



Pirpainti Thermal Power Plant | Bihar | 25 Sep 2025

Why in News?

The opposition party in Bihar held a protest march in Patna against the state government's decision to lease **1,050 acres of land in Bhagalpur** to the **Adani Group** for just **Rs 1 per year**, to establish a **thermal power plant in Pirpainti, Bhagalpur**.

What is the Pirpainti Thermal Power Plant Project?

- **About:** Adani Power Limited is developing the **Pirpainti Thermal Power Plant**, a **2,400-MW coal-based project (USD 3 billion)** in Bhagalpur district's Pirpainti region.
 - The project will comprise **three units of 800 MW each** and is expected to create **10,000-12,000 jobs during construction** and about **3,000 permanent jobs once operational**.
- **Allegations Against the Project:**
 - **Land Lease:** **1,050 acres** leased to **Adani Power** for **33 years** at **Rs 1/year**, termed a **gift** by the opposition party.
 - **Environmental Impact:** Alleged cutting of **10 lakh trees**, leading to **ecological damage**.
 - **Farmland Conversion:** **Fertile agricultural land** reportedly reclassified as **barren** for project clearance.
 - **Power Tariff:** Bihar residents may pay around **Rs 6 per unit**, higher than rates in **Maharashtra** and **Uttar Pradesh**.
- **Government Response:** Adani Power secured the project through a **transparent Tariff-Based Competitive Bidding (TBCB)** process under **Section 63 of the Electricity Act, 2003**.
 - The land had already been leased in **2022** to the **Bihar State Power Generation Company (BSPGCL)** at **Rs 1 per year**, prior to the latest bidding in which Adani emerged as the winner.
 - The nominal lease rate was included in the bidding framework to **lower power generation costs**, while **land ownership remains with Bihar's Energy Department**.

Bihar Industrial Investment Promotion Package 2025

- In **August 2025**, the Bihar cabinet approved the **Bihar Industrial Investment Promotion Package 2025**, which allows land allocation at a **token rate of Rs 1** to eligible investors.
- Under the policy:
 - Investments of **Rs 100 crore** with **1,000 jobs** created qualify for **10 acres free land**.
 - Investments of **Rs 1,000 crore** qualify for **up to 25 acres of free land**.
 - **Fortune 500 companies** are entitled to **10 acres of free land**.
 - Other investors receive a **50% discount on Bihar Industrial Area Development Authority (BIADA) land rates**.
- This scheme is open to all qualifying investors until **31st March, 2026**, making the **Rs 1 land transfer not exclusive to Adani**.