

**Government of Bihar**  
**Department of Industries**

**Resolution**

Letter No

11

/Patna, Dated: 05.01.15

सं० सं०-डी०टी०डी०/०२-०४/२०१०

**Industrial Incentive (Amendment) Policy, Bihar, 2014**

Industrial Incentive Policy, Bihar, 2011 has been enforced for accelerated industrial development of state, which is effective from dated 01.07.11 till next 5 years i.e. till date 30.06.2016. Midterm scrutiny has been made under the provision of this policy in view of which the State Government of Bihar is hereby pleased to make the following amendments in the Industrial Incentive Policy, Bihar, 2011 with effect from date of issue of notification:-

1. Para-3(ii)(c) of Industrial Incentive Policy, Bihar, 2011 will be substituted by the following:-

"(c) The provision for giving 100% exemption in land conversion fee on "Pre Production" will be under the condition that if any unit does not come into production after land conversion, it shall have to repay the land conversion fee with interest. The unit will have to submit the bank guarantee of equal amount of exemption of land conversion fee. Bank Guarantee will be returned only after the unit comes into production."

2. The following three new Sub Paras (iv), (v) and (vi) shall be added after Sub Para-(iii) of Para- 3 of Industrial Incentive Policy, Bihar, 2011:-

" (iv) Maximum limit of reimbursement of VAT/Entry Tax will be admissible up to 300% of capital investment for working unit. In case of working units of Brewery and Distillery, reimbursement of 25% VAT and maximum limit of 300% of capital investment will be admissible. No recovery shall be made from the units which have availed earlier benefit exceeding the determined limit.

(v) For such new units of which total capital investment is less than Rs. 200 crore, their paid amount in the CST account shall be included in 80% reimbursement of VAT amount but this VAT reimbursement amount will be payable within the maximum determined limit of 300% of capital investment.

The amount paid in item of Entry Tax by the new industrial units of large scale after commencing production will be included in the reimbursement of 80% VAT amount. Maximum amount of reimbursement will be payable within the limit of 300% of capital investment.

(vi) For such industrial units which have not to pay VAT but have to pay Entry Tax on procurement of raw material for production, the amount paid in Entry Tax will be reimbursed to them."

3. The words "whose maximum limit shall be of Rs. 75 lacs (seventy five lacs)" used in Para-2(vii)(a) of Industrial Incentive Policy, Bihar, 2011 shall be deleted.

4. The following new proviso will be added after Sub Para-(vii)(d) of Para-2 of Industrial Incentive Policy, Bihar, 2011:-

"Provided that capital subsidy will be admissible on all equipments in addition to plant and machinery to be established in industrial units to be used directly in production of which expenditure made on purchase has to be shown as capital expenditure by the unit in its audited books of account or statutory auditor report and this expenditure made on such materials has not been claimed in profit and loss account as a revenue expenditure by the unit, and on this, confirmation of the chartered accountant is essential.

5. Last sentence of Para-2(v)(a) of Industrial Incentive Policy, Bihar, 2011 shall be substituted by the following:-

" The maximum limit of subsidy shall be determined Rs. 50(Fifty) crore for SPV company and Rs. 40(Forty) crore for other company/unit.

U.P.S., Inverter and Stabilizer shall also be included in plant and machinery of Captive Power Generation/D.G. Set.

A committee will be constituted for determination of load for such units, which are making production from D.G. Set/Captive Power Generation without taking electric connection, in which an officer of Industry Service Cadre (minimum grade pay Rs. 7600) nominated by the Director, Technical Development, an Electrical Engineer (B.E./B.Tech.) empanelled by Udyog Mitra and a Regional Electrical Engineer of Energy Department will be included."

6. Para-7 of Appendix-I(Definitions) of Industrial Incentive Policy, Bihar, 2011 shall be substituted by the following:-

"7 (a) Expansion:- "Expansion" of an existing unit means 50% or more additional increase in value of plant and machinery of undepreciated value of the existing industrial unit and minimum 50% increase in installed production capacity;

(b) Diversification - "Diversification" means minimum 50% or more additional increase in value of plant and machinery of undepreciated value of installed plant and machinery of the existing industrial unit and establishment of new product line by the unit;

(c) Modernisation:- "Modernisation" means minimum 50% or more additional increase in value of plant and machinery of undepreciated value of the existing industrial unit and minimum 25% increase in installed production capacity as a result of Modernisation.

(d) In order to qualify for incentive a unit undertaking expansion / modernization / diversification should send prior intimation of beginning of work to the General Manager, District Industries Centres or the Managing Director, Bihar Industrial Area Development Authority as the case may be in respect of Small and Medium Industry and Director of Industries / Director, Technical Development in

case of large industries before undertaking such expansion / modernization / diversification Programme. Such intimation should be accompanied by detailed proposal of expansion / modernization / diversification giving the specific period of proposed additional investment.

7. The following new Sub Para(iv a) shall be inserted after Sub Para-(iv) of Para-4 of Industrial Incentive Policy, Bihar, 2011:-

" (iv a) Admissible facilities will also be provided to the new units mentioned in para-2 and para-3 of Industrial Incentive Policy, Bihar, 2011 on incremental production after expansion / diversification / modernisation but maximum of Rs. 2.5 (Two decimal Five) crore as a capital subsidy will be admissible for large industries on expansion /diversification /modernisation and for MSME industrial unit maximum of Rs. 1.25 (One decimal Two Five) crore capital subsidy will be admissible on expansion /diversification /modernisation."

8. The following new Sub Para-(vi) shall be added after Sub Para-(v) of "Para-4 other facilities" of Industrial Incentive Policy, Bihar, 2011:-

"(vi) Subsidy of 2(two)% of interest rate to be charged on taking term loan from banks/financial institutions by the industrial units will be given (Subsidy will be payable maximum up to 7(Seven) years from the date of commercial production). Additional 5% more subsidy in the form of interest rate in addition to the determined interest rate will be payable to the entrepreneur of the Schedule Caste/Schedule Tribe/Women and Disabled category."

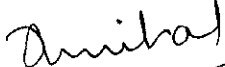
9. Para-2,3 and 7 of Appendix-II(List of deprived units) of Industrial Incentive Policy, Bihar, 2011 shall be substituted by the following, respectively:-

" 2. Flour Mills including Besan, Dal & Chura Mills(Having less than 25 Ton per day capacity).

3. Masala(Spices) and Papad etc. making(Except producing Masala and Papad units by mechanised process).

7. Production of Ice Candy and Ice Fruit(Except the units producing Ice Candy and Ice Fruit by mechanised process, having investment of Rs. 1(one) crore or more on plant and machinery)."

By the order of the Governor of Bihar,

  
Principal Secretary,  
Department of Industries, Bihar, Patna.

ज्ञापांक:- 11 /पटना, दिनांक-

05.01.15

सं०स०- डी०टी०डी०/०२-०४/२०१०

प्रतिलिपि:- प्रभारी पदाधिकारी, ई-गजट कोषांग, वित्त विभाग, बिहार, पटना को एक राँफट कॉपी(सी०डी० में) तथा दो हार्ड कॉपी के साथ प्रेषित करते हुए अनुरोध है कि इसे बिहार गजट के आगामी असाधारण अंक में

प्रकाशित की जाय। साथ ही उनसे अनुरोध है कि प्रकाशित गजट की 500 (पाँच सौ) प्रतियाँ विभाग को उपलब्ध कराने की व्यवस्था की जाय।

*Anibal*  
प्रधान सचिव,

उद्योग विभाग, बिहार, पटना।

ज्ञापांक:- 11 /पटना, दिनांक-

05.01.15

सं०सं०- डी०टी०डी०/०२-०४/२०१०

प्रतिलिपि:- महालेखाकार(ले० एवं हक०), बिहार, पटना/कोषागार पदाधिकारी, सचिवालय कोषागार, विकास भवन, पटना को सूचनार्थ प्रेषित।

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ज्ञापांक:- 11 /पटना, दिनांक-

05.01.15

सं०सं०- डी०टी०डी०/०२-०४/२०१०

प्रतिलिपि:- सभी विभाग/सभी विभागाध्यक्ष/उद्योग विभाग के सभी निगम/ प्राधिकार/गंत्री उद्योग के आप्त सचिव/प्रधान सचिव, उद्योग विभाग, बिहार, पटना के आप्त सचिव/उद्योग निदेशक, बिहार, पटना/निदेशक, तकनीकी विकास/निदेशक, खाद्य प्रसंस्करण/सभी महाप्रबंधक, जिला उद्योग केन्द्र को सूचनार्थ एवं आवश्यक कार्रवाई हेतु प्रेषित।

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ज्ञापांक:- 11 /पटना, दिनांक-

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सं०सं०- डी०टी०डी०/०२-०४/२०१०

प्रतिलिपि:- सभी प्रमंडलीय आयुक्त/सभी जिला पदाधिकारी/सभी उप विकास आयुक्त/स्थानिक आयुक्त, बिहार भवन, नई दिल्ली/निदेशक, एम०एस०एम०ई०डी०आई०, पाटलीपुत्रा, पटना/मुख्यमंत्री के सचिव/अध्यक्ष, बिहार स्टेट पावर (होल्टिंग) कंपनी लि०, पटना को सूचनार्थ प्रेषित।

*Anibal*  
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ज्ञापांक:- 11 /पटना, दिनांक-

05.01.15

सं०सं०- डी०टी०डी०/०२-०४/२०१०

प्रतिलिपि:- मुख्य सचिव के सचिव, बिहार, पटना/विकास आयुक्त के सचिव, बिहार, पटना को सूचनार्थ प्रेषित।

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ज्ञापांक:- 11 /पटना, दिनांक-

05.01.15

सं०सं०- डी०टी०डी०/०२-०४/२०१०

प्रतिलिपि:- अध्यक्ष, बिहार उद्योग संघ/अध्यक्ष, बिहार चैम्बर ऑफ कॉमर्स एण्ड इन्डस्ट्रीज/अध्यक्ष, सी०आई०आई०, पटना को सूचनार्थ प्रेषित।

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ज्ञापांक:- 11 /पटना, दिनांक-

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सं०सं०- डी०टी०डी०/०२-०४/२०१०

प्रतिलिपि:- आई० टी० मैनेजर, उद्योग विभाग, बिहार, पटना को विभागीय वेबसाईट पर अपलोड करने हेतु प्रेषित।

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