctional after being functional for some time then, the unit may submit a written request with adequate and valid grounds for extension of the period in the form of Amnesty or surrender of Industrial Plot/shed within the existence of Policy Period.
- 2.4 In order to avail 1st, 2nd or 3rd extension of time as Amnesty or surrender of Industrial Plots/shed in 1st, 2nd or 3rd year as elucidated under this Policy, it shall be obligatory for the allottee to apply in the prescribed format during the existence of Policy period either for the extension of time as Amnesty or surrender of Industrial Plots/sheds. No such extension of time as Amnesty or surrender of Industrial Plots/sheds in any year shall be granted until and unless the allottee has applied in the prescribed period during the Policy period.
- 2.5 The Closed/sick units shall be given the facility for surrender of allotment of land to BIADA before cancellation of the allotment during the Policy period. This facility for surrender of Industrial land/shed may only be given during the Policy period if the allottee has applied either for extension of time as Amnesty or for surrender of Industrial Plot/shed.

2.6 Closed unit:

Those units of the allottee which has come under production, but due to force majeure or other unexpected reasons, have closed down and are not in a position to restart the production, may avail this policy.

2.5 Sick units

Industrial units of the allottee declared sick by the Board for Industrial and financial Reconstruction under the sick Industries companies (Special Provision Act, 1985) or by the State Apex committee for small and medium Industry headed by the Director of Industries.

3. Extension of time as Amnesty

- 3.1 One year's extension of time as Amnesty can be granted on the payment of a penalty equal to 3% of current total premium with the approval of the Managing Director or officer designated by the Managing Director.
- 3.2 In case the unit is not made functional even after expiry of extended period of one year amnesty, the unit may apply either for 2nd extension as amnesty or may surrender the plot/shed with adequate explanations of the grounds of delay. A further extension of one year as amnesty may be granted by the Managing Director on the

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payment of a penalty equal to 6% of the current total premium if the special circumstances are found convincing.

- 3.3 In case the unit is not made functional even after two extensions as amnesty, the unit may apply either for a third extension as amnesty or may surrender the plot/shed with adequate explanations of the grounds of delay. A further extension of a maximum of one year as amnesty may be granted by the Managing Director on the payment of a penalty equal to 9% of the current total premium if the special circumstances are found convincing.
- 3.4 In case the unit is not made functional even after the aforesaid extension of time as amnesty, then the allotment/lease shall be cancelled after giving full opportunity of being heard and by a speaking order of the Managing Director under Section 6 (2) (a) of BIADA Act, 1974 as amended from time to time.
- 3.5 The unit of BIADA which is willing to avail this BIADA Amnesty Policy, 2021 shall not be allowed/entitled to transfer the allotment/lease in favour of another unit/person till the unit comes under production.
- 3.6 The unit of BIADA availing this amnesty may be allowed to change/inclusion of product in terms of prevailing Industrial Policy and for which separate permission shall be required to be taken from BIADA.

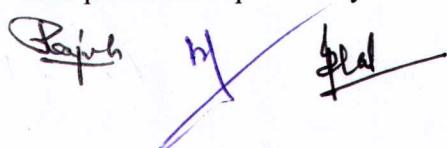
4. SURRENDER OF INDUSTRIAL PLOT/SHED:

4.1 Eligibility:

- 4.1.1 The allottee must have a valid allotment letter and/or lease deed of the competent Authority of BIADA, if any.
- 4.1.2 The allottee should have no pending litigation with the Authority or otherwise.
- 4.1.3 The allottee should not have any charge/encumbrance on the industrial Plot/shed from Bank/financial Institution.
- 4.1.4 The allottee should have no pending dues with BIADA.
- 4.1.5 Only land/factory shed unit under possession of sick/closed units desirous to surrender are eligible for this scheme.

5. Procedure for surrender

- 5.1.1 The Closed/sick units shall be given the facility for surrender of allotment of land to BIADA before cancellation of the allotment. Surrender of Industrial plot/shed may be availed, if the allottee has applied either for extension of time as Amnesty or for surrender of Industrial Plot/shed during the Policy period.
- 5.1.2 If such an allottee wishes to surrender his/her plot in 1st year then after deduction of proportionate land premium deposited by such allottee of the already used period of the lease shall be deducted and then the rest of the deposited land premium shall only be refunded.
- 5.1.3 If the allottee surrenders the allotment in the 2nd year, then after deduction of 10% of land premium deposited by such allottee along with the proportionate land premium



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deposited by such allottee of the already used period of the lease shall be deducted and then the rest of the deposited land premium shall only be refunded.

5.1.4 If the allottee surrenders the allotment in the 3rd year, then after deduction of 15% of land premium deposited by such allottee along with the proportionate land premium deposited by such allottee of the already used period of the lease shall be deducted and then the rest of the deposited land premium shall only be refunded.

5.1.5 It is also clarified that after expiry of the Policy Period, the allottee shall not be allowed to surrender the allotment and the allotment of land shall be cancelled, possession shall be resumed and deposited amount shall be forfeited in terms of statutory provisions of Section 6 2 (a) and (b) of BIADA Act, 1974 and allied provisions as amended from time to time.

5.1.6 If the lease deed has been executed, then the original lease deed shall be submitted to the Authority, prior to approval of the surrender.

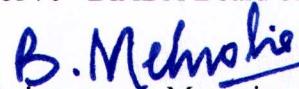
5.1.7 The allottee opting to surrender the plot has to remove the movable assets within a time frame of 90 (Ninety) days from the date of approval, failing which all such assets shall be forfeited and no further claim shall be entertained.

5.1.8 Surrender may be accepted by the Managing Director or officer designated by the Managing Director within 30 days of the date of receiving the application.

5.1.9 After approval of surrender by the Managing Director or officer designated by the Managing Director, the rest of the amount as per the above clause shall be refunded within 30 days of the date of approval.

4. The contents of this Policy may be brought to the notice of all concerned in the Authority for strict adherence.

Decision of 70th BIADA Board of Director's

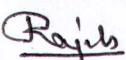

B. Mehmood 11/12/21
Chairman cum Managing Director

BIADA, Patna

Date:- 02/12/2021

Memo No:- 396911

Copy forwarded to:- Director of Industries, Govt. of Bihar/Director, Technical, Govt. of Bihar/P.S. to Hon'ble Minister, Department of Industries, Govt. of Bihar/Executive Director [H.O.], BIADA/ Chief Administrative Officer, BIADA/ Executive Director, Muzaffarpur/ Executive Director, Darbhanga/ Executive Director, Bhagalpur/Chief Accounts Officer, BIADA/Law Officer, BIADA/I.T. section, BIADA/President, Bihar Industries Association/President, Bihar Chamber of Commerce and Industries for information.






B. Mehmood 11/12/21
Chairman cum Managing Director
BIADA, Patna