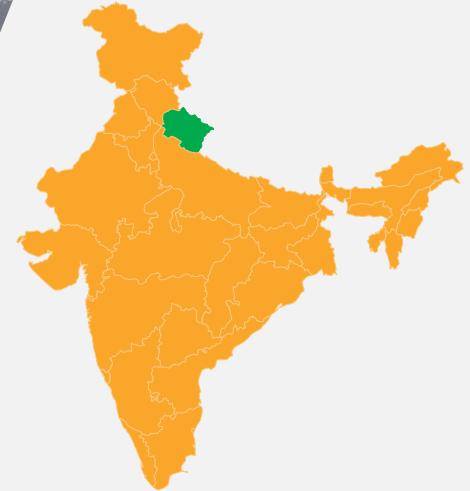


# KEDARNATH TEMPLE IN KEDARNATH, UTTARAKHAND

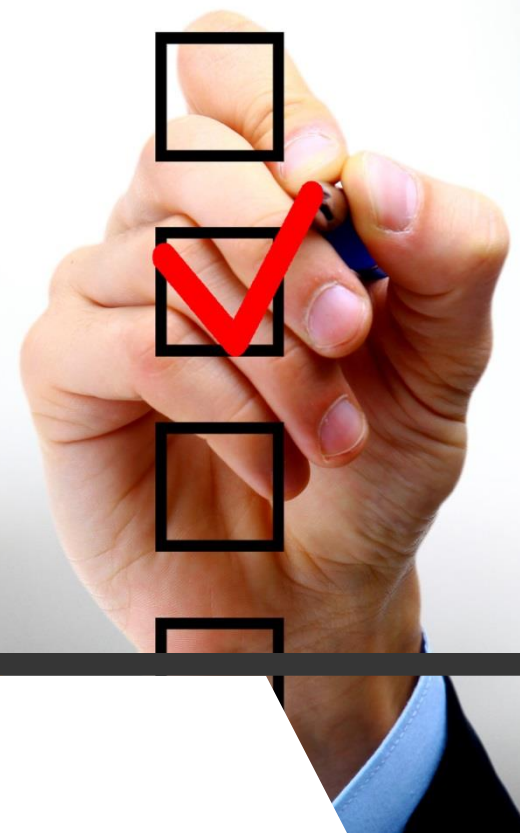


**UTTARAKHAND**  
THE SPIRITUAL SOVEREIGN OF INDIA



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# EXECUTIVE SUMMARY

## Evolving industrialisation facilitating growth

- Uttarakhand has witnessed massive growth in capital investments due to a conducive industrial policy and generous tax benefits. Therefore, Uttarakhand is one of the fastest growing states in India. The state's GSDP increased at a compound annual growth rate (CAGR) of 11.16 per cent between FY 12-18.

## Thriving tourism

- The state is situated in the foothills of Himalayas. The presence of several hill stations, wildlife parks, pilgrimage places & trekking routes make Uttarakhand an attractive tourist destination. In 2017<sup>(P)</sup>, domestic tourist inflow in the state were 34.36 million and foreign tourist visits had crossed over 0.13 million.

## Hydropower generation potential

- Uttarakhand is being developed as an 'energy state' to tap the hydropower electric potential of over 25,000 MW. As of November 2018, hydropower generation installed capacity in the state was recorded to be 1,815.69 MW.

## Forest sector on growth path

- Forest area covers about 71.05 per cent of the state. The state's GSVA from forestry and logging grew at a CAGR of 3.92 per cent between 2011-12 and 2017-18 to reach US\$ 534.78 million.

## Floriculture and horticulture

- Uttarakhand has almost all agro-geo climatic zones, which provide commercial opportunities for floriculture and horticulture. The state has 175 rare species of medicinal and aromatic plants.

*Note: P - Provisional*

*Source: Uttarakhand at a glance, 2014-15, Central Electricity Authority, Forest Department, Uttarakhand, Ministry of Tourism, Ministry of Statistics and Programme Implementation*

# INTRODUCTION





## Favourable location and abundant resources

- The state has close proximity to the national capital of Delhi, a leading market of the country and excellent connectivity with neighbouring states.
- Abundant natural resources due to hills and forests supporting tourism, and vast water resources favouring hydropower. Agro-climatic conditions support horticulture-based industries.

## Stable political environment

- The state has a stable political environment with successive governments that have been committed towards creating a progressive business environment.

## Advantage Uttarakhand

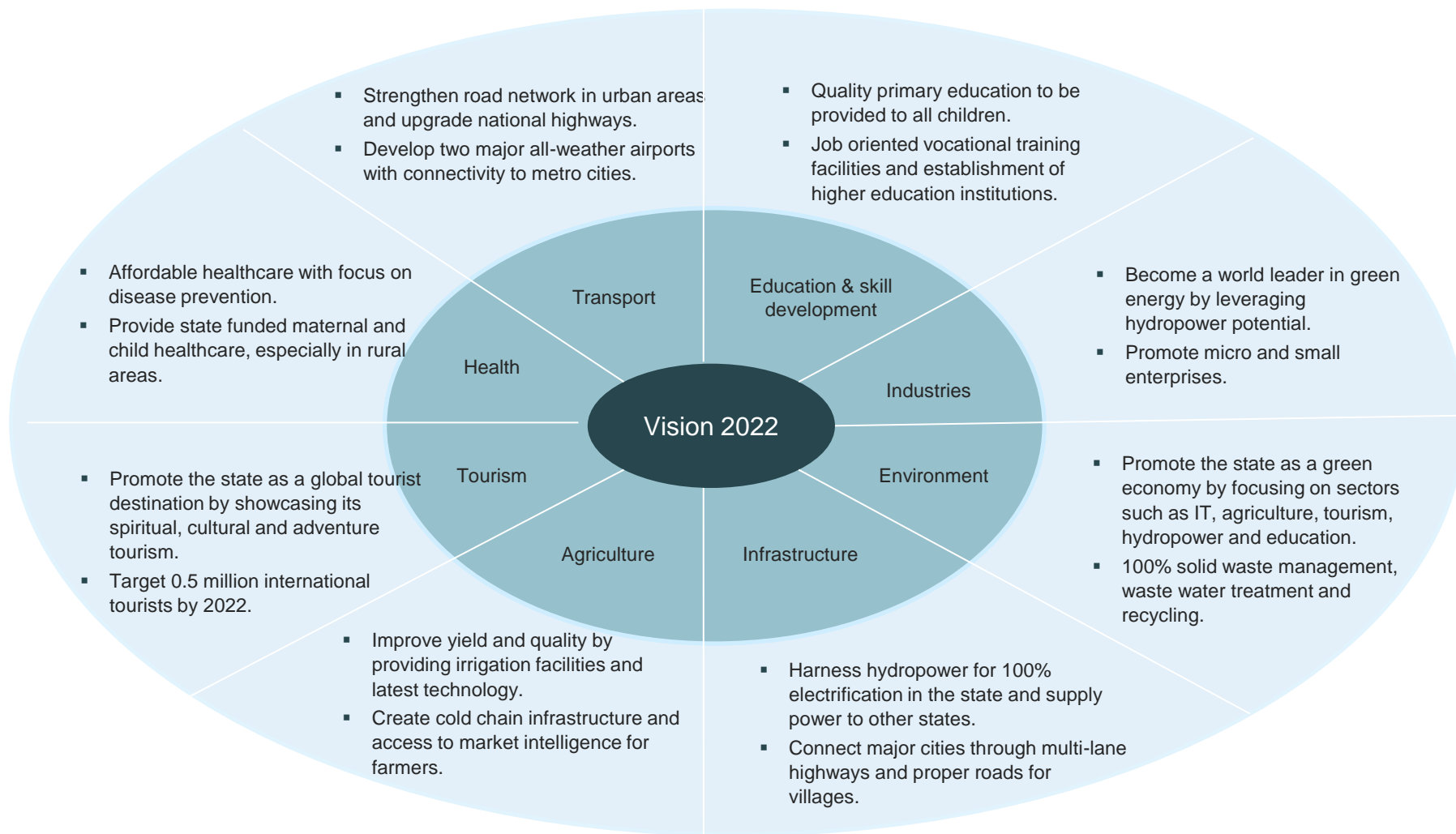
## Adequate labour pool

- The average literacy level is high. A large pool of talented human resources is available as Uttarakhand has some of the leading educational institutions in the country.
- Top-notch institutes, such as IIT Roorkee and IIM Kashipur, are located in the state.

## Policy and Infrastructure

- The state offers a wide range of benefits in terms of interest incentives, financial assistance, subsidies and concessions.
- Uttarakhand has a strong social and industrial infrastructure, virtual connectivity with over 39,000 km of road network, two domestic airports, 339.80 km of rail routes and an installed power capacity of 3,399.14\* MW.

Source: Central Electricity Authority, \* as of November 2018



Source: Confederation of Indian Industry



Source: Uttarakhand Government Portal  
(<http://uk.gov.in/images/map.jpg>)

- Uttarakhand is located at the foothills of the Himalayan mountain ranges. The state shares borders with China (Tibet) in the north & Nepal in the east & inter-state boundaries with Himachal Pradesh in the west & northwest & Uttar Pradesh in the south.
- Hindi, Garhwali & Kumaoni are commonly spoken in the state. English is the medium of education in many of its schools.
- Uttarakhand has diverse geographical features ranging from snow-capped mountain peaks in the north to tropical forests in the south; its climate & vegetation vary accordingly.

Source: Uttarakhand at a Glance, 2014-15, Directorate of Economics and Statistics

- The state was formed in November 2000 by carving out the 13 hill-districts of Uttar Pradesh. It was formerly named Uttaranchal.

Parameters	Uttarakhand
Capital	Dehradun
Geographical area (lakh sq. km)	53,483
Administrative districts (No)	24
Population density (persons per sq. km)	189
Total population (million)	10.1
Male population (million)	5.1
Female population (million)	4.9
Sex ratio (females per 1,000 males)	963
Literacy rate (%)	79.63

## Uttarakhand Contribution to Indian Economy (2017-18)

Parameter	Uttarakhand	India
GSDP as a percentage of all states' GSDP	1.30	100.00
GSDP growth rate (%)	11.25^	9.82
Per capita GSDP (US\$)	3,065	1,975

## Social Indicators

Parameter	Uttarakhand	India
Literacy rate (%)	79.63	74.04
Birth rate (per 1,000 population)	16.6	20.4

## Industrial Infrastructure

Parameter	Uttarakhand	India
Operational PPP projects (No) (December 2018)	34	3,111

## Physical Infrastructure in Uttarakhand

Parameter	Uttarakhand	India
Installed power capacity (MW) (November 2018)	3,399.14	346,619.37
Wireless subscribers (as of September 2018)*	64,550,774	1,169,291,183
Internet subscribers (mn)* (as of September 2018)	27.78	560.01
National highway length (km) (February 2018)	2,842	122,432
Airports (No)	2	125

## Investments (US\$ billion)

Parameter	Uttarakhand <sup>1</sup>	India
Cumulative FDI equity inflows between April 2000 – June 2018	0.680	389.721

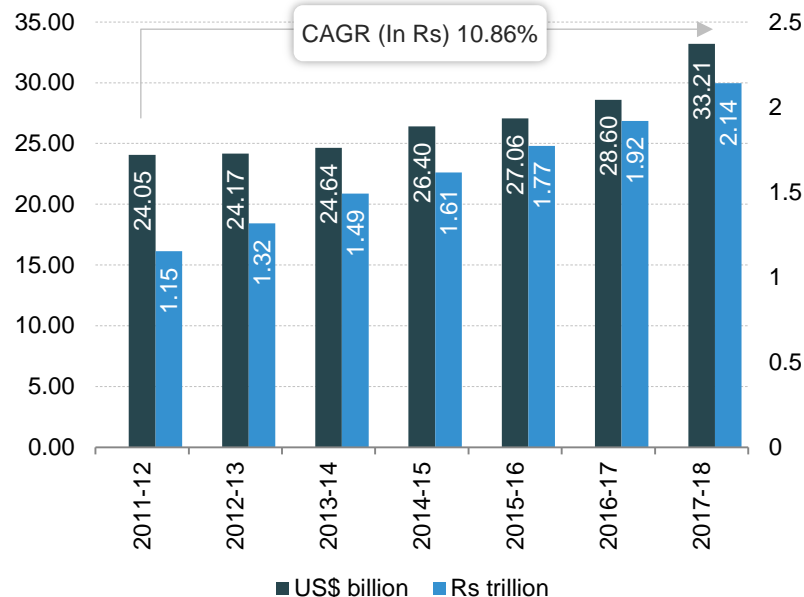
**Note:** ^GSDP growth in rupee terms, Public-Private Partnership, SEZ: Special Economic Zone, SRS: Sample Registration System, <sup>1</sup>Uttar Pradesh and Uttarakhand, \*Uttarakhand is included in Uttar Pradesh West telecom circle, For sources refer to annexure



# ECONOMIC SNAPSHOT

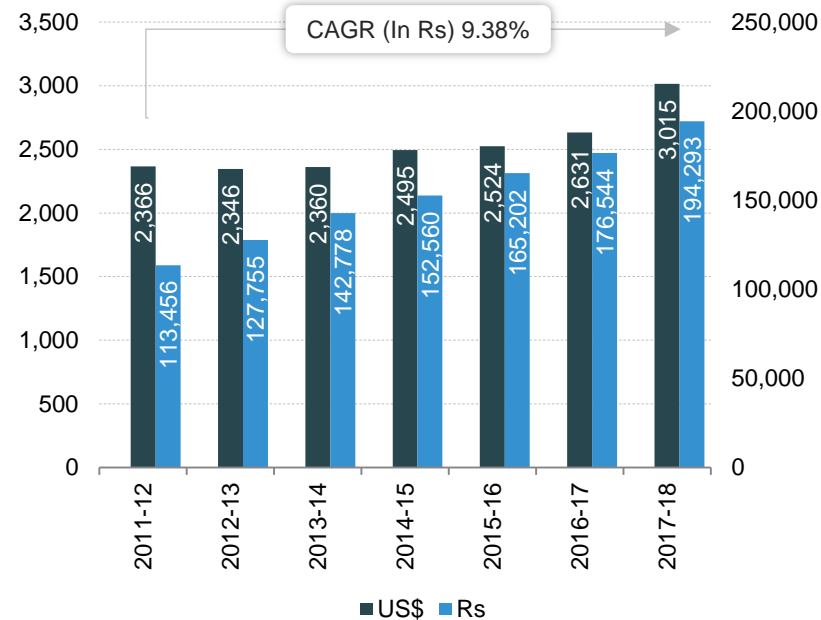


## GSDP at current prices



- At current prices, gross state domestic product (GSDP) of Uttarakhand stood at around Rs 2.14 trillion (US\$ 33.21 billion) in 2017-18.
- Between 2011-12 and 2017-18, GSDP of the state grew at a CAGR of 10.86 per cent.

## GSDP per capita at current prices

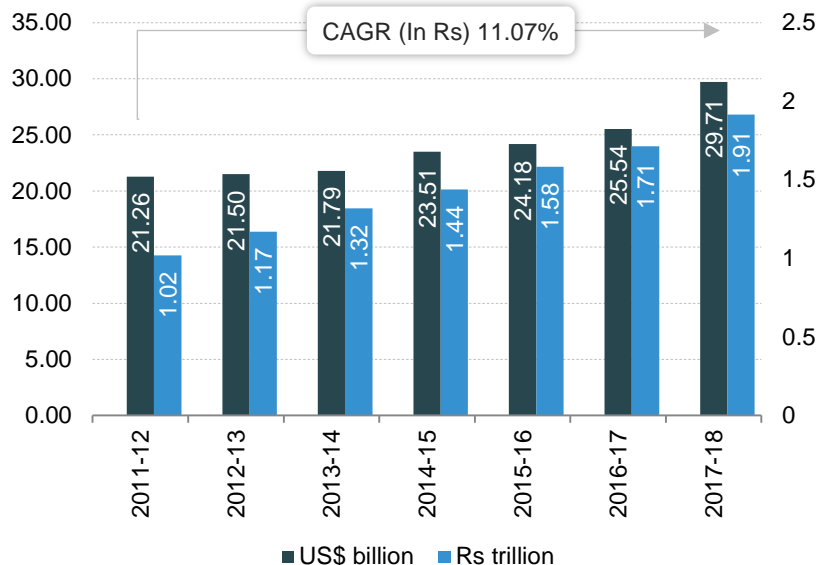


- In 2017-18, the state's per capita GSDP was estimated at around Rs 194,293 (US\$ 3,015).
- The per capita GSDP increased at a CAGR of 9.38 per cent between 2011-12 and 2017-18.

**Note:** Exchange rates used are averages of each year, provided on page 47

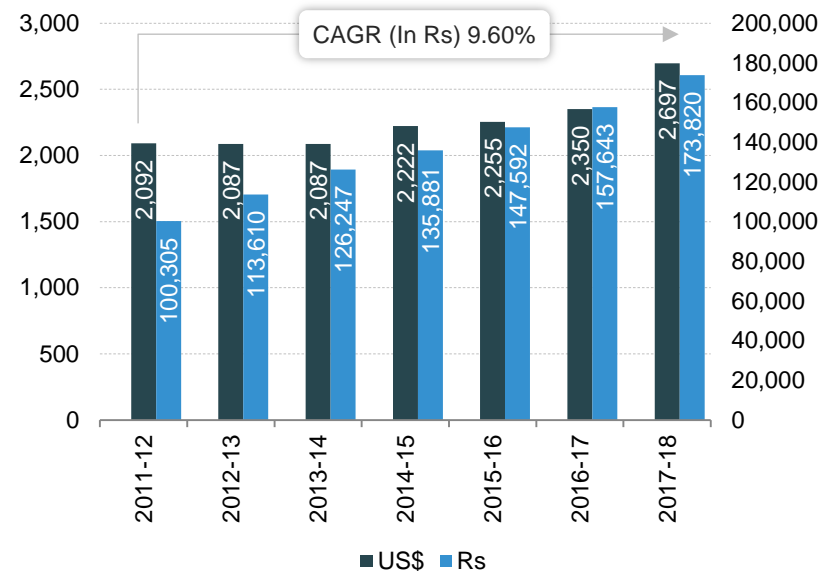
**Source:** Ministry of Statistics and Programme Implementation

## NSDP at current prices (in US\$ billion)



- At current prices, net state domestic product (NSDP) of Uttarakhand was around Rs 1.91 trillion (US\$ 29.71 billion) in 2017-18.
- NSDP of the state witnessed growth at a CAGR of 11.07 per cent between 2011-12 and 2017-18.

## NSDP per capita at current prices (in US\$)



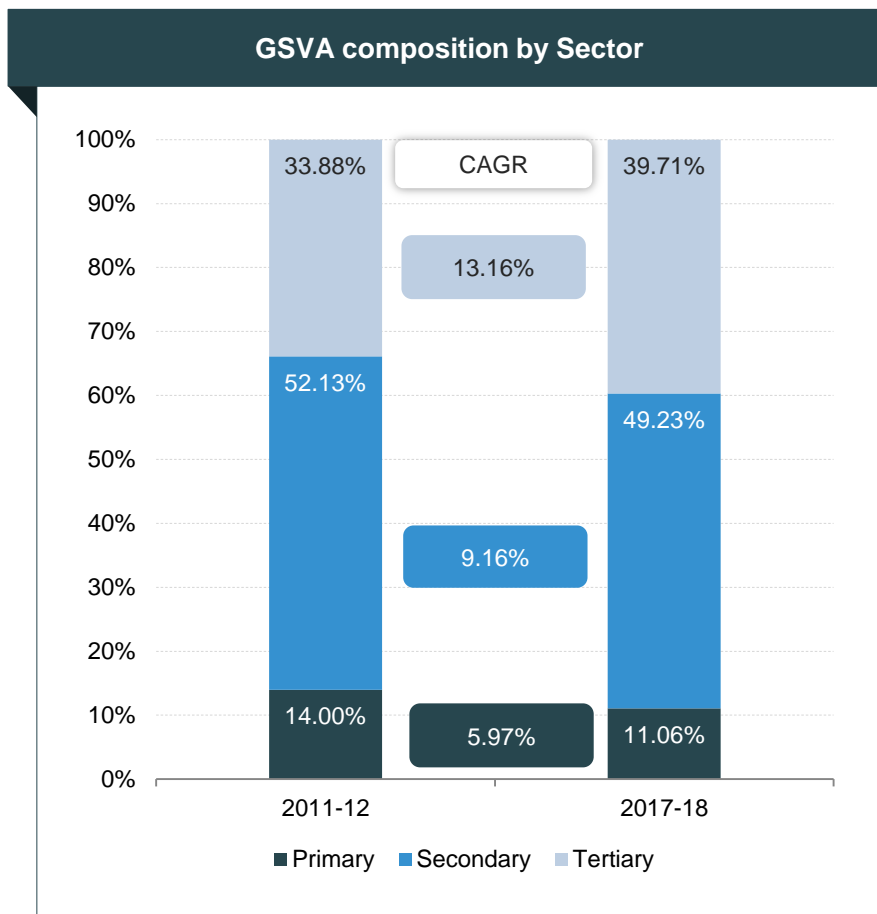
- In 2017-18, the state's per capita NSDP was about Rs 173,820 (US\$ 2,697).
- The per capita NSDP increased at a CAGR of 9.60 per cent between 2011-12 and 2017-18.

**Note:** Exchange rates used are averages of each year, provided on page 47

**Source:** Ministry of Statistics and Programme Implementation

# ECONOMIC SNAPSHOT – PERCENTAGE DISTRIBUTION OF GSVA

- During 2017-18, the tertiary sector's share in Gross State Value added was 39.71 per cent. Trade, hotels & restaurants are the largest sub-groups of the sector & registered strong growth in comparison with the previous year.
- The tertiary sector witnessed the fastest growth of 13.16 per cent, followed by the secondary sector (9.16 per cent) and primary sector (5.97 per cent) between FY12-18.
- The share of the secondary sector in GSVA was 49.23 per cent in 2017-18; majorly driven by the growth in the manufacturing sector.

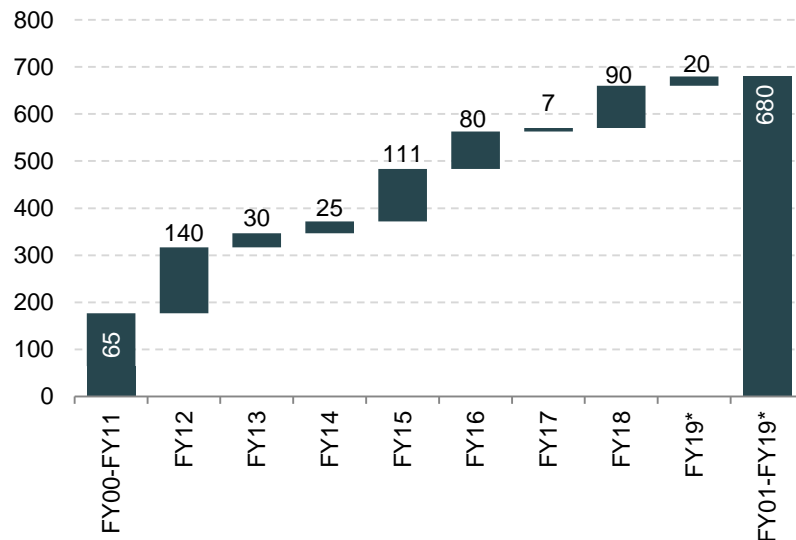


**Note:-** \* CAGR in Rs term, Exchange rates used are averages of each year, provided on page 47

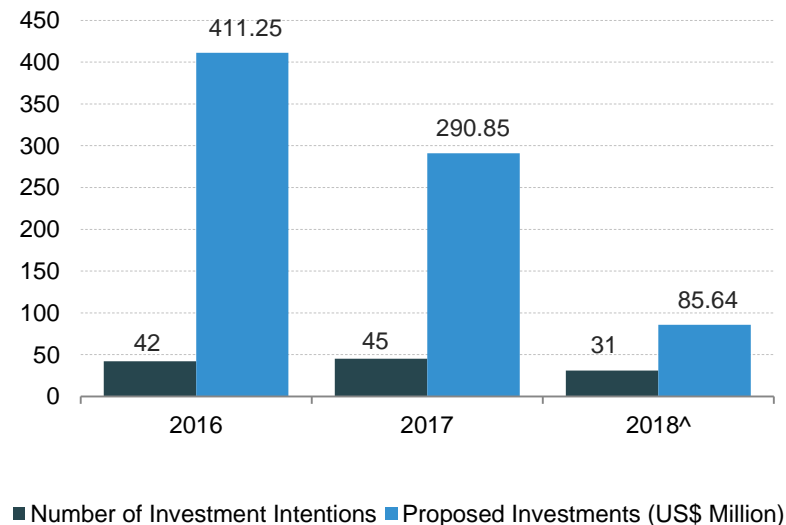
**Source:** Ministry of Statistics and Programme Implementation

# ECONOMIC SNAPSHOT – FDI INFLOWS & INVESTMENTS

**FDI Inflows in Uttarakhand (US\$ million)<sup>1</sup>**



**Investment intentions Filed in Uttarakhand**



- According to the Department of Industrial Policy & Promotion (DIPP), the cumulative FDI inflows, during April 2000 to June 2018, stood at around US\$ 680 million<sup>1</sup>.
- In 2018 (as of October), 31 Industrial Entrepreneurs Memorandums (IEMs) worth Rs 601 crore (US\$ 85.64 million) have been filed in Uttarakhand.
- Uttarakhand government has prepared 50 projects worth Rs 20,000 crore (US\$ 2.98 billion) to attract investors during 'Destination Uttarakhand: Investors Summit 2018', to be held in October.

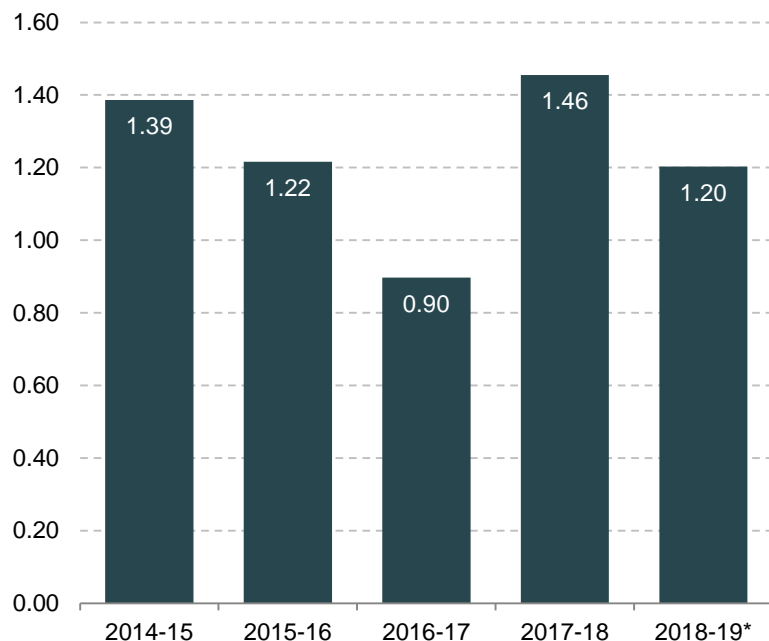
**Note:** \* - Data from April, 2000 to June 2018, <sup>1</sup>Uttarakhand is included in Uttar Pradesh West telecom circle, ^ up to October 2018

**Source:** Department of Industrial Policy & Promotion, <sup>1</sup>Including Uttar Pradesh

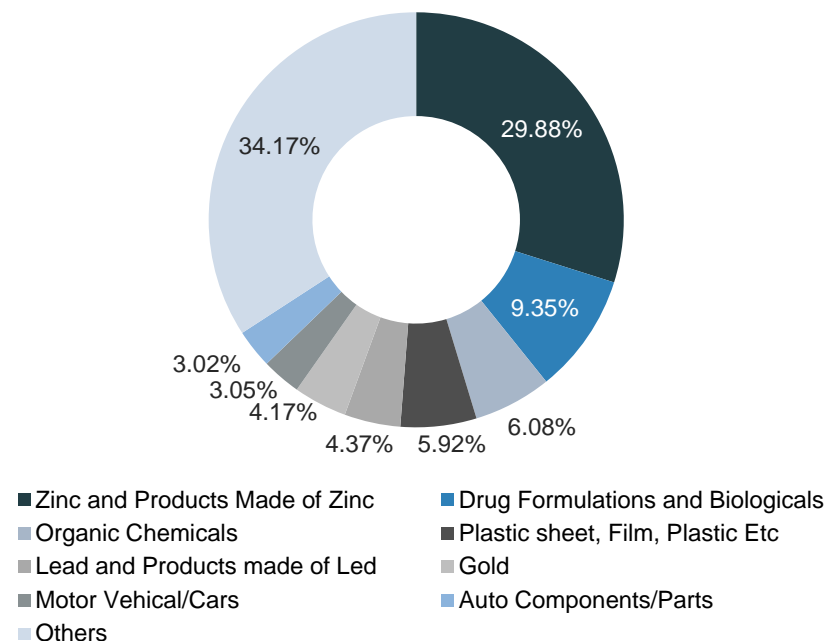


# ECONOMIC SNAPSHOT – UTTARAKHAND'S EXPORT TRENDS

**Export Trend (US\$ billion)**



**Composition of Major Item Exported (2017-18)**



- Total exports from the state stood at US\$ 1.46 billion during 2017-18 and US\$ 1.20 billion in April-September 2018.
- Major items exported from Uttarakhand are Zinc and Products Made of Zinc, Drug Formulations and Biologicals and Organic Chemicals etc.
- During 2017-18, total exports of Zinc and Products Made of Zinc from Uttarakhand stood at US\$ 434.82 billion which was 29.88 per cent of the total exports.

**Note:** \* up to September 2018

**Source:** Directorate General of Commercial Intelligence and Statistics

# PHYSICAL INFRASTRUCTURE



# PHYSICAL INFRASTRUCTURE – ROADS

- PWD, BRTF, local bodies & the prominent authorities in the state for the maintenance of roads.
- As of November 2018, 2,655 habitations were eligible under Pradhan Mantri Gram Sadak Yojana (PMGSY), out of which 1,754 were cleared and further 1,194 habitations were connected.
- As of June 2018, 44 road project works have been completed in the state under PMGSY.
- Under State Budget 2018-19, an amount of Rs 2,053.92 crore (US\$ 317.26 million) was allocated for Roads and Bridges Department.



Source: Maps of India

## Fund Allocation

	CRF (US\$ million)	
	Accrual	Release\$
2014-15	5.95	3.96
2015-16	6.50	0.07
2016-17	16.09	2.12
2017-18*	14.34	12.86

Year	Personal Vehicles	Professional Vehicles	Total Vehicles
2000-01	333,433	30,483	363,916
2009-10	930,820	81,268	1,012,088
2016-17	2,083,313	168,808	2,252,121
2017-18 (up to December 2017)	2,077,605	371,342	2,448,947

**Note:** \$ - Release may be more than Accrual of current year due release of unspent balance of previous years, \* As per data release on 02<sup>nd</sup> August 2018, CRF - Central Road Fund.

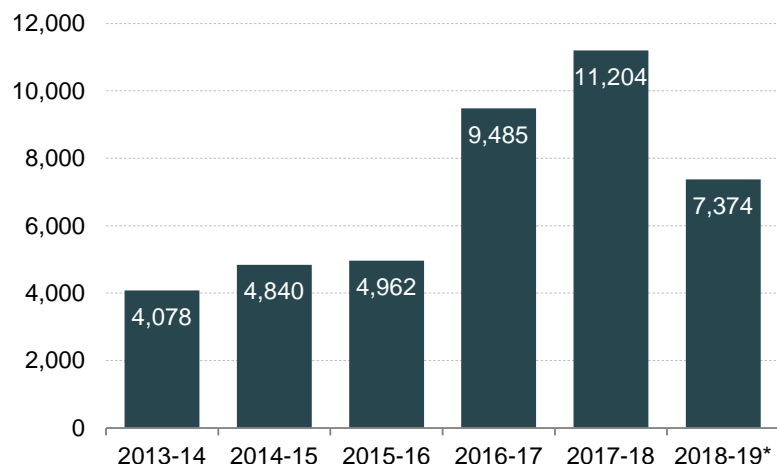
**Source:** Ministry of Road Transport & Highways, NHAI, State Transport Department, State Budget, Hindustan Times

- The main railway stations in the state are Dehradun, Haridwar, Roorkee, Kotdwar, Kashipur, Udham Singh Nagar, Haldwani, Ramnagar and Kathgodam
- Uttarakhand had 339.80 km of rail routes. The state is focusing on increasing the share of railways in cargo and passenger transport.
- Initiatives have been undertaken to start monorails at Dehradun, Haridwar and Rishikesh, on the inter-city linkage routes.
- Under State Budget 2018-19, an allocation of Rs 86 crore (US\$ 13.28 million) has been made for development of metro rail.
- Eight railway stations in the state have been identified for redevelopment by Government of India.

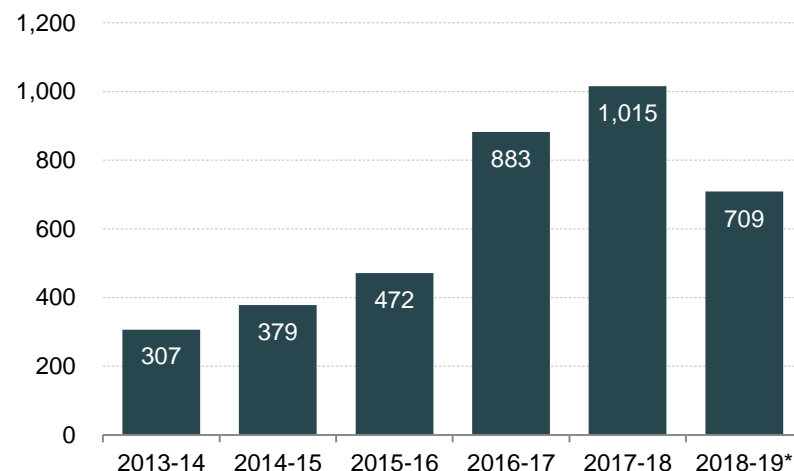


Source: Maps of India

Dehradun aircraft movement (nos.)



Dehradun passenger traffic ('000)



- The state has two domestic airports: one at Jolly Grant in the Dehradun district and another at Pant Nagar in the Udham Singh Nagar district. The state intends to position air transport as a reliable all-weather transport option for the hills.
- With Uttarakhand emerging as a hot tourist and industrial destination, the state government is focussing on upgrading the Jolly Grant airport as an international airport, in coordination with Airports Authority of India.
- In 2018-19\*, Dehradun airport handled 7,374 aircraft movements and 709,227 passengers .
- Under State Budget 2018-19, an amount of Rs 10 crore (US\$ 1.54 million) has been allocated for commencement of air services under UDAN scheme. Under the Centre's regional connectivity scheme, clearance has been given for two airports and 14 helipads.

**Note:** \* - from April to October 2018

**Source:** Airport Authority of India

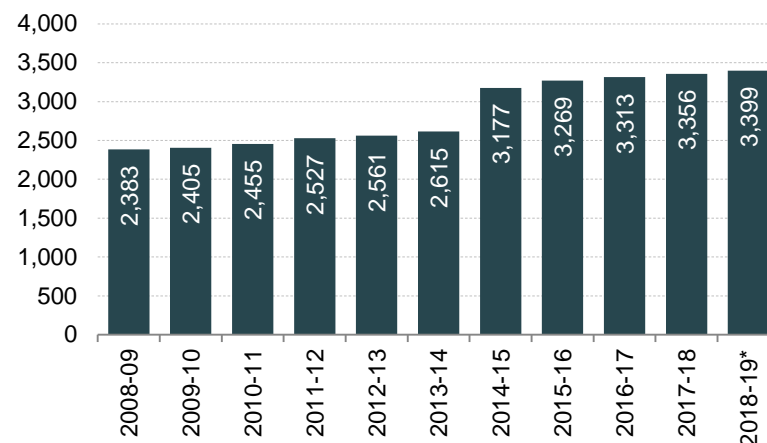


- As of November 2018, the state had total installed power generation capacity of 3,399.14 MW. Hydro (renewable) power contributed 1,815.69 MW to the total installed power generation capacity of the state, followed by thermal power with a contribution of 961.90 MW and 590.31 MW from renewable sources. Of the total installed power generation capacity, state utilities accounted for the largest share of 1,320.02 MW, followed by 1,159.44 MW under private utilities and 919.68 MW under central utilities.
- Power generation in the state for 2018-19<sup>^</sup> reached 11,468.32 GWH.
- As of April to November 2018, energy requirement in the state reached 9,390 million units.
- Uttarakhand Jal Vidyut Nigam Limited (UJVNL) controls the state's hydropower generation and the state's power sector is regulated by the Uttarakhand Electricity Regulatory Commission (UERC).
- Uttarakhand Government has laid down the foundation stone of the 60 MW Naitwar Mori Hydro Electric Project at Uttarkashi which is located on Yamuna river in Uttarakhand.

**Note:** \* as of November 2018, ^from April to November 2018

**Source:** Central Electricity Authority

**Installed power capacity (MW)**



**Structure of power utilities of Uttarakhand**

Activity	Company name
Power generation	Uttarakhand Jal Vidyut Nigam Limited (UJVNL)
Power transmission	Power Transmission Corporation of Uttarakhand Limited (PTCUL)
Power distribution	Uttarakhand Power Corporation Limited (UPCL)

- The state has a well-developed communication network including both wired and wireless connectivity. As per Telecom Regulatory Authority of India (TRAI), the state had 0.33 million wire-line subscribers and 64.55 million wireless subscribers, as of September 2018.
- All India Radio (AIR) plans to set up new transmitters with the aim to reach every nook and corner of the state's mountainous terrain.
- Uttarakhand State Wide Area Network (USWAN) is operational in the state. Some of the projects under Information Technology Development Agency (ITDA) Uttarakhand are National e-Governance Plan (NeGP) Capacity Building Project, Common Service Centre (CSC) and State Data Centre (SDC).

## Telecom Infrastructure\* (as of September 2018)

Wireless subscribers (million)	64.55
Wireline subscribers (million)	0.33
Internet subscribers* (million) <sup>1</sup>	27.78
Tele density^ (%)	70.36

## Performance Status of Bharat Net Project (as of July 2018)

No. of GPs in Phase-I	1,767
Optical Fibre Cable laid (km)^	3,530
GPs for which cable laid	1,524
Service ready GPs	1,483

**Note:** \* Uttarakhand included in UP West circle, ^Uttar Pradesh includes Uttarakhand, <sup>1</sup>As of June 2018, ^ as on 02th December 2018.

**Source:** Telecom Regulatory Authority of India

- In Government of India and Government of Uttarakhand and the World Bank signed US\$ 120 million Loan Agreement to improve access to Water Supply Services in the Hilly State of Uttarakhand.
- Focussing on urban development, the Uttarakhand government allocated an amount of US\$ 119.43 million in the 2018-19 budget.
- In April 2018, Asian Development Bank has agreed to provide Rs 1,700 crore (US\$ 263.77 million) to Uttarakhand, for the development of infrastructure and construction of sewerage treatment facilities in urban areas.

## Classification of AMRUT Cities (Funds allocated, committed and sanctioned by central) (US\$ million)

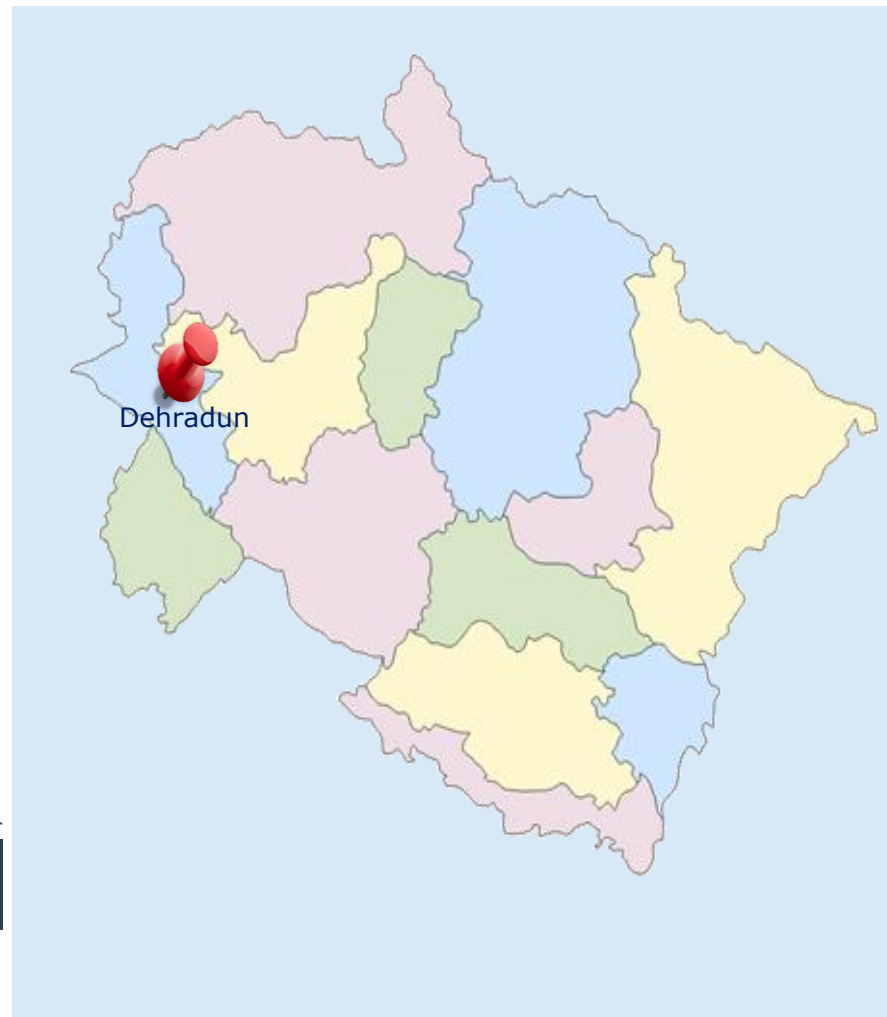
	Total Allocation	Committed	Sanctioned
Fund under AMRUT Program*	92.01	82.81	82.81
Total number of AMRUT cities		7	

**Source:** Uttarakhand at a Glance, 2014-15, Directorate of Economics and Statistics, Government of Uttarakhand, JNNURM, Ministry of Urban Development

- The Government of Uttarakhand proposed 3 Smart Cities: Dehradun, Haridwar & Roorkee. Out of these, the central government approved only Dehradun to be developed as a smart city on the basis of urban population & the number of statutory towns.
- Dehradun will be the first smart city in the state and will be based on the city of Rio de Janeiro in Brazil. Under the model, all public services like transport, medical services, water, electricity and solid waste management will be IT-enabled through an Integrated Command and Control System (ICCS).
- In December 2015, the Mussoorie Dehradun Development Authority (MDDA) signed a Memorandum of Understanding (MoU) with Chinese stakeholders from Tongji University, China. The MoU is expected to be a move towards development of the Smart City Project in Dehradun.

## Smart City

City	Population	Area (sq. km)	Literacy rate
Dehradun	1,696,694	3,088	84.25%



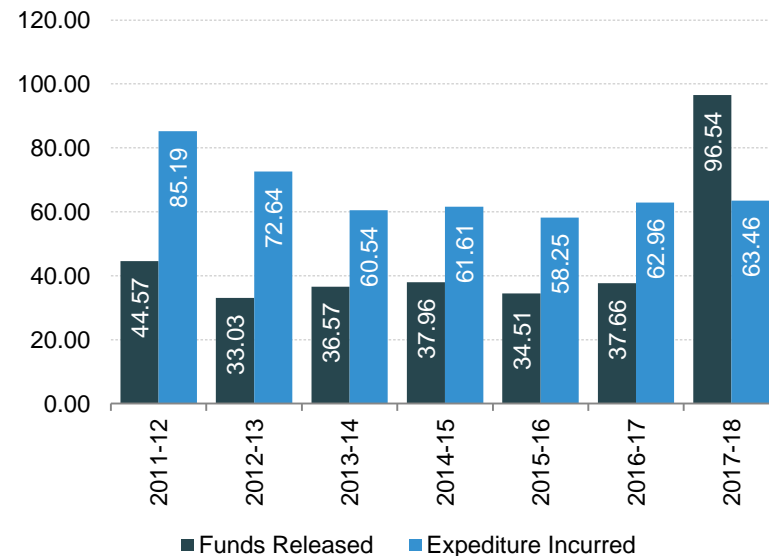
# SOCIAL INFRASTRUCTURE





- The state has 15,179 government schools with student enrolment reaching 754,816 and 4,469 private schools with 923,857 enrolments.
- To insure regular presence of teachers in schools, biometric machines have been installed in 190 state model schools under the first phase and installation is under progress for 1500 schools.
- At an estimated cost of US\$ 6.11 million, Sampark Smart Class programme was launched by the Government of Uttarakhand to improve the learning outcomes in Mathematics & English at primary level.
- For the growth of school education in the state, the Uttarakhand government has allocated US\$ 1,041.24 million under State Budget 2018-19.
- In order to boost medical education in the state, the Government of Uttarakhand has proposed to invest US\$ 44.50 million. The government is planning to introduce new medical and A.N.M colleges in the state.

**Allocation and release of funds under Sarva Shiksha Abhiyan (US\$ million)**



- As of 2017, Uttarakhand has 32 universities and 440 colleges and 158 Industrial Training Institutes.

*Source: Uttarakhand at a Glance, 2014-15, Directorate of Economics and Statistics, Government of Uttarakhand, Census 2011*

- Uttarakhand has a good network of hospitals & health centres. As of December 2018, the state had 1,918 Sub centres, 301 Primary health centres, 73 Community Health Centres, 47 Sub District Hospitals and 21 District Hospitals.
- Under State Budget 2018-19, an allocation of Rs 2,286.57 crore (US\$ 353.19 million) has been made for health and family welfare, AYUSH and medical education.
- The state government has started a process of setting up 15 ICUs in the 13 District Centre's present in the state and is planning to appoint 1,600 more doctors in hospitals and healthcare centres by March 2018.
- To function at an optimum level & improve the quality of healthcare services in all the 13 districts of the state, in March 2017, the World Bank signed US\$100 million credit agreement with the government.

## Hospitals in Uttarakhand (as of December 2018)

Type of Facility	No.
Sub centres	1,918
Primary health centres	301
Community health centres	73
Sub district hospitals	47
District hospitals	21
Total	2,360

## Health indicators (2016)

Birth rate <sup>1</sup>	16.6
Death rate <sup>1</sup>	6.7
Infant mortality rate <sup>2</sup>	38

**Source:** Directorate of Economics and Statistics, Government of Uttarakhand, Sample Registration System <sup>1</sup>Per thousand persons, <sup>2</sup>Per thousand live births

# INDUSTRIAL INFRASTRUCTURE



## Prime Minister's Employment Generation Programme (PMEGP) Schemes, fund allocation and utilisation

Year	Allocated (US\$ million)	Utilized (US\$ million)	Employment generated
2014-15	2.92	3.34	7,889
2015-16	2.96	2.70	6,161
2016-17	1.77	3.29	9,890
2017-18*	3.00	2.39	12,904
2018-19^			4,648

- Floriculture Chaffi is a Joint Venture between the Dutch government & Uttarakhand government to manufacture & process the planting material of flowers such as chrysanthemum, tulips, zantedeschia, liliun & gladioli.
- The alliance aims to reduce the reliance on imports of flower bulbs & meet the demand of cut-flower growers & exporters in India. The production facility in Bhimtal, equipped with Dutch machinery & technology, has an annual production capacity of 20 million flower bulbs. Moreover, the company can produce 2 million plants annually in the tissue culture laboratory.

## Industrial Estates in the State

Industrial Estates	Area (Acre)	Location
IT Park Dehradun	-	Dehradun
Pharma City, Selaqui Industrial Area	50	Dehradun
Integrated Industrial Estate	2,034	Haridwar
Integrated Industrial Estate	3,339	Pantnagar
Integrated Industrial Estate (Escort Farm)	311	Kashipur
SIIDCUL Phase II, Integrated Industrial Estate	1760	Sitarganj
Sigaddi Growth Centre	100	Kotdwar
IIE Bhimtal	-	Nainital
ESIPL Sitarganj	-	Sitarganj

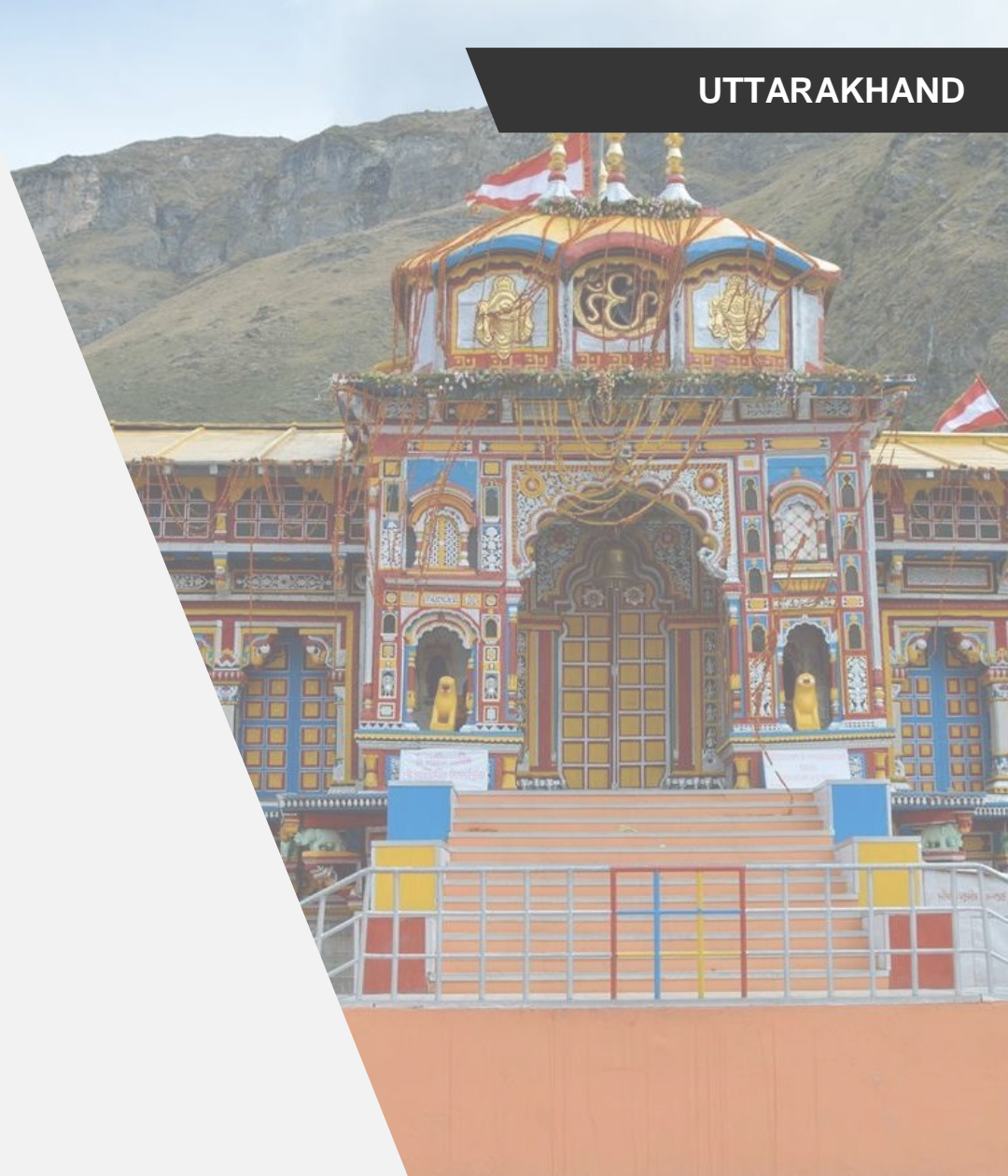
- Moreover, the establishment of new industries in Khurpia, Sitarganj, NEPA and Parag, has also been proposed by the state government in order to keep a check on migration from hills as well as for addressing and minimising the problem of unemployment, in the state.

**Note:** \* As on January 2018, ^As on June 2018.

**Source:** State Infrastructure and Industrial Development Corporation of Uttarakhand Limited, News article

# KEY SECTORS

- ❖ ICT Industry
- ❖ Agro and Food Processing
- ❖ Floriculture and Horticulture
- ❖ Tourism





- Information & Communication Technology (ICT) has received special attention from the state government & it has been accorded the status of an industry. Several initiatives have been taken to promote the ICT industry in Uttarakhand.
- With the establishment of the Software Technology Parks of India (STPI) earth station at Dehradun, Uttarakhand now offers high-speed connectivity. There are more such earth stations planned at other locations. Facilities by BSNL & Reliance are also available in the state.
- In 2002, incorporation of Information Technology & Industrial Development & State Industrial Development Corporation of Uttaranchal Ltd. (SIDCUL), as the nodal organisation to endorse the growth the IT sector of the state.

## Some of the key players

- Hiltron
- HCL Infosystems
- Wipro Infotech
- Modi Infotech Service

## KEY SECTORS – ICT INDUSTRY ... (2/2)

### Hiltron



- Hiltron initially worked to promote the development of electronics and allied industries and services in Dehradun, Uttarakhand.
- It functions as an IT and communication service provider to the state under the administrative control of the department of IT.

### HCL Infosystems



- HCL is among the largest vertically integrated IT manufacturing companies of India. It is the largest hardware, system integration, networking solutions and distribution company in India.
- It has its manufacturing facility at Rudrapur in the SIDCUL Industrial Estate, which has an overall capacity of 2 million personal computers per annum.

### Wipro Infotech



- Wipro Infotech is a division of Wipro Limited. It provides enterprise customers with high-value IT products, software services, solutions and consulting services in India and the Middle East.
- It has a unit at Kotdwar in Uttarakhand. The unit is spread over 5.8 acres of land with a built-up area of 75,000 sq ft.
- It has fully-automated production lines designed on lean manufacturing practices and houses product engineering and R&D labs for continuous innovation in products and processes.

### Modi Infotech Services



- Modi Infotech is located in Haridwar. It is involved in the business of website designing, software development, web-hosting, web-advertising, ERP solutions, e-commerce-based application development & educational segments of the IT market.

# KEY SECTORS – AGRO AND FOOD PROCESSING ...

## (1/3)

- Sugarcane, wheat, rice and potato are the key agricultural products of the state.
- For 2017-18, food grain production is targeted at 1.97 million tonnes.
- Sugarcane is the major crop produced in the state, with production of about 5.98 million tonnes estimated in 2017-18.
- The production of oilseeds and pulses during the year 2016-17 was estimated to be around 26,000 tonnes and 54,000 tonnes, respectively.
- The Central Government is going to provide Rs 1,500 crore (US\$ 231.69 million) for development of 'Organic Farming' in the state of Uttarakhand over 3 years. 10,000 new clusters are expected to be developed in this project.
- As of December 2018, 16 Agricultural Produce Market Committees (APMCs) are linked with the National Agriculture Market (eNAM) in the state.

Crops	Annual production in 2017-18 ('000 tonnes)
Rice <sup>^</sup>	663.0
Wheat*	877.0
Pulses	60.0
Onion <sup>1</sup>	41.88*
Tomato <sup>1</sup>	94.12*

Crops	Annual production in 2017-18 <sup>1</sup> ('000 tonnes)
Fruits	669.48
Spices	36.77
Vegetables	954.74

Kharif Crops	Production in 2018-19 ('000 tonnes)
Foodgrains	912.0
Oilseeds	15.8
Sugarcane	6,565.8

**Note:** <sup>(1)</sup>3<sup>rd</sup> advance estimates for 2017-18, \* as of November 2018, ^ As per 2nd Advance Estimates

**Source:** Indian Horticulture Database, National Horticulture Board, Directorate of Economics & Statistics, Department of Agriculture & Cooperation

# KEY SECTORS – AGRO AND FOOD PROCESSING ...

## (2/3)

- Many Agri-Export Zones (AEZs) have already been declared under the AEZ scheme of Government of India for products such as litchi, floriculture & horticulture, herbs, medicinal plants and basmati rice. A biotech park near Pant Nagar is coming up in the state.
- Uttarakhand has been included in the difficult area category by the Ministry of Food Processing Industry (MoFPI) and hence units being set up in Uttarakhand are also eligible for higher incentives under the scheme of MoFPI.
- Fruits such as apples, oranges, pear, grapes peach, plum apricot, litchi, mangoes and guava are widely grown in the state and therefore have immense potential for development of horticultural crops and processing units.
- In April 2018, the second mega food park was inaugurated at Mahuakhera Ganj village, Kashipur in Udham Singh Nagar district. M/s Himalayan Mega Food Park Private Ltd has been set up at Rs 99.96 crore (US\$ 15.51 million) and will benefit 25000 farmers and neighbouring districts.
- The state has one other food mega park based in Haridwar. These two mega food parks are anticipated to contribute US\$ 995.35 million to the GSDP of the state and expected to generate about 30,000 direct and 290,000 indirect employment opportunities in the state by 2018.
- The government is planning to develop Uttarakhand as a manufacturing hub for organically processed food units. Thus, it is inviting food processing companies to come and manufacture organic processed food units in the state.

### Status of food processing units in Uttarakhand

Total established units	28
Horticulture based units established under MM-IV of HMNEH	42

### Food parks in Uttarakhand

Name of the food park	Area (acres)	Plots (nos.)
Patanjali Mega Food Park Pvt. Ltd.	71.63	25
Himalayan Mega Food Park	50.14	23

Source: Uttarakhand State Portal, News Article

# KEY SECTORS – AGRO AND FOOD PROCESSING ...

## (3/3)

### Britannia Industries Ltd



- Britannia is one of India's leading food product companies, with an estimated 33.0% biscuit market share. The principal activity of the company is the manufacturing and sale of biscuits, bread, cakes and dairy products like cheese, butter and milk.
- It has a plant in the integrated industrial estate at Pantnagar. The plant is located in Integrated Industrial Estate (IIE), Pantnagar, and the project cost incurred was US\$ 12.5 million. The company employs almost 1,987 people nationwide.

### Nestle India Ltd



- Nestle is the world's largest and most diversified food company. It manufactures products under famous brand names such as Nescafe, Maggi, Milkybar, Kit-Kat and Bar-One.
- It has around 280,000 employees worldwide and 500 factories in about 77 countries.
- In 2006, Nestle India commissioned its seventh factory at Pantnagar in Uttarakhand.

### PepsiCo India



- PepsiCo established its business operations in India in 1989 and is one of the largest and fastest growing food and beverage businesses in India.
- It provides direct and indirect employment to over 285,000 people globally and has 38 beverage bottling plants and three food plants in India. There is a company-owned bottling plant in Bajpur, Uttarakhand, which has an installed capacity of 100,000 cases of soft drink per day.

### KLA Foods (India) Ltd



- KLA Foods (India) Limited is involved in international trading in agricultural commodities. The company diversified into exports of minerals and metals and is exporting large quantities of iron-ore to China.
- Their rice processing unit, located at Rudrapur in Uttarakhand, was founded in 1977.

# KEY SECTORS – FLORICULTURE AND HORTICULTURE ... (1/2)

- Uttarakhand has several agro-geo-climatic zones, making it particularly conducive to commercial horticulture and floriculture. The floriculture industry is being developed aggressively to meet the demands of domestic as well as foreign markets. The climate of the state makes it ideal for growing flowers around the year.
- Floriculture parks with common infrastructure facilities for sorting, pre-cooling, cold chain, processing, grading, packing and marketing facilities have been planned to provide adequate incentives and facilities to the industry.
- Production of loose flowers in the state increased to 2.07 MT in 2017-18\*.
- In January 2018, Oil and Natural Gas Corporation (ONGC) has started a project on Beekeeping in Uttarakhand with an aim for an employment generation and to promote a sustainable ecosystem in and around the wilderness of Jim Corbett National Park.

## Key player

- Uttarakhand Organic Commodity Board (UOCB)

*Note:* \* 1st advance estimates for 2017-18

*Source:* State Horticulture Mission,

## Policy / administrative measures in horticulture sector

- Uttarakhand University of Horticulture and Forestry was established in 2011. This University is continuously taking new initiatives in the fields of extension, research and certificate level courses for the benefit of staff as well as lay farmers.
- Single window system has been shaped in order to smoothen clearance of projects under schemes of Horticulture Mission for North East and Himalayan States, National Mission on Food Processing, National Horticulture Board and Agricultural and Processed Food Products Export Development Authority.
- A weather based crop insurance cover has been facilitated to the farmers producing apple, litchi, mango, tomato, potato and ginger.

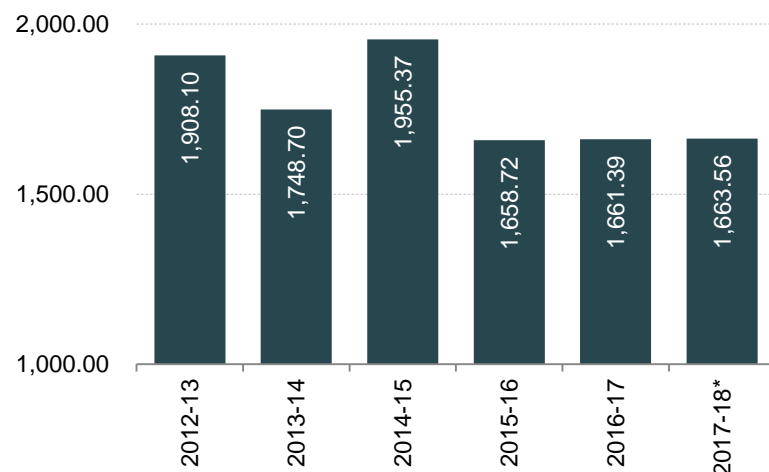
## Horticulture production ('000 MT) 2017-18\*

Fruits	669.48
Vegetables	954.74
Spices	36.77
Flowers (cut)	12.10
Honey	2.53

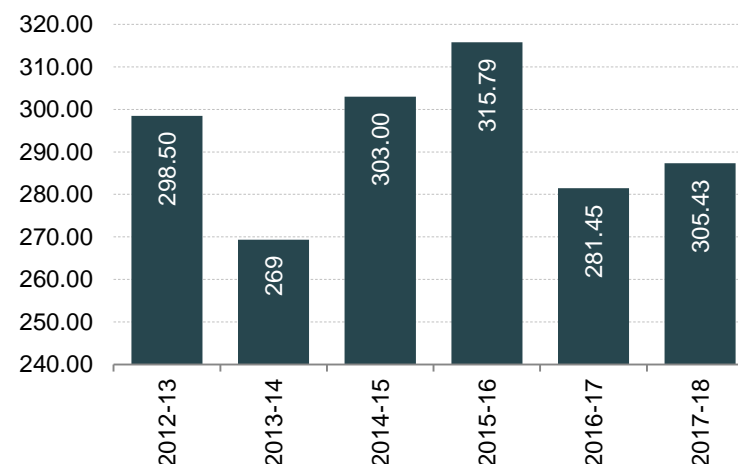


# KEY SECTORS – FLORICULTURE AND HORTICULTURE ... (2/2)

**Total horticulture crop production (in '000 MT)**



**Total horticulture crop production area (in 000'ha.)**



## Uttarakhand Organic Commodity Board (UOCB)



- The Uttarakhand Organic Commodity Board (UOCB) is a government body founded in 2003.
- It is supported by the state government and is located in the Dehradun.
- UOCB advises and assists the state government in the overall strengthening and implementation of the institutional set up. It is also engaged in the production, processing, marketing and promotion of organic farming in the state.
- The Board also focuses on promoting organic farming in the fields of land use – agriculture, horticulture, animal husbandry, dairy, sericulture, apiculture, floriculture, herbs and medicinal plants, tea, fisheries, forest and all related areas – for the promotion and development of organic farming in the state, and networks and liaisons with various department of the state.
- The Board provides training for organic farming to equip the farmers with the latest methods and make them aware about the potential market for the commodities.

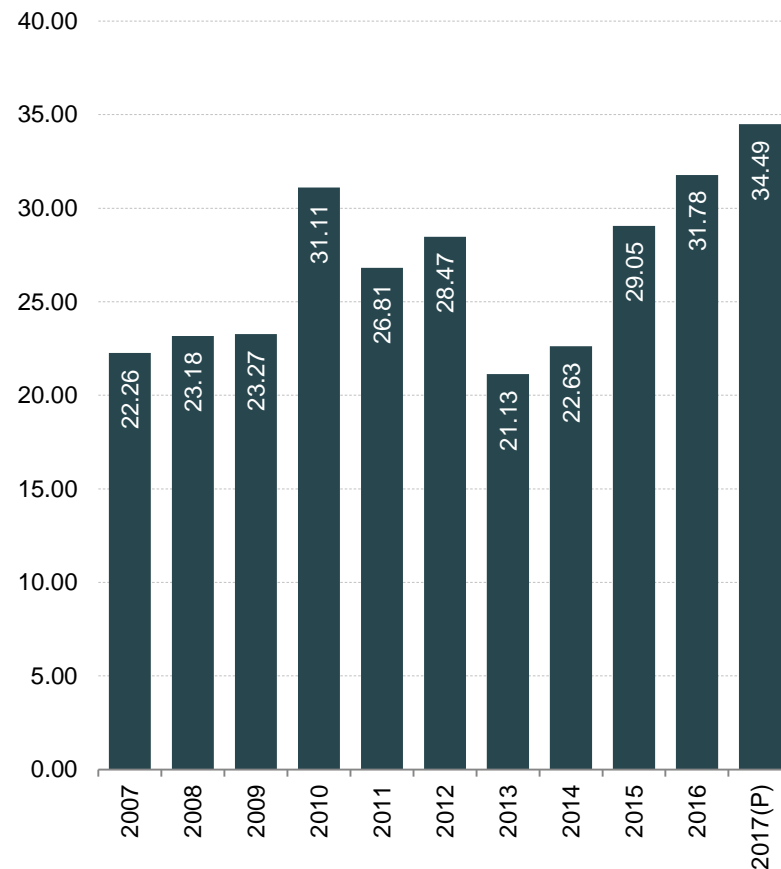
*Note: \* 3rd Advance Estimates*  
*Source: National Horticulture Board*

## KEY INDUSTRIES – TOURISM ... (1/2)

- Uttarakhand is a well-renowned religious and wildlife tourism destination. In 2017<sup>(P)</sup>, domestic tourist arrivals in the state were 34.36 million and foreign tourist arrivals had crossed over 0.13 million.
- About 21 new places in Uttarakhand that have the potential to become major tourist destinations. These places include Jageshwar, Baijnath, Saat Taal, Bhimtal, Patal Bhuvaneshwar, Chakori, Someshwar, Pithoragarh, Chakrata, Roopkund, Hanaul, Anson Barrage, Harshil, Dhanaulti and Dayara meadow. Jauljiwi in Kumaon and Tons in Garhwal division are planned to be developed as adventure tourism destinations.
- To promote adventure tourism, river rafting has been made tax free in the state.
- Uttarakhand Tourism Policy, 2016 was launched in 2016, which aims at developing the state's image as a safe, secure and friendly destination for tourists.
- The Government of Uttarakhand is also focusing on Gramin Paryatan Uthan Yojana to help villagers in generating products and services to promote tourism in the state.

**Note:** P - Provisional  
**Source:** Ministry of Tourism

**Tourist arrivals in Uttarakhand (in million)**



## KEY INDUSTRIES – TOURISM ... (2/2)

National parks/wildlife sanctuaries in Uttarakhand	Religious tourism in Uttarakhand	Main tourist centres in Uttarakhand		
Askot Sanctuary	Yamunotri	▪ Corbett	▪ Dhanaulti	▪ Chopta
Kedarnath Sanctuary	Gangotri	▪ Chakrata	▪ Ranikhet	
Valley of Flowers (national park)	Kedarnath	▪ Mussoorie	▪ Almora	
Nanda Devi National Park	Badrinath	▪ Bhimtal	▪ Chamba	
Rajaji National Park	Haridwar-Har ki Pauri	▪ Nainital	▪ Binsar	
Corbett National Park	Hemkund Sahib	▪ Lansdowne	▪ Pauri	
Govind Wildlife Sanctuary		▪ Valley of flowers	▪ Auli	
		▪ Kausani	▪ Mukteshwar	

- In January 2018, to boost tourism, Centre has launched the regional connectivity scheme as 'Udan' which will help the low income group people to fly easily affordable air fares.

*Source: Uttarakhand Tourism Development Board*

# KEY PROCEDURES & POLICIES



# SINGLE-WINDOW CLEARANCE MECHANISM

- The IT enabled single-window contract facility is available under a two-tier system:
  - The District Industrial Centres (DIC) at the district-level.
  - SIDCUL at the state-level.
- These centres are responsible for providing information and escort services to entrepreneurs. They also maintain a data bank. Single window mechanism increases the efficiency through time and cost savings for both the traders and the government. The mechanism offers one single platform wherein parties, involved in trade and transport, lodge information and the required documents at a single point of entry.
- The Government of Uttarakhand announced the implementation of single window clearance system in the MSME (medium, small and micro enterprises) policy introduced in 2015.
- In addition, the Uttarakhand state government introduced Uttarakhand Film Policy-2015 in October 2015, that aims at offering single window clearance or hassle free clearance to the requests or applications for shooting, tourism promotion, etc. For instance, the policy along with implementation of such mechanisms is expected to offer ease to the citizens and also generate employment opportunities.
- Approvals for establishment of ventures is given in 15 days and the deadline for approvals has been set at 30 days. All approvals are provided online.
- State government has proposed an investment plan of Rs 554.00 crore (US\$ 85.96 million) through single window system, which will result in employment generation opportunities for around 500 people.

# KEY INVESTMENT PROMOTION OFFICES ... (1/2)

Agency	Description	Contact information
State Infrastructure and Industrial Development Corporation of Uttarakhand Limited (SIDCUL)	<ul style="list-style-type: none"> <li>SIDCUL, a Government of Uttarakhand enterprise, was incorporated as a limited company in 2002. It has equity participation from the Union Bank of India (UBI), the Oriental Bank of Commerce (OBC) and Small Industries Development Bank of India (SIDBI).</li> <li>SIDCUL functions as the nodal agency of the state to administer all existing Government of India (GoI) and Government of Uttarakhand schemes for industrialisation and industrial promotion. The corporation provides the industrial units with the requisite information and guides them on the approvals needed for potential investors. It is a multipurpose company for industrial promotion investment and infrastructure development.</li> <li>The corporation's key aim is to promote industrial development in the state; provide financial assistance by way of debt, equity, or venture capital; develop infrastructure; and assist private initiatives in the industry. It also implements and manages projects and provides specialised consultancy for finances and construction. It allows the industries and infrastructure projects in the state to be developed either directly or through special purpose vehicles, joint ventures, and assisted companies, among others.</li> </ul>	<p>29, IIE (IT Park) Sahastradhara Road Dehradun-248001 Phone: 91-135-2708100, 2607292, 2608092 Fax: 91-135-2708 109 Website: <a href="http://www.sidcul.com">www.sidcul.com</a></p>
Uttarakhand Handloom & Handicraft Development Council (UHHDC)	<ul style="list-style-type: none"> <li>Uttarakhand Handloom &amp; Handicraft Development Council is a registered council constituted by the state government. The council acts as a facilitator to motivate, guide and organise artisans and provide common platforms for direct interactions between creators and connoisseurs, producers and buyers.</li> </ul>	<p>Directorate of Industries Industrial Area Patel Nagar Dehradun-248001 Uttarakhand Phone: 91-135-2728 227, 2728272 Fax: 91-135-2728 226 Website: <a href="http://www.uttarakhandcrafts.com">www.uttarakhandcrafts.com</a></p>



# KEY INVESTMENT PROMOTION OFFICES ... (2/2)

Agency	Description	Contact information
Industries Association of Uttarakhand (IAU)	<ul style="list-style-type: none"> <li>IAU is an apex body of small and medium scale industries of Uttarakhand. IAU is committed to the development of the state and its small entrepreneurs. It follows a two-tier system at the city-level and operates through the respective chapters. The thrust and focus of IAU is taking initiatives to help the existing industry and attract new industries in Uttarakhand.</li> </ul>	<p>Industries Association of Uttarakhand Mohabelwala Industrial Area Dehradun - 248110 Phone: 91-135-2640 530 Fax: 91-135-2643 382 E-mail: info@iauonline.in, iauuttarakhand@gmail.com Website: <a href="http://www.iauonline.in">www.iauonline.in</a></p>
Information Technology Development Agency (ITDA)	<ul style="list-style-type: none"> <li>The ITDA is an independent and autonomous body to guide and monitor various projects and provide expert inputs, monitor, evaluate and execute the state's IT initiatives and projects under the National e-Governance Plan (NeGP).</li> </ul>	<p>SIDCUL Building, 1st floor IT Park, Shasthradhara Road Dehradun, Uttarakhand Phone: 91-135-2708 122 Fax: 91-135-2708 174 Website: <a href="http://www.itda.uk.gov.in">www.itda.uk.gov.in</a></p>

# KEY APPROVALS REQUIRED

List of approvals and clearances required	Departments to be consulted
Prior to setting up the unit	
Registration	Industries Department
Allotment of land/shed	State Infrastructure and Industrial Development Corporation of Uttarakhand Limited (SIDCUL)
Power load approval for construction load	Uttarakhand State Electricity Department
Approval for construction of building activity under the Factories Act	Chief Inspector of Factories
No-Objection Certificate	Fire and Forest Departments
Provisional trade tax registrations	Central and State Excise Departments
Registration under the Central Sales Tax (CST) Act, 1956	Central and State Excise Departments
Before commencement of production	
Environmental clearances	Uttarakhand Environment Protection and Pollution Control Board
No-objection Certificate	Fire and Forest Departments
Permanent trade tax Registration	Trade Tax Department
Registration under CST Act	Central and State Excise Departments

# COST OF DOING BUSINESS IN UTTARAKHAND

Parameter	Cost estimate
Industrial land purchase (per sq ft)	US\$ 4 to US\$ 8.5
Office space rent (per sq ft)	Dehradun: US\$ 18 to US\$ 170 per month
Residential rent (2,000 sq ft)	Dehradun: US\$ 270 to US\$ 450 per month
Five-star hotel room rent (per night)	Mussoorie: US\$ 100 to US\$ 300
Power (industrial)	US 5.64-6.55 cents per kWh
Labour (minimum wage per day)	
Unskilled:	US\$ 3.45-18.2
Semi-skilled:	US\$ 3.78-18.38
Skilled:	US\$ 4.19-18.7
Highly skilled:	US\$ 17.5-19

**Source:** Ministry of Labour and Employment, Government of India, Uttarakhand Power Corporation Limited, Industry sources, Aranca Research

## Objectives

Policy for Skill Development & Entrepreneurship 2018

- To increase the employability of workers, competitiveness of enterprise, and inclusiveness of growth
- To increase the employment for achieving sustainable development goal of less than 4% unemployment rate
- To improve productivity & competitiveness at the workplace

[Read more](#)

Start-up Policy 2017-2024

- To encourage investments and incubation in start-up sector of the state.
- To establish Uttarakhand as the entrepreneurship capital of India
- To attract investments worth Rs 500 crore from angel investors and other start-up investors

[Read more](#)

Tourism Policy 2017

- To promote tourism and develop it as a major source of employment and revenue generation
- To setup new amusements parks and install new ropeways that would be exempt from payment of entertainment tax

[Read more](#)

MSME Policy-2015

- To attract investment in the micro, small and medium enterprise sector
- The policy aims at stopping rural-to-urban migration and boost entrepreneurs
- To develop remote and flood hit areas of Uttarakhand for overall development

[Read more](#)

Mega Industrial and Investment Policy 2015

- To provide assistance to dairy and textile processing units in the state of Uttarakhand .
- To promote the textile industry of Uttarakhand through provision of subsidies and rebates on power bills

[Read more](#)

## Objectives

### Solar Energy Policy-2013

- To attract public and private investments in the solar power projects for promotion of solar energy in the state
- The policy aims to setup 500 MW of solar power plants by 2017

[Read more](#)

### Industrial Hill Policy 2011

- To set up industrial hubs in the state and attract investments for industrialisation in the hilly areas
- In 2012, the state government amended the policy and the effective period was extended from 2018 to 2025

[Read more](#)

### Industrial Policy 2003

- To provide investor friendly environment for rapid growth and industrial development in the state
- To generate employment opportunities and widen the resource base of the state

[Read more](#)

### Information Technology Policy 2006

- To encourage use of IT tools in the government for management and decision support systems
- To offer easy access to the citizens of the state
- To attract private sector initiatives for development of IT infrastructure in the state

[Read more](#)

### Policy for Harnessing Renewable Energy Sources in Uttarakhand

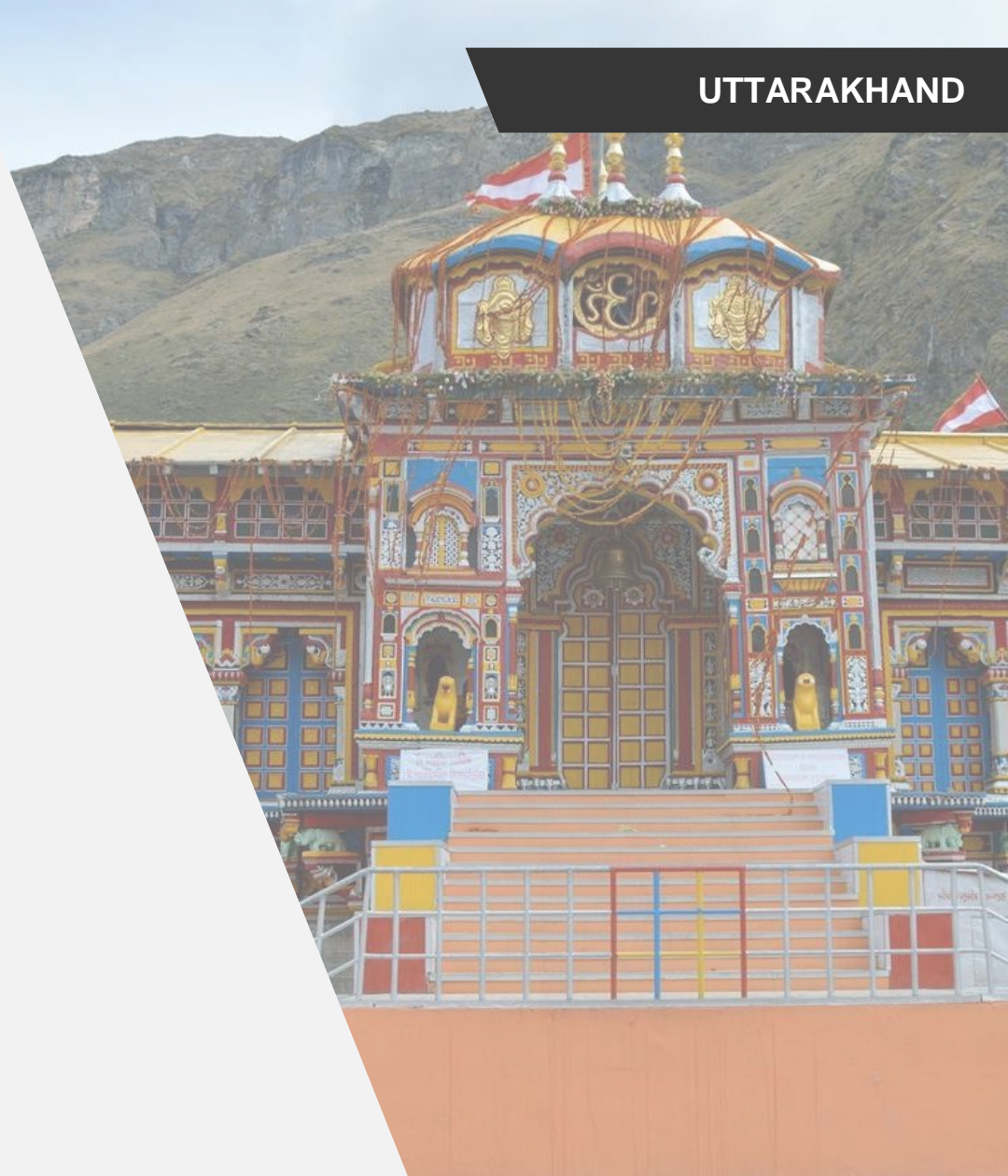
- To utilize the natural renewable resources of the state for electricity
- To supply energy to agriculture, industry, commercial and household sectors.

[Read more](#)

## Upcoming Policies

Organic Agricultural Act, New Mining Policy, New Film Policy

# ANNEXURE





## ANNEXURE...(1/2) - SOURCES

Data	Sources
GSDP (state)	MOSPI, Directorate of Economics and Statistics (Uttarakhand)
Per capita GSDP figures	MOSPI, Directorate of Economics and Statistics (Uttarakhand)
GSDP (India)	MOSPI, Directorate of Economics and Statistics (Uttarakhand)
Installed power capacity (MW)	Central Electricity Authority, as of November 2018
Wireless subscribers (No)	Telecom Regulatory Authority of India, as of September 2018
Internet subscribers (Mn)	Telecom Regulatory Authority of India, as of September 2018
National highway length (km)	NHAI, Roads and Building Department - Government of India
Airports (No)	Airports Authority of India
Literacy rate (%)	Census 2011
Birth rate (per 1,000 population)	SRS Bulletin, September 2017
Cumulative FDI equity inflows (US\$ billion)	Department of Industrial Policy & Promotion, April 2000 - June 2018
Operational PPP projects (No)	Ministry of Finance, Government of India

# ANNEXURE...(2/2) - EXCHANGE RATES

**Exchange Rates (Fiscal Year)**

Year INR	INR Equivalent of one US\$
2004-05	44.95
2005-06	44.28
2006-07	45.29
2007-08	40.24
2008-09	45.91
2009-10	47.42
2010-11	45.58
2011-12	47.95
2012-13	54.45
2013-14	60.50
2014-15	61.15
2015-16	65.46
2016-17	67.09
2017-18	64.45
Q1 2018-19	67.04
Q2 2018-19	70.18

**Exchange Rates (Calendar Year)**

Year	INR Equivalent of one US\$
2005	44.11
2006	45.33
2007	41.29
2008	43.42
2009	48.35
2010	45.74
2011	46.67
2012	53.49
2013	58.63
2014	61.03
2015	64.15
2016	67.21
2017	65.12

*Source: Reserve Bank of India, Average for the year*

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