

7th- 8th October, 2018
www.destinationuttarakhand.in



Govt. of Uttarakhand

MEDICINAL & AROMATIC

Sector Profile



Medicinal & Aromatic
Government of Uttarakhand

Disclaimer: The content in the profile is being vetted by the department and is liable to change



WELCOME!

In Uttarakhand, we have been successful in creating an investor friendly environment. The State has immense potential and favourable conditions to attract investments in various sectors mainly Tourism & Wellness, Organic Farming, Food Processing, Horticulture, Electricity, Solar Energy, Automobile, Pharmaceutical & Sericulture sectors. Uttarakhand is also welcoming new ideas and innovations by creating appropriate ecosystem for nurturing Start-Ups. The state has done a commendable job in creating a symbiotic atmosphere of confidence and enterprise.

Uttarakhand beckons all investors to come, invest and excel.

Trivendra Singh Rawat
Chief Minister, Uttarakhand



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The map illustrates the location of Uttarakhand within India and its proximity to Delhi. A yellow map of India shows Uttarakhand highlighted in purple. A red box indicates the travel time from Delhi to Uttarakhand: 55 minutes by air (indicated by an airplane icon) and 6 hours by road (indicated by a car icon). A scale bar shows 4 hours (240 km) for a road journey. The detailed map of Uttarakhand shows its districts: Uttarkashi, Chamoli, Pithoragarh, Rudrapur, Tehri, Haridwar, Pauri, Bageshwar, Almora, Nainital, Champawat, Dehradun, and Pantnagar. The state capital, Dehradun, is marked with a gear icon. The map also shows the state's borders with Nepal and China.



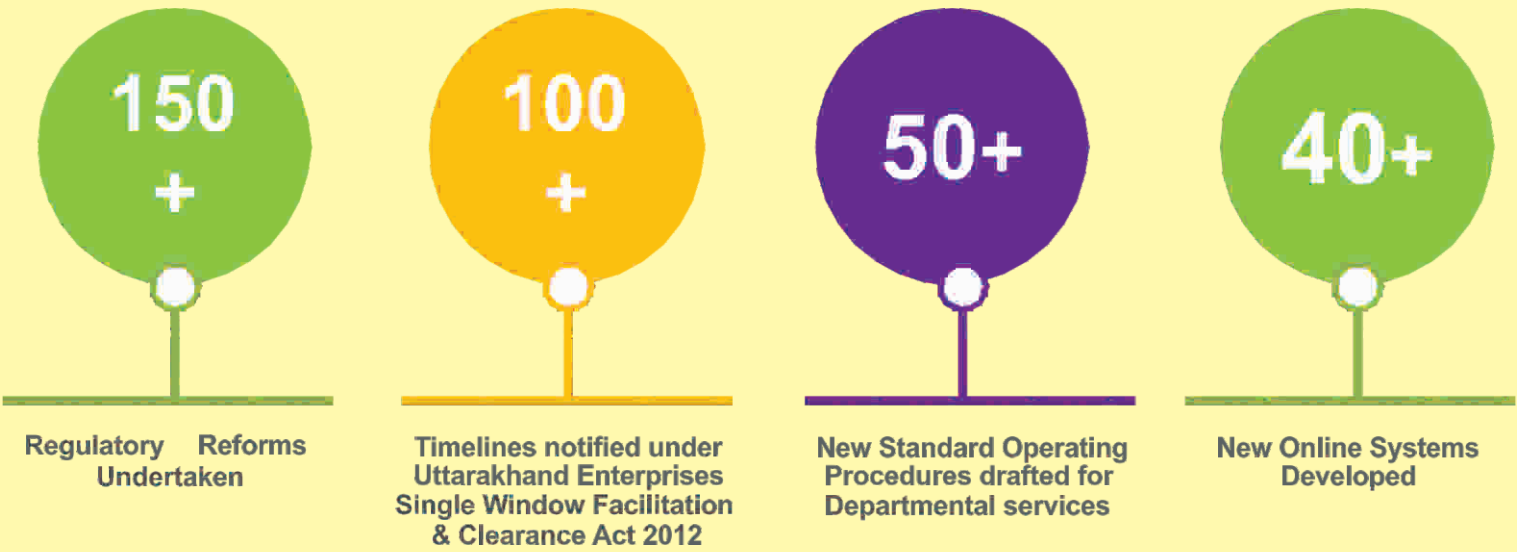
ELECTRICITY TARIFF

INR 4.99* /kWh
(2017-18)











Source: ICD: http://commerce.gov.in/writereaddata/UploadedFile/MOC_636517146051928242_List_ICDs_CFSs_AFSs_01-01-2018.pdf;
Electricity: http://www.cea.nic.in/reports/monthly/installedcapacity/2018/installed_capacity-07.pdf

EASE OF DOING BUSINESS

Under the ‘Ease of Doing Business’ initiative, the State has implemented a web based Single Window Clearance System - www.investuttarakhand.com, allowing investors to avail the necessary State Government approvals to establish and start their business operations through a single platform without any physical touch point with the approving / licensing authority.






HASSLE FREE SETUP AND OPERATIONS IN THE STATE

Online Single Window System for all required approvals		Auto Renewal of Consent to Establish, Consent to Operate	
Single Point Sectoral Clearances		Self / Third party certification in lieu of departmental inspections	
Investment facilitation centre to handhold investors		Single Integrated Return for all labour laws	
Objective Criteria for land allotment		Use of modern SCADA System to ensure reliable supply of electricity	
Geographic Information System of all land banks		Commercial Court set up in Dehradun with entire state jurisdiction	

INVESTOR FACILITATION

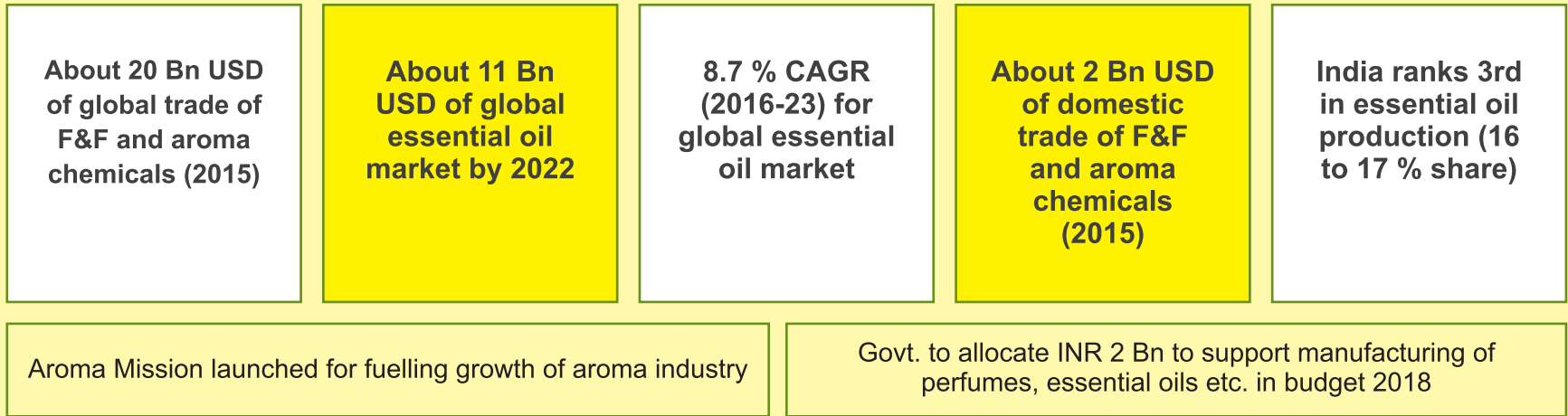
- The Government of Uttarakhand has laid huge emphasis on business facilitation by creating an enabling environment for industries to set up and start their operations in the State
- The State government houses a dedicated ‘Investment Promotion & Facilitation Centre (IPFC)’ which acts as a centralized one-stop-shop for the investors / businesses and provides complete handholding support in a structured, focused and comprehensive manner. IFC will focus on investment promotion, facilitation, direct engagement and consultation with investors / Stakeholders and ensures investment realization and sustainable industrialization in the state
- ‘Uttarakhand Right to Service Act, 2011’ & ‘The Uttarakhand Enterprises Single Window Facilitation and Clearance Act, 2012’ were enacted to provide necessary time bound licenses, permissions and approvals for the setting up of commercial establishments in the state. The State has ensured robust legal resolution mechanisms to ensure time bound delivery of government services with more than 100 investor related services already notified under both the acts separately and is in the process of adding more such services of multiple sectors shortly

CREDITED BY INDUSTRY ASSOCIATIONS

<p>Story of ‘Make in Uttarakhand’ which started in 2003 is a classic example of what manufacturing can deliver to a region’s economy in terms of both economic growth and employment generation</p> <p>-CII Report ‘Making Uttarakhand Competitive, June 2016’</p> 	<p>NCAER Assessment based on “Perception of good business climate” ranks Uttarakhand as the Least Corrupt state in India</p> <p>NCAER N-SIPI Index Survey ; Five states – Uttarakhand, Gujarat, Assam, Andhra Pradesh and Himachal Pradesh – had more than 90% respondents say they faced no problem in getting land</p> 	<p>Uttarakhand has emerged as the top state in the country in terms of growth in the industry and service sectors in the last ten years.</p> <p>Uttarakhand has also figured as the second best performing state in terms of project implementation, improving investment scenario in the stat</p> 
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MEDICINAL & AROMATICS - INDIA SCENARIO

INDIAN AROMATIC INDUSTRY



- India stands third in world's total essential oil production with a share of 16-17 percent and stands second in terms of value with the share of 21 22 percent
- The essential oil market is expected to reach USD 11,188 million by 2022, with a CAGR of 8.7% from 2016 to 2022
- Market growth is supplemented by the growing usage of essential oils among industries, coupled with increasing disposable income
- Demand of Indian aromatic plants for aromatic produces, essential oils, aroma chemicals and spices is increasing rapidly and the global market is expanding
- The essential oil market is expected to reach USD 11,188 million by 2022, with a CAGR of 8.7% from 2016 to 2022.
- Leading essential oil market players, such as doTERRA International and Moksha Lifestyle Products develop a wide variety of essential oils, such as ginger oil, basil seeds oil, and others, to cater to the increasing demands of essential oils in varied industries

INDIAN MEDICINAL PLANTS INDUSTRY

- India is the world's second largest exporter of medicinal plants after China and both the countries together produce more than 70% of the total global demand for herbal products¹
- India is the only country with codified system of traditional medicine like Ayurveda and Siddha wherein the use of medicinal plants for preventive and curative health care are described
- It has varied agro-climatic regions and biodiversity hotspots thus possessing a substantial amount of biodiversity of medicinal plants - 8000 varieties of medicinal plants available with 6200 indigenous varieties of herbal plants²
- India's herbal sector represents about 8500 licensed herbal units, thousands of extractors or semi processors, export houses & cottage-level units of herbal based products¹

- The domestic herbal industry in the country had a turnover of INR 20,000 crore approx. in 2014-15¹
- The total 5,12,000 MT herbal raw drugs containing 1178 medicinal plants, valued around INR 7,000 crores, has been consumed by the herbal industry along with the export¹
- Indian government has established National Medicinal Plants Board (NMPB) under Ministry of Ayurveda, Yoga & Naturopathy, Unani, Siddha & Homeopathy (AYUSH) for matters concerning to Medicinal Plants and Support Policies and Programs for growth of trade, export, conservation and cultivation³
- Recent Initiatives of GOI are:
 - "e-charak": a virtual market place for Medicinal Plants launched by NMPB
 - 365 days awareness campaign on Medicinal Plants launched by NMPB to generate awareness
 - Setting-up of seven Regional Centres in different regions of the country for facilitation is under process.
 - Development of a National Raw Drug Repository and 8 region based Regional Raw Drug Repositories for drugs being used in the ASU & H systems of medicine under process.
 - Guidelines developed for voluntary certification of raw material for Good Agricultural Practices and Good Field Collection Practices to ensure quality raw material supply to the industry and increase income to farmers



Source:
 1. <http://ayush.gov.in/sites/default/files/Ayush%20AR%202017-18-8.pdf>
 2. <https://www.investindia.gov.in/sector/wellness>
 3. <http://www.nmpb.nic.in/>

UTTARAKHAND – KEY CREDENTIALS



KEY CREDENTIALS

- The State has diverse agro-geo climate conditions, which is most suitable for medicinal & aromatic plants cultivation
- More than 179 unique & high value aromatic plants found in the State
- FDI inflows in the state stood at around US\$ 652 million during April 2000 to December 2017*

HIGHLIGHTS

- Uttarakhand is blessed with a variety of soils and agro-climatic conditions, ranging from Sub-Tropical to Alpine which is a mega biodiversity hotspot for wide range of wild and cultivated medicinal & aromatic species
- Uttarakhand being a Himalayan state enjoys a proven advantage and monopoly over the availability of some valuable Medicinal & Aromatic Plants in the State
- More than 200 unique plants with medicinal properties are found in State State has 3.66 lac ha cultivable waste land which can be utilized for cultivation of aromatic crops
- 324 Medicinal plants cluster in 5,000 Ha by 21,343 registered farmers, attributing to ~200 MT/Yr by volume is being cultivated
- Approximately 600 tonne of pure and natural essential oil suitable for aroma therapy and spa industry is being produced by 18000 trained farmers
- Uttarakhand is the only state which promotes aromatic crops in organized manner with the result of 109 clusters covering an area of more than 7200 ha under aromatic crops
- A full-fledged and dedicated R&D institute 'Centre for Aromatic Plants (CAP)' is working for promotion of aromatic crops in the state
- Various promotional schemes have been designed for the development of aromatic sector
- 27 % CAGR (2002 – 17) in turnover of Aromatic sector in Uttarakhand
- Indian Cassia (Cinnamomum tamala) first GI registration of State (No. 520) due to its rich Cinnamaldehyde content
- Network of 178 distillation unit setup at farmer's field for the primary processing
- Buy back guarantee for purchase of aromatic produce from CAP farmers

Aromatic Sector

- Sourcing of authentic & 100% pure natural essential oils from Himalayas
- Use our 109 aroma clusters for production & value addition of essential oil with 178 distillation Units & 7000 Ha of land under cultivation
- Develop new aroma cluster as per your requirement through Land Leasing with an Indian partner

Medicinal Plants Sector

- Sourcing of quality and naturally grown raw herbs
- Ample scope of value addition, processing & herbal product development from Himalayan medicinal plants
- Development of Hi-tech nursery, production of quality planting material of rare and endangered species
- Promotion of Herbal tourism; Detoxification & relaxation of body

Cluster Development Statistic

Clusters developed	109
Distillation units setup	178

Cluster Development Statistic

No. of farmers	18176
Employment generated	36420 Man-days
No. of farmers trained	16015
Existing industrial areas (number and area in hectares)	107 Industrial area

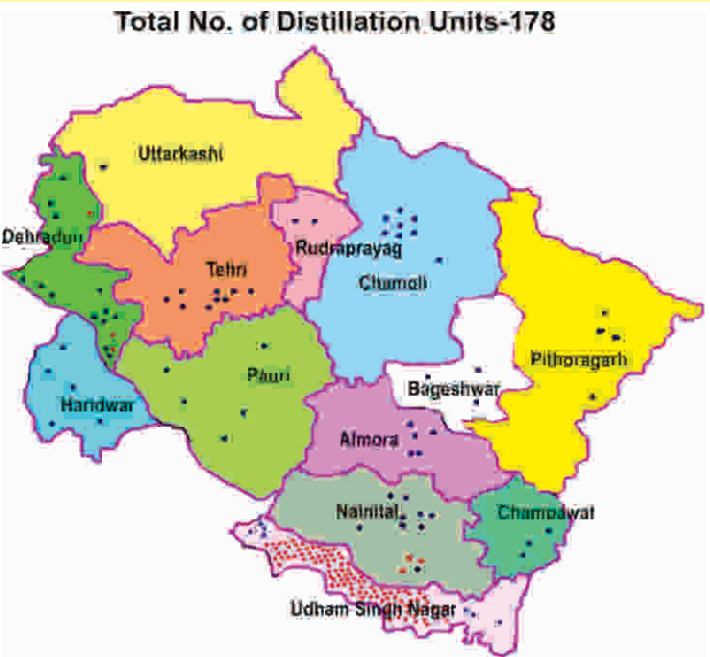
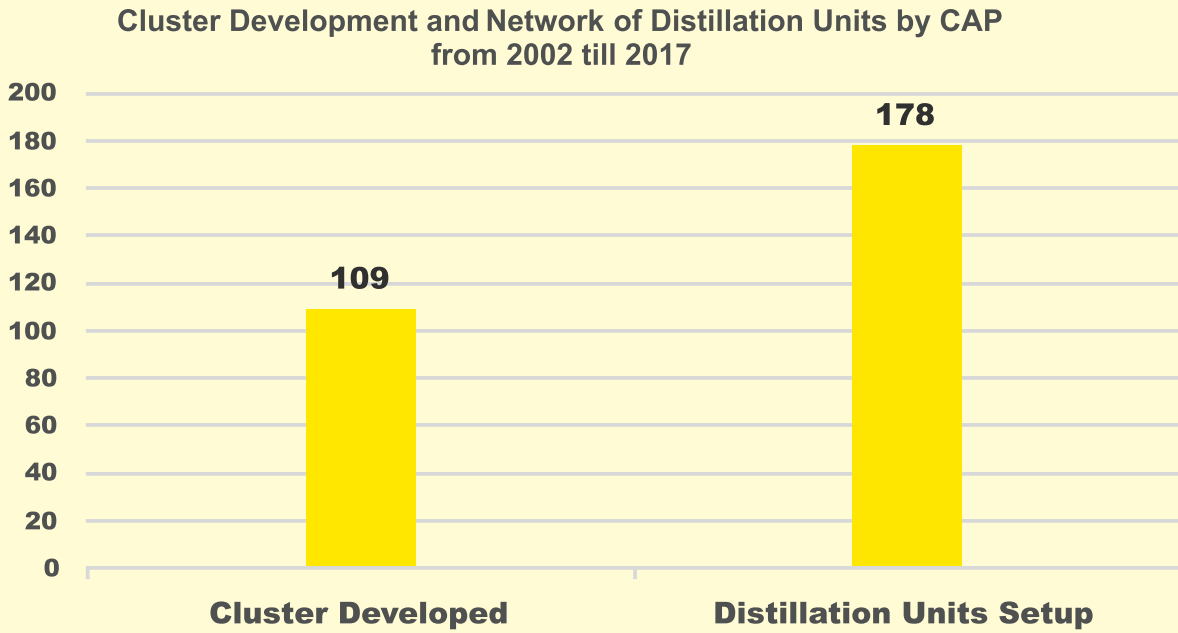
Food Parks

Mega Food Park Name and Location	Patanjali Mega Food Park (promoted by Patanjali Food and Herbal Park Pvt Ltd) Village Padartha, Haridwar
Size (in hectares)	28.39 ha
Mega Food Park Name and Location	Himalayan Food Park promoted by Himalayan Food Park Pvt Ltd, MauhaKheraganj village, Kashipur
Size (in hectares)	20.23 ha



Source: CAP, GoUK

NETWORK OF DISTILLATION UNITS AND AROMA CLUSTERS



Source: CAP, GoUK



UTTARAKHAND: MAJOR PRODUCE

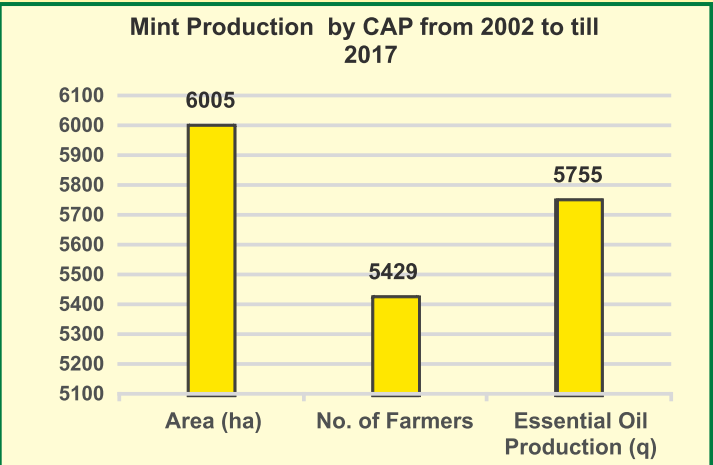
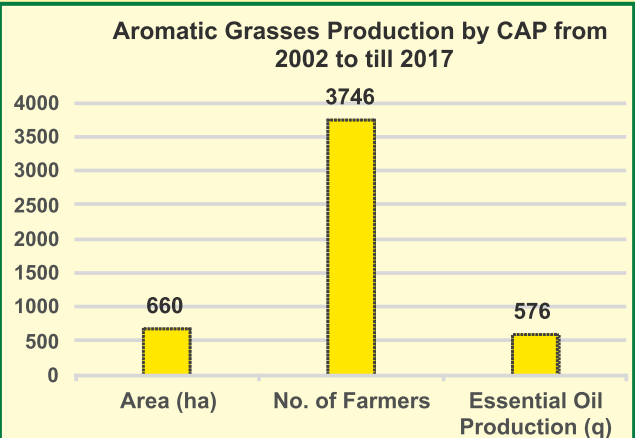
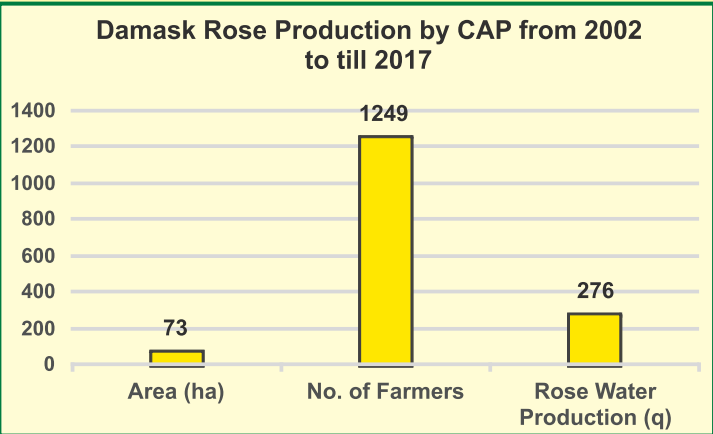


KEY AROMATIC & MEDICINAL PLANTS IN VARIOUS AGRO-CLIMATIC ZONES OF THE STATE

S No	Agro-Climatic Zone	Key Aromatic Plants
1	Plain areas	Japanese Mint , Chamomile, Lemon grass, Citronella, Palmaroasa, Bhukamber , Vetiver, Peepermint etc
2	Lower and Middle hills	Lemongrass, Cinnamon, Surai, Sandalwood, Kalabansa, Lantana, Perilla, Artemesia, Gania grass, Lantana, Geranium etc.
3	Lower and Middle hills	Damask Rose, Timur, Perilla, Costus, Caraway etc

S No	Agro-Climatic Zone	Area	Key Medicinal Plants
1	Sub-tropical	Rudrapur, Gadarpur, Haridwar, Rishikesh, Haldwani, Srinagar, Devprayag etc.	Satavar, sarpgandha, Harar, Baheda, Aonla
2	Temperate Zone	Mandal, Munsyari, Pithoragarh, Lohaghat, Pati, Ghat, Dewal, Almora etc.	Valeriana, Swertia, Hedychium, Paris polyphylla, Bergenia ciliate
3	Alpine Zone	Har-ki-Dun, Gangi, Tungnath, Rudranath, Auli, Bedni, Madmaheshwar, Kedarnath etc.	Aconitum, Picrorhiza, Plants of Ashtaverga, Morina longifolia, Anemone, Arnebia, Jurinea, Rheum, Taxus baccata, Angelica glauca, Selinum etciliate
4	Cold Desert Zone	Niti, Mana, Gangotri, Yamunotri, Darma, Byans, Johar valleys etc	Jamboo/Faran (Allium stracheyi), Cheepi/Gandrayan (pleurospermum angelicoides), Hippophae spp. Juniperus spp etc

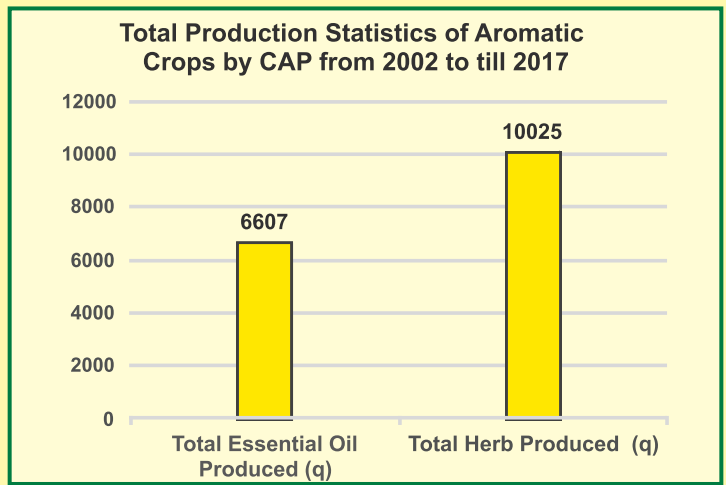
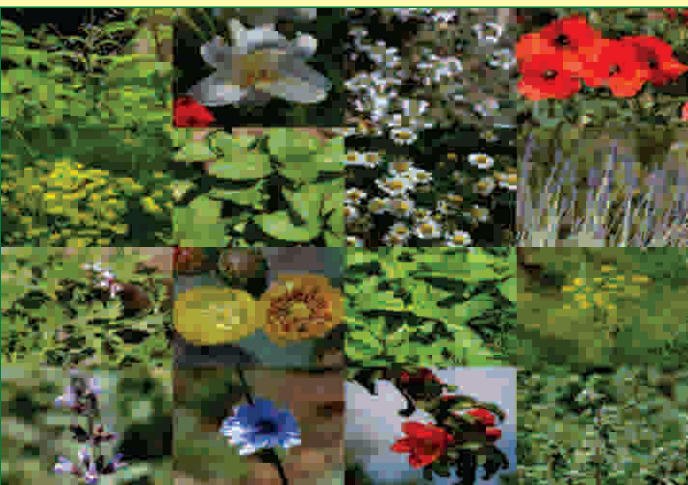
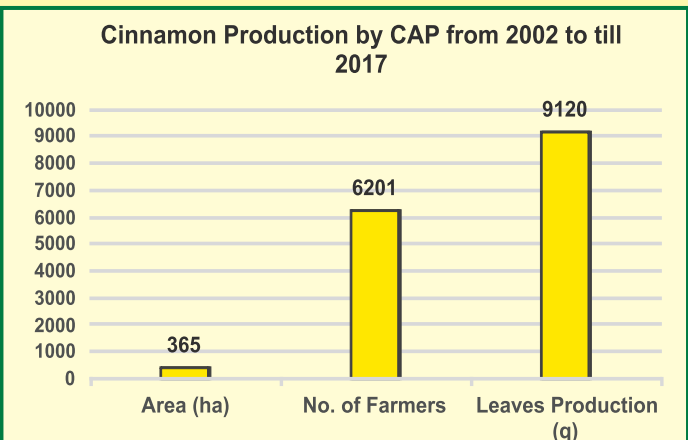
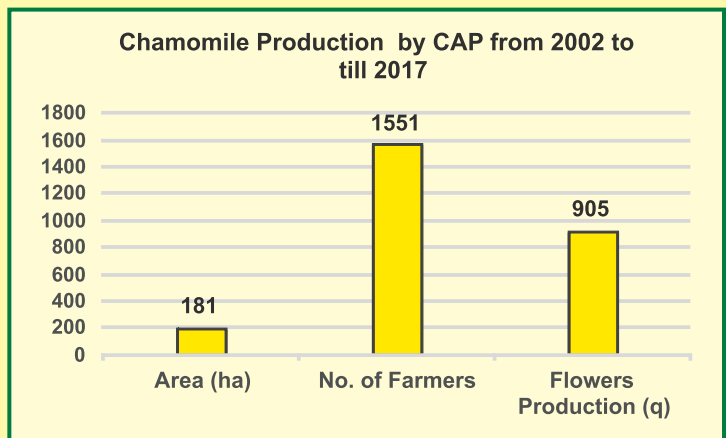
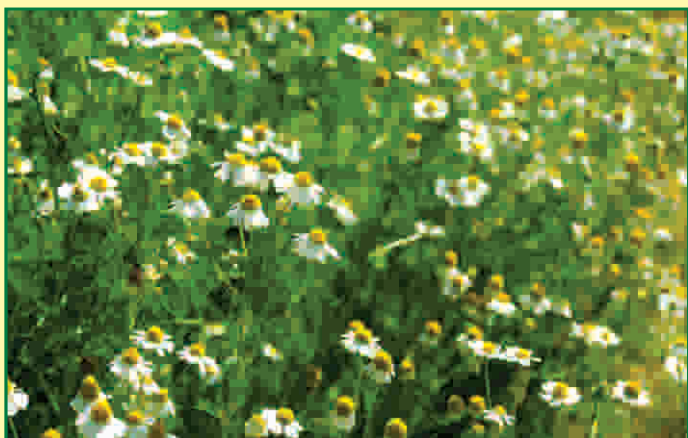
PRODUCTION STATISTICS OF AROMATIC PLANTS BY CENTRE FOR AROMATIC PLANTS (CAP)



Source: CAP, GoUK

KEY PLAYERS

PRODUCTION STATISTICS OF AROMATIC PLANTS BY CENTRE FOR AROMATIC PLANTS (CAP)



Source: CAP, GoUK

KEY PLAYERS



INVESTMENT OPPORTUNITIES

INVESTIBLE PROJECTS



*Aroma Tourism,
Uttarakhand*



*Value Addition and Fractionation of
Japanese Mint Essential Oil*



*Distillation of lemon grass and
other aromatic crops*

REGULATORY MECHANISM



INDICATIVE APPROVALS FOR SETTING UP BUSINESS

S No	Name of Service	Authority granting approval	Type of Requirement	Timeline (in Days)
1	Land allotment in departmental industrial estates	Directorate of Industries	Setting up of Business	15 Days
2	Application for Land / Plot Allotment	SIIDCUL	Setting up of Business	15 Days
3	Registration of Farmers	Centre for Aromatic Plants	Setting up of Business	
4	Application for new connection LT / HT line – non domestic / industrial	Uttarakhand Power Corporation Limited	Setting up of Business	7 Days
5	Application for Water Connection	State Infrastructure and Industrial Development Corporation of Uttarakhand Limited	Setting up of Business	15 Days
6	Application for Water Connection	Uttarakhand Jal Sansthan	Setting up of Business	15 Days
7	Application for building plan approval	State Industrial Development Authority	Setting up of Business	30 Days
8	Application for Completion cum Occupancy Certificate	State Industrial Development Authority	Setting up of Business	15 Days
9	Consent to Establish under Water (Prevention and Control of Pollution) Act, 1974Occupancy Certificate	Uttarakhand Environment Protection and Pollution Control Board	Setting up of Business	30 days - Green Category 60 days - Orange Category 90 days - Red Category
10	Consent to Establish under Air (Prevention and Control of Pollution) Act, 1981	Uttarakhand Environment Protection and Pollution Control Board	Setting up of Business	30 days - Green Category 60 days - Orange Category 90 days - Red Category

Note: For more details, please visit www.investuttarakhand.com

Source: CAP, GoUK

POLICIES & INCENTIVES

INDICATIVE APPROVALS FOR SETTING UP BUSINESS

S No	Name of Service	Authority granting approval	Type of Requirement	Timeline (in Days)
11	Consolidated Consent & Authorization under Water Act, 1974, Air Act, 1981 & Authorization under The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016	Uttarakhand Environment Protection and Pollution Control Board	Starting Operations	30 days - Green Category 60 days - Orange Category 90 days - Red Category
12	Application for Pre-Establishment Fire NOC (National Building Code, 2005)	Uttarakhand Fire and Emergency Services	Setting up of Business	15 Days
13	Application for Pre-Operational Fire NOC (National Building Code, 2005)	Uttarakhand Fire and Emergency Services	Starting Operations	30 Days
14	Registration under GST (Uttarakhand Goods and Services Tax Rules, 2017)	Department of Commercial Tax	Setting up of Business	3 Days



CENTRAL GOVERNMENT INCENTIVES

Mission for Integrated Development of Horticulture*

S No	Scheme Components	Incentive Type	Pattern of Assistance
1	Plantation Infrastructure Development	Incentives for Hi-tech nursery (4 ha)	100% to public sector limited to INR 100 lakh/unit and in case of private sector, credit linked back-ended subsidy @ 40% of cost, subject to a maximum of INR 40 lakh/unit, for a maximum of 4 ha. as project based activity on prorata basis. Each nursery will produce a minimum of 50,000 numbers per hectare of mandated perennial fruit crops/ tree spices/ aromatic trees/plantation crops per year, duly certified for its quality
2		Incentives for Small Nursery (1 ha)	100% to public sector and in case of private sector, credit linked back-ended subsidy of cost, subject to a maximum of INR 7.50 lakh/unit, as project based activity. Each nursery will produce a minimum of 25,000 numbers of mandated perennial vegetatively propagated fruit plants/tree spices/plantation crops per year, aromatic plants, duly certified for its quality.
3	Establishment of new gardens (Area expansion - for a maximum area of 4 ha per beneficiary)	Incentives for Spices (For a maximum area of 4 ha per beneficiary)	Seed spice and Rhizomatic spices: Maximum of Rs. 12,000/- per ha. (50% of cost) for meeting the expenditure on planting material and cost of material for INM/ IPM etc.). Perennial spices (black pepper, cinnamon, clove and nutmeg): Maximum of Rs. 20,000/- per ha (@50% of cost) for meeting the expenditure on planting material and cost of material for INM/ IPM etc.
		Incentives for Aromatic Plants (For a maximum area of 4 ha per beneficiary)	Cost intensive aromatic plants (patchouli, geranium, rosemary, etc.): 50% of cost, subject to a maximum of INR 40,000/- per ha, for meeting the expenditure on planting material and cost of material for INM/IPM etc. Other aromatic plants: 50% of cost, subject to a maximum of INR 16,000/- per ha, for meeting the expenditure on planting material and cost of material for INM/IPM etc.

* [http://midh.gov.in/tmnehs/writereaddata/MIDH_GL\(E\).pdf](http://midh.gov.in/tmnehs/writereaddata/MIDH_GL(E).pdf)

CENTRAL GOVERNMENT INCENTIVES

Development of Commercial Horticulture through Production and Post-Harvest Management under National Horticulture Board*

S No	Scheme Components	Incentive Type	Pattern of Assistance
1	Production related components	Assistance to credit linked projects relating to establishment of hi-tech, commercial production units of Aromatic & Medicinal Plants	@ 20% of the total project cost limited to Rs 30.00 lakh in NE Region, Hilly and Scheduled areas. However, for capital intensive and high value crops under protected cultivation and open air cultivation of date palm, olive and saffron subsidy will be @ 33% of project cost with ceiling of Rs.60 lakh
2	PHM/Primary Processing related components	Assistance to credit linked projects relating to essential oils, perfumery and cosmetics out of horticulture products	Credit linked back-ended subsidy @ 55% of the total project cost limited to Rs 60 lakh per project in general area



CENTRAL GOVERNMENT INCENTIVES

Central Sector Scheme on Conservation, Development and Sustainable Management of Medicinal Plants

S No	Scheme Components	Incentive Type	Pattern of Assistance
1	In-situ Conservation ⁶	Grant-in-aid for Setting up of Medicinal Plants Conservation and Development Areas (MPCDAs)	100% central assistance @ 20,000/- per ha
2		Grant-in-aid for up-gradation / reviewing / strengthening of previously designated Medicinal Plants Conservation Area (MPCA) which were established more than three years ago under NMPB or other schemes in various states	Assistance @ 5,000/- per ha
3	Support to Joint Forest Management Committees (JFMCs) / BMCs / Van Panchayats etc. ⁷	Grant-in-aid	Assistance limited to a maximum of Rs.15.00 lakhs per JFMC / Van Panchayats / BMCs
4	Research and Development ⁸	Financial assistance to carrying out high-priority conservation projects lasting between 3 and 5 years.	100% assistance for R&D Institutions/Universities in the public sector/Government aided college's etc. 50% assistance for organizations/labs/Institutions in private sector

6. http://www.nmpb.nic.in/sites/default/files/Conservation/Conservation_1_In_situ_Conservation_PDF.pdf
7. http://www.nmpb.nic.in/sites/default/files/Conservation/Conservation_3_JFMC%E2%80%99s_SHGs_BMCs_PDF1.pdf
8. http://www.nmpb.nic.in/sites/default/files/downloads/Research_&_Development.pdf
9. http://www.nmpb.nic.in/sites/default/files/IEC/IEC_Activities-PDF.pdf

CENTRAL GOVERNMENT INCENTIVES

S No	Scheme Components	Incentive Type	Pattern of Assistance
5	Information, Education and Communication (IEC) Activities ⁹	Reimbursement of expenditure incurred by the organizations for participation in fairs etc	Reimbursement of up to 1.00 Lakh for state level, Rs. 2.00 Lakhs for National level and Rs. 3.00 Lakhs for international level. For private organizations including Industry, the cost would be limited to 50% of the above or the actual expenditure whichever is less (which includes Travel, Accommodation, hire charges, stall fabrication, publicity, etc) will be reimbursed
6	Information, Education and Communication (IEC) Activities	Incentives for Organizing Seminar/Workshop/ Conferences/Exhibition/Arogya Fairs at district, regional, state, national and international level for promotion and awareness of medicinal plants	Rs. 1.00 Lakh for organizing district level event, Rs. 2.00 lakh for State, Rs. 3.00 Lakhs for regional level, Rs. 5.00 Lakhs for National level and Rs. 10.00 Lakhs for international level event.
7		Publication of Periodicals/Magazines and Newsletters	100% assistance in project mode
8		Incentives for Training and Capacity Building	Rs. 2,000/- per trainee for a minimum of two days with in the state and Rs. 5,000/- per trainee out side the state will be provided which will include exposure visits. For officers training/exposure visit within the State Rs. 5,000/- per trainee and outside their state the cost will be limited to Rs. 10,000 per trainee.

CENTRAL GOVERNMENT INCENTIVES

S No	Scheme Components	Incentive Type	Pattern of Assistance
9	Herbal Gardens ¹⁰	Incentives for Home Herbal Gardens	Financial assistance of Rs. 2500/- per Home Herbal Garden including cost of raising seedling, transportation, awareness raising, documentation, development, dissemination and use of publicity material, folk theatre, special campaigns, etc.
10		Incentives for School Herbal Garden	Assistance @ Rs.25,000/- per school for an area of 500 sq. m. First year for establishment and up to Rs.7,000/- per annum per school as maintenance cost for the next four years
11		Incentives for Institutional / Public Herbal Gardens	Activities supported would include land development, site protection, setting up irrigation facilities and procurement of basic planting material, laying of beds, planting, initial maintenance, signage's, walking trails etc.@Rs.3 lakhs per ha. for establishment. Thereafter annual maintenance of the Herbal Garden @ Rs. 60,000/- per year per ha. for a maximum of four years.
12		Support for establishing nursery as a part of any project proposal will be provided	For creation of nursery covering an area of 1 ha Rs. 6.25 Lakhs per unit to be given in two instalments. The assistance will be to the extent of 100% to public sector/SHGs and 50% of the cost subject to a ceiling of Rs.3.125 Lakhs in private sector
13	Bilateral/International cooperation and collaboration with International Agencies ¹¹	Reimbursement of expenditure incurred by the Industry organizations for participation in international exhibitions/ fairs etc.	Reimbursement would be limited to 50% of the expenditure or Rs. 3.00 lakhs whichever is less. Other activities will be supported in project mode with 100% assistance to Public Sector and 50% of the project cost to the private sector.

10. http://www.nmpb.nic.in/sites/default/files/Herbal_Garden_Guidelines_for_Website.pdf

CENTRAL GOVERNMENT INCENTIVES

NATIONAL AYUSH MISSION*

S No	Scheme Components	Incentive Type	Pattern of Assistance
1	Model Nurseries	Incentives for development of model nurseries under the public as well as private sector.	For model nurseries in the private sector the assistance will be 50% of the cost subject to a maximum of Rs. 12.50 lakhs per unit through public sector banks.
2	Small Nurseries	Incentives for development of small nurseries under the public as well as private sector.	Small nurseries would cost Rs. 6.25 lakhs per unit. The assistance will be to the extent of 100% of the cost for the Public sector / SHGs and 50% of the cost subject to a ceiling of Rs. 3.125 lakhs for the nurseries in the private sector through public sector banks.
3	Small Nurseries	Quality testing, certification and insurance	The growers will be entitled to 50% of the testing charges subject to a maximum of Rs. 5000 if the herbs/medicinal plants are tested in AYUSH/NABL accredited Laboratories
4		Certification	Certification charges will be admissible on a group basis to the limit of Rs. 5 lakhs for 50 hectares of cultivation in groups/clusters.
5	Cultivation	Incentives for species that are highly endangered and in high demand by AYUSH industry	75% of the cost of cultivation
6		Incentives for species that are endangered and sources of supply are declining	50% of the cost of cultivation
7		Incentives for other species in demand by AYUSH industry and for exports	30% of the cost of cultivation

*http://www.nmpb.nic.in/sites/default/files/downloads/4197396897-Charakasamhita_ACDP_english_0.pdf

CENTRAL GOVERNMENT INCENTIVES

S No	Scheme Components	Incentive Type	Pattern of Assistance
8	Post-Harvest Management	Incentives for Drying sheds	100% assistance for Govt. / Semi-Govt. / Public Sector and 50% for SHGs / Cooperatives/ Private sector
9		Incentives for Storage godowns	100% assistance for Govt. / Semi-govt. / Public Sector and 50% for SHGs / Cooperatives/ Private sector
10	Processing And Value Addition	Incentives for Marketing infrastructure	Project based. 100% assistance to Public Sector and 50% assistance to Private Sector /SHGs / Cooperatives



*http://www.nmpb.nic.in/sites/default/files/downloads/4197396897-Charakasamhita_ACDP_english_0.pdf

STATE GOVERNMENT BENEFITS & INCENTIVES

State has been divided into following five categories under MSME Policy 2015 for the purpose of quantum of incentives/subsidies:

Category	Regions Included
Category A	▶ Whole Districts of Pithoragrah, Uttarkashi, Chamoli, Champawat, Rudraprayag and Bageshwar
Category B	▶ Whole District of Almora ▶ All hilly development blocks of District Pauri Garhwal, Tehri Garhwal (Excluding regions under category B+) ▶ All hilly development blocks of District Nainital and Dehradun (Excluding regions under category B+)
Category B+	▶ Kotdwar, Sigaddi and adjoining plain regions of Dugadda development block of district Pauri Garhwal ▶ Dhalwala, Muni Ki Reti, Tapovan and adjoining plain regions of Fakot development block of District Tehri Garhwal ▶ Kotabagh development block of District Nainital ▶ Plain regions of Kalsi development block of District Dehradun
Category C	▶ Regions located above 650 mtrs from sea level in Raipur, Sahaspur, Vikasnagar and Doiwala development blocks of District Dehradun ▶ Ramnagar and Haldwani development blocks of District Nainital
Category D	▶ Whole Districts of Haridwar and UdhamSingh Nagar ▶ Remaining area of District Dehradun and Nainital (which are not included in category 'B', 'B+' and 'C')

Under Mega Industrial and Investment Policy 2015, the state has been divided into following categories for the purpose of quantum of incentives/subsidies

Category	Regions Included
Large projects	▶ Investments of INR 50 Cr.to 75 Cr.
Mega Projects	▶ Investments of INR 75 Cr.to 200 Cr.
Ultra-Mega Projects	▶ Investments above 200 Cr.

STATE GOVERNMENT BENEFITS & INCENTIVES

	MSME Policy 2015
Interest Subsidy	5-10% maximum up to INR 3-8 lakhs depending upon the category
Capital Subsidy	15-40% Maximum up to INR 15-40 lakhs depending upon the category
Stamp Duty	50-100% Concession depending upon the category
SGST Concession	100% for the first 5 yrs and 75-90% thereafter depending upon the category
Power Bill Rebate	Sanctioned Load upto 100 KVA: 100% for 5 yrs and 60-75% thereafter; If Load>100 KVA: 50-60% depending upon the category
State Transport Subsidy	5-7% of Annual Turnover (Per year/ unit) depending upon the category or Inbound/ Outbound Logistics Cost whichever is less
Internet Charges	50% Reimbursement on internet usage charges for all categories
Quality Certification	Reimbursement of cost incurred for carrying out standardization and quality certification of products by accredited institutions at national and international level by means of ISI marking, registration of copyright, trade marking etc. - 75% (maximum Rs. 1 lacs)

Mega Industrial & Investment Policy 2015	
Interest Subsidy	7% for 5 years Investment – Interest 50-75 Cr – 25L Max 75-200 Cr – 35L Max >200 Cr – 50L Max
SGST Concession*	Large: 30% ; Mega / Ultra Mega: 50%
Stamp Duty	50% Exemption
Land Registration Fee	Land registration fee @1/- per 1000/-

*The SGST after adjustment of ITC on sale of finished product (B2C) will be reimbursed from the date of commencement of production of the unit

STATE GOVERNMENT BENEFITS & INCENTIVES

	Mega Industrial & Investment Policy 2015
ETP Subsidy	30% (up to 50 lacs)
Extra Employment Subsidy	@ 500 P.M. per Male @700 P.M. per Female for a period of 10 years
Power Assistance	Rebate of 1/- per unit on the power bill and 100% rebate on electric duty for 7 years
Land Rates Rebate	Rebate of 15%, 25% and 30% on SIIDCUL prevailing land rate for Large, Mega and Ultra Mega Projects respectively



INCENTIVES TO FARMERS ON COST OF CULTIVATION OF AROMATIC CROPS

Central Sector Scheme on Conservation, Development and Sustainable Management of Medicinal Plants

S No	Aromatic crops	Subsidy/ ha. (Rs.)
1	Aromatic grasses (Lemongrass, Citronella etc)	20000.00
2	Rosemary	20000.00
3	Kalajeera	20000.00
4	Costus	12500.00
5	Mint (Peppermint, Spearmint, Bargamot)	36250.00
6	Damask Rose	46250.00
7	Geranium	25000.00

Other Incentives / assistance includes:

Planting Material	Providing free of cost planting material for cultivation of aromatic crops to the marginal farmers up to 5 Nali
Training Programme	Free of cost training at CAP on aromatic crop cultivation, distillation, marketing, quality assessment etc., is being provided to the farmers and growers
Awareness Programme	Organized free of cost different awareness programme in aromatic crop cultivation, distillation, marketing and quality assessment etc at farmers/growers field.
Processing & Distillation	Subsidy upto Rs. 10 lakhs (50% in plain areas and 75% in hilly areas) for the establishment of instrument/equipment, distillation unit etc necessary for the grading, drying, storage and processing (distillation) of aromatic crops will be given to the farmers/institutions/groups involving in the cultivation of aromatic plants in the state
Quality Assessment	50% discount on testing of aromatic produce/essential oil is being provided to the registered farmers
Distillation Unit	Farmers/ institutions/ groups involved in cultivation of aromatic crops & processing using distillation unit has been added in the schedule of agricultural tools / equipments
Buy Back Facility	Buy-back facility for 26 aromatic produce/ essential oils has been introduced
Exemption of Mandi Tax	Mandi tax exempted on Japanese Mint

KEY CONTACTS

MARKETING SUPPORT TO FARMERS AND MSP ON SELECTED AROMATIC PLANTS

- Aroma Bank of 50q oil storage capacities has been created for farmer's produce in CAP.
- A revolving fund has been created to provide minimum support price.
- Minimum Support Price (MSP) of 25 essential oils/ produce.

S. No.	Crops	MSP(Rs. /kg)	S. No.	Crops	MSP(Rs. /kg)
1	Lemongrass oil	1000.00	9	Geranium oil	12000.00
2	Citronella oil	1200.00	10	Caraway oil	5000.00
3	Palmarosa oil	2000.00	11	Cinnamon (Tejpat) Leaf oil	3000.00
4	Basil oil	950.00	12	Damask Rose oil	500000.00
5	Pepper mint oil	2000.00	13	Damask Rose flower	100.00
6	Chamomile Flower	350.00	14	Oregano Oil	8500.00
7	Tagetes oil	6000.00	15	Tulsi (Gratissimum & santum) Oil	4500.00
8	Artemisia oil	3500.00	16	Thyme Oil	1500.00

Table : Minimum Support Price (MSP) of 16 cultivated Aromatic Crops

S. No.	Himalayan Minor Essential oils	MSP(Rs./kg)	S. No.	Himalayan Minor Essential oils	MSP(Rs. /kg)
1	Lantana	7700.00	5	Eupatorium	6500.00
2	Surai	2400.00	6	Malta	1500.00
3	Gania grass	1100.00	7	Eucalyptus (Hybrida)	650.00
4	Artemisia vulgaris	4200.00	8	Wild Patchouli	4600.00

Table: MSP of 10 Himalayan Minor Essential Oils

INVESTMENT FACILITATION CENTRE - DIRECTORATE OF INDUSTRIES

Address	Investment Facilitation Centre C/o Directorate of Industries Industrial Area, Patel Nagar Dehradun, Uttarakhand – 248001
Website	https://www.doiuk.org
Email ID	ifc.uttarakhand@gmail.com
Toll Free	+91-135-2728227

CENTRE FOR AROMATIC PLANTS (CAP)

Address	Centre for Aromatic Plants (CAP) Industrial Estate, Selaqui, Dehradun, Uttarakhand – 248001
Website	http://capuk.in/
Email ID	cap.dun@gmail.com
Toll Free	+91-135- 2698305

HERBAL RESEARCH AND DEVELOPMENT INSTITUTE (HRDI)

Address	Herbal Research and Development Institute, Mandal, Gopeshwar, Chamoli (Dist.) Uttarakhand - 246401
Website	www.hrdiuk.org/
Email ID	director_hrdi@yahoo.in
Toll Free	+91-137 -2254273

Disclaimer: Centre for Aromatic Plants (CAP) and HRDI, Government of Uttarakhand has made every attempt to ensure the accuracy and reliability of the information provided in this document. However, the information is provided "as is" without warranty of any kind. The department periodically adds, changes, improves or updates the information in this document without any notice. For further clarification kindly get in touch with Centre for Aromatic Plants (CAP) and HRDI, Government of Uttarakhand.

Designed by **sanket**

Website– www.investuttarakhand.com | Email- ipfc@investuttarakhand.com | Toll free no-- 18002701213