



बिहार औद्योगिक क्षेत्र विकास प्राधिकार

प्रथम तल, उद्योग भवन, पूर्वी गाँधी मैदान, पटना-800004

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आदेश

बिहार औद्योगिक क्षेत्र विकास प्राधिकार (बियाडा) द्वारा औद्योगिक क्षेत्रों के नियोजित विकास, औद्योगिक प्रोत्साहन एवं औद्योगिक गतिविधियों के लिए इच्छुक उद्यमियों को भूमि आवंटन नीति के अनुसार आवंटित किए जाते हैं, जो बिहार औद्योगिक क्षेत्र विकास प्राधिकार अधिनियम, 1974 की धारा 14(e) और धारा 6(3a) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए वर्तमान में प्राधिकार में भूमि आवंटन नीति, 2022 प्रभावी है।

औद्योगिकीकरण को बढ़ावा देने एवं उद्योग की त्वरित स्थापना के लिए BIADA भूमि आवंटन नीति, 2022 को निरस्त करने और BIADA Land Allotment and Management Policy, 2026 प्रतिस्थापित करने की आवश्यकता महसूस की गई, ताकि राज्य के उद्योग को सुदृढ़ औद्योगिक विकास के लिए सक्षम बनाया जा सके।

अतः BIADA भूमि आवंटन नीति, 2022 को निरस्त करते हुए BIADA Land Allotment and Management Policy, 2026 तत्काल प्रभाव से लागू की जाती है।

ह०/-

अध्यक्ष-सह-सचिव, उद्योग विभाग।

ज्ञापांक.....

दिनांक.....

प्रतिलिपि:-सचिव, उद्योग विभाग, बिहार को सूचनार्थ प्रेषित।

ह०/-

प्रबंध निदेशक

ज्ञापांक.....

दिनांक.....

प्रतिलिपि:-उद्योग निदेशक, उद्योग विभाग/निदेशक एम०एस०एम०ई०, उद्योग विभाग, बिहार को सूचनार्थ प्रेषित।

ह०/-

प्रबंध निदेशक

ज्ञापांक.....1795/EST+123/BIADA/2025

दिनांक..07/05/26

प्रतिलिपि:-सभी कार्यकारी निदेशक, बियाडा/सभी उप महाप्रबंधक, बियाडा को सूचनार्थ एवं आवश्यक कार्रवाई हेतु प्रेषित।


प्रबंध निदेशक



**BIADA LAND ALLOTMENT
AND
MANAGEMENT POLICY, 2026**



**BIHAR INDUSTRIAL AREA DEVELOPMENT
AUTHORITY**





BIADA Land Allotment and Management Policy, 2026

In exercise of powers conferred under Section 6(3a) of the Bihar Industrial Area Development Authority Act, 1974 (herein after referred as the Act) as amended from time to time Authority has issued this Policy for allotment and management of Land and shed in the industrial area(s) of BIADA: -

Short Title and Commencement: This Policy shall be called BIADA Land Allotment and Management Policy, 2026. It shall come into force from the date of its notification.

Objective

The Bihar Industrial Area Development Authority ('BIADA') created under the statutory provisions of the Bihar Industrial Area Development Authority Act, 1974, with the purpose of promoting the planned development of industrial areas, the promotion of industries, and related matters. As part of its activities, the Authority has developed the land as industrial areas, providing basic infrastructure, sheds, and plots of various sizes for allotment to investors/entrepreneurs to set up industries. The plots in these industrial areas are allotted to prospective entrepreneurs for promotion of industries and are generally allocated at concessional rates. BIADA has promoted plug-and-play infrastructure across various sectors.

Vision

- a. To develop world class industrial infrastructure in order to provide a holistic industrial ecosystem to the investors and ancillaries;
- b. To promote environmentally sustainable industrial growth and balanced regional development;
- c. To enhance employment opportunities in the State;
- d. To improve investor facilitation and enhance Ease of Doing Business in the State;
- e. To create an enabling environment for industrial growth by single window mechanism and ease of allotment;
- f. To promote industries and encourage environment-friendly facilities by facilitating allotment, management and planning of Industrial Area.

Applicability

The provisions of BIADA Land Allotment and Management Policy, 2026 (hereinafter referred as **the Policy-2026**) shall be applicable to all the existing as well as future allottees of industrial land or plots¹ or factory shed or building or parts of building in various Industrial Area/ developed by BIADA as well as Department of Industries, Bihar, Patna, transferred to BIADA and shall be uniformly applicable w.e.f. date of its notification unless otherwise specified in this Policy. All the applications received after notification of the Policy, 2026, shall be dealt as per the provisions of the Policy, 2026.

Definitions

1. **“Act”** means Bihar Industrial Area Development Authority Act, 1974
2. **“Administrative Charges”** refers to the fees levied by BIADA upon the allottee to cover the expenses incurred in performing various administrative functions.
3. **“Allottee”** means an individual or person including a group of individuals under Indian Partnership Act of 1932 or a company registered under the Indian Companies Act or Limited Liability Partnership Act of 2008, or Co-operative Institution, or a body incorporated under any Act of Indian Law, established for the purpose of industrial activity to whom any land or any other organization which was allotted by the Authority by virtue of Land Allotment Policies of BIADA.
4. **“Allotment”** means allotment of industrial land or factory shed or building or parts of building in various Industrial Areas/ developed by BIADA for establishment of Industry as prescribed in the Policy, 2026;
5. **“Allotable Area”**: It is the area demarcated for allotment after deduction of area of amenities such as road, drains, street lighting, etc.
6. **“Allotable Plots”**: It is a specific parcel of land within an industrial area, identified, demarcated, and made available by BIADA for the purpose of allotment to eligible applicants.
7. **“Allotted Area”**: It refers to the entire parcel of land allotted to an allottee by BIADA, as explicitly demarcated and specified in the Allotment Letter issued by the Authority. This includes the full extent of the land, irrespective of its built-up area, green area, unused area and serves as the basis for calculating rent, charges, development requirements, and compliance obligations.
8. **“Amenity”** includes roads, water-supply, street lighting drainage, sewerage, school, housing, hospital, common effluent treatment plant, provision of common facility center, solid waste management system and recreation facilities and such other facility as the State Government may by notification in the Official Gazette, specify to be an amenity for the purposes of the Act.

¹ Plot and Land may be used interchangeably without altering the meaning of each other.



9. **“Anchor Investor”** is defined as the lead investor in the designated industrial area whose brand value & potential for backward and/or forward linkages shall stimulate further investment in the /Industrial area. Anchor investor shall be identified and defined in the industrial policy.
10. **“Applicant”** means a person or entity who intends to set up industry in the industrial area of BIADA which may be formed as:
 - a. Proprietorship Firm
 - b. Partnership Firm
 - c. Limited Liability Partnership
 - d. Private Limited Company
 - e. Public Limited Company
 - f. Government Company
 - g. State/Central Public Sector Undertaking
 - h. Trust
 - i. HUF
 - j. Co-operatives Societies
 - k. Consortium of above applicants
11. **“Authority”** as defined under Section 3 (2), (3) of BIADA Act, 1974
12. **“Building”** includes any structure or creation or part of structure or creation which is intended to be used for residential, industrial, commercial, or other purposes, whether in actual use or not;
13. **“Built-up area”** means the area on which construction has been made. Boundary wall, road, drain shall not be considered as built-up area for the purpose of this Policy;
14. **“Demarcation and Survey Map Charge”** means one-time charge levied by BIADA upon the allottee at the time of handing over the physical possession of the allotted land/shed, for the purposes of demarcation of such land and for issuance of duly verified survey map;
15. **“Development”** means the carrying out of building engineering or any other operations in, on over or under land or the making of any material change in any building or land including the provision of accommodation for carrying on industrial activities with or without accommodation for residential purposes or other activities and with all proper facilities for public works, recreation, amenity and other basic requirements for establishment of industries, and include re development;
16. **“Development Area”** means any area declared to be a development area under section 4 of the Act;
17. **“Infrastructure Development Charges”** means a one-time charge levied by BIADA upon the allottee for the purpose of development of industrial infrastructure in the form of amenities in Industrial Areas/Industrial Estates etc. These may include road, drainage, street light etc.



18. **"Industry"** would have the same meaning as has been assigned to it under Section 2, clause (3) of the Bihar State Aid to Industries Act, 1956;
19. **"Industrial Area"** as defined under Section 2(f) of the Act,
20. **"Industrial Park"** is an industrial area designated and demarcated to promote the establishment and operation of sector-specific or multi-sectoral industries.
21. **"Land Lease Premium"** shall be decided by the Authority and includes rent for using the land/property along with one-time charge for permitting to use the property for the allotment period.
22. **"Lessee"** means the allottee of the land/building, who has executed the lease deed with the lessor i.e. BIADA
23. **"Maintenance Charge"** means a charge levied by BIADA upon the allottee for the purpose of upkeep, repair, maintenance, operation of infrastructure and other amenities in Industrial Area to be levied yearly.
24. **"Micro/ Small/ Medium Industries"** shall be defined as per The MSMED Act, 2006.
25. **"Normal Industrial Area"**: Those industrial areas where more than 20% but less than 80% of allottable area has been allotted, such industrial area shall be considered as normal industrial area.
26. **"Penal Rent"**: Consolidated charges imposed by BIADA for keeping the land/property idle and not using it for defined industrial purposes and include opportunity costs along with charges such as Infrastructure Development Charge, Land Lease Premium, Maintenance Charges, etc. and are intended to deter allottee from breaching the allotment conditions/lease agreement and to compensate the Authority for the inconvenience and potential losses (opportunity cost) incurred due to breach of terms of allotment.

As BIADA offers land for promotion of industry, purchased from public fund, as offers them at rates below prevailing market rates for establishment of different types of industries. It is imperative that those entrepreneurs, who intentionally hoard the land for taking advantage of price differential between normal BIADA rates & prevailing market rates, be discouraged.
27. **"Prime Plots"**: Prime plots are such plots which are surrounded by roads in following manner: -
 - a) If the allotted plot is surrounded by approach roads on two or more sides; and/or
 - b) If the allotted plot is adjacent to National or State Highway.
28. **Prescribed** means prescribed in the rules framed by the State Government under this Act.
29. **"Rent"** means an amount to be taken from the allottee of the land/shed/building at fixed time intervals.
30. **"Regulation"** means a regulation made under this Act by the Authority constituted under section 3.



31. **“Rule”** means a rule made under this Act by the State Government.
32. **“Saturated Industrial Area”**: Those industrial areas where 80% of the allottable area has been allotted, such industrial area shall be considered as Saturated Industrial Area.
33. **“Startup”**: As defined by the Gazette Notification of Ministry of Commerce & Industries in G.S.R. notification 127 (E) dated 19th February, 2019.
34. **“Trust”**: As defined under Section 3 of the Indian Trusts Act, 1882.
35. **“Total Land Cost”** means the total cost incurred upon the unit upon allotment which includes the Land Lease Premium, Infrastructure Development Charge, Administrative Charge, Demarcation and Survey Map Charge, enhanced charges for allotment in saturated industrial area or allotment in prime plots and taxes as applicable except annual recurring charges. Annual recurring charges include but not limited to maintenance charges, land lease levy.
36. **“Unsaturated Industrial Area”**: If more than 20% of allottable land has not been allotted even after 3 (three) years of declaration of industrial area, such industrial area shall be considered as Unsaturated Industrial area.
37. **“Unused land”** means the portion of the allotted land that remains unutilized as per section 6 (2) (c) under BIADA Act-1974 and is not utilized for any industrial, operational, or approved ancillary purposes by the production unit. It specifically excludes the open area earmarked in the building construction plan approved by the competent authority. Any area not integral to the functioning or approved layout of the industrial unit shall be classified as unused land.
38. **“Vacant plot/land/shed”** means land/shed in Industrial Area which has not been allotted or allotment of which has been cancelled and possession of which has been taken by BIADA.

PRE-ALLOTMENT PROCEDURE

1. Division of Land of Industrial Area

- 1.1. Planning of Industrial Area (usually new Industrial Areas) should be done to curtail adverse impact of industrialization on the environment. The planning of industrial area shall be done by an Industrial Planner/ Urban Planner appointed/as assigned by the M.D., BIADA.

The maps of the industrial areas shall be updated from time to time and GIS mapping should be used.

- 1.2. A designated area shall consist of as Common Utility Area which will be used to provide amenities in Industrial Areas, such as canteen, banks, post offices and other amenities defined in the Act. The Common Utility Area may also include worker's housing facility within the Industrial Area for purpose of enhancing the quality of amenities, Authority may enter into Public Private Partnership model in order to provide better state of art services. The facilities provided to the industries in Common Utility Area of an Industrial Area may be extended to industrial units located outside industrial area to pool their resources to meet such requirements.



- 1.3. All Industrial Area should have a green zone (plantation) to fulfil industrial environmental compliances. Plantation of trees in and around the industrial area is meant mainly to reduce air pollution caused by factory emissions, to minimize sound pollution, to prevent soil erosion and water depletion and other adverse impacts of industry.
- 1.4. Generally, 60% of total land of any Industrial Area should be used for industrial plotting for allotment to prospective investors. Rest of land shall be used for basic amenities like Drainage, Road, Street Lights, Parking, Common Facilitation Centre, etc. The suggested area for basic amenities may be altered by the Authority by introducing a separate Development Control / Building Regulation incorporating FAR, setbacks, height norms, Master/Development Plan, Refuge Area. The land-use distribution as per below table shall be applicable for new or redeveloped industrial areas for better integrated planning.

Sl. No	Land-use Category	Percentage
01	Industrial Plots	55 – 65
02	ROW/Roads & Internal Circulation	15 - 25
03	Green Area / Open Spaces	10 - 33
04	Utilities/Services	Upto 8
05	Commercial/Support Facilities	Upto 5
06	Housing/Social Infrastructure	Upto 3
07	Other Amenities	Upto 3

However, based on periodic assessments of the industrial area's evolving requirements, specific land-use classifications may be modified and the proportion of land allocated to each category may be rationalized to ensure optimal utilization and alignment with current and future development objectives by the M.D., BIADA and such consequent changes shall be placed before the Authority.

2. Zoning of Industrial Area:

The allottable land of any Industrial Area should be divided in different zones depend upon the nature of the industry. Industries may be divided into different categories²:

- Red Category*
- Orange Category*
- Green Category

²<https://cpcb.nic.in/openpdffile.php?id=TGF0ZXN0RmlsZS9fMTczNzYxMzk2OV9tZWRpYXBob3RvMTEzODMucGRm>

➤ White Category

➤ Blue Category

- * For Red and Orange Category Industry-the plot shall be allotted subject to clearance of Bihar State Pollution Control Board. Further the allottee shall ensure the compliance applicable for such category and allottee will maintain set-back area, as defined green-area norms, establish detailed planning and environmental guidelines for high polluting industries, incorporating mitigation, impact reduction, and compensatory mechanisms to minimise and offset adverse impacts on adjacent land uses and sensitive surroundings.

3. Reservation of Industrial Plots/Area by Authority

- 3.1. The Authority shall have the right to declare any particular industrial area or a part of it to be reserved for a specific activity, and in that case, that area or part of that, would be allotted only for that specific activity, unless changed or de-reserved by the Authority.
- 3.2. In case an individual unit / category of industry to be established are in wider interest of the industry, the Authority may issue directions for allotment of specified area of land in a specific industrial area for such industry/category of industries.
- 3.3. The Authority may declare any Industrial Area as Industrial Park and decide on the sectors for which allotment can be made. The authority may change the land allotment procedures as and when required keeping in view, the demand of land, availability of land and objectives of the Bihar Industrial Investment Promotion Policy in consultation with the Government.
- 3.4. Prime Plots, Saturated Industrial Area, Normal Industrial Area and Unsaturated Industrial Area shall be identified and notified by the Authority at least once every year.

4. Competent Authority for Allotment

The Bihar Industrial Area Development Authority (Financial, Service and Technical) Regulations, 2007, provides, for a Project Clearance Committee (PCC) comprising of the members as envisaged in Regulation 1.4.1, (as amended from time to time). The present composition of Project Clearance Committee is:

- (i) Managing Director, BIADA
- (ii) Joint Managing Director, BIADA
- (iii) Director Industries
- (iv) All Executive Directors
- (v) Representative of Finance Department, Government of Bihar not below the rank of Joint Secretary
- (vi) Representative of Bihar State Pollution Control Board
- (vii) Chairman/President Bihar Industries Association (BIA)



- (viii) Chairman/President, Bihar Chamber of Commerce & Industries (BCCI)
- (ix) Chairman, Confederation of Indian Industries (CII) (Bihar Chapter).
- (x) Any other member (max 2) as nominated by the Government / Authority.

All allotment of land shall take place through the PCC. The meeting of PCC shall be convened at least once in a month.

The competent sanctioning authority for allotment of land/shed after recommendation from PCC will be the Managing Director, BIADA.

Managing Director shall have the right to provide recommendations to PCC for reconsideration.

5. Procedure of Allotment

- 5.1. The allotment of land/shed shall be only for the purposes of setting up of industry and designated services as identified in the Industrial Policy.
- 5.2. The allotment of shed/plot shall be made subject to availability and recommendation of the project by the Project Clearance Committee (PCC). Allotment of land/ shed within the industrial area shall be as per the following procedure: -
 - a) BIADA shall upload the list of allottable plots/sheds available for allotment to prospective investors on its website. The list of allottable plots/sheds shall be updated from time to time as and when available for allotment. The prospective investors shall submit their online application for land/shed allotment on the BIADA website. All applications received for land allotment shall be placed before the Project Clearance Committee. Only online applications with complete details as enumerated in this Policy-2026 shall be considered for the purpose of land allotment.
 - b) Such plots/sheds where only 1 (one) application is received for allotment then the application shall be examined in terms of eligibility criteria and parameters as laid down under this Policy-2026 and if found eligible shall be allotted on the prevailing rate.
 - c) If more than one applicant makes application in case of saturated, unsaturated or normal industrial area for a particular plot, upon examination of application in terms of eligibility criteria and parameters as laid down under this Policy, BIADA shall take steps for allotment by way of e-bidding/auction process for which base price shall be the existing Land Lease Premium of that industrial area and highest bidder shall be allotted.
 - d) State Government or Industries Department may direct for allotment of land for specific projects.
 - e) Prime Plot shall be allotted only through auction by e-bidding/auction process and not below the prevailing Land Lease Premium of the Industrial Area.

5.3. Documents Required Through Online Application

A. The following documents shall be required for submitting online application for the purpose of allotment of land:

1. Detailed Project Report (DPR).
2. Self-declaration, if the investor is Proprietor.
3. Partnership Deed with Registration proof or Notarized Affidavit, if the applicant is a Partnership firm.
4. Certificate of incorporation from the Registrar of Companies, MoA and AoA if the applicant is a Pvt. Ltd. / Public Ltd. /LLP company or any other legal entity, under the Companies Act.
5. Self-declaration if the applicant is Promoter of the proposed Pvt. Ltd./ Public Ltd./LLP Co. or any other legal entity, under the Companies Act.
6. Registration Certificate from the Registrar of Co-operative Societies, if the applicant is Co-operative Society.
7. Authorization letter in case of Company/Partnership Firm
8. MSME Registration of SME & Start-Ups
9. Memorandum of Association and Articles of Association with current shareholding pattern.
10. Aadhar Card, Pan Card, Photograph of Directors/Proprietors/Partners as applicable
11. Required quantity of water.
12. 3 years Financial Certificate/ Balance Sheet duly verified by CA/CS (if applicable)
13. Required Electricity Demand
14. Layout Plan
15. Industrial Background & Experience
16. Financial Capacity
17. Detailed Project Report which should include Technical Knowhow, Nature of Industry/Production – Export, Investment Size – CAPEX and OPEX, FSI consumption, Employment Generation
18. Undertaking by the applicant to register a separate and exclusive GSTIN if above the taxable threshold for the allotted unit.

B. The PCC/Scrutiny Committee may ask for any other document for more clarification if required.

C. The required format for these reports/documents (including DPR) shall be as decided by the Authority and uploaded on the website for facilitation of the investors. In absence of any such format, the SIPB Format of Department of Industries may be utilized by the applicant in form of Project Profile or as decided by the authority.

5.4. Application processing fee shall be non-refundable and the rates shall be decided by the Authority from time to time.

Earnest money shall be 2% (two percent) of the land lease premium in case of Micro and Small units and 5% (five percent) in case of medium and large units,



which shall be refundable, adjustable and payable to the applicant in the form of online Payment. Earnest money may be exempted for the Startups registered in Bihar.

At the time of making application, any unfair practices adopted by Applicant may result in rejection of application and forfeiture of the Earnest Money deposited by the applicant. In case of any allotment made in favour of applicant subsequent to adoption of unfair practices, the Authority shall be at liberty to initiate cancellation proceeding.

5.5. Scrutiny of Online Application

BIADA shall constitute a scrutiny committee of its officers as nominated by Managing Director, BIADA. The aforesaid Scrutiny Committee shall conduct the scrutiny of online application based on the pre-qualification criteria prescribed above. In case of any discrepancy, the scrutiny committee shall demand documents as required and intimate the applicants through online portal/email within a week for rectification of such discrepancy. The applicant ought to rectify the discrepancy as required and submit an updated application within stipulated time from the date of intimation failing which the application may not be considered by the PCC and the plot shall be treated as vacant.

6. Allotment/Renewal

Based on the scrutiny of the application and other information such as availability of competing offers, the authority shall decide upon the process of land allotment as mentioned in Clause 5 of this Policy. The allotment shall be done on lease for 90 years/60 years/30 years "as is where is" basis unless specified. Before expiry of lease period, the lease may be renewed after receipt of applicable fee by the MD BIADA. After expiry of lease period renewal of lease can be done after receiving reasonable ground by the three-member committee headed by MD BIADA. The committee may impose fine (up to 10% of land lease premium additionally). Only functional unit will be eligible after clearance of all dues, for renewal of lease, unless otherwise specified.

7. Issuance of Allotment Letter

The applicants who have been allotted plots/land/shed will be issued allotment letters within 7 working days from the date of approval of PCC proceeding. Earnest Money Deposit amount will be refunded to the unsuccessful applicants within 30 days from the date of approval of the proceeding of PCC.

The allotment made under this Policy shall be valid for the specified period as mentioned in the allotment letter unless it has been cancelled.

POST-ALLOTMENT PROCEDURE

8. Payment Terms and Possession



8.1. All allottee/s shall be liable for the payment following charges to BIADA: -

- a) Infrastructure Development Charge shall be chargeable one time along with the prevailing Land Lease Premium and the applicable taxes.
- b) IMaintenance Charge shall be chargeable yearly as applicable.
- c) Demarcation and Survey Map Charge shall be chargeable one time as applicable.
- d) Any other charges shall be levied which would be notified by the Authority from time to time.

8.2. The allottee must ensure to deposit the upfront payment as per the table below or as decided by the Authority from time to time along with applicable taxes within 30 days (after adjusting the EMD already paid), from the date of issue of the allotment letter. The allotment would stand cancelled in case of non-payment of the upfront amount of the total land cost within the stipulated period. In general, no extension will be given for the deposit of the upfront amount.

Provided that extension for payment of upfront amount may be allowed by Managing Director, BIADA for further 30 days, if reasonable ground is provided by the allottee. If allottee seeks extensions of time beyond such period then in that case such extension shall be decided by the Managing Director, BIADA upon payment of penalty of 1% of the said land lease premium for extension of three months' time.

The Authority may cancel the allotment in case of delay in the upfront payment amount and the EMD, paid at the time of application, shall then be forfeited.

Sl. No.	Land Cost	Upfront Payment	Balance Payment	No. Of Installment	Period	Total Period
1	Less than 50 lacs	40%	20%	3	6 months	1.5 years
2	0.5 - 2.5 crores	35%	13%	5	6 months	2.5 years
3	2.5 - 7.5 crores	30%	10%	7	6 months	3.5 years
4	More than 7.5 crores	25%	7.5%	10	6 months	5 years

8.3. The balance amount of land lease premium shall be paid as per the table above or as decided by the Authority from time to time. In case, the balance of land lease premium is paid in installments interest will be charged at 9% simple interest on balance amount payable.

8.4. If any allottee defaults in the payment of any installment and/ or any other charges within the stipulated time, a penal interest of 12 % p.a. shall be charged for the defaulted amount for the default period.

The Authority or its delegate may cancel the allotment/lease in case of any delay of payments by the allottee.



- 8.5. The allottee shall be given the actual physical possession of the land after deposit of upfront amount (land lease premium along with Infrastructure Development Charge, Demarcation Survey, Maintenance Charge and any other applicable charges), as described in allotment letter.
- 8.6. If, the physical possession of the allotted land could not be handed over to the allottee, wholly or partly, due to pre-existing litigation, encumbrance, lack of access road, adverse topography, physical constraints of the site, or any other reason beyond the control of the allottee, and such impediments have been identified, recorded, or subsequently established through inspection or representation, the allottee may submit a reasoned application for redemption/cancellation of allotment before the Managing Director, BIADA, within a reasonable time from the date of allotment or attempted possession.

Upon receipt of such application, the Managing Director, BIADA, after due verification of records, site conditions, and the grounds cited, and after providing an opportunity of hearing to the allottee wherever considered necessary, may approve cancellation of the allotment.

In such cases, BIADA shall refund the Earnest Money Deposit (EMD) and other payments made by the allottee, after adjusting statutory dues, if any, without levy of penalty.

9. Switch Over of Industrial Plots

9.1 If allottee desires another plot/shed instead of allotted plot/shed, he/she may apply for the exchange of plot within same industrial area or another industrial area within 06 months of the allotment, upon payment of processing fees for the purpose. Such application shall be considered subject to the availability of the industrial plot in the desired Industrial Area.

9.2 No application for switch over shall be considered after 6 months of the allotment. Any amount paid by the allottee shall be adjusted or redeemed against the new allotted land as per the prevailing rate in that industrial area at the time of final disposal of application.

10. Lease Deed

The lease deed shall only be executed after deposit of upfront payment as per the table below or as decided by the Authority from time to time, outstanding dues (if any) and deposit of Post Dated Cheques of balance payment as per prescribed payment schedule and State Investment Promotion Board (SIPB)-1 clearance. The execution of Lease Deed is compulsory for the allottee and such shall be executed within the total period of payment schedule.

Sl. No.	Land Cost	Upfront Payment	Balance Payment	No. Of Installment	Period	Total Period
1	Less than 50 lacs	40%	20%	3	6 months	1.5 years

2	0.5 - 2.5 crores	35%	13%	5	6 months	2.5 years
3	2.5 - 7.5 crores	30%	10%	7	6 months	3.5 years
4	More than 7.5 crores	25%	7.5%	10	6 months	5 years

10.1 Sub-Lease

- a) The following projects shall be allowed to sub-lease the property constructed on the allotted plot within the conditions of the existing lease:
- i. IT/ITeS
 - ii. Existing allottee/s which have been allowed to sub-lease the property under any previous industrial policy.
- b) Sub lease shall be permitted with prior permission of BIADA for the purpose for which the land was allotted. However, if the sublease is for a purpose other than what was allowed in the lease, the lessee will have to seek prior permission of BIADA. The principal lessee shall deposit a copy of sub lease as per relevant laws in every case within 30 (thirty) days of signing of sub lease along with Project Profile.

11. Time limit for Implementation of Project

- 11.1. The Allottee shall take all necessary steps for implementation of the project and file such papers in evidence of implementation, like applying or securing approval of building plan, power supply, sanction of term loan, Consent for establishment from Pollution Control Board or any other document in conjunction with the above approvals / permissions.
- 11.2. The allottees of BIADA shall submit Bank Appraised DPR (if applicable) or SIPB financial report within 1 year from date of allotment failing which prevailing clause for penalty would be invoked.
- 11.3. The timelines of Civil Construction & Production of goods shall be calculated from the date of handing over of possession.
- 11.4. **Timeline for units:** Timelines mentioned below are to be ensured from the date of physical possession of land/shed:

S. No.	Industry Category	Project Milestones
1.	Micro	Civil Construction– 9 months Commercial production – 12 months
2.	Small	Civil Construction– 12 months Commercial production – 18 months

3.	Medium	Civil Construction- 18 months Commercial production - 24 months
4.	Large	Civil Construction- 24 months Commercial production -30 months

- 11.5. The allottee must ensure to uphold the timeline mentioned above. In case of failure to adhere to the timeline provided above, the allottee may seek extension of time and such extension of time may be granted by Managing Director, BIADA depending upon the progress of work done.
- 11.6. If the allottee has made significant progress, then first extension may be provided by the Managing Director, BIADA for 3 months and no penalty shall be levied if there is sufficient reason mentioned by the allottee. Managing Director, BIADA shall review the progress of civil construction and plant & machinery installation based on project milestones as shown in DPR sub-divided into smaller timelines.
- 11.7. If further extension of time is required by the allottee then extension may be given only after considering the progress made by the allottee. In such cases Managing Director, BIADA may impose penalty as per table mentioned below:

Sl. no.	Period For Time Extension	Rate of penalty to be incurred	Applicability for Industrial Category
1	0 to 3 months	No penalty	Micro, Small, Medium and Large
2	3 months to 6 months	1% of BIADA Land Lease Premium	Micro, Small, Medium and Large
3	6 months to 9 months	1% of BIADA Land Lease Premium	Micro, Small, Medium and Large
4	9 months to 12 months	2% of BIADA Land Lease Premium	Micro, Small, Medium and Large
5	12 months to 15 months	2% of BIADA Land Lease Premium	Medium and Large
6	15 months to 18 months	2% of BIADA Land Lease Premium	Medium and Large
7	18 months to 21 months	2% of BIADA Land Lease Premium	Large
8	21 months to 24 months	2% of BIADA Land Lease Premium	Large

- 11.8. Extension of time would not be provided beyond 12 months for Micro/Small, 18 months for Medium and 24 months for Large Industry. Managing Director, BIADA after considering the progress made by the allottee by imposing above

mentioned penalty may grant such extensions. It is made clear after lapse of extended period, if allottee fails to commence the commercial production/operations as per DPR; or not cleared the outstanding dues then further action will be taken as per BIADA Act.

- 11.9. The Allottee shall be required to obtain a separate and exclusive GSTIN (if DPR suggests above taxable threshold) for the purpose of conducting operation upon the allotted land within a period of 6 months from the date of allotment. All the allottee/s allotted land through Land Allotment Policies precursor to the present BIADA Land Allotment and Management Policy, shall also obtain a separate and exclusive GSTIN for the purpose of conducting operation upon the allotted land within a period of 12 months from the date of notification and submit the compliance of it forthwith failing which penal charges would be applicable as per Clause 11.14.
- 11.10. The Allottee must submit quarterly reports about the progress of implementation. BIADA will review the progress of the project every quarter and will have right to take action as per Act.
- 11.11. BIADA shall inspect the premises as and when required to verify progress and assess the progress of implementation and record the findings in the proforma prescribed.
- 11.12. Allottee has to develop the allotted plot as per the environmental guidelines, building bye-laws and other prevailing norms.
- 11.13. **Functional units:** Allottee has to submit a self-declaration that the unit has come into commercial production by adducing supporting documents of civil construction as per the layout plan and supporting investment document and proof of production/operations as per DPR.
 - a) The allottee shall submit self-certified copy of monthly Electricity Bill, GST Returns, relevant Sale Purchase Invoices, EPFO/ESIC Challans of the concerned unit for the purpose of checking its functionality before 31st December of every year.
 - b) The allottee shall also be liable to submit CA certified Turnover for concerned unit, ITR and Financial Statement before 31st December of every year.
- 11.14. **Non-Functional Unit:** The unit shall be considered as a non-functional unit if-
 - a) Upon examination of the documents submitted by the unit, if it is found that the unit is not in production to the tune of 50 % of the Approved Production Capacity, as provided in its Detailed Project Report, or
 - b) The unit has failed to submit the documents mentioned under Clause 11.13, and upon inspection conducted by BIADA it is concluded that the unit is closed or inactive or partially active or optimally not utilizing the land.



- c) Seasonal Units shall be granted exemption from being declared as Non-Functional Unit in its non-seasonal period provided the unit in its DPR mandated the unit as Seasonal specifying the period of seasonality. However, the unit shall be liable for evaluation of functionality during its seasonal period.

- 11.15. **Penal Rent for Non-Functional Unit:** If a unit has been declared by respective DGM ID as Non-Functional Unit under Clause 11.14, following the due process of notice, inspection and opportunity of hearing provided to allottee then the unit shall be liable for payment of penal rent @ 2% of Land Lease premium on case to case basis and Managing Director may grant six months time for revival of such non-functional unit. In exceptional cases beyond six months revival time, only BIADA Board will have power to give additional time for revival.
- 11.16. Furthermore, all the allottee/s allotted under Land Allotment Policies precursor to the present Land Allotment and Management Policy and has not submitted DPR will have to submit a fresh DPR within three months of notification of this Policy to assess their functionalities.

12. Transfer of Industrial Plots/Unit

- 12.1. Permission for transfer of Plot/Unit will be granted after making the unit functional and the unit must have been functional for a minimum period of 01 year prior to the date of application for transfer. For this transfer, online application must be submitted along with prescribed processing fee to be paid as decided by the authority.
- 12.2. Transfer will only be allowed after making full payment of the land cost of the plot which includes payment of all installment and other dues if any. The transferor shall ensure that all statutory/convenience dues are settled before the event of such transfer. Any claim, dues or outstanding upon the transferor shall be borne by the transferee upon such transfer.
- 12.3. The Authority shall charge 10 (Ten) % of the prevailing circle rate as per the Minimum Value Register of the plot, for the remaining period of allotment as transfer charges on every transfer of functional units. In case of non-functional units as per Clause 11.14 of the policy which are yet to be cancelled, the transfer shall not be allowed.
- 12.4. If the shareholding of a proprietorship or partnership firm or private limited company of the allottee is altered within the family members (having direct blood relationship), including wife, husband and vice versa, such change shall be construed as Family Transfer of Shareholdings. In such cases no transfer fee shall be chargeable for such change.
- 12.5. In case of death of any shareholder/proprietor/partner/director of a firm the laws of inheritance will be applicable.
- 12.6. In case of transfer of ownership of a proprietorship firm or majority of shares (50% or above) or majority of shareholding/equity in a private limited company



duly approved by the Board of Directors or on appointment of a managing partner in case of partnership firm/LLP having 50% and above share in the capital, BIADA shall treat it as a case of transfer. Transfer Fee shall be chargeable as per Clause 12.3.

- 12.7. The acquisition of a company / take-over of shares of 50% and above shareholding by the holder or sister or parent company/amalgamation or merger of a company whereby the shares/equity of the allotted company are transferred shall be deemed as a case of transfer. Transfer Fee shall be chargeable as per Clause 12.3.
- 12.8. In any other case of induction, transfer of otherwise affecting the constitution, management and control of proprietorship firm or a partnership firm or company not covered by above conditions the BIADA shall charge Transfer Fee as per Clause 12.3.
- 12.9. All changes in the proprietorship firm, partnership firm, company etc. in respect of their constitution, formation, partnership deeds etc., should be communicated to BIADA in advance as a condition precedent before making application for recording changes in the records of BIADA and only on approval of BIADA, the same shall be recorded failing which penalty shall be imposed as per Clause 12.13.
- 12.10. If the land is transferred for the erstwhile product, then the transferee unit shall be obligated to start the trial production within the time prescribed under Clause 11.4. In case of land transferred for any other product/new added product then the transferee unit shall be obligated to start the trial production as per time prescribed under Clause 11.4.
- 12.11. The transferor and transferee shall be obligated to submit an undertaking in the form of notarized affidavit in the prescribed format available on the BIADA website. (<https://biada1.bihar.gov.in>) The transferee is required to submit a detailed project report and documents mentioned under this Clause 5.3.A for completion of transfer procedure failing which the transfer shall be deemed as incomplete.
- 12.12. Once transfer is approved by BIADA all the rights and liabilities with respect to the industrial plot/unit would pass on the transferee.
- 12.13. In case of any transfer of unit as defined under this Clause 12 is done without prior approval of BIADA, a penal rent will be levied, on and above the regular transfer rate from the date of such transfer.
- 12.14. **Part Transfer of Plot:** The allottee may part transfer its plot to another entity subject to payment of transfer fee as per Clause 12.3. The transfer fee shall be levied on the area of the plot to be transferred and in this regard all the applicable provisions of transfer including Clause 12.11 shall be applicable. The term of part transfer shall be the remaining period of allotment. Transferor will ensure the necessary changes in original lease deed and NOC from financial institution in case of existence of mortgage. The purported part transfer will ensure that the



project enshrined in DPR and Layout Plan submitted by the allottee is not curtailed and in this regard the decision of the Authority on part transfer of plot shall be final.

- 12.15. **Auction purchase:** In case of purchase of leasehold rights of an existing unit by virtue of auction sale through Bank/financial institution, NCLT, DRT, High Court, IBBI, Supreme Court, etc. the auction purchaser is required to pay transfer fee at the rate of 10 (ten percent) % of MVR, for the remaining period of allotment. The auction purchaser is required to pay the one-time transfer fee, submit a DPR and documents mentioned under Clause 5.3.A within 6 months of the auction purchase of the plot for completion of transfer procedure. The calculation of transfer fee shall take into account the remaining period of the lease from the date of sale to the auction purchaser. In case the transferee does not register with BIADA within 6 (six) months of auction purchase, BIADA shall levy the penalty as per Clause 11.15.

13. Change in Constitutions of Industrial Units

- 13.1. Change in Constitution shall be considered when an allottee seeks to modify its legal structure or constitution without effecting a change in ownership, management and control of the entity for which the plot was actually allotted.
- 13.2. The change in Constitution as defined above should not bring about a change in ownership rights otherwise provisions of transfer will be applicable. Ownership rights mean original allottee/ allottees should possess 50% or above shareholding of the company. In case of change in constitution as defined below, a fee shall be applicable as prescribed by the Authority. In case of change in constitution within same promoters or group of promoters having ownership and control over the prospective changed entity under the same management control shall be liable to be exempted from change in constitution provision.
- 13.3. If it is observed that the unit has applied for change in constitution before the unit has become functional, such a change will be allowed conditionally on depositing prescribed fee.
- 13.4. When Proprietorship Firm/ Partnership Firm/Private Ltd. Co./Public Ltd. Co./ etc., having a plot/unit allotted by BIADA, wants to change its constitution in any of the following manner: -
- i. Proprietorship Firm to Partnership Firm
 - ii. Partnership Firm to Proprietorship Firm
 - iii. Proprietorship Firm/Partnership Firm to Private Ltd. Co./Public Ltd. Co.
 - iv. Private Ltd. Co./Public Ltd. Co. to Partnership Firm/Proprietorship Firm.
 - v. Private Ltd. Co. to Public Ltd. Co. or vice-versa.

The allottee(s)/ lessee(s)/ transferee (s) shall move an application for "Change in Constitution", accompanied by the following documents duly attested by the Chartered Accountant or Company Secretary of the respective Proprietorship

Firm/ Partnership Firm/Pvt. Ltd. Company/Public Ltd. Company and fees as prescribed by Authority.

i. Change in Constitution from Proprietorship Firm to Partnership Firm

- a. Certified copy of the Partnership Deed.
- b. Form B regarding registration of firm or any other document to this effect issued by the Registrar.
- c. Form 'A' showing statement regarding name of Partners, or any other document to this effect issued by the Registrar of firms of respective State.
- d. Notarized affidavit stating the relationship of the incoming partners with the allottee.

ii. For Change in Constitution from partnership to Proprietorship Firm

- a. Certified copy of the Dissolution Deed.
- b. Notarized affidavit stating the severability of the outgoing partners with the remnant allottee.
- c. MSME Certification or GST Registration Certificate of newly constituted entity.
- d. Affidavit of the prospective Proprietor regarding its liability on all the assets and defaults of the outgoing partnership firm.

iii. For Change in Constitution from Proprietorship Firm/Partnership Firm to Private Ltd. Co./ Public Ltd. Co.

- a. Certified copy of the Memorandum and the Article of Association approved by Registrar of Companies of the respective State.
- b. Certified copy of Certificate of Incorporation issued by the Registrar of Companies of the respective State.
- c. Certified list of Board of Directors and certified list of shareholders showing number of shares and their value along-with their addresses.
- d. Duly certified Resolution of Board of Directors regarding taking over the industrial property by the Company from the Proprietorship Firm/the Partnership Firm. The resolution in favour of the person authorized by the Board of Directors of the Company to correspond with the BIADA.
- e. Notarized affidavit duly sworn and attested regarding the relationship of the shareholders with the allottee(s).
- f. In case of a Public Ltd. Co. certified copy of the Certificate of Commencement of Business issued by the Registrar of Companies of the respective State is also to be submitted.



- g. Only in case of change in majority shareholding/equity that the Clause 12 would be invoked.

iv. For Change in Constitution from Private Ltd. Co. / Public Ltd. Co. to Partnership Firm/LLP.

- a. Certified copy of the Partnership Deed.
- b. Form B regarding registration of firm or any other document to this effect issued by the Registrar.
- c. Form 'A' showing statement regarding name of Partners, or any other document to this effect issued by the Registrar of firms of respective State.
- d. Notarized affidavit stating the relationship of the incoming partners with the allottee.
- e. Duly certified Resolution of Board of Directors regarding change from Pvt. Ltd. / public limited company to partnership firm/LLP handing over the industrial property by the Company to the LLP/the Partnership Firm.
- f. Resolution in favour of the person authorized by the Board of Directors of the Company to handover the possession.
- g. Duly certified Resolution of Board of Directors regarding transfer of assets and liability of the company in favour of partnership firm.

v. For Change in Constitution from Private Ltd. Co. to Public Ltd. Co. or vice-versa.

- a. Certified copies of the Memorandum and the Articles of Association of both the Companies.
- b. Certified copies of Certificate of Incorporation of both the Companies issued by the Registrar of Companies of the respective State.
- c. Certified lists of Board of Directors and certified list of shareholders of both the Companies showing number of shares and their value along with their addresses.
- d. Duly certified Resolutions of the Board of Directors of both the Companies regarding handing over/ taking over the allotted property by the Company and regarding the person authorized by the respective Board of Directors of the Company to correspond with the Authority.

- e. Notarized Affidavit duly sworn and attested regarding the relationship of the shareholders with the Allottee.

13.5. Change of partner in partnership deed:

A certified copy of the dissolution deed, new partnership deed, along with an affidavit showing the relation among partners and other documents mentioned in Clause 13.4 (ii) are required to be submitted along with a request to change the partner or partnership deed. It is clarified that in case of any new induction of partnership, majority shareholding i.e. more than 50% ought to remain with the original allottee/s. The aforesaid change of constitution shall be allowed after payment of prescribed fee.

13.6. Change in Shareholding

- a) Change in shareholding means change of shares from any existing shareholder(s) to any other shareholder(s)/ person(s), within the same Firm/Company. For any change in the shareholding except mentioned in Clause 12.4, a fee shall be applicable as prescribed.
- b) A private limited company with a turnover of over 500 crores or a listed company or a public limited company shall be exempted from payment of fees for change in shareholding.
- c) The following documents shall be required to be uploaded on the Post Allotment Portal of BIADA for seeking permission for any changes in the partners / shareholdings within a Partnership Firm:
 - i. Dissolution deed, New Partnership deed, Retirement-cum-Partnership deed of the Partnership Firm issued by the Registrar of Firms of the respective State.
 - ii. Form 'C' & Form 'A' issued by the Registrar of Firm or any other document to this effect issued by the Registrar of Firms of the respective State.
 - iii. Notarized affidavit stating the relationship of the incoming partners with the allottee(s) / transferee(s).
- d) For any such change, the prescribed fee shall be charged by the Authority.
- e) For changes in Shareholding within a Private Ltd. Company/Public Ltd. Company following documents shall be required to be uploaded on the Post Allotment Portal of BIADA for seeking permission for any changes in shareholder(s) / shareholdings of a Company:
 - i. Certified list of the shareholder with their respective shareholding, duly certified by the Chartered Accountant.
 - ii. List of Directors duly certified by the Chartered Accountant, along with Form 32 duly receipted by the Registrar Of Companies (R.O.C) of the respective State.



- iii. Board Resolution duly certified by the Chairman of the Board Meeting/Chartered Accountant.
- 13.7. If the change in constitution of the unit is not intimated to the BIADA within 6 months of the date of change, a penal charge shall be charged from the date of such change.

14. Merger / Amalgamation of Plots

- 14.1. The allottee shall not take any action to Merger / amalgamation or to be acquired by any entity without the prior permission of Managing Director, BIADA. On application of such merger, BIADA after considering the facts of each case and after realizing 1% prevailing circle rate, may grant such permission for Merger/amalgamation of the plots, provided that the allottee has not violated the original condition of land allotment.
- 14.2. The merger of plots would be allowed only to the adjoining contiguous plots with same proprietorship/ partnership firm/ private limited or public limited company. For merger of plots the unit is required to submit an application substantiating reason for merger along-with duly approved Board Resolution in case of a Company, NOC from all partners in case of Partnership Firm and NOC from the proprietor/s in case of Proprietorship or NOC from its stakeholders in case of other legal entity.
- 14.3. De-merger/Bifurcation of Plot on the adjoining contiguous plots with same proprietorship/ partnership firm/ private limited or public limited company after considering the facts of each case by Managing Director, BIADA and realizing 1% prevailing circle rate, may be granted. Provide such permission for De-merger/bifurcation of the plots, shall not impede the project for which allotment was made, project enshrined in DPR and Layout Plan submitted by the allottee is not curtailed and the allottee has not violated the original condition of land allotment. The beneficiary is required to submit a detailed project report for both the plots and documents mentioned under this Policy under Clause 5.3.A for completion of Bifurcation of Plots' procedure failing which the bifurcation shall be deemed as incomplete.
- 14.4. The lease deed shall be executed afresh after the purported amalgamation of the plots and the effective lease period of the amalgamated plot shall be for a period equivalent to the least remaining period of the plots to be amalgamated.
- 14.5. The date of lease period in-case of merger shall be determined with the period mentioned in the first allotment/transfer letter.

15. Name Change

- 15.1. On submission of the application along with valid documents and substantial cause, the name of the firm may be allowed to be changed subject to the payment of prescribed fees to be decided by the Authority. For Proprietorship Firm the change of name in the Certificate of Registration, for partnership firm

revised partnership deed, for a company approval from ROC is pre-requisite for such approval and other requisite certification in case of other legal entity.

- 15.2. Other non-substantive changes such as correction of name, address shall be accorded with permission of Managing Director, BIADA.

16. Change/Addition of product/Service

- 16.1. Allottee shall inform BIADA in case of any change and addition in the product/service category in the prescribed format.
- 16.2. The application for change or/and addition of product/service would be accepted by BIADA only after deposit of prescribed fee and examination of DPR considering the prevailing Industrial Policy, vicinity of Industrial Plot and other intervening factors which may be decided by the subsequent policies in this regard.
- 16.3. The unit needs to pay prescribed fee for the change or/and addition in the product/service category. The Authority shall charge 10 (Ten) %of the prevailing circle rate as per the Minimum Value Register of the plot, if proposed change is from manufacturing industry to service industry and 5 (Five) % of the prevailing circle rate as per the Minimum Value Register of the plot, if proposed change is from one service industry to another service industry.
- 16.4. The allottee upon acceptance of product/service change ought to make its unit functional as per the timeline prescribed. Only one product/service change during the period of initial civil construction will be allowed and the allowed extra time period will be 12 months.
- 16.5. Units applied for product/service change/addition would submit DPR as detailed earlier. If there is any unutilized land left with the unit which is not being utilized by the allottee, it shall be taken back by BIADA as per the provisions of Section 6(2)(c) of BIADA Act.
- 16.6. In case the allottee does not inform BIADA prior to the change of product/addition of the product/service, the penal fee shall be levied by BIADA.

17. Mortgaging the plot

- 17.1. Permission for Mortgage of the plot can only be granted after the execution of the lease deed and provided that the allotment is not cancelled, or the term of allotment has not expired.
- 17.2. In the case of mortgaging the plot, the Authority will be the first charge holder and the allottee will make the due payments regularly from time to time to the Authority. Permission for mortgage will be granted by the Managing Director and it shall be mentioned in the conditions of mortgage.

18. No Objection Certificate



The Bank/financial institution which mortgage the lease hold/ allotted land or any part thereof shall obtain a No Objection Certificate (NOC) from BIADA prior to mortgaging the allotted/leasehold land. Moreover, in the event of sale of leasehold rights, allottee shall obtain prior information about the dues including transfer fee. Sale of leasehold rights certificate under the Securitization Act 2002 or any other law shall only be registered in the records of BIADA after the payment of dues of the BIADA and payment of the transfer fee and other charges of BIADA.

19. Single Window Portal

All allottees of BIADA will be provided a unique id and password upon allotment for the access to the Single Window Portal designed as one-stop solution for resolution of all Pre and Post- Allotment Processes. The Portal shall provide status of all the application pending or disposed as put up by the Allottee in the portal. The Portal shall have separate segments for all processes such as Lease Deed Execution, Transfer, Amalgamation, Surrender, Online Due Payment, NOC, Change in Constitution, Change of Product, Name Change, etc. BIADA will strive to create a Standard Operating Procedure for disposal of Application and timelines prescribed with it.

20. Option to Exit / Surrender

- 20.1. Keeping in view that a number of factors impact the establishment of a business in a dynamic business environment, it is recognized that the plans for establishment of a business may undergo a change and the allottee may review and reconsider his/her plans to carry on with the establishment of the intended business. In such situations, the allottees will have the option to surrender the plots/sheds allotted to them at any point of time. The allottee shall be given the facility for surrender of allotment of land to BIADA during the cancellation proceeding initiated against the allottee.
- 20.2. The exit/surrender of plot shall be decided by the committee constituted by the Managing Director BIADA from time to time depending upon the economic conditions and prevailing policies of the state government. The committee so constituted under this clause shall invariably headed by Managing Director, BIADA.
- 20.3. 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.
- 20.4. It is further clarified that the Infrastructure Charges/ any other charges including administrative charges shall not be refunded. Only a deducted land lease premium shall be made for remaining lease period.
- 20.5. Surrender may be accepted by the Managing Director or an officer designated by the Managing Director within 30 days of the date of receiving the application.

- 20.6. After approval of surrender by the Managing Director the rest of the amount as per the above clauses shall be refunded as per the prevailing policy.

PLUG & PLAY SHED

21. Allotment of Plug-&-Play Sheds

- 21.1. Plug-and-Play Sheds and Factory Sheds are being constructed in Industrial Areas to facilitate quick establishment of industries.
- 21.2. These Sheds shall be allotted as per mode and process mentioned in the Clause 5 of the Policy-2026. Upon allotment, a leave and license agreement shall be entered into between BIADA and the allottee subject to fulfillment of conditions and payment of requisite fees.
- 21.3. The term of Allotment of Plug-&-Play Shed shall be initially for 5 years extended up to a term of 15 years. The term may further be extended based on the performance of the allottee.
- 21.4. The license shall be strictly for the purpose of being used for carrying out the permitted Industrial Activity. The licensee will not be allowed to sub-let/underlet/assign or create any third party right on the whole or any part of the premise. However, Clause 12, 13, 15, and 16 shall be applicable on the licensee of the Plug-&-Play Sheds.
- 21.5. The monthly license fee for such leave and license shall be calculated and notified annually by BIADA. The licensee shall be liable to pay Maintenance, Infrastructure Charges and other fees as may be notified by the Authority.
- 21.6. Security Deposit of 6 months shall be paid within 30 days of allotment as down payment by the allottee for Plug-&-Play for taking possession of shed.
- 21.7. In case of delayed payment of license fee, a penal interest of 12% of yearly license fee shall be charged upon the licensee.
- 21.8. In case of any default or any contravention of the allotment terms, Authority shall terminate the leave and license agreement and forfeit the security deposit.
- 21.9. Licensee shall commence the production/operations within 90 days from the date of possession.

22. Cancellation

- 22.1. If the allottee/s does not take necessary effective steps within the fixed period as per project milestones to establish the Industry or all dues, rent, charges of the Authority have not been paid within time or unregistered product is manufactured or any construction contrary to the approved plan has been carried out or an activity injurious to industries has been engaged into; the Authority or Managing Director of the Authority or any other officer authorized by the authority shall in



such condition cancel the allotted plot/shed and also forfeit the amount deposited in this connection.

- 22.2. Notwithstanding anything mentioned above, the Managing Director of BIADA may cancel the land allotment of any allottee on violation of terms of allotment, Policy, regulations, directions of BIADA in terms of Section 6 (2) (a) or (c) of BIADA Act, 1974 and allied provisions. As a consequence of cancellation of allotment, the possession shall be resumed and deposited amount shall be forfeited.
- 22.3. Before the cancellation of land under Section 6 (2) (a) or Section 6 (2) (c) of the BIADA Act, 1974, by Managing Director or officer designated by the Authority, a show cause in writing shall be given with due adherence to the principles of natural justice and an opportunity of hearing shall be given.

POST CANCELLATION PROCEDURE

23. Resumption of Possession by Authority

- 23.1. The authority shall resume possession of land/shed u/s 6(2) (b) of the BIADA Act, 1974, immediately after passing of the order of cancellation of allotment of land as per procedure prescribed.
- 23.2. After cancellation of allotment the Cluster In-charge (DGM, ID) concerned shall duly serve a notice upon the allottee, allowing a period of two weeks for voluntary surrender of possession of canceled plot. The notice shall be delivered to the allottee or representative of the allottee at the registered address of the unit through registered post and electronic means such as email. In the event that the allottee or representative is not present at the unit, and diligent efforts to serve the notice has been made, it shall be affixed to a conspicuous part of the unit's boundary or at the primary entrance gate, in the presence of two witnesses which shall be deemed as valid service of notice. A proof of service of such notice shall be preserved in official records at cluster office.
- 23.3. On the designated date and time, the duly authorized Area Manager/Asst. Area Manager shall effectuate the process of possession resumption for the unit's land and shed, if applicable, in the presence of the allottee, should they choose to be present.
- 23.4. Comprehensive visual documentation, both internally and externally, shall be made capturing conclusive photographic evidence substantiating the handover of possession for future reference.
- 23.5. An inventory list shall be prepared, providing comprehensive details of the unit's existing physical condition and layout at the time of resumption of possession encompassing all pertinent elements, including but not limited to any constructions or structures such as buildings or sheds, presence of machinery or equipment, raw materials, and any other relevant articles over the land.

- 23.6. A copy of the inventory list shall be furnished to the allottee, should they be present during the process.
- 23.7. If, at the time of resumption of possession, the unit is locked and allottee is not present, the Authority shall take constructive possession over the land by putting a lock of BIADA and affixing a notice to that effect on any conspicuous part of the boundary of the unit or at the main entrance gate. A formal certificate, denoting the takeover of possession and including the inventory to the extent practicable, shall be prepared and forwarded to the allottee, along with a request to promptly remove the lock, failing which shall necessitate the removal of the lock by the Magistrate, as per prevailing legal procedures.
- 23.8. In case of any resistance or obstruction encountered by the allottee during the possession resumption process, appropriate assistance shall be sought through the involvement of the District/Police Administration, ensuring the maintenance of law and order.
- 23.9. The signatures of two witnesses, preferably independent, shall be procured on the possession documents and inventory list. In the event that independent witnesses are not available, the signatures of BIADA personnel present at the site shall be duly obtained, accompanied by a declaration stating the unavailability of independent witnesses during the inventory and possession resumption process.
- 23.10. A copy of the possession letter, inventory list, and accompanying photographs shall be expeditiously transmitted via letter/ email to the Executive Director (I.D.) and the allottee concerned within three days.
- 23.11. Following the successful possession resumption of the plot/shed, the allottee shall be granted a grace period of 30 days to remove their plants and machinery and any other relevant articles, failing which shall result in the initiation of auction proceedings for the aforementioned assets.
- 23.12. Where any auction has been taken against such plant and machinery and other relevant articles, all costs, charges and expenses which, in the opinion of the authority, have been incurred by Authority or any expenses incidental thereto, shall be recoverable from the proceeds of auction, to be held by the authority in trust, to be applied, firstly, in payment of such costs, charges and expenses and secondly, in discharge of the dues of BIADA and the residue of the money so received shall be paid to the allottee entitled thereto in accordance with his/her rights and interests.
- 23.13. After taking over of possession of cancelled land/shed, same shall not be advertised as vacant plot within the prescribed period for appeal as provided under Section 6 (2) (a) of BIADA Act, 1974.
- 23.14. If no appeal has been filed under the prescribed period for appeal as provided under Section 6 (2) (a) of BIADA Act, 1974 then in that case the land shall be advertised as vacant land by BIADA.
- 23.15. In case of possession of land/shed in question is taken over by BIADA no penal rent shall be charged on the allottee. However, in case of non-functional units

where possession remains with the allottee during the period of appeal in higher courts, penal rent as prescribed in Clause 11.15 shall be charged.

24. Appeal

Appeal under this Policy shall lie with the Appellate Authority as specified under Section 6 (2) of BIADA Act, 1974.

25. Policy Monitoring


The implementation of this policy will be reviewed from time to time by Authority and necessary facilitation and course correction shall be undertaken as found necessary to achieve the objectives of this policy.

BIADA Land Allotment and Management Policy, 2026 shall be applicable from the date of notification and hence all the previous BIADA Land Allotment Policy with amendments will be repealed with immediate effect.


Chairman, BIADA-cum-Secretary,
Industries Department.

Memo No: 1794 / ESTH/123/BIADA/2025 Date:- 07/05/26

Copy forwarded to:-Secretary, Industries Department /Director Industries/Director MSME, Govt of Bihar for information.


Managing Director, BIADA

Memo No: 1794 / ESTH/123/BIADA/2025 Date:- 07/05/26

Copy forwarded to:-All Executive Director, BIADA/All DGMs, BIADA/President, Bihar Industries Association/President, Bihar Chamber of Commerce and Industries for information & necessary action.


Managing Director, BIADA