

P R E F A C E

India has rich diversity of medicinal plants. The supply base of 90% herbal raw drugs used in the manufacture of Ayurveda, Siddha, Unani & Homoeopathy systems of medicine is largely from the wild. This wild source is speedily shrinking day-by-day. Therefore, there is a need for conservation and sustainable use of medicinal plants. Cultivation is clearly a sustainable alternative to the present collection of medicinal plants from the wild. This can be a potential provider of returns to the farmers.

The medicinal plants sector at present is not well organised and needs special attention. Although different Ministries and Departments in the Government sector, NGOs and individuals in the private sector are making efforts in different directions, yet there is a need to co-ordinate and systematise these efforts. An appropriate mechanism for coordination and implementation of policies relating to medicinal plants both at the national and state levels is necessary to facilitate inter-Ministry, inter-State and institutional collaboration to avoid duplication of efforts. Therefore, a need for the establishment of a national level nodal body called the **National Medicinal Plants Board** (NMPB) was felt to formulate policies for the sector and develop the potentials of this sector through **Schemes** and **Projects** that encourage investment in this sector.

With a view to prioritise and select medicinal plants for development, 32 medicinal plants have been identified and prioritised at the national level, which includes **Amla, Ashok, Ashwagandha, Atees, Bael, Bhumi amlaki, Brahmi, Chandan, Chirata, Daruhaldi, Giloe, Gudmar, Guggal, Isabgol, Jatamansi, Kalihari, Kalmegh, Kesar Kokum, Kuth, Kutki, Makoy, Mulethi, Safed Musali, Pathar chur, Pippali, Sarp Gandha, Senna, Shatavari, Tulsi, Vai Vidang, Vatsnabh**. In order to develop the medicinal plants sector in different agro-climatic zones across the country, there is a need for a coherent approach linking all the stakeholders of the medicinal plants viz. growers, collectors, traders, manufacturers, exporters and others. At the initiation of National Board so far 30 State Medicinal Plants Boards have been set up in the country.

With a view to give impetus to the activities and development of medicinal plants sector in the country, the Board formulated **Schemes** for **financial assistance** and **guidelines** for implementing the projects. The Schemes and Projects are grouped under **Promotional** and **Commercial schemes**. The Promotional schemes are mainly aimed at bringing awareness about the importance of medicinal plants and medicinal plants sector as a whole, besides covers basic studies in areas like inventorisation, in-situ and ex-situ conservation encourage co-operative movement in the sector, production of quality planting material, Demand and Supply, market position etc.

The Commercial schemes are aimed at production/cultivation of medicinal plants on large scale, value addition in the techniques of production, harvesting, processing, storage, packaging and in developing market of medicinal plants. For these schemes both Government organisations and NGOs including co-operatives and all other stakeholders are eligible. The project proposals with buyback mechanism on 32 plants or other species having assured market are preferred. The back-ended financial assistance for the approved projects would be paid in two instalments through the FI. If term loan is not availed by the applicant, then one has to deposit 10% of the project cost in a recognised FI, and pledged to the Board. The applicant will also submit an MoU for buyback mechanism and a formal bond.

The scheme and guidelines include eligibility, procedure and preparation/submission of proposals, general conditions, funding of projects, procedure for processing project proposals for

approval, implementation and monitoring, cost scheduling, modalities, domestic and international visits, address for submission of projects, Format for:

- a** - Application form for promotional scheme,
- b** - Application form for commercial scheme,
- c** - Application form for contractual farming,
- d** - Format of MoU for buy-back,
- e** - Format for submission of progress report,
- f** - Terms & conditions of financial support with bond,
- g** - Bank Appraisal Note
- h** - Registration format
- I** - List of State Medicinal Plants Board,
- J** - Monitoring mechanism for projects on conservation etc.

It is earnestly hoped that the schemes and guidelines will be quite useful to one and all stakeholders interested in participating the activities of the Board for growth and development of medicinal plants sector. The schemes of the Board will go a long way to encourage more and more stakeholders to invest in the sector to bring a **medicinal plants revolution** in the country, which will lead to good health and prosperity for the people.

(R. B. S. RAWAT)

October, 2003

National Medicinal Plants Board
Ministry of Health & Family Welfare
(Department of AYUSH)

PROMOTIONAL AND COMMERCIAL SCHEMES
Operational Guidelines for Financial Assistance

PREAMBLE

The Medicinal Plants Board was set up under a Government Resolution notified on 24th November, 2000 under the Chairmanship of Union Health & Family Welfare Minister. The objectives of establishing a Board is to establish an agency which would be responsible for co-ordination of all matters relating to medicinal plants, including drawing up policies and strategies for conservation, proper harvesting, cost-effective cultivation, research and development, processing, marketing of raw material in order to protect, sustain and develop this sector. The work would continue to be carried out by the respective Departments, Organizations but the Board provide focus and give directions to the activities.

FUNCTIONS OF THE BOARD:

Co-ordination with Ministries/Department/Organisations/State/UT Governments for development of medicinal plants in general and specifically in the following fields:-

1. **Assessment** of demand/supply position relating to medicinal plants both within the country & abroad.
2. **Advise** concerned Ministries/Departments/Organisations/State/UT Governments on policy matters relating to schemes and programmes for development of medicinal plants.
3. Provide **guidance** in the formulation of proposals, schemes and programmes etc. to be taken by agencies having access to land for cultivation and infrastructure for collection, storage transportation of medicinal plants.
4. **Identification**, inventorization and quantification of medicinal plants.
5. **Promotion** of *ex-situ* and *in-situ* cultivation and conservation of medicinal plants.
6. Promotion of co-operative effort among collectors and growers and assisting them to store, transport and market their products effectively.
7. Setting up of **database** system for inventorisation, dissemination of information and facilitation the prevention of plants being obtained for medicinal use of plants, which is in the public domain.
8. Matter relating to **import/export** of raw material, as well as value added products either as medicine, food supplements or as herbal cosmetics including adoption of better techniques for marketing of products to increase their reputation for quality and reliability in the country and abroad.
9. Undertaking and awarding Scientific, Technological research and cost-effectiveness studies.
10. Development of **protocols** for cultivation and quality control.
11. Encouraging the protection of **Patent Rights** and IPR.

ORGANISATIONAL SET UP :-

The apex body of the Board is headed by the Union Minister of health & Family Welfare as Chairperson and Union Minister of State for Health & Family Welfare as Vice-Chairperson and other members are as follows:

Ex-Officio members :- I) Secretary, Department of Indian Systems of Medicine & Homeopathy; ii) Secretary, Minister of Environment & Forests; iii) Secretary, Department of Scientific and Industrial & Research; iv) Secretary, Department of Bio- Technology; v) Secretary, Department of Science & Technology; vi) Secretary, Department of Commerce; vii) Secretary, Department of Industrial Policy and Promotion; viii) Secretary, Department of Expenditure; ix) Secretary, Department of Agriculture and Co-operation; x) Secretary, Department of Agricultural Research and Education; and xi) Secretary, Ministry of Tribal Affairs.

Four nominated members :- Having expertise in the field of – I) Medico-ethno botany; ii) Pharmaceuticals Industry of ISM; iii) Marketing and Trade; iv) Legal matters and Patents.

Four nominated members representing exporters of:- I) ISM&H drugs; ii) NGOs; iii) Growers of medicinal plants; iv) Research and Developments Industry groups.

Two nominated members representing :- Federations/Co-operatives dealing with medicinal plants.

One members from :- Research Councils of Department of – I) Indian Systems of Medicine and Homeopathy, ii) Pharmacopoeial Laboratory of Indian Medicines/Homeopathic Pharmacopoeia Laboratory, Ghaziabad, and iii) two members representing State Governments (by rotation every two years).

Chief Executive Officer in the rank of Joint Secretary as Member – Secretary.

MARKET SCENARIO OF MEDICINAL PLANTS:

Domestic Scenario:

Medicinal plants market in the country is today unorganised due to several problems. Medicinal plants are a living resource, exhaustible if overused and sustainable if used with care and wisdom. At present 95% collection of medicinal plants is from the wild. Current practices of harvesting are unsustainable and many studies have highlighted depletion of resource base. Many studies have confirmed that pharmaceutical companies are also responsible for inefficient, imperfect, informal and opportunistic marketing of medicinal plants. There is a vast, secretive and largely unregulated trade in medicinal plants, mainly from the wild, which continues to grow in the absence of serious policy attention with environmental planning. Confusion also exists in the identification of plant materials where the origin of a particular drug is assigned to more than one plant, due to which, adulteration is common in such cases. All these affect the market both directly and indirectly.

Marketing is a daunting problem, which affect the development of the plant-based industry in developing countries. Marketability of products will be a crucial factor in determining the failure or success of this sector. The market outlets can be for local use and for export. As for local use some products could reach the consumer directly while others have to be either further processed or used as secondary components in other industrial products. A clear

understanding of both the supply-side issues and the factors driving the demand and size of the medicinal plants market is a vital step towards planning for both the conservation and sustainable use of the habitats of these plants as well as for ensuring continued availability of the basic ingredients used to address the health needs of the majority of the world's population.

Brief Global Scenario:

According to the report of the World Health Organisation (WHO), a large population of the world relies on the traditional systems of medicines, largely plant based to meet their primary health care needs. India at present exports herbal materials and medicines to the tune of Rs.446 crores only while it has been estimated that this can be raised to Rs.3000 crores by 2005. The Chinese export based on plants including raw drugs, therapeutics and other is estimated to be around Rs.18,000- Rs.22,000 crores. In view of the innate Indian strengths which interalia include diverse eco-systems, technical and farming capacity and a strong manufacturing sector, the medicinal plants area can become a huge export opportunity after fulfilling domestic needs.

Export:

A part from requirement of medicinal plants for internal consumption, India exports crude drugs mainly to developed countries, viz. USA, Germany, France, Switzerland, UK and Japan, who share between them 75 to 80 percent of the total export of crude drugs from India. The principal herbal drugs that have been finding a good market in foreign countries are *Aconite*, *Aloe*, *Belladonna*, *Acorus*, *Cinchona*, *Cassia tora*, *Dioscorea*, *Digitalis*, *Ephedra*, *Plantago* (Isabgol), *Cassia* (Senna) etc.

(Source: Planning Commission - Task Force Report, 2000)

PROMOTIONAL AND COMMERCIAL SCHEMES

DESIGNATED AREAS FOR FINANCIAL SUPPORT:-

Project proposals could be submitted in the following designated areas of Promotional/Commercial schemes for overall development of medicinal plants in general and with special reference to 32 species, prioritised and identified by the Board viz:

1.	Amla	<i>Emblica officinalis</i> Gaertn
2.	Ashok	<i>Saraca asoca</i> (Roxb.) de Wilde
3.	Ashwagandha	<i>Withania somnifera</i> (Linn.) Dunal
4.	Atees	<i>Aconitum heterophyllum</i> Wall. ex Royle
5.	Bael	<i>Aegle marmelos</i> (Linn) Corr.
6.	Bhumi amlaki	<i>Phyllanthus amarus</i> Schum & Thonn.
7.	Brahmi	<i>Bacopa monnieri</i> (L.) Pennell
8.	Chandan	<i>Santalum album</i> Linn.
9.	Chirata	<i>Swertia chirata</i> Buch-Ham.
10.	Daruhaldi	<i>Berberis aristata</i> DC.
11.	Giloe	<i>Tinospora cordifolia</i> Miers.
12.	Gudmar	<i>Gymnema sylvestri</i> R. Br.
13.	Guggal	<i>Commiphora wightii</i> (Arn.) Bhandari
14.	Isabgol	<i>Plantago ovata</i> Forsk.
15.	Jatamansi	<i>Nardostachys jatamansi</i> DC.
16.	Kalihari	<i>Gloriosa superba</i> Linn.
17.	Kalmegh	<i>Andrographis paniculata</i> Wall. ex Nees
18.	Kesar	<i>Crocus sativus</i> Linn.
19.	Kokum	<i>Garcinia indica</i> Chois.
20.	Kuth	<i>Saussurea costus</i> C. B. Clarke (<i>S.lappa</i>)
21.	Kutki	<i>Picrorhiza kurroa</i> Benth ex Royle
22.	Makoy	<i>Solanum nigrum</i> Linn.
23.	Mulethi	<i>Glycyrrhiza glabra</i> Linn.
24.	Safaid Musali	<i>Chlorophytum borivillianum</i> Sant.
25.	Pather Chur	<i>Coleus barbatus</i> Benth.
26.	Pippali	<i>Piper longum</i> Linn.
27.	Sarpgandha	<i>Rauwolfia serpentina</i> Benth. ex Kurz
28.	Senna	<i>Cassia angustifolia</i> Vahl.
29.	Shatavari	<i>Asparagus racemosus</i> Willd.
30.	Tulsi	<i>Ocimum sanctum</i> Linn.
31.	Vai Vidang	<i>Embelia ribes</i> Burm. f.
32.	Vatsnabh	<i>Aconitum ferox</i> Wall.

- Proposals could also be taken up for any other medicinal plant for which there is assured market.

PROJECT PROPOSALS CAN BE SUBMITTED IN THE FOLLOWING AREAS:

I- PROMOTIONAL SCHEMES:

1. Survey and Inventorisation of medicinal plants.
2. *In-situ* conservation and *ex-situ* cultivation of medicinal plants.
 - To encourage *in-situ* conservation and *ex-situ* cultivation of selected medicinal plants, particularly endangered species which have appeared in Indian Red Data Book (IRDB) and negative list of CITES.
 - To create region-wise and species-wise medicinal plants demonstration centres (herbal gardens).
3. Production of quality planting material
 - To produce germ plasms of quality planting materials in bulk by developing improved agro-techniques and other appropriate technology.
4. Extension activities- Information, education and communication:
 - Awareness through audio-visual aids, talks, seminars, training, workshops etc.
 - Training & visit of growers and collectors to demonstrations plots, research centres and other related organisations in the country.
 - Activities encouraging cultivation for growing medicinal plants.
 - Extension material on medicinal plants
5. Study demand supply position and marketing of medicinal plants for domestic and global market.
 - Study in respect of state-of-art creating and developing infrastructure for the purpose of value addition, shelf life, storage & packing of drugs conforming international standards.
6. Research & Development in medicinal plants sector.
7. Strengthening capabilities of NMPB:- The scheme related to man-power for NMPB including pay and allowances to staff, office, infrastructure, computerization etc.
8. Promote co-operative efforts among growers and collectors of medicinal plants.
9. Value addition and semi-processing of products of medicinal plants.
10. Undertake/assist or encourage scientific technological and economic research on medicinal plants.

Eligibility:

- Applicable to government organizations for grant in the specified areas above.
- Non-Government Organisations (NGOs) & Public Sector Undertakings (PSUs) are eligible for certain specific areas except R & D activities.

II - COMMERCIAL SCHEMES:

1. Production and ensure supply of quality planting material in bulk.
2. Area expansion for selected species and cultivation in more than 2 ha. land area.
3. Value addition - for developing proper harvesting techniques, semi-processing of produces viz. collection, grading, drying, storage, packing etc.
4. Develop innovative marketing mechanism.

Eligibility:

- Registered growers, association/federations of growers, traders, manufacturers, societies, pharmaceutical companies, Public Sector Undertakings (PSUs), NGOs and recognised private research institutes or any group of people who have past 3 years experience in the medicinal plants sector.
- Government organizations.

III – CONTRACTUAL FARMING:

Cultivation of medicinal plants on contract basis.

1. Area expansion for selected species and cultivation in commercial scale with assured market.

Eligibility:

- Registered grower, association/federation of growers, traders, manufacturer, society, pharmaceutical company, NGO & recognized research institutes or any group of people who have past three years experience in medicinal plants, Public Sector Undertakings (PSUs).

Financial Assistance to farmers:

FOR THE ABOVE COMMERCIAL ACTIVITIES IN CASE OF NGOs, SOCIETIES/COOPERATIVES FINANCIAL ASSISTANCE WOULD BE PROVIDED TO THE EXTENT OF 30% OF TOTAL EXPENDITURE, AS EXPLAINED ABOVE OR UPTO A MAXIMUM Rs. 9 LACS ONLY.

PREPARATION AND SUBMISSION OF PROPOSAL:

1. The applicant will submit the project proposal on appropriate prescribed application form (**Annexure-I , II & III**) prepared as per the guidelines of the Board. The project will have a Principal Investigator who would be responsible for its formulation and implementation.
2. The objectives of the projects have to be precise and well - defined indicating the likely benefits to be derived.
3. The technical programme of the scheme has to be as comprehensive as possible, outlining allocation of works, work scheduling, annual action plan etc.
4. All project proposals (2 copy), have to route through the State Medicinal Plants Board (**Annexure VIII**) with all relevant documents.
 - MoU with buyer on Rs. 50 stamp paper, Bank Appraisal Report
 - Attested Land Document (For Commercial & Contractual Farming)
 - Registration with SMPB/State Govt..(For all).

- Registration document (in case of NGO).
 - Last three years financial balance sheet (in case of NGO)
 - Bio-data of PI/Co-PI (wherever applicable)
5. The proposal so received will finally be placed before the Project Screening Committee (PSC) of NMPB after internal scrutiny.
 6. After approval of the project by the PSC the applicant/SMPB will be informed so that the applicant may apply for release of 1st Instalment of the term loan. The total back-ended financial assistance shall be paid through FI in two equal instalments.
 7. 50% of the Financial Assistance would be released to the participating Financial Institutions after 50% of term loan is disbursed. The remaining 50% Financial Assistance will be released on disbursement of 2nd instalment of term loan.
 8. The 2nd instalment of 50% of the Financial Assistance will be released within Fund Account of the concerned borrower, which is to be adjusted finally against the loan amount of the bank on completion of the project. At every stage funds would be released on the verification and recommendation of SMPB/State Govt./FI. For release in subsequent years, funds will be provided only after receipt of utilization certificate and demand.
 9. On completion of the project, the concerned FI would inform NMPB that the project has been completed as per the over all guidelines of NMPB and shall make a request to NMPB for joint inspection of the project, in the presence of the applicant. The remaining 50% of the financial assistance would be released after the satisfactory report of the inspection of the project. The FI/Applicant would submit utilization certificate about the financial assistance to the NMPB and SMPB.
 10. Adjustment in Applicant's Account: The financial assistance released by NMPB to the FI on behalf of the applicant that is sanctioned, will be kept in the separate account. The repayment schedule will be drawn on the loan amount in such a way that the financial assistance amount is adjusted after the bank loan portion is liquidated. Suitable instruction issued in this regard by the RBI from time to time would be followed.
 11. Before releasing funds the officials of National Medicinal Plants Board or in their absence officials of the State Board will inspect the project area and submit a report for its satisfactory progress or otherwise for release of funds.
 12. The Board will have final discretion for actual grant of financial assistance to be given.
 13. The term loan could be availed by the applicant depending upon species, acreage, agro-climatic conditions and amount of margin money etc. but in any case the term loan has to be not less than 10% of the total project cost, through recognized FI.
 14. Monitoring and evaluation of the project would be the responsibility of concerned SMPB.
 15. **Other Conditions:**

The project proposals may have vertical or horizontal integration.

 - a. A signboard at the site "NMPB Assisted Project" will have to be exhibited.
 - b. NMPB reserves the right to modify, add, and delete any term/ conditions without assigning any reason thereof.
 - c. NMPB interpretation of various terms will be final.
 - d. As and when required, pre & post inspection would be undertaken by NMPB representative(s) to find out the physical and financial progress.
 - e. NMPB shall have a right to inspect/monitor the project and verify the related records at any time during the project period.

* The Financial Institutions (FI)/Banks shall include NABARD, IDBI, SIDBI, ICICI, State Financial Corporations, State Industrial Development Corporations, State Industrial Development Corporations, NBFCs, NEDFI, National SC-ST/Minorities/Backward-Classes Financial and Development Corporation, other RBI designated loaning institutions of the States/UTs, Commercial/Cooperative

GENERAL CONDITIONS:

100% financial assistance would be available for the **promotional schemes (Annexure-I)**, to be implemented by the State Medicinal Plants Board (SMPBs) State Governments, Central and State Governments Institutions, Universities, reputed NGOs and quasi-public Institutions.

- i) The project proposals may be upto 3 years duration.
- ii) Scientists/Teachers/Foresters with Botany/Forestry background would be eligible to become the Principal Investigator (PI), provided they have at least 3 years to superannuate.
- iii) Scientific, technical and supporting staff will be on contract basis and contractual salaries, specialised equipment, unavoidable recurring contingencies, TA (PI and staff) and in selected cases for small items of works will be in accordance with the approval of the project.
- iv) The Principal Investigator shall enjoy the freedom in selection of Co-PI and other staff. The appointment will not be regular in nature, but restricted to the project/scheme on contract basis.
- v) In case of transfer/leaving of Principal Investigator, Co-Principal Investigator will hold the charge of the scheme and will perform the duties of PI. In case there is no co-Principal Investigator, the host institute will suggest the name of suitable PI to handle the scheme. In case of transfer of the PI the scheme could be shifted to the institution on the request of the PI concerned.
- vi) Under non-recurring head, financial assistance could be provided for only selected, essential and specialised items of equipments required for project works, for modification of existing structure or for undertaking petty works.
- vii) The implementing institution without approval of the Board shall not make re-appropriation of funds among different heads of expenditures of a scheme, except in case of recurring contingencies.
- viii) Component towards rental value of land/lease rent shall not exceed 10% of project cost.
- ix) Expenses towards manpower for supervision and other technical input shall not exceed 10% of the project cost.
- x) Other general conditions will be as per Terms/Conditions (**Annexure-VI**).

FUNDING OF PROJECTS:

- (i) Financial assistance would be considered for **Projects related to technology transfer and development** for promotion of identified medicinal plants, up to the limit of **Rupees 10 lacs per year**.
- (ii) For **pilot projects based on high quality-commercial production**, compact area development approach for popularising new and modern scientific concept of medicinal plants, upto **Rupees 10 lacs per year**.
- (iii) For **Research & Development (R & D) projects** on specific problems related to medicinal plants to encourage domestic and export promotion, upto **Rupees 25 lacs**. The projects from State Agricultural Universities/ Research Organisations, Universities/P.G. Colleges of repute and State Governments etc. would be considered.

- (iv) For *in-situ conservation* and *ex-situ cultivation* a grant upto **Rs.10 lacs per annum** per project would be admissible.
- (v) **For training/workshops/seminars: Up to Rs.2 lacs** for State level; upto **Rs.3 Lacs** for Regional level; upto **Rs.5 lacs** for National level and; upto **Rs.10 lacs** for International event in a year.
- (vi) For awarding title "**Vanaushadhi Pandit**" up to Rs.1.5 lacs in a year in the country @ Rs15,000/- per head.
- (vii) To assist all stakeholders in the sector up to Rs.10 lacs could be financed for in-depth **Market information service** including data bank.

PROCEDURE FOR PROCESSING PROJECT PROPOSALS FOR APPROVAL:

- 1) All project proposals received in the Board office will be duly examined for their completeness of meeting the minimum acceptability requirements.
- 2) The Board will be free to take expert opinion on project proposals from any individual/agency where necessary.
- 3) The institutions sponsoring the short-term schemes may levy institutional service charges, to the limit of 15% of the total cost of the scheme, which in turn will be used by the institute for the recurring contingencies on specified sector related activities.
- 4) The project proposals reviewed and recommended by the Project Screening Committee (PSC) of the Board will be placed before the Standing Finance Committee (SFC) for final approval.
- 5) The sanction letter shall convey expenditure sanction of all items viz. staff, equipment, works, recurring contingencies, etc. as finally approved in each case, thereby avoiding any subsequent reference to the Board for separate sanction.
- 6) Once the Board approves a new scheme, its sanction will be conveyed by the Board to the host institution for acceptance of the offer and the date to start the project.

IMPLEMENTATION AND MONITORING:

- (1) All project proposals shall be implemented within 3 months of conveying the sanction, failing which the sanctions accorded shall stand withdrawn. Extension in any case shall be given only in exceptional case.
- (2) The PI shall submit half yearly & annual (April to March) progress report on prescribed proforma (**Annexure -V**) timely (in case of annual report latest by 30th April) to the Board. The Annual report must contain details about the work done, achievements, results and duly audited accounts.
- (3) The PI will enjoy functional autonomy and powers at par with as delegated to the similar project heads of the institute/organization. In exceptional cases for purchase of specific equipment, works, printing of extension material etc., the Board may accord necessary sanction on the request of PI.

- (4) Monitoring mechanism of the Projects on *in-situ* or *ex-situ* conservation will be done on the same parameters as given in (**Annexure-IX**)
- (5) Release of funds will be withheld in the event of non-receipt of utilization certificate and progress reports in time or unsatisfactory progress of work.
- (6) On completion of the project, the PI shall submit to the National Medicinal Plants Board a final report in the prescribed proforma, which shall be examined by the Board, for identifying project results, their significance and follow-up required therein.
- (7) All publications (books, research papers, popular articles) produced related to the project have to be duly acknowledged for financial support.

COST SCHEDULING:

- i) **Establishment/maintenance of herbal gardens** (minimum area 1 ha.)
 - a. Land development, fencing, developing water resources, setting up irrigation facilities @ up to Rs.1.0 lacs per ha. (0.25 lacs for procurement of basic planting material and 0.75 lacs per ha. establishment charges).
 - b. Annual maintenance of the garden @ up to Rs.0.40 lacs per year per hectare.
- ii) **For quality planting material sapling etc:** @ up to Rs.40, 000/- per ha.
- iii) **For establishment/maintenance of nursery centers:** Land development, mist chamber nursery sheds, irrigation systems @ up to Rs.1.25 lacs per hectare in first year. For next two years Rs.0.40 lacs would be provided for maintenance.

(The organization has to ensure supply of at least 40,000-seedling/quality planting material per hectare)
- iv) **Regional Analytical Laboratory for Quality testing, validation and certification:** For quality testing and certification of medicinal plants produce identified regional labs./institutions would be considered for the maintenance/strengthening of lab. up to Rs.2.0 lacs per year.

MODALITIES:

- An Internal Project Screening Committee (IPSC), headed by CEO of the Board will be constituted for screening of the projects up to Rs.10 lacs. - representative from DoISM&H, representative from NMPB will be members of this committee.
- For projects between Rs.10 lacs to Rs.30 lacs, the Project Screening Committee (PSC) will include the following members:
 - i) Chief Executive Officer, National Medicinal Plants Board.
 - ii) Representative from National Horticulture Board
 - iii) Representative from Ministry of Environment & Forests.
 - iv) Representative from ICAR
 - v) Representative from CSIR

- vi) Representatives from National Medicinal Plants Board.
- vii) Representatives from Do ISM&H.

The Committee will be headed by the official, designated by Secretary (AYUSH).

- The State level committee for screening and evaluation of projects will include:
 - i) Member Secretary of State Medicinal Plants Board.
 - ii) Representative from National Medicinal Plants Board.
 - iii) Representative (s) from Central Government Institution(s).
 - iv) Representative from Forest department.
 - v) Representative from department of Indian Systems of Medicine & Homoeopathy.

The **Member-Secretary** of the respective SMPBs will head the Committee.

DOMESTIC & INTERNATIONAL VISITS:

National Medicinal Plants Board may coordinate and organize visit of officials and progressive farmers in India & abroad up to a period of 3 weeks for exposure and training related to development of medicinal plants sector. The group leader will be from the Board.

Observation-cum-study tours shall be conducted for officers of NMPB and other concerned divisions to give exposure to the officers about medicinal plants advances in different countries. The team should not exceed nine members at a time including the team leader from the Board.

The entire cost on travel and per diem shall be borne by NMPB as per norms of Government of India.

ANNEXURE – I

(For promotional activity related projects)

National Medicinal Plants Board

APPLICATION FORM FOR SEEKING FINANCIAL ASSISTANCE FROM NATIONAL MEDICINAL PLANTS BOARD UNDER PROJECT/SCHEMES

1. Title of the Project.
2. Name of the organisation with full address
3. Status
4. Name of Principal Project Investigator (PI) and CoPI (with correspondence address)
5. Introduction, Concept and justification of the project (Detail)
6. Project Period:
7. Details of infrastructure available:
8. Physical and financial requirement:
9. Internal Monitoring and evaluation mechanism:
10. Benefits from the projects- tangible and intangible:
11. Summary of the work particularly in medicinal plants sector undertaken by the organisation /PI in the last 3 years.
12. Other sources of financial assistance received by the applicant/organization if any so, furnish details.
13. Details of financial assistance already received from the Board, if any may be given in the following proforma:

Year	Amount of grant	Purpose in brief	Total expenses incurred
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Amount of grant utilized	Has utilization certificate been accepted by the Board	Remark	
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14. Detailed Bio-data (including details of published work) of PI & CoPI

Note : i). Proof of operational land and market mechanism (wherever applicable) to be submitted.

ii). Costing pattern to be provided in the form of schedule of rates as applicable.

iii) Supporting documents including map (where applicable) and annexure relating to project proposal must be attached.

iv). Summary of the project should be on the 1st page as a content.

15. Draft to be issued in favour of _____.

Certified that the information given above is correct and we agree to abide by the Rules and Regulations of the Board for utilization of the financial assistance sought for. No financial assistance/grant has been sought and or obtained from any Central of State Govt. organization.

Date:

Signature of Authorised Authority

Annexure-II

(For commercial activity other than contractual farming related projects)

National Medicinal Plants Board

APPLICATION FORM FOR SEEKING FINANCIAL ASSISTANCE FROM NATIONAL MEDICINAL PLANTS BOARD:

A. Project Proposal

- i) Title of the project.
- ii) Details of the project proposal:- a). Period, b). Concept, Justification and main activities, & c). location & Map (if applicable).
- iii) Requirement of funds (with break up) and item-wise financial projections.
- iv) Means of Finance including total financial assistance sought from the Board :
 - a) Own resources,
 - b) Bank loan,
 - c) Financial assistance sought.

B. General information about beneficiary Organization/Applicant

1. Name of the organization/Applicant with full address.
2. Status
3. Name of the contact person (Principal Investigator (PI)/CoPI) with telephone/fax, e- mail and complete postal address.
4. Detailed Bio-data (including details of published work) of PI & CoPI
5. Year of establishment (**wherever applicable**).
6. Whether registered under the Registration of Societies Act, 1860 or any similar State Act (Registration number & date and attach a certificate by Gazetted officer in case of NGOs.) [**Wherever applicable**]
7. Major objectives of the organization. Attach Byelaws of the society certified by Gazetted officer in case of NGO's [**Wherever applicable**].
8. Total number of members and their names in the organization as on 31st march (Year to be mentioned) in case of NGO, Association of Growers [wherever applicable].
9. Summary of the work particularly in medicinal plants sector undertaken by the organization in the last year.
10. Audit balance sheet of last 3 years duly certified by C. A. [**wherever applicable**].
11. Other sources of financial assistance received by the applicant/organization if any so, furnish details.
12. Draft to be issued in favour of _____.
13. Details of financial assistance already received from the Board, if any may be given in the following proforma:

Year	Amount of grant	Purpose in brief	Total expenses incurred
Amount of grant utilized	Has utilization certificate been accepted by the Board	Remark	

C. Supporting documents and annexure relating to project proposal:

- Land record including title verification by revenue department (Attested documents).
- Bank Appraisal Report

Certified that the information given above is correct and we agree to abide by the Rules and Regulations of the Board for utilization of the financial assistance sought from the Board. No

financial assistance/grant has been sought and or obtained from any Central of State Govt. organization.

Date:

Signature of Authorised Authority

Annexure-III

(For Contractual farming)

National Medicinal Plants Board

APPLICATION FORM FOR SEEKING FINANCIAL ASSISTANCE FROM NATIONAL MEDICINAL PLANTS BOARD.

1. Title of the project.

2. Applicant Name with full address (incl. Tel. No., Fax No., e-mail).

3. Status.

4. Project period.

5. Species selected for cultivation.

6. Area for cultivation (in acre)

7. Project Concept & Justification (in details).

8. Physical & Financial requirements.

9. Means of finance:-

a) Total project cost. (Rs. in lacs)

b) Own Resource. (---do-----)

c) Bank Loan. (---do-----)

d) NMPB assistance. (---do-----)

10. Details of financial assistance received from other agencies (including NMPB) by you for cultivation:-

Agency –

Amount –

Year –

Purpose –

Status of work –

11. Details of supporting documents:-

a) MOU with buyer in 50 Rs. stamp paper (as per format). (Annexure –IV)

b) Bank Appraisal Report (as per format). (Annexure – X)

c) Land documents (attested).

d) Registration with the SMPB/State Govt. (Annexure – XI)

12. Draft to be issued in favour of _____.

13. Certified that the information given above is correct and we agree to abide by the Rules and Regulations of the Board for utilization of the financial assistance sought for. No financial assistance/grant has been sought and or obtained from any Central of State Govt. organization.

Date:

Signature of Authorised Authority

Annexure – IV

ON FIFTY RUPEES STAMP PAPER

MEMORANDUM OF UNDERSTANDING (MoU)

This MoU is made on ____ (date) ____ **between the** Buyer(s) (full name & complete address) _____ **hereafter called** the first party **and the** Farmer(s) (full name & complete address) _____ **hereafter called** the second party.

WHEREAS the first party is willing to buy back herbal raw drugs from the second party who undertakes cultivation of medicinal plant in the land owned or land acquired on lease by the second party. WHEREAS the second party is willing to execute the said work of cultivation of herbal plants on the said land. The details of deed of agreement are as under:

- 1. Details of the plant/raw material:**
 - a) Name (s) of the species to be cultivated.
 - b) Particulars of **source** of planting material to be cultivated.
 - c) Approximate quantity to be traded.
- 2. Details of area for cultivation.**
- 3. Approximate gestation/harvesting period of each species/plant(s).**
- 4. Terms regarding:**
 - a) Validity of agreement in year(s).
 - b) Mention about negotiable price agreed by the parties.
 - c) The jurisdiction of dispute, if any, may be specified.
- 5. Any other relevant information.**

Signature of the first party

Signature of the second party

Witnesses 1
(With full address)

Witnesses 1
(With full address)

Witnesses 2
(With full address)

Witnesses 2
(With full address)

National Medicinal Plants Board

Format for Submission of Progress Report

- 1. Title & Project number**
- 2. Name of Principal Investigator (With Address & Tel. No.)**
- 3. Area of activity (Extension, Conservation, R&D, Cultivation, Marketing, Inventorisation, Herbal Garden)**
- 4. Total Amount of sanction along with period (years)**
- 5. Amount of last instalment & date received**
- 6. Period of report (Half Yearly/Annual)**
- 7. Details of work done with Statistical parameters:**
 - a) Please indicate financial & physical targets achieved**
 - b) Indicate names of medicinal species studied in the report where applicable**
- 8. Assets acquired during the period (under report):**
- 9. Meeting/seminar/or training attended/organised during the period alongwith brief note on presentation made, if any**
- 10. Research publications done, extension material prepared, if any**
- 11. Special achievements, if any**
- 12. Any applied suggestion for growth and development of the sector**

Dated:

Signature (*Principal Investigator*)
with Seal

Place:

NATIONAL MEDICINAL PLANTS BOARD

TERMS & CONDITIONS OF FINANCIAL ASSISTANT (GRANT)

1. The institution/organization/Principal Investigator (PI) should maintain an account with a bank by designation in the name of the institution and not by name of an individual. The accounts should be operated jointly by two office-bearers.
2. The grantee (NGOs) will execute a bond in the prescribed proforma (Copy enclosed) with two sureties to the effect that the grantee will abide by all the conditions of the grant. In the event of any failure to comply with these conditions or committing any breach of the bond, the grantee with sureties individually and jointly will be liable to refund to the Government of India the entire amount of the grant together with interest at such rate as is stipulated in the Bond. The requirement of furnishing two sureties will not be necessary if the grantee institution/organisation is a Society registered under the Societies Registration Act-1860 or is a Cooperative Society. When the bond is also signed by two sureties both of them should be solvent and owner of such assets of value not less than the amount of the Bond as can be attached and sold in execution of a court's decree This fact should be certified by the District Magistrate or other equivalent authority on the body of the bond.
3. The grant-in-aid is to be utilised within a period of 3 months from the date of receipt of the money for the purpose for which it is sanctioned.
4. If the grant of any part thereof is proposed to be utilised for a purpose other than that for which it is sanctioned, prior approval of this Board should be obtained by the grantee.
5. The payment of the grant-in-aid will be made by this Board through crossed cheque-draft after all the requirements mentioned in this sanction letter have been fulfilled by the grantee. A separate account exclusively for the purpose should be opened in a bank, if not done before, the name of which may kindly be intimated to this Board.
6. The payment of grant is subject to the following conditions.
 - a) The grantee should furnish a certificate that the person signing the undertaking duly authorised to operate upon and bind the funds of the grantee organisation.
 - b) The grantee should furnish a certificate that the grantee organisation is not involved in any proceedings relating to the account or conduct of any of its office bearers. A certificate to the effect that the institution is not involved in corrupt practices should also be furnished.
 - c) The grantee should furnish the certificate to the effect that the grantee has not been sanctioned grant-in-aid for the same purpose by any other agency of Central Government/ State Government during the same period. There should be no duplication of activity within the project area.

- d) The grantee will not, without the prior sanction of the Government of India, dispose of, or divert the use for any other purpose of permanent and semi-permanent assets that may be created or acquired out of the grant. If and when such body is dissolved the assets are reverted to the Government.
- e) The grantee should maintain a register in GFR form 19 of all assets acquired out of this grant. This register is required to be maintained separately in respect of such sanction and two copies of the same duly signed by the grantee be furnished to this Board annually.
- f) The Register of assets maintained by the grant should be available for scrutiny by audit or any other person authorized in this behalf by this Ministry.
- g) The grantee should forward to this Ministry a signed utilization certificate (copy enclosed) along with three copies of the Audited Statement of Accounts duly certified by a Chartered Accountant as mentioned at item No. (i), (ii) and (iii) below as soon as possible after the close of the current financial year and in any case not later than six months of its closing:-
 - i) The receipts and payments Accounts of the body as a whole for the year in which the grant has been received.
 - ii) The Income and Expenditure Accounts of the body as a whole for the financial year, for which the grant has been received.
 - iii) The Balance Sheet as at the end of the current financial year for the body as a whole.
- h) The accounts of the grantee should also be open for the test check and regular audit of the comptroller and Auditor General of India at his discretion.
- i) No portion of the grant shall be utilized for furtherance of a political movement prejudicial to the security of the nation.
- j) The grantee Organization/Institute should give an undertaking in writing that the grantee agrees to be governed by the conditions of the grant mentioned in this Annexure and the sanction letter.
- k) The private and voluntary organisations receiving recurring grant-in-aid to the tune of **Rs. 5 lacs** and above shall submit 10 copies of their Annual Reports including. Audited Statement of Accounts (both in English and Hindi) (as these are to be laid on the Table of Parliament) within four months of the close of the financial year. The grant shall be released in receipt of the documents mentioned in sub-paras : (1) and 6 (a), (b), (c) and (j) above.
- L) The grantee shall have to submit five (05) copies of Half Yearly Progress Report (Mentioning physical and research targets achieved) alongwith the Utilisation Certificate (UC). At the end of the year one has to submit Annual Progress Report failing which grant shall be stopped.

7. The purchase of vehicle is not permissible from the grant sanctioned for the project/scheme.
8. The cost of computer including UPS and all accessories should not exceed Rs.01 lac.
9. The rates of wages applicable for carrying out various works proposed in the projects would be to the extend of prevailing schedule of rates in the State /UTs/ Central Government Institutes.
10. The voluntary organisations have to furnish documentary proof in support of land ownership. The Government organisations have to indicate details about status of land.
11. For extension activities like training, seminar, workshop towards payment of boarding and lodging, transport, the admissible limit would be as per Government of India norms. The expenses on visit of trainees to demonstration plots, recognised concerned institutes etc. would be on actual basis and incidental charges as admissible under Rules.
12. Resource persons may be paid honorarium and TA/DA as per existing Government of India norms.
- 13) Expenses on equipments should be at the lower level. Further, in case the institution/organisation is already having the same equipment; purchase of the equipment for the project is not permissible.
- 14) Salary on staff should be kept on lower side. For contractual staff salary/honorarium norms shall be as per govt. norms (2004).

Principal Investigator	----
Research Associate	Rs.11000/- to 12,000/-per month (fixed)
Sr. Research Fellow	Rs.9000/- per month (fixed)
Jr. Research Fellow	Rs.8000/- to 9000/- per month (fixed)
Research /Field Assistant	Rs.4000-5000/- per month (fixed)
Computer Operator	Rs.4000/- Per month (fixed)
Mali/Field Attendant/Peon	Rs.3000/- per month (fixed)

- 15) No regular/permanent staff including Principal Investigator of the institute/organisation will be eligible for payment of salary from this grant.
- 16) Subcontracting within the project is not permissible.
- 17) Other terms and conditions will be those as applicable in State/Central Government institutes as the case may be.

Prescribed Format:***BOND***

This bond made on the _____ day of _____ two thousand two _____ between _____ an association registrated under the Societies Registration Act, 1980 and having its office at _____ in the State of _____ hereinafter called the 'obligor' (which expression shall unless excluded by or repugnant to the context be deemed to include its successors-in-interest) of the First part and the President of India , (hereafter called 'The Government') of the Second part; Whereas at the request of the obligor, the Government have sanctioned a grant-in-aid of _____ (Rupees _____) vide their letter No. _____ dated _____ (hereinafter referred to as the said letter) which forms an integral part of these presents and a copy whereof is annexed hereto and marked with the letter 'A' for the purpose of and on condition of the obligor executing a bond in favour of the Government on the terms and conditions and the manner hereinafter contained which the obligor has agreed to do.

Now, this Bond witnesses and it is hereby agreed and declared as follows:

- 1) That the obligor shall utilize the said grant-in-aid of Rs. _____ (Rupees _____) only for the purpose specified in the said letter and for no other purpose whatsoever.
- 2) That the obligor shall abide by all the norms and conditions specified in the said letter and the General Financial Rules 1963 and any orders or instructions that may be issued by Government from time to time.
- 3) That in the event of any failure on the part of the obligor to abide any of the terms and conditions of the grant-in-aid specified in the said letter or his committing any breach thereof the Government will be at liberty to order the obiger to repay in full (forthwith entire grant-in-aid amounting to Rs. _____ (Rupees _____) only or any part thereof with interest thereon at the rate of six percent (6%) per annum and any order made by Government in this respect will be final and binding on the obligor forthwith and without any objection to pay the Government such sum not exceeding Rs. _____ (Rupees _____) only plus interest thereon as may be fixed by the Government and the decision of the Secretary to the Government of India in the Ministry of Health and Family Welfare about the amount so to be paid shall be final and conclusive.
- 4) The society/trust agrees and undertakes to surrender/pay to Government the monetary value of all such pecuniary or other benefits which it may receive or derive/have received or derived through/upon unauthorized use (such as letting out the premises for adequate or less than adequate consideration or use of the premises for any purpose other than that for which the grant was sanctioned) of the property/building created/acquired/constructed largely from out of Government Grant. The decision of the Secretary to the Government of India in the Ministry of Health and Family

Welfare as regards the monetary value aforementioned to be surrendered/paid to the Government of India will be final and binding in the Society/Trust.

- 5) Upon the obliger utilizing the Grant-in-aid only for the purpose specified in the said letter and abiding by fulfilling and performing all the terms and conditions of the said letter the above written obligation shall be void and of no effect but other wise it shall be and remain in full force effect and virtue.

Provided always and it is hereby agreed and declared that the decision of the Secretary, Ministry of Health and Family Welfare as to whatever the obliger has or has not performed and observed the obligations and conditions herein before received shall be final and binding.

- 6) The stamp duty on the Bond shall be borne by the Government IN WITNESS whereof these presents have been signed by S/Shri. _____ and _____ for and on behalf or the obliger and Shri _____ for and on behalf of the President of India on the dates appearing against their respective signatures.

Signed by:

1) Shri _____ dated: _____

2) Shri _____ dated: _____

1) Signature _____

2) Signature _____

1) Witness

Name and Address

2) Witness

Name and Address

Signed by the Shri _____ dated
_____ for and behalf of the President of India in the presence of:

Signature _____

1) Witness

2) Witness

Annexure - VIII**STATE /UT MEDICINAL PLANTS BOARD (SMPBs/UTMPBs)**

S. No.	State/UT	Address	Telephone/Fax No.
1.	Andaman & Nicobar Islands	Director Health Services A&N Island, Port Blair -744102 A&N Other Contact Person: Mr. S. S. Patnaik, (IFS) PCCF/MD	Tel. No. 03192 - 32869 Fax- 03192 - 33254 Tel No. 03912-33321 Fax No. 03912-30113 Email: sspatnaik2000@hotmail.com
2.	Andhra Pradesh	Shri Manoranjan Bhanja , IFS CEO, AP Medicinal Aromatic Plant Board Medical, Health & Family Welfare Dept. 205, RIVIERA Apartment, Dwarkapuri Colony, Panja gutta, Hyderabad – 500082, Andhra Pradesh	Tel:- 040 – 6364094 (O) Resi. - 23400569 Cell No. 98481-48410 E-mail:- mrbhanja@ecotourism.cc
3.	Arunachal Pradesh	Dr. B. V. S. Murty , Officer I/c of ISM&H Cell of Directorate of Health Services, Naharlagun (Itanagar), Arunachal Pradesh	Tel. No. 0360-245745 0360-245785 (R) 0360-247370 (R) Fax- 0360-244105
4.	Assam	Commissioner & Secretary , Health and Family Welfare, Deptt. of Government of Assam Dispur, Assam	Tel. No. 98640 – 60447 Fax- 0361 – 2543697
5.	Bihar	Director (ISM) , Member Secretary, SMPB, Government of Bihar, Patna Bihar	Tel. No. 0612 - 22203661
6.	Chandigarh	Sh. Ishwar Singh, IFS Dy. Conservator of Forests cum Director, Environment (as CEO, MPBoard), Old Architect Building, Sector –19B, Madhya Marg, Chandigarh-160019, (UT)	Tel. No. 0172-782645,775951 0172-545225 (R) Fax- 0172-782645 Email: dcfchd@glide.net.in
7.	Chhattisgarh	Mr. A. K. Singh Managing Director , Chhattisgarh State Minor Forest Produce Federation 10, Anupam Nagar, Raipur, Chhattisgarh	Tel. No. 0771 – 2283593 Fax – 2283594, 2283262, 2283267 E-mail: cgmfpfd@sancharnet.in
8.	Daman & Diu and Dadra & Nagar Haveli	Director , Medical & Health Services Secreteriate, Moti Daman -396220	Tel. No. 0260-250793 (Secretary Health) Fax- 0260-250328

9.	Goa	Chief Conservator of Forests, Member Secretary, SMPB, Government of India, Gomantak Maratha Samaj, Dayanand Smrithi Bldg. Panaji – 403001, Goa	Tel No. 0832 - 2750099
10.	Gujarat	Dr. A.P. Singh Director ISM&H, Member Secretary, State Medicinal Plants Board, Block No.1, 2 nd Floor, Dr. Jivraj Mehta Bhawan, Gandhi Nagar – 382010, Gujarat	Tel. No. 079 – 3253797, 3253785 09825676836 Fax- 3253795
11.	Haryana	Dr. Parvez Ahmed, IFS CCF (Protection) Govt. of Haryana, Van Bhawan, Sector – 6, Panchkula – 134109, Chandigarh, Haryana	Tel. No. 0172-565398 Resi.: 560458 Fax No. 079-563988
12.	Himachal Pradesh	Dr. Dinesh Kumar Sharma, O.S.D. Ayurveda Bhawan, SDA Complex, Block No. 26, Kasumpti Shimla-171009, Himachal Pradesh	Telefax: 0177-222262, 224427 223976 223978 208063 (R)
13.	Jammu & Kashmir	Dr. Abdul Kabir Dar Chief Executive Officer Hotel Basira, Ground Floor, Behind Director Audit and Accounts, Near Nehru Park, Jammu & Kashmir	Tel. No. 0194-2479464 2453001 Fax No. 0191-571633 Email: drkabir@rediffmail.com
14.	Jharkhand	Shri A.B Singh, Divisional Forest Officer Forest Resource Survey Division Ranchi, Jharkhand	Tel. No. 0651 – 2546662
15.	Karnataka	Dr. S. Rajandran Chief Executive Officer, Karnataka State Medicinal Plants Authority (KMPA), Forest Campus, Arakere MICO Layout, Banne Ghatta Road, Bangalore- 560076, Karnataka	Telefax No. 080-6597985 (R) 080-6680805 Fax- 080-6583684 Email: rajendrananifs@yahoo.com
16.	Kerala	Shri N. Gopinathan, IFS, Managing Director Chief Executive Officer, State Medicinal Plants Board The Pharmaceutical Corp. (IM) Kerala (Ltd.), Thrissur Oushadhi-680001, Kerala	Tel No. 0487-2334403 Fax No. 0487-2338533 Email: trc_oushadi@sancharmet.in Tel No. 0487-2387085 (Resi.)
17.	Lakshadweep	Director of Medicine & Health Service & Member Secretary, Medicinal Plants Board Directorate of Medical & Health Service, Kavaratti (UT of Lakshadweep)	Tel. No. 04896 – 262817 Resi. – 0487 - 262234
18.	Madhya Pradesh	Commissioner, Medicinal & Aromatic Plants, M.P.State MFP (Trade & Dev.) Co-operative Federation, Khel Parisar, Indira Nikunj, 74, Bunglow, Bhopal-1, Madhya Pradesh	Tel. No 0755 - 2575258 Fax No. 0755 - 2552628 Email: edmfped@sify.com 0755 - 2556519
19.	Maharashtra	Dr. A.B. Dharmadhikari Maharashtra State Medicinal Plants Board, 2 nd Floor, Pharmacy Building, R.A. Poddar Ayurveda (Medical) College Campus, Worli, Mumbai-400018, Maharashtra	Tel. (O) 022-4926701 (R) 4925222 Fax No. 022-4921309 4936881

20.	Mizoram	Secretary, Health & Family Welfare, Government of Mizoram, Aizawal Mizoram	Tel. No. 0389 – 2328045, 2320169 Fax No. 2315837
21.	Nagaland	Programme Officer (ISM&H), Department of Health & Family Welfare, Government of Nagaland, Kohima, Nagaland	Tel. No. 0370-222626 (O) 0370-244296 (R) Fax-
22.	Orissa	Mr. B.K.Patnaik, Special Secretary, Forest & Environment Department, Govt. of Orissa, (Distt. Khurda) Bhubaneshwar-751001, Orissa	Tel. No. 0674-2400904 Fax- 0674-2408820
23.	Punjab	Director, Ayurveda, Member Secretary, SMPB, Government of Punjab, Chandigarh	Telefax. 0172 - 2474642
24.	Rajasthan	Mr. G.P. Saxena Member Secretary, Rajasthan State Medicinal Plants Board, 373, Krishi Bhawan, 3 rd Floor, Jaipur, Rajasthan	Tel. No. 0141-2227362 Fax No.
25.	Sikkim	Principal CCF-cum-Secretary, (CEO & Member Secretary SMPB) Department of Forest, Environment & Wildlife, Govt. of Sikkim, Deorali-737102, Gangtok, Sikkim	Tel No. 03592-81385 03592-81778 03592-22572,20271 (R) Fax No. 03592-81778
26.	Tamil Nadu	Shri M. F. Farooqui, IAS, Commissioner, Indian Systems of Medicine & Homoeopathy, Arignar Anna Government Hospital Campus, Arumbakkam, Chennai- 600106, Tamil Nadu	Tel. No. 044-26214718 26216244 (EPABX) 044-24794786 (R) Fax- 044-26206223
27.	Tripura	Mr. K.S. Sethi Chief Executive Officer & Member Secretary, Medicinal Plants Board of Tripura, 1 st Floor, Vigyan Bhawan, Gorkhabasti, P.O. Kunjaban, Agartala-799006, Tripura	Tel. No. 0381- 2201122, 2311390 Fax- 0381-2311390 Email: ksethi@rediffmail.com , tripurampb@rediffmail.com
28.	Uttaranchal	Dr. J.S. Rawat Director Herbal Research & Development Institute Mandal, Gopeshwar, Uttaranchal	Tel. No. 01372-252572 Fax No. 01372-252777 Email: jsrawat@hotmail.com
29.	Uttar Pradesh	Sh. G.P. Pandey, IFS Chief Conservator of Forests, Deptt. of Social Forestry, 17, Rana Pratap Marg, Lucknow - 226001, Uttar Pradesh	Tel No. 0522 – 2206195 Fax No. 0522 – 2206186 Res.: 0522 - 2343127
30.	West Bengal	Joint Secretary (ISM branch) State Medicinal Plants Board, Mitra Building (4 th Floor), 8, Lyons Range, Kolkata-700001, West Bengal	Tel. No. 033-22144061, 22143435, 22144061 Fax-

(As in January, 2004)

NATIONAL MEDICINAL PLANTS BOARD

**MONITORING MECHANISM FOR PROJECTS ON *IN-SITU* & *EX-SITU*
CONSERVATION**

Monitoring of the projects will be done by a committee constituted by the National Medicinal Plants Board. The Broad parameters for assessment will be as under:

A) *IN-SITU* CONSERVATION:

1. Information on base line survey of medicinal plants in the area under study (inventorisation).
2. Status of the forest/area under study and conservation measures like fencing guards, patrolling etc. being taken to check forest bio-data (grazing, fire, illicit collection of medicinal plants)
3. Information on availability/status of:
 - i) Medicinal plants in general
 - ii) Endangered species (listed in Indian Red Data Book (RDB), CITES etc.)
 - iii) 32 medicinal plants identified by Medicinal Plants Board.
 - iv) Information on the status of MFP including medicinal plants with regards to: **a)** Availability in the area under study, **b)** Collection by authorized / unauthorised agencies-the adivasis and cooperatives etc., **c)** Item wise details of the MFP including total revenue.
 - v) Increase/decrease in Number of Plants/species: Periodic observations to be recorded.
 - vi) No. of incidence or extent of control in **a)** Fire, **b)** grazing, **c)** illicit collection/theft/cutting etc.
4. General observations on the distribution of selected 10 important (including endangered) species of medicinal plants with regards to:
 - a)** Availability and additionality in terms of percentage distribution, **b)** Abundance **c)** Harvesting/marketing status, quantity (annual) **d)** Conservation measures
5. Supply of planting material from the area for propagation
6. Community participation in conservation.
7. Measures for creating awareness in the nearby villages of area understudy. Visit of stakeholders.
8. Information on infrastructure available.

The monitoring committee will visit the area periodically to assess the progress made with in stipulated period based on the above-cited parameters.

B) *EX-SITU* CONSERVATION:

The *ex-situ* measures like **a)** Herbal gardens, **b)** Cultivation in the field **c)** Nursery **d)** Laboratory (tissue culture) etc. could be taken up both for demonstration and extensive cultivation. Some of the following observations may be of importance:

1. General observation about physiography of the area.
2. Information on infrastructure available.
3. Na mes and number of species being conserved/ maintained/ produced.

4. Status of germ plasm i.e. its quality, source, availability etc.
5. Status of nursery and tissue culture: details of planting material available species-wise.
6. Total number of plants cultivated, quantity harvested or produced in the laboratory.
7. Total number of plants transferred/planted in the field.
8. Number of institutions/persons visited and benefited.

The monitoring committee will visit the area periodically to assess the progress made within stipulated period based on the above-cited parameters.

Proforma of Bank Appraisal
FOR
NATIONAL MEDICINAL PLANTS BOARD PROJECT

1. Name of the Bank :
2. Name of the Applicant :
3. Constitution : (Individual or Otherwise)
4. Purpose of Loan :
5. Administrative Office (Address, Phone, Fax) :
6. Location of the Project :
7. Project Duration :
8. Nature/main activities of the project (in brief) :
9. Financial aspect of the project. Bank finance and period of implementation :

Total project cost and other financial projects (item-wise), means of finance as detailed below:

1.	2.	3.	4.	5.
Head	Total Cost (amount in Rs.)	Applicant's contribution (amount in Rs.)	Bank Finance (amount in Rs.)	Financial assistance from NMPB 30% subject to max. Rs.09 lacs per project
Development by borrower through his own resources				
Items				
Bank consideration				
Items				
Total				

For project cost and its appraisal, fencing, borewells, labour (quarter wise) if developed by the promoter from his resources. The Bank has appraise the proposal and sanction term loan for items like land levelling and irrigation/dripirrigation system pertaining to medicinal plants crops.

As per above details and financial aspects **term loan** could be disbursed phase wise.

9. Repayment Schedule

Repayment of term loan will start from _____ as detailed below:
Ist instalment (Name of months and year) (amount)
IInd instalment
(so on.....)

10. Security

S. No.	Description	Value (Rs. in lakhs)
1.	Equitable Mortgage of	
2.	Hypothecation of crop/Equipments	
3.	Personal Guarantee	
Total		-----

11. Brief comment on technical feasibility

(Signature of Bank Manager)
with seal

STATE MEDICINAL PLANTS BOARD,.....

**APPLICATION FOR GRANT OF CERTIFICATE OF REGISTRATION/
RENEWAL AS MEDICINAL PLANTS COLLECTOR(s)/FARMER(s)/TRADER(s)**

1.
 - a) Name of the applicant(s)/contact person
(in block letter)
 - b) Status (individual/firm/ company/society/
association/contractor/Govt. undertaking)
 - c) Date of establishment/engagement in the field of medicinal
plants (trader enclose profile, if any)
 - d) Fresh or renewal, if renewal, give previous year's certificate
 - e) Amount and details of fee remitted
 - f) If already registered, furnish details with the name of the
State and agency GO or NGO (attach copy of registration)
2.
 - a) Address in full of the place(s) of storage/shop/ processing
plant/unit(s) etc., if any
 - b) Telephone, Fax and E-mail number(s)
3. Whether A) Collector; B) Farmer; C) Trader (mention specifically)

A. COLLECTOR(s):

4. Items of medicinal plants/parts/products collected (furnish details
including aprox. Quantity collected in following table):

S. No.	Name of herb (s)	Botanical name	Area of collection with Dist/ forest Div.	Aprox. Quantity (kg.)
1.				
2.				
3.				

5. Are you an authorised collector of medicinal plants? (with permission of Govt. or other authorised body)
6. Years during which the application was in possession of Board's certificate of registration (for renewal only)
7. Whether collected product supplied under some brand name(s)/trade mark(s)
8. Medicinal plants material collected and supplied i.e. raw/semi processed or processed during last 03 years.

S. No.	Year	Name of species collected	Area from where collected	Approx. quantity	To whom supplied (kg.)
1.	200 to 200				
2.	200 to 200				
3.	200 to 200				

B. FARMER (s):

9. Details of Land:

- i) Location (giving name of State/district/ tehsil/village/ khasra no. etc.)
- ii) Status & title of land, whether on lease or free hold (attach a copy of ownership/land registration)
- iii) Area (in acre)

10. Medicinal plants cultivated; furnish list with details:

S. No	Common name of plant	Botanical Name with plant part/product	Area under cultivation (acre)
1.			
2.			
3.			
4.			

C. TRADERS:

i) Sources of purchase/collection: from wild or cultivated:

ii) State areas where items supplied in last three years

S. No.	Year	Name of species	State	Approx. quantity (qtl.)	FOB Value (Rs.)
1.	2000-2001				
2.	2001-2002				
3.	2002-2003				

DECLARATION

I/We, declare that the information given above are true to the best of my knowledge and belief and that I/We shall abide by the Board Rules, the condition laid down in the certificate and any instruction (s) given by the Board from time to time regarding the conducting of business.

Place:

Dated:

**Signature of the Applicant(s)
with seal**

18 August 2003

The Chairman/Managing Director
All Scheduled Commercial Banks
State Cooperative Banks/Regional Rural Banks
State Cooperative Agriculture & Rural Development Banks(SCARDBs)

Dear Sir

Development of Medicinal and Aromatic Plants(MAPs)

India with its varied agro-climatic conditions provide an ideal habitat for rich repository of number of medicinal and aromatic plants which provide raw material for Indian System of medicine and cosmetic industry since ancient times. With greater realization of health hazard and side effect of synthetic drugs, the interest for herbal drug is increasing worldwide. An estimated amount of US \$ 3000 Million per annum is being earned from medicinal and aromatic plants from India.

Indiscriminate commercial exploitation of these medicinal plants, which are derived from the world forests, is posing a great threat to bio-diversity and endangering a number of valuable species.

With a view to preserve the rich plant resources through in-situ conservation and to promote the cultivation of medicinal and aromatic plants on a sustainable basis through people's participation, GOI has set a national level body known as "National Medicinal Plant Board" under the Ministry of Health & Family Welfare. The Board will be operating through the State Medicinal Plants Board at state level. The address of offices of the Board is enclosed in Annexure I.

Keeping in view the importance accorded by GOI for development of medicinal and aromatic plants and also its excellent potential for export, NABARD has identified MAPs as "**Thrust Area**" and, accordingly, has taken a number of initiatives to accelerate the pace of development through institutional credit.

Based on the commercial importance of various species of medicinal plants, we have short listed about 40 medicinal aromatic plants for which an indicative model economics have also been worked out. A summary of economics of these 40 plants is enclosed (**Annexure II**). Our ROs have been advised to finalise the scale of finance/unit cost of these crops taking into account the prevalent wage rate of the concerned state in consultation with the financial institutions.

To give a boost of the flow of credit of this sector, NABARD as decided to provide 100% refinance to eligible institutions at a concessional rate of 6.5% p.a. for loans upto Rs.25,000/- and 6.75% p.a. for any loan above Rs.25,000/-. This will enable the banks to keep a reasonable margin and also offer lower rate of interest to the farmers of medicinal plants.

Incidentally it may be mentioned that one Agri Export Zone (AEZ) exclusively for medicinal crops has been notified in Uttaranchal and some more are also in the pipeline signifying its importance of export potential in the coming year.

MAP being a new area of investment there is a need for greater appreciation of financing of this sector. Accordingly, NABARD has decided to conduct a few sensitisation programmes for officials of financial institutions. These programmes will be conducted by reputed institutions/Universities dealing with medicinal and aromatic plants, in association with the National Medicinal Plants Board. Our RO will be in touch with your controlling office seeking nominations for suitable officers of your bank to attend in this programme. You may kindly request your controlling offices to depute your officers on receipt of such request from our ROs.

We hope the active participation of financial institutions will enhance the flow of credit to this sector and will revitalize this hitherto neglected sector and make this industry more vibrant.

You may kindly impress upon your controlling offices accordingly.

Yours faithfully

(S.M. Mehta)
Chief General Manager

Encl: As above.

Cultivation Economics of Some Medicinal Plants (Per Acre)

Species	Duration (Yrs.)	Input Cost (Rs)	Output (Rs)	Yield
Amla	After 6	15,000	50,000 onwards	10 t fruit
Ashok	10	5,500	20,000	-- bark
Ashwagandha	1	6,000	19,500	3 q dry root
Atis	2	60,500	1,25,000	1 q tuber
Bach	1	25,000	60,000	15 q rhizome
Bhumiamalaki	1	2,000	4,000	5 q herbage
Ban Kakri	1	1,00,000		
Bixa (Tissue cul.)	5	50,000	1,00,000 onwards	20 q fruit
Brahmi	1	15,000	50,000	20 q herbage
Chandan	after 30	75,000	4,50,000	1,500 kg heart wood
Chirata	1	76,000	1,25,000	2.5 q herbage
Citronella	1	20,000	30,000	80 kg oil
Coleus	1	15,000	35,000	6 q tuber dry
Daruhaldi	3	25,000	55,000	
Giloe	1	2,500	6,000	4 q dry stem
Gudmar	4	2,500	6,000	4 q leaves
Guggal	After 8	1,00,000	2,00,000	8 q gum resin
Isabgol	1	10,000	20,000	6 q seed, 2 q husk
Jatamansi	2	65,500	1,50,000	1 q rhizome
Kalihari	5	1,00,000	5,50,000	13 q seed/30 q tuber
Kalmegh	1	8,000	12,000	12 q herbage
Kala jeera	1	35,000	60,000	
Kesar	1	1,00,000	2,00,000	
konch	1	4,000	9,000	5 q seed
Kuth	2	26,000	40,000	2.5 q root
Kutki	2	40,000	60,000	3 q root
kumari	1	8,000	12,000	50 q fresh leaf
Lemongrass	1	20,000	40,000	100 kg oil
Makoy	1	5,500	18,000	5 q herbage
Mint (Japanese)	1	15,000	30,000	100 kg oil
Mulethi	3	35,000	1,80,000	30 q dry root
Muskdana	1	3,000	9,000	200 kg seed
Palmarosa	1	8,000	17,000	40 kg oil
Patchauli		20,000		
Pippali	1	23,000	50,000	2.5 q spikes/1 q root
Sadabahar	1	3,000	8,000	5 q herbage
Safed musli	1	2,25,000	4,00,000	3.5 q dry root
Sarpgandha	2	20,000	40,000	6 q root
Senna	1	3,500	6,000	4 q dry leaves
Semal musli	2	7,000	20,000	1 q root
Shatavari	2	20,000	50,000	35 q root
Stevia	1	2,25,000		
Tagar	2	20,000	35,000	4 q root
Tulsi	1	1,500	5,000	20 – 25 kg oil
Vai vidang	2 nd yr onwards	35,000	1,00,000	10 q fruit
Vanilla		50,000		

- Note:**
- (1) Economics of cultivation are taken from available literature of NABARD, CSIR, ICAR, ICFRE, Forest Deptt., NHB and other reliable sources.
 - (2) Economics of species have been worked out on the basis of input in the form of elite quality planting material.
 - (3) These cost do not include expenditure towards manpower, infrastructure development and cost of land.

National Medicinal Plants Board
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Ministry of Health & Family Welfare
Government of India
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