



Role of BIADA in Industrial Growth of Bihar

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Abstract

To improve the investment climate in Bihar the State Government has formulated the Industrial Investment Promotion Policy, 2016. The main goals of this policy is to focus on development of support infrastructure, prioritizing core sectors of future development with emphasis on advanced technology, skill development, a modified structured package of assistance and balanced regional development. For achieving these goals Industrials land is required to allot to interested entrepreneurs for establishment of new firms/enterprises. Industrial land allotted to entrepreneurs by BIADA (Bihar Industrial Area Development Authority) in Bihar on the basis of proposal and proper documentation. Our research area aims toward the work and processing method of BIADA in allotting the land for rapid industrial growth in state.

Keywords: Bihar, Industrial area , Development, Authority, Industry, Land

Introduction

Bihar is one of the largest states of the country in terms of total land area. Its total geographical area is around 93.6 lakh hectares. Because of its topographical nature, the proportion of total land put to agricultural use is high (57%) as compared to other states of India. The agriculture is the mainstay of the economy of Bihar and that the population of the state needs land for residential and other uses, it has been a challenge for the government to be able to carve out land for industrial uses or to convert open lands to industrial lands., Government of Bihar revises the State Industrial Policy every five year to attract investors and industrialist to invest in the state. At present the contribution of Industry in Gross State Domestic Product (GSDP) is much lower than many states of India. Land is play an important role in industrial development within state. Bihar Industrial Area Development Authority (BIADA) is the key agency for allotting lands/ industrial plots to the prospective units in Bihar. It's main aims are to promote and develop infrastructure for industries in the industrial area such as road, drainage, water, power ; to help, support entrepreneurs to setup industries and provide assistance and incentives under the industrial policy of the State and dissemination of information about the Industrial Policy and create an investor friendly atmosphere in the state.

Methodology

We use Survey methods for collection of Data related to position of land and other required facilities available on land under BIADA for knowing the position of existing industries and emergence of new enterprises either by personal visits in regional offices or industrial areas of BIADA or by data available on BIADA websites. So, we first try to brief about Situation of land and areas under BIADA.

BIADA has four regional offices at Patna, Darbhanga, Muzaffarpur and Bhagalpur regulating and controlling fifty Industrial Areas / Industrial Estates / Large Industrial Estates / Growth Centres / Mega Industrial Parks :IA

Patliputra, IA Fatuha, IA Hajipur, EPIP Hajipur, IA Biharsharif, IA Nawada, IA Gaya, IA Jehanabad, IA Aurangabad, GC Aurangabad, IA Dehri-on-Sone, IA Barun, IA Bikramganj, IA Buxar, IA Bihiya, GC Giddha, IA Bihta, MIP Bihta, IA Barauni, IA Kopakalan, LIE Barari, IA Jamalpur, IA Munger, IA Sitakund, IA Lakhisarai, GC Kahalgaon, GC Maranga, IE Purnea City, IE Forbesganj, IE Katihar, IE Khagara (Kishanganj), IE Bhediadangi. IA Sitamarhi, IA Siwan, IA/IE Muzaffarpur, IA Bettiah, IA Kumarbagh, IA Ramnagar, IA Raxaul, IE Bela, IE Dharampur, IA Donar, IA Pandaul, IE Jhanjharpur, IE Samastipur, GC Khagariya, IE Saharsa, IE Murliganj, MGC Udakishanganj. Up to Dec. 2019, BIADA had acquired a total 6061.74 acres of land and shed, of which about 4029 acres has been allotted to the investors. After allocating the land for infrastructure, 2032.74 acres of vacant land is available at various industrial areas. BIADA preferably allot lands to manufacturing units after developing necessary infrastructure like roads, power, water and drainage facilities, etc. As on Dec. 2019, 1676 industrial units were in operation in various industrial areas. The State Government has given approval to setting up of industrial units in parks that have industrial plots available for allotment to investors. These are: Pristine Mega Food Park, Punraser Jute Park, IT, ITeS and Electronic Manufacturing Park, Leather Cluster at Muzaffarpur and Garment Manufacturing Park at Bihta. The vacant lands shall be allotted to the manufacturing units. The Government would also put efforts to facilitate the allotment of lands in the industrial parks to manufacturing units. Establishment of new industrial areas and expansion of existing industrial areas by BIADA would strive to develop new industrial areas as well as expand existing industrial areas across the various districts of the state. It is envisaged that a total of 5400 acres of land would be acquired and developed by BIADA over the next 3 to 5 years/ during the policy period. For this, government land from the land bank would be alienated and transferred to BIADA. Appropriate budget provisions would be made for the development of the new industrial areas. BIADA would

develop the land suitable for industrial manufacturing units and notify the final rates at which the land would be available to industrial units. As a policy decision, lands in industrial area controlled by BIADA shall be used only for the allotment to the manufacturing units. BIADA has notified the objective criteria for the allotment of land in the industrial areas. It has also issued a notification for earmarking industrial areas on the basis of criteria like type of industries and pollution level. The State Government may notify from time to time the kind of industry that can be allotted land in the industrial area controlled by BIADA. As a policy decision, one fourth of the land in a newly established industrial area by BIADA would be allotted to the MSME units. Out of these one fourth allotted to MSME units, three fourth will be for Micro & Small enterprises and one fourth will be for Medium enterprises. Recovery of land from Sick Closed units wherever feasible, the Govt. would strive to recover land from sick and locked out industries, more so in the existing industrial areas. BIADA may also formulate a suitable —One time Settlement process for this. Promotion of private participation for increasing availability of industrial land: “Aao Bihar” Scheme which is a flagship scheme of the Government of Bihar to facilitate private buyers and sellers of land in respect of setting up of industrial units in the state. The scheme was launched in 2011. Under this scheme any person/ group of persons, who own 2 acres or more land and want to sell their land for establishment of industries or institutions, can enlist their land details on the —Aao Bihar Portal. The information of available land shall be displayed for prospective buyers on the website. Entrepreneurs interested in buying land can locate the land on the portal. The Department of Industry, Bihar shall help the entrepreneur in verifying the title and ownership of the land so as to enable the buyer to buy the land. The role of government here as a facilitator only and not in the fixing the rates of the land and in the allotment of the land.

Method of Land Allotment : The allotment of land shall be only for the purposes of setting up industry. An advertisement containing detailed information about inviting applications for allotment of land should be published in daily news papers by the BIADA. The same advertisement shall be uploaded on the official website of the BIADA(www.biadabihar.in) and Application forms shall also be available on the official website of the Authority and shall be filed online only. Public Notice shall contain brief information of the upcoming land allotment: a) Last date for submission of the application. b) Date of opening of application. c) Address for online filing of application. d) Link address to download the Norms/Procedure. List of plots available for allotment shall be displayed on the official Website of the Authority. Number of plots may vary depending on the availability of land. PCC reserves the right to withdraw any plot. The application for land allotment/shed shall be processed via online mode only in the official website of the Authority. The applicant may be a. Individual b. Proprietorship firm c. Registered partnership firm d. Private Limited Company. e. Limited liability registered partnership firm f. Public Limited company g. Government Department h. Central/State Public Sector undertaking i. Hindu Undivided Family (HUF). Change in the name of the applicant under no circumstances whatsoever any change in the name of the intending applicant shall be allowed. The applicant shall make

application online for land allotment, including uploading of following information:- General Information, Applicant's Information, Details of payment towards processing fee & security money. Details of existing unit/s of the applicant either in Industrial Area or at any other place Project details be mentioned. Investment details with net-worth of promoter/s, financial arrangement, land use pattern(Lay Out Plan), use of Eco-Friendly Technology, details of employment Generation, along with the application. The intending applicant shall upload the following documents :- Copy of Bye-laws of the firm, Partnership Deed/Bye-laws of Cooperatives, Societies etc., latest Net-worth Certificate duly certified by a CA, Authorization letter in case of company, Identity Proof cum Permanent Address Proof of All Directors/ Shareholders like Voter ID Card/ Passport/Aadhar Card) , Passport size photographs, Project Report, Site Plan & Lay Out of proposed entity duly certified by Architect/ Engineer , Details of payment for non-refundable processing fee Rs. one thousand for Micro& Small Scale and five thousands for Medium & Large Scale Industries and refundable security money fee Rs. two thousands Per Acre of land. Non submission of above documents or information shall be rejected by the Authority and process shall be initiated for allotment of concerned plot to another intending applicant. If more than one applicant makes application for a particular plot, BIADA shall take steps for allotment as per allotment policy. The Authority shall complete land allotment process within sixty days from the date of publication of notice for land allotment.

After acquisition of land by the state government, the same is transferred to BIADA for its transfer to the competent entrepreneur for industrial development. Then BIADA allots land to eligible investors based on economic, socio-cultural and environmental impacts. BIADA has the powers to allot the land in prescribed manner and they have capacity, including resources, for field verification and strong incentives in ensuring socially beneficial outcomes. At present BIADA allotting the land for manufacturing unit or establishing industrial park or for common logistical facility or for industry related training centers, viz. ITI/ ITC / Skill development centers.

Conclusion

The BIADA was established through Bihar Industrial Area Development Authority Act, 1974 with an objective and aim to promote and facilitate industrialization in the State. The BIADA plays a crucial role in industrial development in Bihar by allotting land to entrepreneurs on basis of fixed policies and principles. It receives directions and instructions from Department of Industry, Bihar government in accordance with the provisions under BIADA Act, 1974. It allots land to entrepreneurs on the basis of fixed policies and principles and it also develops infrastructure for industries. So, in the proper industrial development of Bihar the BIADA's role to allot land to industrial units assumes great importance.

Suggestions & Recommendations

1. The government of Bihar should establish a land bank to facilitate industrial development through providing land from Land Bank easily.
2. In some cases Bihar industrial Area Development Authority (BIADA) allotted land without auctions to non industrial purposes. So, these cases should be

- properly monitored by Bihar Government.
3. There was no system for documentation of received applications and BIADA had no mechanism to ascertain the priority of them . So, Bihar government need positive step for eliminating these drawbacks.
 4. 4. There were also cases of allotment of excess land beyond the prescribed norms without any justification. About 33.71 acres of excess land was allotted to entrepreneurs without any justification. So, Bihar government should establish a separate anf fair monitoring cell.
 5. process of land allotment requires further strengthening and regular monitoring.

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