



invest
BIHAR
A land of immense opportunities

INVESTORS' MEET 2022



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Bihar : Preferred Investment destination with innumerable opportunities

Bihar has registered steady growth in both economic and social sectors for more than a decade. In recent years, Bihar has acquired considerable attention throughout the country and even abroad for its remarkable performance on the development front. The Gross State Domestic Product in Bihar in 2020-21 was INR 618.63 thousand crore at current prices; at constant (2011-12) prices, it stood at INR 419.88 thousand crore. The Net State Domestic Product in 2020-21 was INR 566.47 thousand crore at current prices; at constant (2011-12) prices, it stood at INR 379.55 thousand crore.

Bihar industry is growing and simultaneously diversifying from its core agrarian sectors, thus providing ample investment opportunities, and ease of doing business in the State through various policy reforms and good governance. The presence of large players such as ITC, Britannia, Pepsi, Godrej, General Electric (USA), Alstom (France) and Varun Beverages Limited in the State are the testimony of the State's favourable and business friendly environment.

Large Pool of Skilled Human Resources

- » Strong base of cost effective labour force
- » Workforce from Bihar serves to the key sectors of the country
- » Bihar is a young State offering demographic advantage with majority of population below the age of 35 years

Strategic Location, Strong Market Linkages and Huge consumer base

- » Bihar is strategically located and has the locational heft to ensure a access to market for over 55 crore people living in its neighboring States namely Uttar Pradesh, Jharkhand & West Bengal
- » Neighboring countries Nepal & Bangladesh too contribute to this target population
- » State offers 3-fold (Road, Rail & Air) network of excellent connectivity covering each corner of the State

Endowed with Rich Water Resources and Raw materials

- » Bihar is endowed with chain of water resources – ground and surface water; the Ganga is the main river which is joined by tributaries with their sources in the Himalayas; some of the other rivers are Saryu, Gandak, Budhi Gandak, Bagmati, Kamla and Mahananda
- » Bihar lies in the Indo-Gangetic plain and its fertile farmlands produce versatile agricultural produce like Rice , Maize, Makhana, Vegetables, Mangoes, Litchi etc.

Robust Policy Support and Congenial Industrial Relations

- » To gear up for Industry 4.0 and position Bihar as preferred destination for investments ,Department of Industries has initiated several proactive and forward-looking policy reforms
- » The State is making sincere and concerted efforts to improve the business ecosystem through outcome-oriented measures such as policy/ regulatory reforms, infrastructure developments and institutional improvements



Industrial Infrastructures

INDUSTRIAL LAND BANK

- » Bihar has abundant land bank of 2900 acres
- » 68 Industrial areas under Bihar Industrial Area Development Authority (BIADA)
- » Key industrial areas under IPRS 2.0

INDUSTRIAL CORRIDORS

- » The Eastern Dedicated Freight Corridor (EDFC) and Amritsar Kolkata Industrial Corridor (AKIC) pass through the State
- » SAARC Corridor 4 Tranche 1 of 1152 kms and stretched till Bangladesh cross through the State
- » SAARC Corridor Tranche 2 Mechi Bridge between Nepal and India in Kakarbhitta and Imphal to Moreh passes in close proximity to the border with Myanmar

CONNECTIVITY

- » State has one of the largest rail route network & evenly spread road density in India
- » State has presence of 3 airports- Patna, Gaya & Darbhanga
- » Adding to the 3 fold connectivity, State has a Operational National Waterway (NW1)

HIGH PRIORITY SECTORS IN THE STATE

- IT, IT enabled Services (ITeS) and Electronic System Design and Manufacturing (ESDM)
- Food Processing including Ethanol
- Textile, Apparel and Leather
- E-vehicle Manufacturing

PRIORITY SECTORS IN THE STATE

- Plastic & Rubber
- Pharma & Health Care
- General/ Small Manufacturing
- Wood Based Industry
- Technical Education
- Tourism
- Renewable Energy

INCENTIVES UNDER THE BIHAR INDUSTRIAL INVESTMENT PROMOTION POLICY, 2016 (BIIPP) :

- 100% exemption from Stamp Duty/ Registration Fees
- 100% exemption of "land conversion fees"/ "change in land use fees"
- Interest Subvention Incentive : on term loan availed from a Bank/ Financial Institution subject to following condition:
 - ◆ Rate of Interest : 10% (12% for MSME) or actual rate of interest whichever is lower
 - ◆ Overall limit : 50% of the approved project cost or INR 20 Cr whichever is lower
- Tax related incentive : Overall ceiling of 100% of approved project cost
 - ◆ Electricity Duty Reimbursement : 100% reimbursement of electricity duty on power including captive power for a period of 5 years
 - ◆ SGST Reimbursement : 100% reimbursement of admitted SGST for a period of 5 years
- Employment cost subsidy : 50% reimbursement (in case of male workers) and 100% reimbursement (in case of female workers) of expenditure on account of contribution toward ESI and EPF scheme for a period of 5 years
- Skill Development Subsidy : Skill development subsidy of INR 20,000 per employee/ Bihar Skill Development Mission (BSDM) rates, whichever is lower

INCENTIVES UNDER THE BIHAR TEXTILE & LEATHER POLICY 2022

- > **Capital Investment** : 15% up to INR 10 Cr.
- > **Employment Generation** : Up to INR 5000 per month/ employee
- > **Power Tariff** : INR 2 per unit
- > **Freight Reimbursement** : 30% of the freight charges up to INR 10 Lakh



MAJDOOR SE MALIK BANANE KA SAFAR

When the whole country was reeling due to Corona epidemic and millions of people were on verge of unemployment, a great initiative was taken by District Magistrate, West Champaran to provide a platform for people migrating from other States that turned disaster into opportunity in the form of Chanpatia Start-up Zone.

This initiative has become famous for its development story not only in the country but also around the world. Under this program, 57 entrepreneurs have been allotted working space and have already started operations in this Startup zone. Approximately INR 9 Cr. loans have been sanctioned, 409 Machines worth INR 8 Cr. have been purchased so far. The Chanpatia Startup Zone has turnover of more than INR 15 Cr.



KEY SUPPORTS BY THE GOVERNMENT

Plug & Play Facility	Opportunity to operate in pre-constructed facilities with all necessary infrastructure across industrial parks and estates
Guided tours to Plots and economic zones	Expert's support is provided in identifying the potential plots, industrial areas & parks for operations
Handholding in opportunity assessment	Handholding support is offered for market research, market specific opportunity assessment and preparing strategic action plan
Single Window System	Availability of Single window facilitation mechanism for investors to get multiple clearances under single umbrella
Financial Linkages	Provision of regular joint meetings with Investors & financial Institutions for hassle free working

RECENT INDUSTRIAL PROJECTS IN BIHAR

The State of Bihar has been receiving large investments and has managed to boost investors' confidence. Recent inauguration of PepsiCo bottling plant at Industrial Growth Centre, Barauni Asurari on 15th of April 2022 is the classic example of rapid industrialisation in the State. Varun Beverages Limited, one of the largest franchisees of multinational beverage company PepsiCo, has established a bottling unit, which has been built over an area of more than 50 acres to manufacture carbonated soft drinks.

Another Success story in the recent time is country's first greenfield grain-based Ethanol plant, inaugurated by Hon'ble Chief Minister, Shri Nitish Kumar and honourable Industries Minister, Shri Syed Shah Nawaz Hussain in Purnia district of the State on 30th April 2022. Bihar is the first State to launch Bihar Ethanol Production Promotion Policy 2021.

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