

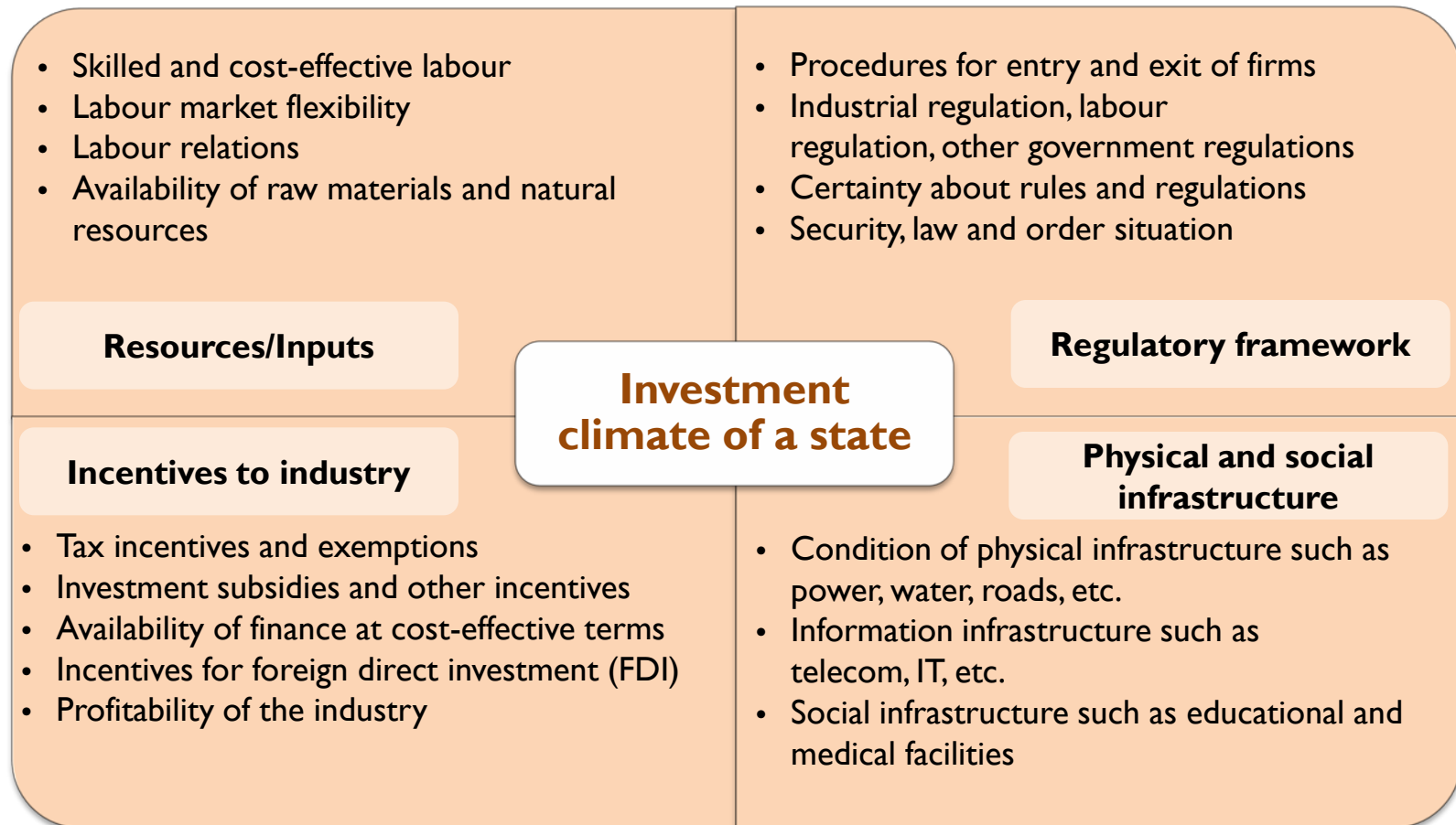


UTTARAKHAND

April 2010



Investment climate of a state is determined by a mix of factors

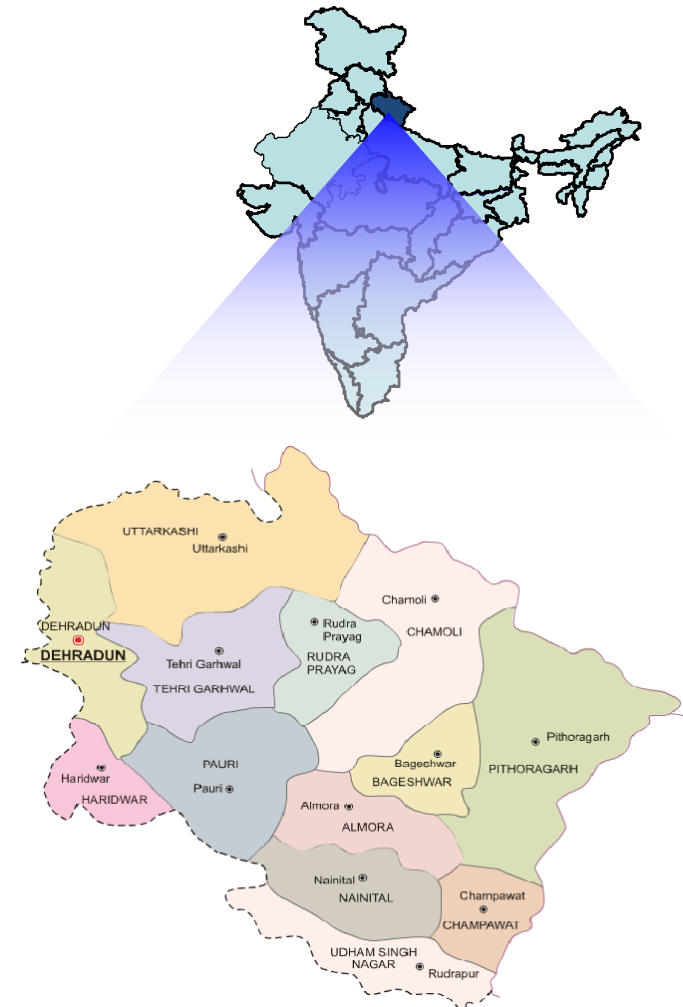


Contents

- ❖ Advantage Uttarakhand
- ❖ State economy and socio-economic profile
- ❖ Infrastructure status
- ❖ State policies and incentives
- ❖ Business opportunities
- ❖ Doing business in Uttarakhand

Uttarakhand – State profile

- Uttarakhand covers an area of 53,483 sq km and had a population of 8.5 million as of March 2001.
- The state was formed in November 2000 by carving out the 13 hill-districts of Uttar Pradesh. Formerly named Uttaranchal, Uttarakhand became the 27th state of India after separation from Uttar Pradesh; Dehradun was named the capital.
- Uttarakhand's location has strategic significance because part of its borders constitute the Northern boundary of the country. The state shares borders with Tibet in the North and Nepal in the East, inter-state boundaries with Himachal Pradesh in the West, Northwest and the Gangetic plains of Uttar Pradesh in the South and Nepal.
- Uttarakhand has diverse geographical features ranging from snow-capped mountain peaks in the North to tropical forests in the South; its climate and vegetation vary accordingly.
- Hindi, Garhwali and Kumaoni are commonly spoken in the state. English is the medium of education in many of its schools.



Source: Maps of India

Advantage Uttarakhand ... (1/2)

Abundant natural resources

Uttarakhand has abundant natural resources because of its hills and forests. It has abundant water resources, favouring hydro-power generation. The agro-climatic conditions also favour horticulture-based industries.

Policy and fiscal incentives

The state offers a wide range of benefits in terms of tax exemptions, interest incentives, financial assistance, subsidies and concessions.

Location advantage

The state is close to the national capital region (NCR) of Delhi, a leading market of the country. It also has excellent connectivity with the neighboring states.



Source: Maps of India

Advantage Uttarakhand ... (2/2)



Source: Maps of India

Facilitating infrastructure

The state has well-developed social and industrial infrastructure as well as virtual connectivity. It has good power, airport, rail and road infrastructure.

Adequate labour pool

The average level of literacy of the state is higher than the national average. A large pool of talented human resource is available here as Uttarakhand has some of the leading educational institutions in the country.

Stable political environment

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

Uttarakhand in figures ... (1/2)

Parameter	Uttarakhand	All-states	Source
Economy			
GSDP as percentage of all states' GSDP	0.8	100.0	CMIE, 2006-07, current prices
Average GSDP growth rate (%)	28.8	10.4	CMIE, 1999-2000 to 2006-07, current prices
Per capita GSDP (US\$)	760.2	770.7	CMIE, 2006-07
Physical Infrastructure			
Installed power capacity (MW)	1,758.2	98,996.4	Central Electricity Authority, as March 2009
GSM cellular subscribers (No)	44,638,033*	367,328,179	Cellular Operators Association of India, as of November 2009
Broadband subscribers (No)	238,791*	4,981,976	As of October 2008
National Highway length (km)	2,042	70,548.0	Ministry of Road Transport & Highways, 2007-08
Major and minor ports (No)	-	12 + 187	Ministry of Shipping
Airports (No)	2	133	Industry sources
Social Indicators			
Literacy rate (%)	71.6	64.8	Census of India, 2001
Birth rate (per 1,000 population)	18.7	23.3	Central Bureau of Health Intelligence, 2007

* Includes Uttar Pradesh

GSM: Global System for Mobile Communications

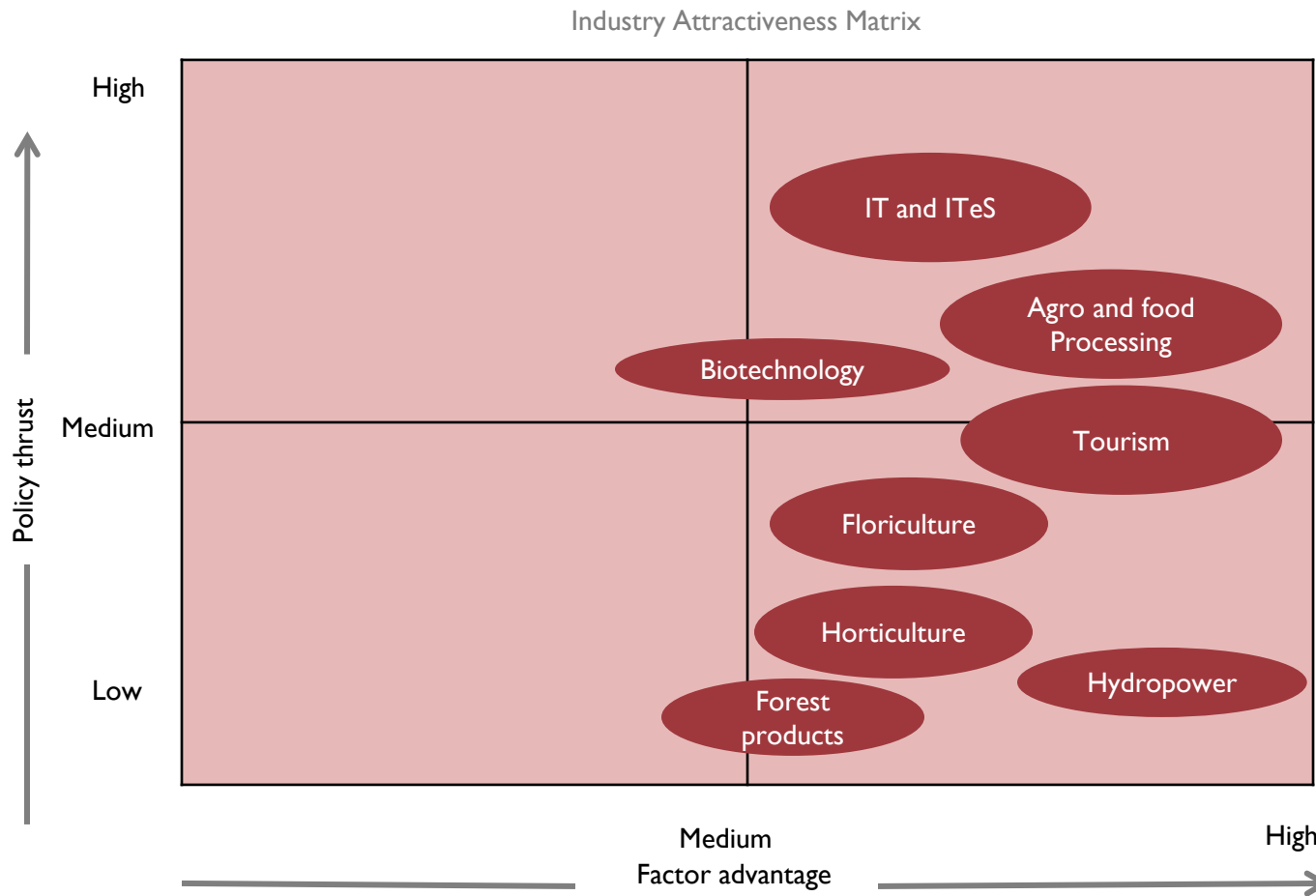
Uttarakhand in figures ... (2/2)

Parameter	Uttarakhand	All-states	Source
Ease of doing business			
FDI inflows (US\$ million)	46.7	102.1	Department of Industrial Policy & Promotion, April 2000 to October 2009
Outstanding investments (US\$ billion)	14.1	1,709.7	CMIE, as of December 2008
Industrial Infrastructure			
PPP projects (No)	54	460	Uttarakhand PPP Cell (UPPPC), pppindiadatabases.com
SEZ (No)	2	98	Notified as of August 2009, sezindia.nic.in

PPP: public private partnership; SEZ: special economic zone

Parameter	Uttarakhand Government
Policy support	
Sectors with specific policies	Hydropower, floriculture, horticulture, agro based and food processing industries, information and communication technology, and biotechnology.

Key industries with policy thrust and factor advantages



*Factor advantages include benefits due to geographical location and availability of factors such as talent pool, natural resources and capital

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Socio-economic snapshot of Uttarakhand

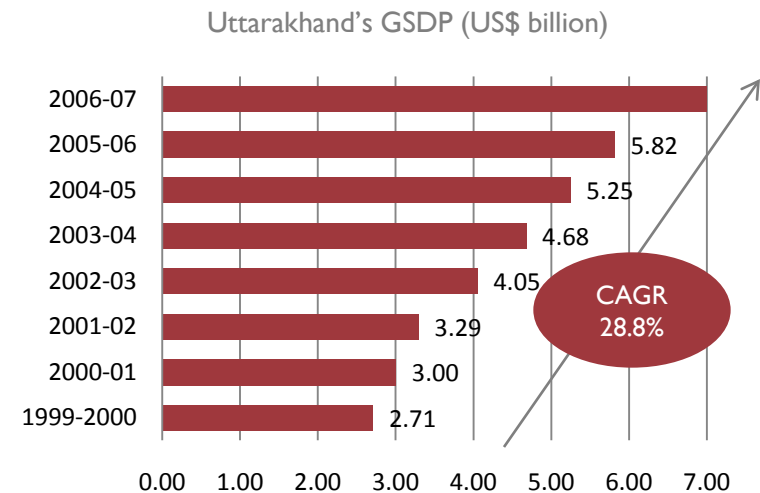
Parameters		Uttarakhand
Capital		Dehradun
Geographical area (sq km)		53,483
Administrative districts (No)		13
Population density (persons per sq km)		159
Total population (million)		8.4
Male population (million)		4.3
Female population (million)		4.1
Decadal population growth rate (%)		19.2
Sex ratio (females per 1,000 males)		962
Literacy rate (%)*		71.6
Male (%)		83.2
Female (%)		59.6
Average life expectancy (years)#		63.5

#Estimated

Sources: Uttarakhand at a glance, 2008-09, Directorate of Economics and Statistics, Census 2001

Uttarakhand's GSDP

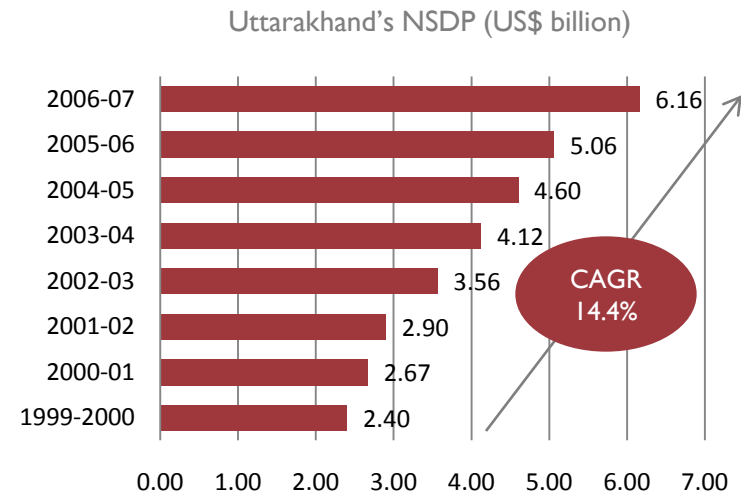
- At current prices, the Gross State Domestic Product (GSDP) for 2006-07 was US\$ 7.0 billion.
- Between 1999-2000 and 2006-07, the average annual GSDP growth was 28.8 per.
- The services sector has contributed significantly to the economic growth in the state. Industries such as IT/ITeS, agriculture and forest-based products and hydropower are expected provide the state sustainable progress in future.



Sources: CMIE, Uttarakhand Economic Review, 2008-09

Uttarakhand's NSDP

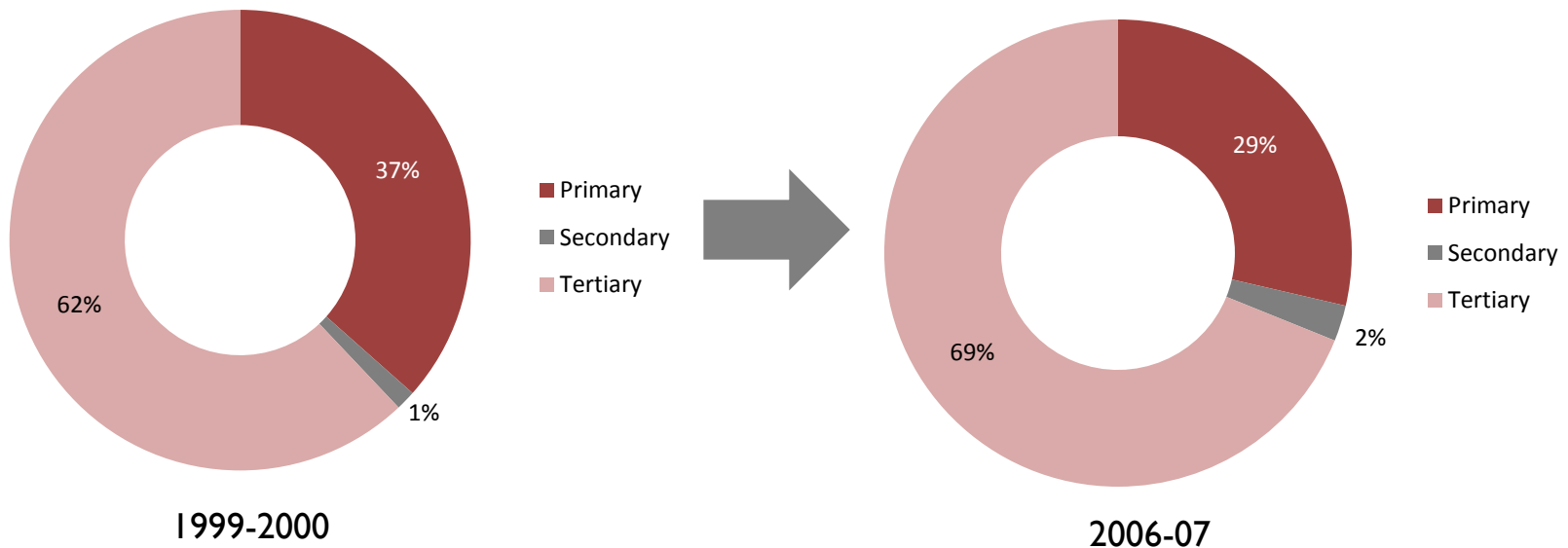
- The total Net State Domestic Product (NSDP) of Uttarakhand was about US\$ 6.1 billion in 2006-07.
- The average NSDP growth rate was 14.4 per cent between 1999-2000 and 2006-07.



Source: CMIE

The tertiary sector has an increasing share in Uttarakhand's economy

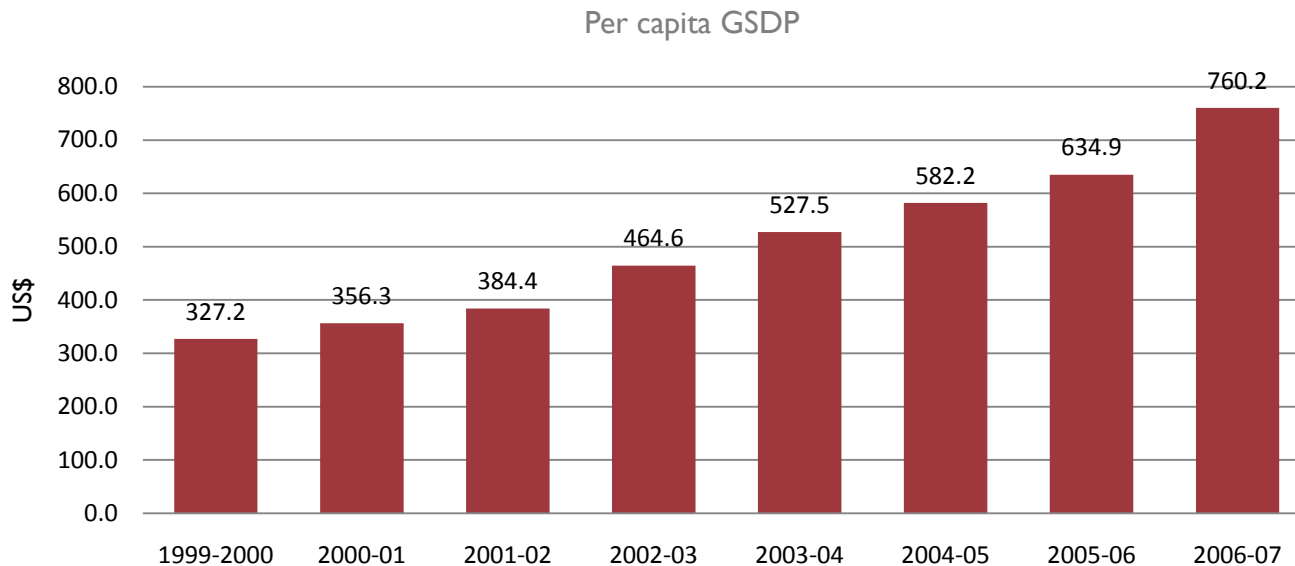
- In 2006-07, the tertiary sector contributed 69 per cent to the GSDP at US\$ 3.5 billion. It was followed by the primary sector's contribution of 29 per cent at US\$ 1.5 billion.
- While the primary sector is driven by horticulture and other agri-based products, the tertiary sector flourishes, primarily, because of tourism services. The state has now started attracting manufacturing industries to increase the secondary sector's share.



Source: CMIE

Per capita GSDP

- The per capita GSDP of Uttarakhand increased almost 2.3 times from US\$ 327.2 in 1999-2000 to US\$ 760.2 in 2006-07.
- The per capita NSDP of Uttarakhand increased from US\$ 290.0 in 1999-2000 to US\$ 661.9 in 2006-07.



Source: CMIE

Industrial development – driven by pharmaceuticals, IT, tourism, agro and food-based sectors

- The natural resources, policy incentives and infrastructure in the state support investments in the drugs and pharmaceuticals, biotechnology, IT/ITeS, mines and minerals, textiles, leather and tourism sectors.
- In recent years, Uttarakhand has been highly successful in attracting long-term investments because of its key industrial and sector-specific policies.
- Developing appropriate infrastructure has also been a key strategy of the state to attract investments in various industries.

Key industries in Uttarakhand
Agro-based industry and food processing
Information and communications technology
Floriculture
Horticulture
Pharmaceuticals and biotechnology
Hydropower
Tourism

Thrust industries ... (1/2)

Thrust industries of the state	
Floriculture	Sports goods and articles, which include: <ul style="list-style-type: none"> • Equipment for general physical exercise • Equipment for adventure sports/activities, tourism
Processing of medicinal and aromatic herbs	Paper and paper products
Honey	Pharmaceutical products
Horticulture and agro-based industries, which include: <ul style="list-style-type: none"> • Sauces and ketchup • Fruit juices and fruit pulp • Jams, jellies, vegetable juices, puree, pickles, etc. • Preserved fruits and vegetables • Processing of fresh fruits and vegetables including packaging • Processing, preservation, packaging of mushrooms 	ICT industry, which includes: <ul style="list-style-type: none"> • Computer hardware • Business process outsourcing
Food processing	Bottling of mineral water

Thrust industries ... (2/2)

Thrust industries of the state	
Sugar and by-products	Eco-tourism <ul style="list-style-type: none"> Hotels, resorts, spa, entertainment, amusement parks and ropeways
Silk and related products	Industrial gases
Wool and related products	Handicrafts
Woven fabrics	Non-timber, forest-based industries

Source: Uttara Portal

Sugarcane is the major crop of Uttarakhand

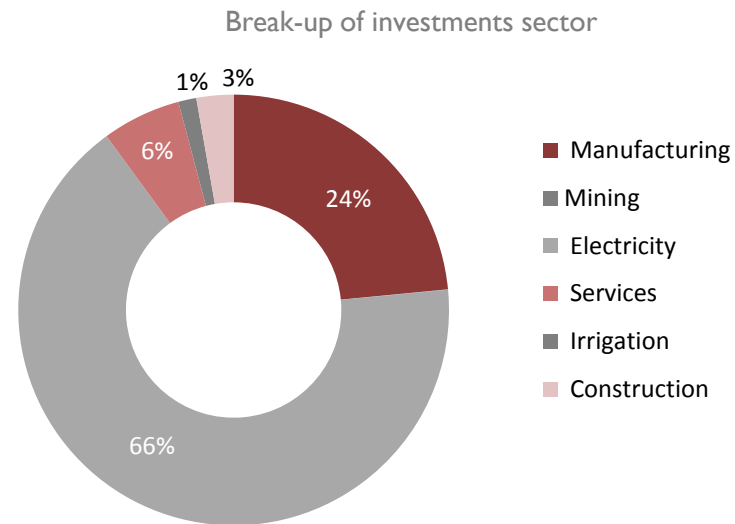
- In 2007-08, the total production of the major crops of the state was over 8.9 million tonnes.
- Of this, sugarcane was the major crop at about 7.7 million tonnes. It was followed by wheat, rice and soybean production.
- Sugarcane accounted for 85.5 per cent of the major crop production of state while wheat constituted 7.8 per cent and rice 6.3 per cent.

Crop	Annual production ('000 tonnes)
Sugar cane	7,686
Wheat	701
Rice	572
Soybean	17
Groundnut	3

Source: CMIE

Investments and FDI inflows

- According to the Reserve Bank of India, FDI inflows from April 2000 to October 2009 amounted to US\$ 46.7 million.
- Of the total outstanding investments of US\$ 14.1 billion, the major contribution was from sectors such as electricity, manufacturing and services.
- Electricity contributed 66 per cent to the total outstanding investments while manufacturing accounted for 23 per cent and the balance 10 per cent investments were made in services, construction and irrigation sectors.



As of December 31, 2008

Source: CMIE

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Road and railway networks

Roads

- Uttarakhand's total length of road network was 30,753.7 km in 2007-08. According to the National Highway Authority of India (NHAI), the National Highways running through the state had a total length of 2,042 km, and the State Highways covered 1,575.5 km in 2007-08.
- Main district road length was 569.8 km and village roads totalled to 9,234.7 km.

Railways

- Uttarakhand had 345 km of rail routes in 2006-07.
- The state's current focus is on increasing the share of railways in cargo and passenger transport.
- Initiatives have been made to start monorails at Dehradun, Haridwar and Rishikesh, on the inter-city linkage routes.

Road network in Uttarakhand



Railway network in Uttarakhand



Source: Maps of India

Airports

- 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.
- Presently, all flights connect the state to Delhi.
- Up-gradation work is underway at the Jolly Grant airport to facilitate international flights.
- Because of the hilly terrain, the Government has allocated US\$ 230,000 for the construction of, at least, one helipad per district.
- The state intends to position air-transport as a reliable all-weather transport option for the hills.



Domestic Airport

Source: Maps of India

Telecom and IT infrastructure ... (1/2)

- Well-developed communication network including both wired- and wireless-connectivity.
- An IT development agency has been constituted by the State Government.
- An IT park has been developed at Dehradun, while the IT Incubation Centre is being developed at Bhimtal.
- An IT park has been proposed for development, each, at Pant Nagar and Roorkee.

Communication infrastructure in Uttarakhand (2007-08)	
Postal and communication services	No of units
Post offices	2,714
Telephone exchanges	455
Telegraph offices	16
Public call operators (PCO)	12,868
BSNL telephone connections (including wireless local loop)	385,879
Broadband subscribers**	238,791
BSNL mobile phone connections	624,170

As of October 2008

**Includes Uttar Pradesh

Telecom and IT infrastructure ... (2/2)

- The proposed Uttarakhand State Wide Area Network (USWAN) project has been approved by the Government of India.
- By the end of 2006-07, the state had in place, the required IT infrastructure for USWAN along with the data centre with the necessary communication hardware and systems.
- Bharat Sanchar Nigam Limited (BSNL), Bharti Airtel and Vodafone are the key cellular operators in the state.

Key highlights of IT sector in Uttarakhand

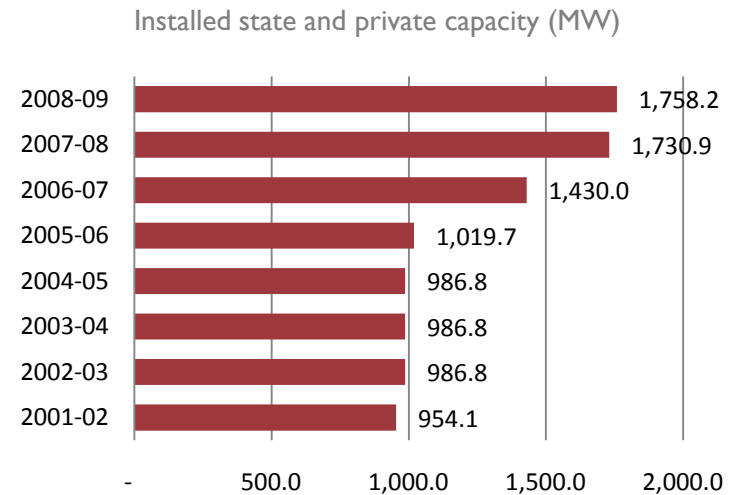
Development of PKI/smart card infrastructure

World's first Microsoft IT Academy has been established in Dehradun

Uttarakhand is among the leading states in computer education

Power ... (1/4)

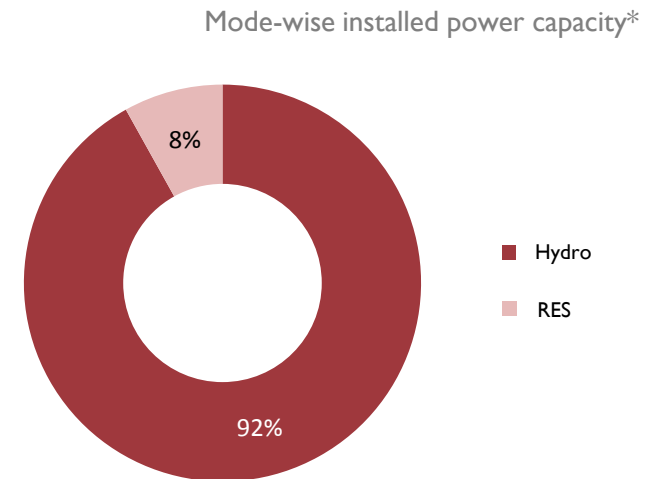
- As of March 2009, Uttarakhand had total installed power generation capacity of 1,758.2 MW, which comprised 1,358.2 MW (77.2 per cent) under state utilities and 400.1 MW (22 per cent) controlled by the private sector.



Source: Central Electricity Authority

Power ... (2/4)

- The capacity owned by state utilities comprised about 91.9 per cent of hydro-power plants and 8 per cent of renewable energy sources (RES).
- All of the private-sector controlled capacity was primarily of hydro-power.
- According to the Central Electricity Authority's (CEA) General Review, 2008, the per capita electricity consumption in Uttarakhand was 706.8 kWh in 2006-07.



* Utilities and private sector
Source: Central Electricity Authority

Power ... (3/4)

- The Uttarakhand Power Corporation Limited (UPCL), was established to look after electricity transmission and distribution in the state after Uttarakhand's separation from Uttar Pradesh in 2000.
- The transmission function was later entrusted to Power Transmission Corporation Limited (PTCUL).
- Uttarakhand Jal Vidyut Nigam Limited (UJVNL) controls the state power generation.
- The state's power sector is regulated by the Uttarakhand Electricity Regulatory Commission (UERC).

Power ... (4/4)

- Uttarakhand is being developed as an ‘energy state’ to tap its huge hydro-electric power (HEP) potential of over 20,000 MW. The state intends to increase its capacity to 5,000 MW by 2011-12.
- Uttarakhand has also supported the development of alternate sources of power generation such as solar energy and energy from bio-gas plants. A state-level energy park has also been established in Dehradun.
- Uttarakhand has a small hydro potential of about 1,500 MW. Together with large HEP, the projects allocated amount to over 12,700 MW. About 47 locations have already been identified for development by the private sector.

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

Source: Uttarakhand Power Corporation Limited

Urban infrastructure (1/2)

Water supply and sanitation

- There is a focussed effort to ensure supply of good quality drinking water. The State Government is encouraging traditional methods of water harvesting like *nauley*, *dharey*, *chal* and *khal*.
- In 2005-06, US\$ 76.28 million was spent on improving water supply systems.
- The Uttarakhand Government is in the process of developing total sanitation systems for villages in the state.
- Partial sewerage arrangements have been provided for one-third of the towns in the state.

Drinking water supply in Uttarakhand (2007-08)	
Inhabited villages covered	15,547
Population covered (million)	6.2
Scarcity villages	2
Scarcity hamlets	
Not covered	3,292
Partly covered	10,593

Sources: Uttarakhand at a glance, 2008-09, Directorate of Economics and Statistics

Urban infrastructure (2/2)

- Urban infrastructure development became a priority sector for the State Government with an allocation of US\$ 58.84 million for its activities in 2006-07. This was further increased to US\$ 97.23 million for 2007-08.
- Various state housing projects including the 275 acre project in Haridwar have been taken up under various urban infrastructure development projects.
- With an aid of US\$ 15.12 million from the Government of India, a project for conservation and rejuvenation of the Naini Lake and four other lakes in the surrounding areas has also been taken up.
- Under the Jawaharlal Nehru National Urban Renewal Mission (JNNURM), projects costing US\$62.6 million have been sanctioned for Dehradun, Nainital and Haridwar.
- The projects have been sanctioned for completion between 2007 and 2009. Some of the key areas of development are roads and flyovers, water supply, sewerage and solid-waste management.

Source: JNNURM, Ministry of Urban Development

Education sector ... (1/2)

Uttarakhand is home to some of the country's best institutes of higher learning, which include:

- GB Pant University of Agriculture and Technology, Pantnagar.
- Indian Institute of Technology, Roorkee.
- Forest Research Institute, Dehradun.
- GB Pant Institute of Himalayan Environment and Development, Almora.
- Rural Biotechnology Complex in Kosi and Herbal Research and Development Institute, Gopewar.

Basic/ secondary education (2007-08)	
Number of schools and colleges	21,947
Number of students	2,420,362
Number of teachers	82,614

Higher education	
Number of institutions	119
Number of students	136,520
Number of teachers	1,614

Vocational and technical education	
Industrial training institutes	106
Polytechnics	30
Distant institute of education and training centres	13

Source: Uttarakhand at a glance, 2008-09,
Directorate of Economics and Statistics

Education sector ... (2/2)

- The state has a literacy rate of 71.6 per cent and aims to achieve 95 per cent literacy rate, for which it has adopted a three-fold strategy with the following elements:
 - 100 per cent enrolment.
 - 100 per cent retention.
 - Continuous education programme.
- With this purpose, the state is working at improving the IT infrastructure at all levels, beginning with the educational institutes.

Government degree colleges in Uttarakhand
Government P G College, Ranikhet
Pt. L M S Govt P G College, Rishikesh
L S M Govt P G College Pithoragarh
Ram Chandra Uniyal P G College Uttarkashi
Government P G College Bageshwar
Government P G College, Gopeshwar
Government P G College Lohaghat

P G: post-graduate

Health infrastructure ... (1/2)

The state has a good network of hospitals and health centres.

A policy was formulated in 2006 for health and population policy to improve the quality of life with an emphasis on developing an effective health infrastructure.

Family welfare services	
Women and child welfare centres	2
Main centres	84
Women and child welfare sub-centres	1,765

State allopathic hospitals and dispensaries (2007-08)	
District level hospitals	12
Base hospitals	3
Primary health centres (PHC)	240
Community health centres (CHC)	55
State allopathic hospitals	322
Joint hospitals, hospitals for women	39
Tehsil/ district-level postpartum centres	24
Health posts	9
Tuberculosis hospital and clinics	18
Leprosy hospitals	3
Beds in government hospitals	7,825

Health infrastructure ... (2/2)

In the Eleventh Five-Year Plan (2007-12), the Directorate of Medical Health and Family Welfare aims to achieve the goal of 'Health for All'.

To fulfil this goal the Directorate has decided to:

- Provide medical health services in the remotest blocks; establish 3,080 new sub-centres, 275 new primary health centres (PHC) and 35 new community health centres (CHC).
- Provide neo-natal care services to neonates. A neo-natal intensive care units to be established in each district.
- Establish and strengthen emergency services in 10 district hospitals situated along national road routes.
- Strengthen capacity of paramedical staff and training nurses; a nursing institute will be established in Dehradun to provide nurse training courses.

Other hospitals in Uttarakhand	
Homeopathic hospitals and dispensaries	106
Ayurvedic hospitals	539
Unani hospitals	5

Key hospitals in Uttarakhand
Doon Hospital
St. Merry Hospital Mussoorie
Coronation Hospital
G.B. Pant Hospital
B.D. Pandey Hospital
J.L.N. District Hospital

Sources: Uttarakhand at a glance, 2008-09, Directorate of Economics and Statistics

Key public-private partnership projects

Project name	Sector	PPP type	Project cost (US\$ million)	Stage
HEP (Nayar Valley)	Power	BOOT	40.4	RFP being floated
HEP (Purkul)	Power	BOOT	2.8	RFP being floated
HEP (Eastern Ramganga Valley)	Power	BOOT	30.7	RFP being floated
HEP (Sarju Valley)	Power	BOOT	15.3	RFP being floated
Rope way (Kharsali- Yamnotri)	Tourism	BOOT	5.9	RFP being floated
Rope way (Dehradun-Mussourie)	Tourism	BOOT	170.9	RFP being floated
Rope way (Janki-Yamunotri)	Tourism	BOOT	4.6	Report proposed
Rope way (Munukeriti-Kujapuri)	Tourism	BOOT	10.7	DPR submitted
Rope way (Ramvara-Kedarnath)	Tourism	BOOT	15.2	Concession sanctioned
Rope way (Neelkanth-Mukikeriti)	Tourism	BOOT	7.2	Bidding stage
Rope way (Snow View-Zoo)	Tourism	BOOT	4.8	Land acquisition
Rope way (Kasardevi-Almora)	Tourism	BOOT	0.4	Land acquisition
Five-star hotel In Dehradun	Tourism	BOOT	60.9	Under construction
Inter-state bus terminal, Dehradun	Urban development	BOOT	4.8	Implemented
Social commercial complex	Urban transport	BOT	2.4	Contract signed

EOI: Expression of interest, BOOT: Build, own, operate, transfer, DPR: Detailed project report, RFP, Request for proposal, BOT: Build, operate, transfer, HEP: hydro-electric plant

Sources: pppindiadatabase.com; PPP Cell, Government of Uttarakhand

Cultural Infrastructure

- There are numerous avenues for recreation in the state, particularly, in key cities such as Dehradun, Nainital and Mussoorie.
- There is a Botanical Museum in Forest Research Institute in Dehradun.
- The Indian Military Academy has museum, library, war memorial, arms and ammunition, shooting demonstration room, 18-hole golf course. There is another popular golf course, located in Ranikhet.
- There are a number of star and un-starred hotels catering to the needs of the range of tourists that visit the state.
- There are several heritage hotels such as the Chevron Rosemount, Chevron Fairhavens and the Ramgarh Bungalows.
- Besides, there are a number of unique entertainment and adventure avenues including wildlife resorts like Solluna resort in Nainital, Quality Inn Corbett Jungle Resort, and Tiger Camp: Camp Forktail Creek in Jim Corbett Park.

Major hotels in Uttarakhand
Hotel Jaypee Residency Manor, Mussoorie
Hotel Honeymoon Inn, Mussoorie
Claridges Naini Retreat, Nainital
Hotel Madhuban , Dehradun

Youth hostels in Uttarakhand
Hotel Yash, Pithoragarh
Hotel Yash, Dharchula
Hotel Sheela, Nainital
Hotel Saina Inn, Dehradun
O.G.S Tourist Home, Rishikesh
Youth Hostel, Ranikhet
Hotel Jim Corbett (youth hostel), Jim Corbett

Industrial infrastructure

- The state has transformed from an essentially agrarian and services driven economy into a hub of industrial activity. In 2005-06, the state successfully developed the following:
 - Three Integrated Industrial Estates (IIEs) at Haridwar, Pantnagar and Sitarganj
 - Pharma City at Salequi.
 - IT park at Sahastradhara road (Dehradun).
 - Growth centre at Siggadi (Kotdwar).
- Some of the other initiatives towards increasing industrial activity include:
 - Provision of broadband connectivity for all industries in the state.
 - Proposed strengthening of the single-window – contact, information and facilitation mechanism.

Industrial estates ... (1/3)

Estate name	Location	Size	Financial incentives	Proposed industries
Integrated industrial estate - Haridwar	3 km from Delhi-Haridwar National Highway (NH)	2,034 acres	<ul style="list-style-type: none"> • 100 per cent central excise exemption for 10 years. • 100 per cent income tax exemption for first five years and 30 per cent for next five years. • Central sales tax (CST) at the rate of one per cent for five years. • Capital investment subsidy at the rate of 15 per cent, subject to a maximum of US\$ 73,170. 	<ul style="list-style-type: none"> • Cosmetics and allied units. • Plastic and allied units. • Apparel and allied units. • Agro, food and allied units. • Pharmaceuticals. • Electrical, electronics and allied units. • Institutional, commercial and allied units.
Integrated industrial estate - Pantnagar	NH-87	3,339 acres	<ul style="list-style-type: none"> • 100 per cent central excise exemption for 10 years. • 100 per cent income tax exemption for first five years and 30 per cent for next five years. • CST at the rate of 1 per cent for five years. • Capital investment subsidy at the rate of 15 per cent, subject to a maximum of US\$ 73,170. 	<ul style="list-style-type: none"> • Cosmetics and allied units • Plastic and allied units • Apparel and allied units • Agro, food and allied units • Pharmaceuticals • Electrical, electronics and allied units • Furniture hub • Institutional, commercial and allied units

Industrial estates ... (2/3)

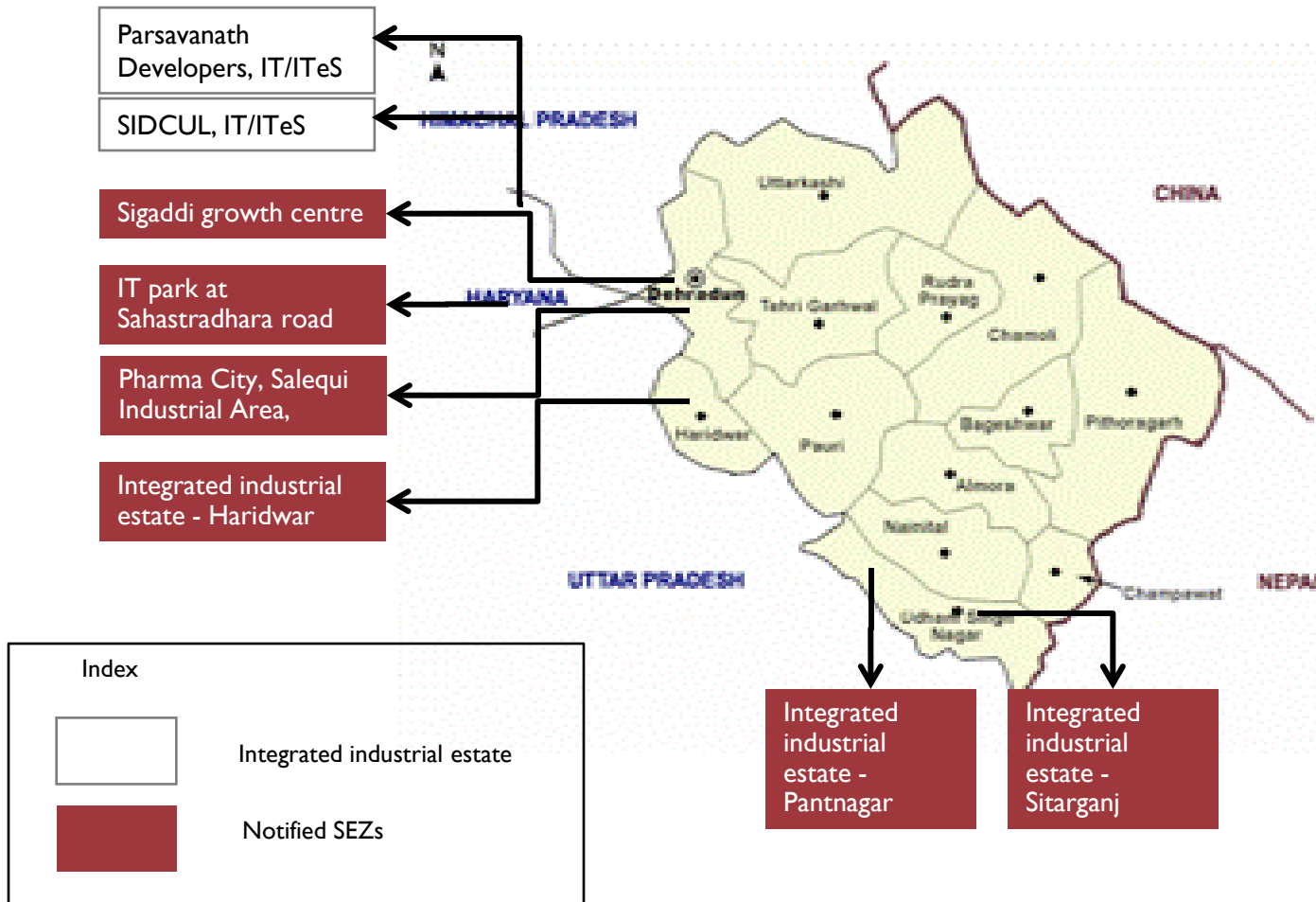
Estate name	Location	Size	Financial incentives	Proposed industries
Pharma City, Salequi Industrial Area, Dehradun	25 km from Dehradun	50 acres	<ul style="list-style-type: none"> • 100 per cent exemption from central excise for 10 years. • 100 per cent income tax exemption for first five years and 30 per cent for next five years. • CST at the rate of one per cent for five years. • Capital investment subsidy at the rate of 15 per cent, subject to a maximum of US\$ 73,170. 	<ul style="list-style-type: none"> • Pharmaceutical formulation units to be given preference.
Sigaddi growth centre	120 km from Dehradun	100 acres	<ul style="list-style-type: none"> • 100 per cent central excise exemption for 10 years. • 100 per cent income tax exemption for first five years and 30 per cent for next five years. • CST at the rate of one per cent for five years. • Capital investment subsidy at the rate of 15 per cent with a maximum of US\$ 73,170. 	<ul style="list-style-type: none"> • Thrust sector industries only.
Integrated Industrial Estate, Sitarganj	15 km North of Sitarganj town	1,200 acres	-	-

Industrial estates ... (3/3)

Estate	Location	Size	Proposed facilities
Proposed state-of-the-art IT park	Sahastradhara road	60 acres	<ul style="list-style-type: none"> • Ready-to-occupy, hi-tech, intelligent building. • Developed plots of varying sizes. • Academic zone for educational and research organizations. • Software Technology Parks of India(STPI) incubation centre to promote local entrepreneurs. • Large tracts of land to be devoted to green areas and open spaces. • Habitat centre to cater to business support and recreational needs of the occupants. • Other support facilities such as conference hall, training centres, guest house, travel and foreign exchange service, banks and Automated teller machine (ATM), multi-cuisine food court, health-club with gym, medical centre, serviced apartments, library and information bureau, indoor and outdoor sport facilities such as squash, tennis, badminton courts and billiards.

Source: State Infrastructure and Industrial Development Corporation of Uttarakhand Limited

Industrial estates and IT parks in Uttarakhand



Infrastructure investments

- Infrastructure investments in Uttarakhand were over US\$ 5.7 billion, as of December 2008.
- Over 98.5 per cent of investments in infrastructure were in the area of power generation and distribution.
- The balance was in the railways sector.

Infrastructure type	Investments (US\$ million)
Power*	5,666.0
Roads	4.0
Railway	55.9
Airport	23.9
Total	5,749.7

*Generation and distribution
Source: CMIE

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Sector-specific policies ... (1/8)

New state industrial policy, 2003

Objectives: To promote Uttarakhand as an attractive destination for industrial investments. The policy's focus is also on additional employment generation and GSDP growth. It aims to promote public private partnerships to boost infrastructure and industrial development.

Key initiatives:

- To promote PPPs in the development and management of infrastructure projects such as:
 - Industrial estates and growth centres.
 - Integrated Infrastructure Development Centres (IIDC), special economic and commodity zones, and parks.
 - Theme parks for tourism and infrastructure for development of new tourist destinations such as airports, helipads , airstrips, roads and power projects.
 - Focus on promoting small scale industry (SSI), cottage, khadi and village industries as well as the handicrafts and handloom sectors.

Incentives:

- Capital investment subsidy of 15 per cent as central capital investment aid, up to a maximum of US\$ 73,170 for the establishment of new industrial units, and for the purchase of equipment and machinery for significant improvement in existing units.
- Interest subsidy of three per cent as annual relief on loans to new SSI units and those expanding at least by 25 per cent, provided the loan is availed from a state-level financial institution or a bank operating in Uttarakhand and there is no record of default in principal or interest payment. Five per cent waiver on annual interests on loans on SSI units and units notified as thrust industries being set up in remote areas.
- Stamp-duty concessions to be provided in respect of land in specialised commodity parks, including IT parks.
- Seventy five per cent of the cost for registering patents shall be reimbursed, subject to a maximum of US\$ 4,878.
- No restriction in the state for using power during peak hours.

Sector-specific policies ... (2/8)

New state industrial policy, 2003 (continued)

Other concessions:

- 100 per cent relief in the state excise duty for a period of 10 years.
- 100 per cent relief in income tax for the first five years, and thereafter a 30 per cent relief to companies and 25 per cent relief for others.
- CST at the rate of one one per cent for five years.
- Exemption from entry tax on plant and machinery for setting up industry for undertaking substantial expansion and modernisation.
- 100 per cent exemption from entertainment tax for multiplex projects for a period of three years.
- 100 per cent exemption from entertainment tax on amusement parks and ropeways for a period of five years.
- 75 per cent of the total expenditure incurred in obtaining national or international quality certification to be reimbursed.
- 50 per cent of the cost incurred in installing pollution control equipment to be reimbursed.
- Matching state-subsidy for projects under various schemes of the National Horticulture Board (NHB), Agricultural and Processed Food Products Export Development Authority (APEDA) and National Medicinal Plant Board (NMPB).

Sector-specific policies ... (3/8)

Information Technology Policy, 2006

Objectives: To have a fully digitized state and a networked society where information flow is seamless and its access across all sections of the society is enabled through effective ICT infrastructure. To propel the state's economic growth through the use of IT, leading to a high quality of life for the citizens with greater employment opportunities.

Key areas for development:

- Encourage the use of IT at the government level, where IT is not only used as a tool for management and decision-support systems but also to re-engineer government processes to provide more efficient, transparent, accountable and responsive governance to its citizens.
- Upgrade the quality of life of citizens of the state by facilitating easy access to consumer applications of IT.
- Encourage private sector initiatives for the development of world-class IT infrastructure to meet the needs of the citizens, the industry and the Government.
- Upgrade and develop manpower skills required for the IT industry and to accelerate its use in schools, colleges and other educational institutions with a view to providing skills and knowledge to the youth so as to render them fit for employment in the industry.
- Use IT as a GSDP growth driver, developing the state as an attractive IT destination with a view to generating employment for youth in this sector and raising their earning capacity and simultaneously realising the export as well as domestic revenue potential in this sector.

Sector-specific policies ... (4/8)

IT Policy, 2006 (continued)

Incentives:

- The incentives as mentioned under the New Industrial Policy are applicable to the IT industry. Special incentives for projects above US \$10.8 million have also been proposed.
- Non-fiscal incentives: The state is promoting the growth of industry by creating an investor-friendly environment by helping in the following ways:
 - Preferential allotment of land for IT industry in the state.
 - Continuous/uninterrupted power supply to IT industries.
 - Encouragement to captive power generation – total exemption from payment of electricity duty.
 - Lending in IT would be considered as priority sector by the state-level financial institutions.
 - Special efforts to develop high-quality social infrastructure such as schools, housing, healthcare, entertainment and leisure facilities near the IT unit locations.
 - Providing an enabling administration system for obtaining easy clearances and approvals from various government departments. Single-window mechanism to be set up for all statutory clearances in the Department of IT.
- The state is also extending various kinds of infrastructure support to encourage more units in the IT industry.

Sector-specific policies ... (5/8)

Hill Policy, 2008

Objectives: The Hill Policy was introduced in April 2008, as a special integrated industrial promotion policy for the hilly and remote areas of Uttarakhand. The scheme is valid for 10 years or up to March 31, 2018.

Key incentives:

- Under the policy, the remote and hilly areas of the state have been categorised in groups A and B. Incentives for Group A are higher than those for the Group B.
- The industries eligible for the scheme include the following:
 - Non-polluting manufacturing industries under “Green” and “Orange” categories as classified by the Ministry of Environment and Forests, Government of India.
 - Activities notified by the Central Government as thrust sector industries under special package for the state.
 - Activities recognised by the State Government as industry, such as tourism.
 - Biotechnology industry, protected agriculture and cold storage activities.
 - Petrol and diesel pumping stations, and gas storages.
- Projects with investments of over US\$ 1.1 million are now classified as mega projects.
- The minimum requirement of land for setting up a private-industrial estate is two acres instead of 30 acres.
- There is a capital subsidy of 25 per cent on the fixed capital investment in building, plant and machinery .

Sector-specific policies ... (6/8)

Health and Population Policy, 2006

Aim: To address the health issues of Uttarakhand, the Government has formulated a comprehensive, integrated policy, which has the following objectives:

Health objectives:

- Reduce mortality on account of tuberculosis, malaria and other vector and water-borne diseases by 50 per cent by 2010.
- Reduce prevalence of blindness from around 1 per cent to 0.3 percent by 2010.
- Reduce Iodine Deficiency Disorder (IDD) by 50 per cent of the present level by 2010.
- Increase awareness on HIV/AIDS.

Population stabilisation objectives:

- Reduce the total fertility rate (TFR) to 2.1 by 2010.
- Reduce the crude birth rate (CBR) to 19.9 by 2010.
- Increase modern contraceptive prevalence (CPR) to 55 percent by 2010.
- Reduce infant mortality rate (IMR) to 28 by 2010.
- Reduce the child mortality rate (CMR) to below 15 per 1,000 live births by 2010.
- Reduce maternal mortality rate (MMR) to below 100 by 2010.
- Increase life expectancy at birth to 70 years by 2010.

Sector-specific policies ... (7/8)

Health and Population Policy, 2006 (continued)

Key targets:

- To provide medical health services in state's remotest and disadvantaged blocks. To achieve this, around 3,080 new sub-centres 275 new PHCs and five new CHCs are to be established under the Eleventh Five-Year Plan (2007-12). Besides, specialist hospitals are to be established in the Bagheswar and Champawat districts.
- To provide neo-natal care services to neonates; in order to reduce neo-natal mortality, neo-natal intensive care unit (NICU) to be established in each district.
- To establish and strengthen emergency services in 10 district hospitals situated in national road routes. The objective is to provide good and effective emergency services for victims of road accidents and natural disasters. Further, the establishment of five new blood banks has been proposed in the policy.
- To strengthen paramedical staff and to train nurses; a nursing institute has been planned to be set up in Dehradun to provide nurse training courses. In three districts, auxiliary nurse matron (ANM) training centres will be strengthened and these centres will begin training of ANMs in the Eleventh Five-Year Plan period.

Sector-specific policies ... (8/8)

Tourism Policy, 2001

Objectives:

- Placing Uttarakhand on the tourism map of the world as one of the leading tourist destinations, and to make the name synonymous with tourism.
- Developing the manifold tourism-related resources of the state in an eco-friendly manner, with the active participation of the private sector and the local-host communities.
- Developing tourism as a major source of employment and income generation, and as a pivotal sector for economic and social development.

Key incentives:

- New tourism units will be allowed rebate and or deferment facility in respect of luxury tax for a period of five years from the date of commencement of operations.
- New ropeways installed in the state will be exempt from paying entertainment tax for a period of five years from the date of commencement of operations.
- New amusement parks will be exempt from entertainment tax for a period of five years from the date of becoming fully operational.

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ICT industry

- Information and communication technology (ICT) has received special attention from the state government and it has been accorded the status of Industry. Several initiatives have been taken to promote ICT industry in Uttarakhand.
- With the establishment of the STPI earth station at Dehradun, Uttarakhand now offers high-speed connectivity. There are more such earth stations planned at other locations. Facilities by BSNL and Reliance are also available in the state.
- The state intends to set-up dedicated IT park in key cities starting with Dehradun to further propagate the growth of ICT industry in the state.

Prominent ICT companies in Uttarakhand

Hiltron





HCL Infosystems

Wipro Infotech

Modi Infotech

Simcom Solutions

ICT industry – company profiles

<p>Hiltron</p> 	<ul style="list-style-type: none"> Hiltron initially worked to promote development of electronics and allied industries and services in Uttarakhand. It is, currently, functioning as an IT and communication service provider to the state under the administrative control of the department of IT.
<p>HCL Infosystems</p> 	<ul style="list-style-type: none"> HCL Infosys is among the largest vertically integrated IT manufacturing companies of India. It has its manufacturing facility at Rudrapur in the SIDCUL Industrial Estate, which has an overall capacity of produce up to two million personal computers per annum.
<p>Wipro Infotech</p> 	<ul style="list-style-type: none"> 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 practice and houses product engineering and R&D labs for continuous innovation in products and processes
<p>Modi Infotech</p>	<ul style="list-style-type: none"> 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 and educational segment of the IT market. It also has an office at Dwarka in New Delhi.
<p>Simcom Solutions</p> 	<ul style="list-style-type: none"> It was founded in 2000 and provides software development, web development and data entry solutions to customers including individuals, organisations, and companies in the US, Canada, Australia and Europe. It has 45 workstations and high-speed data communication lines. It is built-up over an area of 10,000 sq. ft. and has three offices located in Dehradun.

Agro and food processing industry

- The state government provides assistance in establishing small and medium size agro-parks and food-parks, which in turn are expected to provide common infrastructure facilities for storage, processing, grading and marketing.
- Many agri-export zones (AEZs) have already been declared under the AEZ scheme of Government of India for products such as leechi, horticulture, herbs, medicinal plants and basmati rice. Four AEZs and a biotech park near Pant Nagar are 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.

Agro-based and food processing companies

Britannia Industries Limited

Nestle India Limited

Pepsi

KLA India Public Limited

Agro and food processing industry – company profiles





<p>Britannia Industries Limited</p> 	<ul style="list-style-type: none"> • Britannia is one of India's leading food product companies, with an estimated 38 per cent market share. • The principal activity of the company is the manufacture 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 IIE Pantnagar and the project cost incurred is US\$ 13.34 million.
<p>Nestle India Limited</p> 	<ul style="list-style-type: none"> • Nestle is the world's largest and most diversified food company. • It has around 250,000 employees worldwide, 500 factories in about 100 countries, offering over 8,000 products, globally. • In 2006, Nestle India commissioned its seventh factory at Pantnagar in Uttarakhand.
<p>Pepsi</p> 	<ul style="list-style-type: none"> • PepsiCo established its business operations in India in 1989 and it is now the fourth-largest consumer products company in India • It provides direct and indirect employment to 150,000 people and has 41 bottling plants in India, of which 13 are company-owned and 28 are franchisee-owned. • There is a company-owned bottling plant in Bajpur, Uttarakhand, which has an installed capacity of 100,000 cases of soft drink per day.
<p>KLA India Public Limited</p>	<ul style="list-style-type: none"> • KLA India Public Limited (formerly, KLA Rice India Public Limited) was initially 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.

FMCG sector

- FMCG companies have set-up operations in Uttarakhand to avail of the 10-year tax holiday and other attractive incentives offered by the state for units that come up by 2013.
- Proximity to key markets and supply centres of North India, further add to the attractiveness of the state as an investment destination.
- Pantnagar is a primary location for FMCG companies in the state.

FMCG companies in Uttarakhand
ITC Limited
Dabur India Limited
Cavinkare Private Limited
Hindustan Lever Limited

FMCG – company profiles




<p>ITC Limited</p> 	<ul style="list-style-type: none"> • ITC Limited is one of India's major private sector companies with a market capitalisation of nearly US\$ 14 billion and a turnover of over US\$ five billion. • It has established a manufacturing facility in Uttarakhand for producing soaps and shampoos. • The plant is located in IIE Haridwar and the project cost was US\$ 29.1 million.
<p>Dabur India Limited</p> 	<ul style="list-style-type: none"> • Dabur is one of the leading consumer goods company in India with a turnover of US\$ 616 million in 2008-09. It has 17 ultra-modern manufacturing units spread across the globe and its products have markets in over 60 countries. • It has established a manufacturing facility in Uttarakhand. The company is into manufacturing products for healthcare, personal care and ayurvedic cosmetics segments. The plant is located in IIE Pantnagar and the project cost was US\$ 11.44 million.
<p>CavinKare Private Limited</p> 	<ul style="list-style-type: none"> • Cavin Kare is a leading FMCG company in India. The company has an employee strength of 1,880, an all-India network of 912 stockists catering to about 2.5 million outlets. • It has established a manufacturing facility at the IIE Haridwar in Uttarakhand. It manufactures products such as cosmetics, shampoos, creams and deodorants. The project cost was US\$ 6.05 million.
<p>Hindustan Lever Limited</p> 	<ul style="list-style-type: none"> • Hindustan Unilever Limited's (HUL) is India's largest FMCG company in India. • It has a state-of-the-art personal care products factory, set up with an initial investment of US\$ 30.23 million in SIDCUL's IIE at Haridwar.

Engineering and allied industries



- Many Indian and multi-national companies have established their manufacturing bases in Uttarakhand as a result of the state's emphasis on industrial and infrastructure development by providing incentives as well as easy availability of manpower.
- There are many automobile and auto-component companies that have set up their manufacturing units and R&D centres in the state.
- BHEL is one of the oldest and most important companies in the engineering sector of the state. Tata Motors, Ashok Leyland, Hero Honda, and Mahindra and Mahindra are some of the well-known automotive companies that have set up units in the state.

Engineering related companies in Uttarakhand
Surya
Polar Industries Limited
Havell's India Limited
Tata Motors
Bharat Heavy Electricals Limited (BHEL)
Hero Honda
Ashok Leyland
Mahindra and Mahindra




Engineering and allied industry – company profiles ... (1/3)

<p>Surya</p> 	<ul style="list-style-type: none"> • In 1984, Surya set-up its first factory for lighting products at Kashipur in Nainital. • Surya is among India's leading manufacturers of lighting products. The company is a leader in the exports of fluorescent tubes and has achieved high brand visibility in 45 countries. • Its steel-tube manufacturing plant is among the largest in Asia.
<p>Polar Industries Limited</p> 	<ul style="list-style-type: none"> • Polar, a popular fan making company. It has established a manufacturing facility in Uttarakhand. • The company manufactures electrical fans, water-lifting pumps, geysers, water purifiers and laminations. • The plant is located in IIE Haridwar; the project cost was US\$ 4.9 million.
<p>Havell's India Limited</p> 	<ul style="list-style-type: none"> • Havell's has established a manufacturing facility in Uttarakhand. • The company manufactures electrical products. • The plant is located in IIE Haridwar; the project cost was US\$ 5.9 million.




Engineering and allied industry – company profiles ... (2/3)

<p>Tata Motors</p> 	<ul style="list-style-type: none"> • Tata Motors is one of the leading firms in the country in the automobile sector. • It has set up its fourth plant in Uttarakhand. • This plant in Pantnagar has been set up for manufacturing the firm's mini-truck named 'Ace'.
<p>Bharat Heavy Electricals Limited (BHEL)</p> 	<ul style="list-style-type: none"> • BHEL is one of the leading power generation equipment manufacturers in the world. • It has a capacity to produce 6,000 MW of equipment. • BHEL also offers comprehensive service to its customers in the conventional and non-conventional energy, industry, transport, telecommunication and oil sectors. • BHEL, Ranipur, is a township developed by the company in the Hardwar district of the state. • BHEL, Haridwar, has a campus of 7,000 acres, of which, 2,034 acres is home to 200 companies including Hero Honda, Maruti and ITC.

Engineering and allied industry – company profiles ... (3/3)

<p>Hero Honda</p> 	<ul style="list-style-type: none"> • Hero Honda is a leading two-wheeler brand in India and among the most successful automobile companies. • It has established a new manufacturing plant in Haridwar. This plant has an ultimate capacity of 500,000 units. It provides for flexibility to produce both motorcycles and scooters. • The plant has created 1,500 jobs.
<p>Ashok Leyland</p> 	<ul style="list-style-type: none"> • The company has started work on a state-of-the-art, integrated manufacturing plant near Pantnagar in Uttarakhand. • It is planning to invest US\$ 232.56 million to create, in the first phase, an assembly and cab facilities for 25,000 vehicles, annually. In February 2010, the company started panel pressing operations in Uttarakhand for further ship the product to Avia in the Czech Republic.
<p>Mahindra and Mahindra</p> 	<ul style="list-style-type: none"> • Mahindra and Mahindra Limited (M&M) is the flagship company of the US\$ 1.65 billion Mahindra Group, which has a significant presence in key manufacturing sectors. • The company produces vehicles, farm equipment, IT products, and provides trade and finance related service along with infrastructure development. • The new plant in Uttarakhand is the company's fifth full-scale automotive plant and has been set-up for manufacturing three-wheelers of different load capacities and ranges.

Other prominent companies in Uttarakhand

<p>Somany Foam Limited</p>	<ul style="list-style-type: none"> • Somany Foam manufactures products such as polyurethane foam mattress and FT-foam sheets. • It has established a manufacturing facility in Uttarakhand. • The plant is located in IIE Haridwar; the project cost was US\$ 5.9 million.
<p>VIP Industries Limited</p> 	<ul style="list-style-type: none"> • VIP manufactures plastic-moulded luggage of all types including bags and suitcases. • It has several brands such as ‘VIP’, ‘Carlton’, ‘Delsey’, ‘Footloose’ and ‘ALFA’. • It has established a manufacturing facility in Uttarakhand in IIE Haridwar; the project cost was US\$ four million.
<p>Lakhani India Limited</p>	<ul style="list-style-type: none"> • Lakhani Vardaan is a group company of Lakhani India that manufactures footwear (shoes and chappals) under the Lakhani brand. • It has a manufacturing facility in Uttarakhand in IIE, Haridwar; the project cost was US\$ 3.7 million.
<p>Eureka Forbes</p> 	<ul style="list-style-type: none"> • Eureka Forbes is a joint venture between Forbes Gokak and Electrolux AB of Sweden. • It was set up in 1982 to market health and hygiene products to Indian consumers. • Uttarakhand is home to one of its three manufacturing facilities; it is located in Bhimtal.
<p>Twenty First Century Printers Limited</p> 	<ul style="list-style-type: none"> • 21st Century Printers has a facility in Uttarakhand in IIE, Haridwar. • The company manufactures products such as printed packaging material, cartons, boxes, shells and labels. • The plant has been set up at a project cost of US\$ 5.8 million.

Floriculture and horticulture industry

- Uttarakhand has several agro-geo-climatic zones making it particularly conducive to commercial horticulture and floriculture.
- The floriculture industry is being developed aggressively in order to meet the demand of domestic as well as the foreign markets. The climate of the state makes it ideal for growing flowers all round the year.
- Floriculture parks with common infrastructure facilities for sorting, pre-cooling, cold chain, processing, grading, packing and marketing facilities have been planned in order to provide adequate incentives and facilities to the industry.

Uttarakhand Organic Commodity Board (UOCB)



- The Uttarakhand Organic Commodity Board (UOCB) is a government body founded in 2003.
- It is supported by the Government of Uttarakhand and is located in the Dehradun district of Uttarakhand.
- UOCB advises and assist the State Government in the overall strengthening and implementation of the institutional set up, engaged and dealing in the production, processing, marketing and the 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 network and liaison with various department of the states.

Forest products industry

- Forest products have excellent potential for the development because of easy availability of raw materials.
- Ample scope to develop industries based on forest- and agro-wastes such as lantana, pine needles, plant and vegetative fibres.
- Uttarakhand is a storehouse for a rich variety of herbs, medicinal and aromatic plant species. This enables the state to offer immense opportunities for the development of export-oriented units based on such products.

Tourism in Uttarakhand

- Uttarakhand is a well-renowned religious and wildlife tourism destination.
- In 2008, the state registered a growth of 19.7 per cent in domestic tourists and 16.6 per cent in international tourist arrivals over 2006.
- Investment opportunities that exist in the tourism sector include:
 - Development of facilities for providing spiritual lessons, *reiki* and other rejuvenating courses.
 - Eco-tourism hotels, spa, resorts, amusement parks and ropeways.
 - Winter sports at locations such as Auly that have the requisite terrain for the purpose.
 - Adventure tourism.

National parks in Uttarakhand

- Askot Sanctuary
- Kedarnath sanctuary
- Valley of flowers (National Park)
- Nanda Devi National Park
- Rajaji National Park
- Corbett National Park
- Govind Wildlife Sanctuary

Religious-tourism in Uttarakhand

- Yamunotri
- Gangotri
- Kedarnath
- Badrinath
- Haridwar-Har ki Paudi
- Hemkund Sahab

Biotechnology industry

- Home to a variety of flora and fauna and rare species of plants and animals, Uttarakhand has a natural advantage in the sector.
- The state of Uttarakhand accords the units coming under this sector an industry status (policy provisions applicable to the IT sector are be applicable to this sector) and aims to establish an internationally-competitive business infrastructure and environment for developing this industry.
- Biotechnology parks are to be developed to integrate resources and provide a focused institutional setup for accelerated commercial growth of biotechnology and bioinformatics.
- The government is also planning to develop Uttarakhand as a centre for excellence in biotechnology.

Major industrial projects being planned

Project	Sector	Promoter	Investment (US\$ million)	Location
Road (Meerut-Dehradun) project	Roadways	NHAI	191.3	Meerut/ Dehradun
Ropeway (Dehradun-Mussoorie) project	Tourism	Uttarakhand Infrastructure Projects Co.	173.9	Uttarakhand
Chhunger Chal hydro-power project	Hydro-power	Satluj Jal Vidyut Nigam	173.0	Pithoragarh
Road up-gradation (Haridwar-Dehradun) project	Roadways	NHAI	141.7	Hardwar
Singoli Bhatwari hydro-power project	Hydro-power	Uttarakhand Jal Vidyut Nigam Limited	118.7	Rudraprayag
Kishau-dam irrigation project	Irrigation	Government of Uttarakhand	108.3	Dehra Dun
Lata-Tapovan hydro-power project	Hydro-power	NTPC Hydro Limited	97.8	Chamoli
Balgad small hydro-power project	Hydro-power	Government of Uttarakhand	46.8	Pithoragarh
Paper (Khatema) project – expansion	Paper	Khatema Fibres Limited	32.6	Khatema
Locks and handles (Hardwar) project – expansion	Manufacturing	Dorset Kaba Security Systems Private Limited	32.6	Hardwar
Corbett Country tourism destination project	Tourism	Uttaranchal Tourism Development Board	22.8	Nainital

Source: projectstoday.com

Key industrial projects under execution

Project	Sector	Promoter	Investment (US\$ million)	Location
Cartonboards project	Manufacturing	ITC	21.7	Uttarakhand
Lakhwar Vyasi hydro-power project	Hydro-power	Uttarakhand Jal Vidyut Nigam	760.9	Lakhwar and Vyasi
Tapovan Vishnugad hydro-power project	Hydro-power	NTPC	647.5	Dhauliganga River
Loharinag Pala hydro-power project	Hydro-power	NTPC	629.4	Uttarkashi
Srinagar hydro-power project	Hydro-power	GVK Power & Infrastructure	586.5	Srinagar
Vishnugad Pipalkoti HEP (Chamoli)	Hydro-power	Tehri Hydro Development Corporation	541.6	Chamoli
Two-wheelers (Ranipur) project - expansion	Automobile	Hero Honda Motors	413.0	Ranipur
Pala Maneri hydro-power project	Hydro-power	Uttarakhand Jal Vidyut Nigam	413.0	Pala
Tehri Hydro-power project -Phase II	Hydro-power	Tehri Hydro Devp. Corpn.	360.4	Tehri
Alaknanda hydro-power project	Hydro-power	GMR Energy	336.1	Chamoli
Two-wheelers (Pantnagar) project	Automobile	Ashok Leyland	260.9	Patnanagar

Source: projectstoday.com

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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	Labour department
No objection certificate	Fire and forest departments
Provisional trade tax registrations	Central and state excise departments
Registration under the Central Sales Tax 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
Land price (per sq m)*	US\$ 14 to US\$18
Labour (per man year)	US\$ 714 to US\$1,348
Commercial land(per sq ft)*	US\$ 40 to US\$ 43
Power (per kWh)	US 4.34 cents
Residential rent (per sq m per month)*	US\$ 20 to US\$ 21.50
Hotel room (per night)	US\$ 33 to US\$ 52
Water (per 1,000 litres)	US 27.7 cents

Sources: Uttarakhand Government websites and industry sources

*Primary survey

Single-window approval mechanism

The single-window contract facility is available under a two-tier system:

- The District Industrial Centres (DIC) at the district level
- The State Industrial Development Corporation of Uttarakhand (SIDCUL) at the state level.

These centres are responsible for providing information and escort services to the entrepreneurs. They also maintain a data bank.

Key investment promotion offices

State Infrastructure and Industrial Development Corporation of Uttarakhand Limited (SIDCUL)

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).

SIDCUL functions as the nodal agency of the state to administer all existing Government of India (GoI) and Government of Uttarakhand (GoUA) 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.

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, assisted companies, etc.

Uttarakhand Tourism Development Board (UTTDB)

UTTDB is a statutory board under the Government of Uttarakhand, chaired by the tourism minister, with the chief secretary as the vice chairman and five leading experts from the private sector as its members. The board serves as a nodal agency for development and regulation of tourism related activities and provides a single-window mechanism for granting clearances to tourism projects. The board has all the requisite administrative and financial autonomy for the speedy, integrated and well planned development of tourism in the state.

Indian Industries Association, Uttarakhand (IIA)

IIA is an apex body of small and medium scale industries of Uttarakhand. IIA 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 IIA is on taking initiatives to help the existing industry and to attract the new industry in Uttarakhand.

Contact list

Key agency	Contact Information
State Infrastructure and Industrial Development Corporation of Uttarakhand Limited (SIDCUL)	2, New Cantt. Road Dilaram Bazar, Dehradun-248001 Phone: 91-135-2743 292 Fax: 91-0135-2708 109 E-mail: www.sidcul.com
Information Technology Development Agency (ITDA)	272-B Vasant Vihar, Phase-II Dehradun Phone: 91-135-2762 024 Fax: 91-135-2761 917
Uttaranchal Tourism Development Board (UTTDB)	Secretary Tourism and Chief Executive Officer Government of Uttarakhand Sachivalaya, Dehradun Phone: 91-135-2712 095 Fax: 91-135-2712 800 E-mail: www.uttaranchaltourism.gov.in
Indian Industries Association, Uttarakhand (IIA)	Indian Industries Association, Uttarakhand Dehradun Phone: 91-135-2640530 Fax: 91-135-2643382 E-mail: info@iauonline.in

Annexure

Exchange Rates

Year	INR equivalent of one US\$
2000	46.60
2001	48.30
2002	48.04
2003	45.60
2004	43.70
2005	45.20
2006	45.00
2007	42.00
2008	40.20
2009	46.00

Average for the year

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