



# COMPREHENSIVE ANALYSIS OF UTTARAKHAND SERVICE SECTOR POLICY 2024

With Sector Specific Examples



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**Tabulated comparative analysis of Focus Sectors under the Uttarakhand Service Sector Policy-2024:**

Focus Sector	Eligibility Criteria	Investment Threshold (Plain Areas)	Investment Threshold (Hill Areas)	Key Targets
Healthcare	Multi-speciality / Super-speciality hospitals	INR 200 Cr (Multi-speciality)	INR 50 Cr (Multi-speciality)	Tertiary care hospitals, multi-speciality, super-speciality
	Single super-speciality hospitals	INR 50 Cr (Super-speciality)	INR 25 Cr (Super-speciality)	
Hospitality	Hotels, Motels, Tourist Resorts, Heritage Hotels, MICE/convention centres	INR 200 Cr	INR 100 Cr	Tourism infrastructure, hospitality services
Wellness & Traditional Medicine	Ayurveda, Yoga, Naturopathy, Holistic Healing Centres, Residential Healthcare, Sanatoriums	INR 50 Cr	INR 25 Cr	Ayurveda, yoga, traditional healing, wellness centres
Education	K-12 Schools	INR 50 Cr	INR 25 Cr	K-12 schools, higher education institutes
	Colleges / Universities	INR 100 Cr	INR 50 Cr	
Film, Media & Entertainment	Film cities, post-production studios, animation studios, family entertainment centres (FECs)	INR 100 Cr	INR 50 Cr	Film production, media, entertainment hubs
Sports	Sports facilities, training infrastructure (mountaineering, water sports, winter sports, shooting, badminton, boxing)	INR 25 Cr	INR 15 Cr	Adventure sports, professional training academies
IT / ITS	IT campuses, Global Capability Centres (GCCs)	INR 100 Cr	INR 50 Cr	IT offices, training campuses, GCCs
Data Centres	Data centres	INR 100 Cr	INR 50 Cr	Large data parks, smaller data units
Skilling	Centres of Excellence (CoEs) in sectors like AYUSH, food processing, tourism, healthcare, etc.	INR 100 Cr	INR 50 Cr	Skill development, specialized training centres

**Key Notes:**

- 1. Capital Subsidy:** 25% of investment in Eligible Capital Assets (ECA) within 5 years.
- 2. Subsidy Cap:** Maximum subsidy of INR 100 Cr per project, with a total cap of INR 2,500 Cr for the policy duration.
- 3. Validity:** Policy valid until December 31, 2030, or until superseded by a new policy.
- 4. Employment:** Projects must comply with Uttarakhand Employment GO, ensuring local employment and skill development.

This table provides a concise overview of the eligibility, investment thresholds, and key targets for each sector under the policy.

## Policy Document for Education Sector under Uttarakhand Service Sector Policy 2024

The **Uttarakhand Service Sector Policy 2024** provides specific guidelines and incentives for the **development of colleges and universities under its education focus area**. Here's a detailed breakdown:

### Focus Area: Education

- The policy acknowledges Uttarakhand's reputation as a hub for premier educational institutions and aims to build upon this legacy.
- Targeting higher education institutes and K-12 schools, the policy seeks to attract national and international players to establish campuses in the state.

### Eligibility for Colleges/Universities

#### 1. Investment Requirements:

- **Plain Areas:** Minimum investment in Eligible Capital Assets (ECA) of **₹100 crore** over five years.
- **Hill Areas:** Minimum investment in ECA of **₹50 crore** over five years.

#### 2. Student Capacity:

- The institution must have a **minimum intake capacity of 500 students in the first year** to qualify for incentives under this policy.

### Incentives

#### 1. Capital Subsidy:

- Investors can avail a **subsidy equivalent to 25%** of the investment in Eligible Capital Assets.
- Two options for subsidy disbursement:
  - **Option 1:** Milestone-based payments during construction.
  - **Option 2:** Annual payments after completing the investment and achieving the commercial operation date (COD).
- Maximum subsidy capped at **₹100 crore per project**.

#### 2. Land Provisions:

- Eligible projects can utilize government-leased land or private land for development.

#### 3. Ease of Doing Business:

- Simplified approvals via a **Single Window Clearance System** for registration, approvals, and subsidy claims.

#### 4. Skill Development:

- Institutions are encouraged to establish skill-enhancing courses in sectors like AYUSH, tourism, IT, and food processing.

### Objectives for Colleges/Universities

#### 1. Quality Education:

- Attract reputed national and international institutions to improve higher education standards.

#### 2. Infrastructure Development:

- Encourage state-of-the-art campuses with modern facilities to enhance the learning environment.

### 3. **Balanced Development:**

- Promote equitable access to education by incentivizing investments in underdeveloped and hilly regions.

### 4. **Employment Generation:**

- Create job opportunities for locals through direct employment and ancillary services.

## **Implementation Guidelines**

- The **Uttarakhand Investment and Infrastructure Development Board (UIIDB)** oversees the implementation.
- The subsidy and benefits are linked to achieving predefined milestones, ensuring timely development.

## **Additional Provisions**

- Subsidies and incentives provided under other state policies (e.g., MSME, IT, Tourism) will remain applicable, but beneficiaries must choose between overlapping policies.
- Projects must remain operational for at least **25 years**. If operations are curtailed, the proportional subsidy must be reimbursed with interest.

This comprehensive framework encourages the establishment of high-quality educational institutions while fostering economic growth and regional development in Uttarakhand.

the **cost of land** is explicitly excluded from the calculation of project costs under the **Uttarakhand Service Sector Policy 2024**. The policy defines **Eligible Capital Assets (ECA)** and clearly states that the cost of land is not considered an eligible expense for subsidy or project cost calculations. Here's the relevant detail:

## **Eligible Capital Assets (ECA)**

- **Included Costs:**
  - Infrastructure (e.g., fencing, internal roads).
  - Buildings, plants, machinery, and equipment.
  - Mechanical, electrical, and plumbing installations.
  - Utilities (e.g., waste treatment, transformers, generators).
  - Fixtures, furniture, and fittings.
- **Excluded Costs:**
  - **Land costs.**
  - Intangible assets (e.g., intellectual property rights, goodwill).
  - Pre-construction expenses (e.g., consultancy fees).
  - Capitalized interest and working capital.

This exclusion ensures that the focus remains on tangible capital investment directly contributing to the development and operation of the educational institution.

## **Subsidy Disbursal Options**

### **Option 1: Milestone-Linked Subsidy (During Construction Phase)**

- The subsidy is disbursed in five installments based on the achievement of investment milestones:
  1. **Installment 1:** Upon completion of **20% of the proposed investment**.
  2. **Installment 2:** Upon completion of **40% of the proposed investment**.
  3. **Installment 3:** Upon completion of **50% of the proposed investment**.
  4. **Installment 4:** Upon completion of **80% of the proposed investment**.
  5. **Installment 5:** Upon completion of **100% of the proposed investment** and achievement of the **Commercial Operation Date (COD)** within 5 years.

**Key Notes:**

- Proportional adjustments: If the actual investment is less than committed, the subsidy is proportionately reduced.
  - Performance security (bank guarantee): Required for installments 1–4, valid until the completion of 100% investment.
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**Option 2: Post-Completion Subsidy**

- The subsidy is disbursed in three annual installments after completing the investment and achieving COD:
  1. **Installment 1:** One-third of the total subsidy at the end of the financial year when COD is achieved.
  2. **Installment 2:** One-third of the total subsidy at the end of the following financial year.
  3. **Installment 3:** One-third of the total subsidy at the end of the subsequent financial year.

**Key Notes:**

- No performance security required for this option.
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**Eligibility Criteria**

- Projects must meet the sectoral threshold investment requirements within 5 years.
- All clearances and COD must be achieved for subsidy eligibility.

**Delays in Disbursal**

- If disbursement is delayed beyond 40 days from the submission of all required documents, the government will pay interest at the **RBI Repo Rate** on the delayed amount.
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**Overall Subsidy Cap**

- The total subsidy amount across all projects under this policy is capped at **₹2,500 crore**.
- Subsidy approval is granted on a **first-come, first-served basis**, subject to annual limits.

This structured approach ensures that subsidy payments are tied to project progress, incentivizing timely completion and operational readiness.

## Consequences of Falling Below Minimum Investment

### 1. Ineligibility for Subsidy:

- The project will not receive any subsidy if the actual investment in ECA is less than the sectoral threshold (₹100 crore for plain areas or ₹50 crore for hill areas).

### 2. Refund of Subsidy (if any disbursed):

- If a project has already received partial subsidy payments but fails to meet the minimum investment criteria, the investor will be required to **refund the disbursed subsidy** along with:
  - Interest at the rate of **RBI Repo Rate + 4%** per annum from the dates of subsidy release.
  - The refund must be completed within 2 months after the 5-year period; otherwise, the performance security (bank guarantee) will be encashed.

### 3. Loss of Performance Security:

- If the project fails to meet the threshold and refund the subsidy on time, the government may encash the **performance security** submitted by the investor.
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## Potential for Extensions

- If the **Commercial Operation Date (COD)** is not achieved or investment targets are not met within the 5-year period, the government may:
    - Evaluate the situation on a case-by-case basis.
    - Grant extensions for achieving COD or completing investments, at the discretion of the **Department/Authority**.
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## Key Takeaway

To avoid financial losses and maintain eligibility for the subsidy, it is crucial for the investor to meet or exceed the minimum investment thresholds defined for their project type and location.

## Example: Establishment of a University in Hill Area under Uttarakhand Service Sector Policy 2024

<b>Parameter</b>	<b>Assumption (Example Case)</b>
<b>Institution Name</b>	ABC International University
<b>Location</b>	Hill Area (Nainital, Uttarakhand)
<b>Total Investment (ECA)</b>	₹60 crore
<b>Investment Over Five Years</b>	₹60 crore (Exceeding minimum ₹50 crore)
<b>Student Intake (Year 1)</b>	600 students (Meeting eligibility)
<b>Land Acquisition</b>	Private land (Cost excluded from ECA)
<b>Infrastructure Development</b>	Modern classrooms, labs, library, hostels
<b>Eligible Capital Assets (ECA)</b>	Buildings, furniture, IT infrastructure, etc.
<b>Incentive Eligibility</b>	Yes (Meets location & investment criteria)
<b>Capital Subsidy (25%)</b>	₹15 crore (25% of ₹60 crore)
<b>Subsidy Disbursal Option Chosen</b>	Milestone-Based Subsidy
<b>Milestone-Based Disbursal</b>	- ₹3 crore @ 20% investment completion - ₹3 crore @ 40% investment completion - ₹3 crore @ 50% investment completion - ₹3 crore @ 80% investment completion - ₹3 crore @ 100% completion + COD
<b>Performance Security (Bank Guarantee)</b>	Required for Milestone-Based Subsidy
<b>Subsidy Cap Per Project</b>	₹100 crore (Within limit)
<b>Single Window Clearance</b>	Availed for approvals and permits
<b>Expected COD</b>	Within 5 years
<b>Skill Development Focus</b>	IT, AYUSH, Tourism
<b>Penalty for Not Meeting Minimum Investment</b>	Loss of subsidy & performance security
<b>Potential for Extension</b>	Case-by-case basis by UIIDB

## Example: Establishment of a University in a Plain Area under Uttarakhand Service Sector Policy 2024

Parameter	Assumption (Example Case)
Institution Name	XYZ Global University
Location	Plain Area (Dehradun, Uttarakhand)
Total Investment (ECA)	₹120 crore
Investment Over Five Years	₹120 crore (Exceeding minimum ₹100 crore)
Student Intake (Year 1)	800 students (Meeting eligibility)
Land Acquisition	Private land (Cost excluded from ECA)
Infrastructure Development	Modern classrooms, labs, hostels, research Centres
Eligible Capital Assets (ECA)	Buildings, equipment, IT infrastructure, furniture
Incentive Eligibility	Yes (Meets location & investment criteria)
Capital Subsidy (25%)	₹30 crore (25% of ₹120 crore)
Subsidy Disbursal Option Chosen	<b>Post-Completion Subsidy</b>
Post-Completion Disbursal	- ₹10 crore at end of 1st year after COD - ₹10 crore at end of 2nd year after COD - ₹10 crore at end of 3rd year after COD
Performance Security (Bank Guarantee)	Not required for Post-Completion Subsidy
Subsidy Cap Per Project	₹100 crore (Within limit)
Single Window Clearance	Availed for approvals and permits
Expected COD	Within 5 years
Skill Development Focus	IT, Food Processing, Digital Education
Penalty for Not Meeting Minimum Investment	Loss of subsidy & repayment with interest
Potential for Extension	Case-by-case basis by UIIDB



## Policy Document for Health Sector under Uttarakhand Service Sector Policy 2024

The **Uttarakhand Service Sector Policy 2024** provides specific guidelines and incentives for the development of the **healthcare sector**, focusing on the establishment of world-class healthcare facilities, including multi-speciality and super-speciality hospitals. Below is a detailed breakdown of the policy for the health sector:

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### Focus Area: Healthcare

- The policy recognizes the growing population of Uttarakhand (including transient population) and the need for world-class healthcare facilities within the state.
  - The state aims to attract large, reputed healthcare providers to establish tertiary care hospitals, including multi-speciality and super-speciality hospitals, to cater to the healthcare needs of the population.
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### Eligibility for Healthcare Projects

#### 1. Investment Requirements:

- **Plain Areas:**
  - **Multi-speciality Hospitals:** Minimum investment in **Eligible Capital Assets (ECA)** of **₹200 crore** over five years.
  - **Single Super-speciality Hospitals:** Minimum investment in **ECA** of **₹50 crore** over five years.
- **Hill Areas:**
  - **Multi-speciality Hospitals:** Minimum investment in **ECA** of **₹50 crore** over five years.
  - **Single Super-speciality Hospitals:** Minimum investment in **ECA** of **₹25 crore** over five years.

#### 2. Key Drivers for Healthcare Sector:

- Large catchment population.
  - Minimal presence of major healthcare providers in the state.
  - Opportunity to establish Uttarakhand as a hub for tertiary care and super-speciality healthcare services.
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### Incentives for Healthcare Projects

#### 1. Capital Subsidy:

- Investors can avail a **subsidy equivalent to 25%** of the investment in **Eligible Capital Assets (ECA)**.
- **Two options for subsidy disbursement:**
  - **Option 1: Milestone-based payments during construction.**
    - The subsidy is disbursed in five installments based on the achievement of investment milestones:
      1. **Installment 1:** Upon completion of 20% of the proposed investment.
      2. **Installment 2:** Upon completion of 40% of the proposed investment.
      3. **Installment 3:** Upon completion of 60% of the proposed investment.
      4. **Installment 4:** Upon completion of 80% of the proposed investment.

5. **Installment 5:** Upon completion of 100% of the proposed investment and achievement of the **Commercial Operation Date (COD)** within 5 years.
  - **Performance security (bank guarantee):** Required for installments 1–4, valid until the completion of 100% investment.
- **Option 2: Post-completion subsidy.**
  - The subsidy is disbursed in three annual installments after completing the investment and achieving COD:
    1. **Installment 1:** One-third of the total subsidy at the end of the financial year when COD is achieved.
    2. **Installment 2:** One-third of the total subsidy at the end of the following financial year.
    3. **Installment 3:** One-third of the total subsidy at the end of the subsequent financial year.
  - **No performance security required** for this option.
- **Maximum subsidy capped at ₹100 crore per project.**

## 2. Land Provisions:

- Eligible projects can utilize **government-leased land** or **private land** for development.
- **Cost of land is explicitly excluded** from the calculation of project costs and subsidy eligibility.

## 3. Ease of Doing Business:

- Simplified approvals via a **Single Window Clearance System** for registration, approvals, and subsidy claims.
- The **Uttarakhand Investment and Infrastructure Development Board (UIIDB)** oversees the implementation of the policy.

## 4. Skill Development:

- Institutions are encouraged to establish skill-enhancing courses in sectors like **AYUSH, tourism, IT,** and **food processing** to improve employability and create a skilled workforce.

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## Objectives for Healthcare Sector

### 1. Quality Healthcare:

- Attract reputed national and international healthcare providers to improve the standard of healthcare services in the state.
- Establish world-class multi-speciality and super-speciality hospitals to cater to the growing healthcare needs of the population.

### 2. Infrastructure Development:

- Encourage the development of state-of-the-art healthcare facilities with modern infrastructure and advanced medical equipment.

### 3. Balanced Development:

- Promote equitable access to healthcare services by incentivizing investments in underdeveloped and hilly regions.

#### 4. Employment Generation:

- Create job opportunities for locals through direct employment in healthcare facilities and ancillary services.
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#### Implementation Guidelines

- The **Uttarakhand Investment and Infrastructure Development Board (UIIDB)** is responsible for the implementation of the policy.
  - The subsidy and benefits are linked to achieving predefined milestones, ensuring timely development and operational readiness.
  - Projects must remain operational for at least **25 years**. If operations are curtailed before the stipulated period, the proportional subsidy must be reimbursed with interest.
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#### Additional Provisions

- **Subsidies and incentives** provided under other state policies (e.g., **MSME, IT, Tourism**) will remain applicable, but beneficiaries must choose between overlapping policies.
  - **Cost of land is explicitly excluded** from the calculation of project costs and subsidy eligibility. The policy focuses on tangible capital investments directly contributing to the development and operation of healthcare facilities.
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#### Consequences of Falling Below Minimum Investment

##### 1. Ineligibility for Subsidy:

- The project will not receive any subsidy if the actual investment in **Eligible Capital Assets (ECA)** is less than the sectoral threshold (₹200 crore for plain areas or ₹50 crore for hill areas for multi-speciality hospitals; ₹50 crore for plain areas or ₹25 crore for hill areas for single super-speciality hospitals).

##### 2. Refund of Subsidy (if any disbursed):

- If a project has already received partial subsidy payments but fails to meet the minimum investment criteria, the investor will be required to refund the disbursed subsidy along with:
  - **Interest at the rate of RBI Repo Rate + 4% per annum** from the dates of subsidy release.
  - The refund must be completed within **2 months** after the 5-year period; otherwise, the performance security (bank guarantee) will be encashed.

##### 3. Loss of Performance Security:

- If the project fails to meet the threshold and refund the subsidy on time, the government may encash the performance security submitted by the investor.
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#### Potential for Extensions

- If the **Commercial Operation Date (COD)** is not achieved or investment targets are not met within the 5-year period, the government may:
  - Evaluate the situation on a case-by-case basis.

- Grant extensions for achieving COD or completing investments, at the discretion of the Department/Authority.

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**Key Takeaway**

To avoid financial losses and maintain eligibility for the subsidy, it is crucial for the investor to meet or exceed the minimum investment thresholds defined for their project type and location. The policy ensures that subsidy payments are tied to project progress, incentivizing timely completion and operational readiness.

### Example: Multi-Speciality Hospital in Hill Area under Uttarakhand Service Sector Policy 2024

Parameter	Assumption (Example Case)
Hospital Name	ABC Multi-Speciality Hospital
Location	Nainital (Hill Area)
Type of Hospital	Multi-Speciality
Total Investment (ECA)	₹60 crore
Investment Over Five Years	₹60 crore (Exceeding ₹50 crore threshold)
Land Acquisition	Government-leased land (Cost excluded from ECA)
Infrastructure Development	OPD, ICU, Emergency, Surgery, Diagnostics
Eligible Capital Assets (ECA)	Medical equipment, ICU beds, imaging Centres, etc.
Incentive Eligibility	Yes (Meets location & investment criteria)
Capital Subsidy (25%)	₹15 crore (25% of ₹60 crore)
Subsidy Disbursal Option Chosen	<b>Milestone-Based Subsidy</b>
Milestone-Based Disbursal	- ₹3 crore @ 20% investment completion - ₹3 crore @ 40% investment completion - ₹3 crore @ 60% investment completion - ₹3 crore @ 80% investment completion - ₹3 crore @ 100% completion + COD
Performance Security (Bank Guarantee)	Required for Milestone-Based Subsidy
Subsidy Cap Per Project	₹100 crore (Within limit)
Single Window Clearance	Availed for approvals and permits
Expected COD	Within 5 years
Skill Development Focus	Nursing, AYUSH, Primary Care, Emergency Services
Penalty for Not Meeting Minimum Investment	Loss of subsidy & repayment with interest
Potential for Extension	Case-by-case basis by UIIDB

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## Example: Super-Speciality Hospital in Hill Area under Uttarakhand Service Sector Policy 2024

Parameter	Assumption (Example Case)
Hospital Name	XYZ Orthopedic Super-Speciality Hospital
Location	Almora (Hill Area)
Type of Hospital	Single Super-Speciality (Orthopedic Care)
Total Investment (ECA)	₹30 crore
Investment Over Five Years	₹30 crore (Exceeding ₹25 crore threshold)
Land Acquisition	Private land (Cost excluded from ECA)
Infrastructure Development	Rehabilitation Centres, Operation Theatres
Eligible Capital Assets (ECA)	MRI, CT, Surgical Equipment
Incentive Eligibility	Yes (Meets location & investment criteria)
Capital Subsidy (25%)	₹7.5 crore (25% of ₹30 crore)
Subsidy Disbursal Option Chosen	<b>Post-Completion Subsidy</b>
Post-Completion Disbursal	- ₹2.5 crore at end of 1st year after COD - ₹2.5 crore at end of 2nd year after COD - ₹2.5 crore at end of 3rd year after COD
Performance Security (Bank Guarantee)	Not required for Post-Completion Subsidy
Subsidy Cap Per Project	₹100 crore (Within limit)
Single Window Clearance	Availed for approvals and permits
Expected COD	Within 5 years
Skill Development Focus	Orthopaedic Surgery, Sports Medicine
Penalty for Not Meeting Minimum Investment	Loss of subsidy & repayment with interest
Potential for Extension	Case-by-case basis by UIIDB

### Example: Multi-Speciality Hospital in Plain Area under Uttarakhand Service Sector Policy 2024

Parameter	Assumption (Example Case)
Hospital Name	ABC Multi-Speciality Hospital
Location	Dehradun (Plain Area)
Type of Hospital	Multi-Speciality
Total Investment (ECA)	₹250 crore
Investment Over Five Years	₹250 crore (Exceeding ₹200 crore threshold)
Land Acquisition	Private land (Cost excluded from ECA)
Infrastructure Development	OPD, ICU, Emergency, Surgery, Diagnostics
Eligible Capital Assets (ECA)	Medical equipment, ICU beds, imaging Centres, etc.
Incentive Eligibility	Yes (Meets location & investment criteria)
Capital Subsidy (25%)	₹62.5 crore (25% of ₹250 crore)
Subsidy Disbursal Option Chosen	<b>Milestone-Based Subsidy</b>
Milestone-Based Disbursal	- ₹12.5 crore @ 20% investment completion - ₹12.5 crore @ 40% investment completion - ₹12.5 crore @ 60% investment completion - ₹12.5 crore @ 80% investment completion - ₹12.5 crore @ 100% completion + COD
Performance Security (Bank Guarantee)	Required for Milestone-Based Subsidy
Subsidy Cap Per Project	₹100 crore (Within limit)
Single Window Clearance	Availed for approvals and permits
Expected COD	Within 5 years
Skill Development Focus	Nursing, Critical Care, AYUSH, Emergency Services
Penalty for Not Meeting Minimum Investment	Loss of subsidy & repayment with interest
Potential for Extension	Case-by-case basis by UIIDB

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### Example: Super-Speciality Hospital in Plain Area under Uttarakhand Service Sector Policy 2024

Parameter	Assumption (Example Case)
Hospital Name	XYZ Cardiac Super-Speciality Hospital
Location	Haridwar (Plain Area)
Type of Hospital	Single Super-Speciality (Cardiac Care)
Total Investment (ECA)	₹75 crore
Investment Over Five Years	₹75 crore (Exceeding ₹50 crore threshold)
Land Acquisition	Private land (Cost excluded from ECA)
Infrastructure Development	Cath labs, Cardiac ICU, Telemedicine, Surgery
Eligible Capital Assets (ECA)	MRI, CT, Cath Lab, Surgical Equipment
Incentive Eligibility	Yes (Meets location & investment criteria)
Capital Subsidy (25%)	₹18.75 crore (25% of ₹75 crore)
Subsidy Disbursal Option Chosen	<b>Post-Completion Subsidy</b>
Post-Completion Disbursal	- ₹6.25 crore at end of 1st year after COD - ₹6.25 crore at end of 2nd year after COD - ₹6.25 crore at end of 3rd year after COD
Performance Security (Bank Guarantee)	Not required for Post-Completion Subsidy
Subsidy Cap Per Project	₹100 crore (Within limit)
Single Window Clearance	Availed for approvals and permits
Expected COD	Within 5 years
Skill Development Focus	Cardiology, Telemedicine, Emergency Care
Penalty for Not Meeting Minimum Investment	Loss of subsidy & repayment with interest
Potential for Extension	Case-by-case basis by UIIDB



## Policy Document for Wellness & Traditional Medicine under Uttarakhand Service Sector Policy 2024

The **Uttarakhand Service Sector Policy 2024** provides specific guidelines and incentives for the development of the **Wellness & Traditional Medicine sector**, focusing on Ayurveda, Yoga, Naturopathy, and other traditional healing practices. Below is a detailed breakdown of the policy for this sector:

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### Focus Area: Wellness & Traditional Medicine

- Uttarakhand has a strong ecosystem of **Ayurveda, Yoga, Naturopathy, and traditional healing practices**, which can be further expanded by inviting reputed national and international wellness brands.
  - The state aims to establish itself as a leading international hub for **Ayurveda, traditional medicine, and wellness**, leveraging its natural advantages such as pristine locations, cool climate, and rich cultural heritage.
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### Eligibility for Wellness & Traditional Medicine Projects

#### 1. Investment Requirements:

- **Plain Areas:** Minimum investment in **Eligible Capital Assets (ECA)** of **₹50 crore** over five years.
- **Hill Areas:** Minimum investment in **ECA** of **₹25 crore** over five years.

#### 2. Eligible NIC Codes:

- **NIC Code 86901:** Yoga, Ayurveda, and Naturopathy.
- **Other Ayush Practices:** Naturopathy, Unani, Reiki, Homeopathy, or any other traditional medicine or a combination thereof.
- **NIC Code 87200:** Residential healthcare for detoxification and rehabilitation.
- **NIC Code 86100:** Sanatorium.

#### 3. Key Drivers for Wellness & Traditional Medicine Sector:

- Government of India's focus on promoting **Ayush practices**.
  - Strong association of Uttarakhand with traditional medicinal practices, especially **Ayurveda and Yoga**.
  - Excellent green, peaceful, and pristine locations for attracting top-rated wellness operators.
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### Incentives for Wellness & Traditional Medicine Projects

#### 1. Capital Subsidy:

- Investors can avail a **subsidy equivalent to 25%** of the investment in **Eligible Capital Assets (ECA)**.
- **Two options for subsidy disbursement:**
  - **Option 1: Milestone-based payments during construction.**
    - The subsidy is disbursed in five installments based on the achievement of investment milestones:
      1. **Installment 1:** Upon completion of 20% of the proposed investment.
      2. **Installment 2:** Upon completion of 40% of the proposed investment.

3. **Installment 3:** Upon completion of 60% of the proposed investment.
  4. **Installment 4:** Upon completion of 80% of the proposed investment.
  5. **Installment 5:** Upon completion of 100% of the proposed investment and achievement of the **Commercial Operation Date (COD)** within 5 years.
    - **Performance security (bank guarantee):** Required for installments 1–4, valid until the completion of 100% investment.
- **Option 2: Post-completion subsidy.**
    - The subsidy is disbursed in three annual installments after completing the investment and achieving COD:
      1. **Installment 1:** One-third of the total subsidy at the end of the financial year when COD is achieved.
      2. **Installment 2:** One-third of the total subsidy at the end of the following financial year.
      3. **Installment 3:** One-third of the total subsidy at the end of the subsequent financial year.
    - **No performance security required** for this option.
  - **Maximum subsidy capped at ₹100 crore per project.**

## 2. Land Provisions:

- Eligible projects can utilize **government-leased land** or **private land** for development.
- **Cost of land is explicitly excluded** from the calculation of project costs and subsidy eligibility.

## 3. Ease of Doing Business:

- Simplified approvals via a **Single Window Clearance System** for registration, approvals, and subsidy claims.
- The **Uttarakhand Investment and Infrastructure Development Board (UIIDB)** oversees the implementation of the policy.

## 4. Skill Development:

- Institutions are encouraged to establish skill-enhancing courses in sectors like **AYUSH, tourism, IT,** and **food processing** to improve employability and create a skilled workforce.

## Objectives for Wellness & Traditional Medicine Sector

### 1. Quality Wellness Services:

- Attract reputed national and international wellness brands to establish **Ayurveda, Yoga, Naturopathy, and traditional healing Centres** in the state.
- Promote Uttarakhand as a global hub for wellness and traditional medicine.

### 2. Infrastructure Development:

- Encourage the development of state-of-the-art wellness facilities with modern infrastructure and advanced equipment.

### 3. Balanced Development:

- Promote equitable access to wellness services by incentivizing investments in underdeveloped and hilly regions.

#### 4. **Employment Generation:**

- Create job opportunities for locals through direct employment in wellness Centres and ancillary services.
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### **Implementation Guidelines**

- The **Uttarakhand Investment and Infrastructure Development Board (UIIDB)** is responsible for the implementation of the policy.
  - The subsidy and benefits are linked to achieving predefined milestones, ensuring timely development and operational readiness.
  - Projects must remain operational for at least **25 years**. If operations are curtailed before the stipulated period, the proportional subsidy must be reimbursed with interest.
- 

### **Additional Provisions**

- **Subsidies and incentives** provided under other state policies (e.g., **MSME, IT, Tourism**) will remain applicable, but beneficiaries must choose between overlapping policies.
  - **Cost of land is explicitly excluded** from the calculation of project costs and subsidy eligibility. The policy focuses on tangible capital investments directly contributing to the development and operation of wellness facilities.
- 

### **Consequences of Falling Below Minimum Investment**

#### 1. **Ineligibility for Subsidy:**

- The project will not receive any subsidy if the actual investment in **Eligible Capital Assets (ECA)** is less than the sectoral threshold (₹50 crore for plain areas or ₹25 crore for hill areas).

#### 2. **Refund of Subsidy (if any disbursed):**

- If a project has already received partial subsidy payments but fails to meet the minimum investment criteria, the investor will be required to refund the disbursed subsidy along with:
  - **Interest at the rate of RBI Repo Rate + 4% per annum** from the dates of subsidy release.
  - The refund must be completed within **2 months** after the 5-year period; otherwise, the performance security (bank guarantee) will be encashed.

#### 3. **Loss of Performance Security:**

- If the project fails to meet the threshold and refund the subsidy on time, the government may encash the performance security submitted by the investor.
- 

### **Potential for Extensions**

- If the **Commercial Operation Date (COD)** is not achieved or investment targets are not met within the 5-year period, the government may:
  - Evaluate the situation on a case-by-case basis.

- Grant extensions for achieving COD or completing investments, at the discretion of the Department/Authority.

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**Key Takeaway**

To avoid financial losses and maintain eligibility for the subsidy, it is crucial for the investor to meet or exceed the minimum investment thresholds defined for their project type and location. The policy ensures that subsidy payments are tied to project progress, incentivizing timely completion and operational readiness.

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This comprehensive framework encourages the establishment of high-quality wellness and traditional medicine facilities while fostering economic growth and regional development in Uttarakhand.

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## Example: Yoga & Ayurveda Wellness Retreat in Hill Area under Uttarakhand Service Sector Policy 2024

Parameter	Assumption (Example Case)
Project Name	Himalayan Serenity Wellness Retreat
Location	Ranikhet (Hill Area)
Type of Facility	Yoga, Ayurveda, and Naturopathy Retreat
Total Investment (ECA)	₹30 crore
Investment Over Five Years	₹30 crore (Exceeding ₹25 crore threshold)
Land Acquisition	Government-leased land (Cost excluded from ECA)
Infrastructure Development	Yoga halls, Ayurvedic therapy rooms, herbal gardens, detox Centre
Eligible NIC Code	86901 (Yoga, Ayurveda, Naturopathy)
Incentive Eligibility	Yes (Meets location & investment criteria)
Capital Subsidy (25%)	₹7.5 crore (25% of ₹30 crore)
Subsidy Disbursal Option Chosen	<b>Milestone-Based Subsidy</b>
Milestone-Based Disbursal	- ₹1.5 crore @ 20% investment completion - ₹1.5 crore @ 40% investment completion - ₹1.5 crore @ 60% investment completion - ₹1.5 crore @ 80% investment completion - ₹1.5 crore @ 100% completion + COD
Performance Security (Bank Guarantee)	Required for Milestone-Based Subsidy
Subsidy Cap Per Project	₹100 crore (Within limit)
Single Window Clearance	Availed for approvals and permits
Expected COD	Within 5 years
Skill Development Focus	Ayurvedic Therapists, Yoga Instructors, Naturopathy Experts
Penalty for Not Meeting Minimum Investment	Loss of subsidy & repayment with interest
Potential for Extension	Case-by-case basis by UIIDB

### Example: AYUSH Multi-Speciality Wellness Hospital in Hill Area under Uttarakhand Service Sector Policy 2024

<b>Parameter</b>	<b>Assumption (Example Case)</b>
<b>Project Name</b>	Uttarakhand AYUSH Healing Centre
<b>Location</b>	Mussoorie (Hill Area)
<b>Type of Facility</b>	AYUSH Multi-Speciality Wellness Hospital
<b>Total Investment (ECA)</b>	₹40 crore
<b>Investment Over Five Years</b>	₹40 crore (Exceeding ₹25 crore threshold)
<b>Land Acquisition</b>	Private land (Cost excluded from ECA)
<b>Infrastructure Development</b>	Panchakarma Therapy, Detox & Rehabilitation, Homeopathy & Unani Treatment
<b>Eligible NIC Code</b>	87200 (Residential Healthcare for Detox & Rehab)
<b>Incentive Eligibility</b>	Yes (Meets location & investment criteria)
<b>Capital Subsidy (25%)</b>	₹10 crore (25% of ₹40 crore)
<b>Subsidy Disbursal Option Chosen</b>	<b>Post-Completion Subsidy</b>
<b>Post-Completion Disbursal</b>	- ₹3.33 crore at end of 1st year after COD - ₹3.33 crore at end of 2nd year after COD - ₹3.34 crore at end of 3rd year after COD
<b>Performance Security (Bank Guarantee)</b>	Not required for Post-Completion Subsidy
<b>Subsidy Cap Per Project</b>	₹100 crore (Within limit)
<b>Single Window Clearance</b>	Availed for approvals and permits
<b>Expected COD</b>	Within 5 years
<b>Skill Development Focus</b>	AYUSH Therapists, Alternative Medicine Specialists, Wellness Coaches
<b>Penalty for Not Meeting Minimum Investment</b>	Loss of subsidy & repayment with interest
<b>Potential for Extension</b>	Case-by-case basis by UIIDB

## Example: Integrated Ayurveda & Naturopathy Wellness Resort in Plain Area under Uttarakhand Service Sector Policy 2024

Parameter	Assumption (Example Case)
Project Name	Ganga Holistic Wellness Retreat
Location	Haridwar (Plain Area)
Type of Facility	Integrated Ayurveda, Naturopathy & Wellness Resort
Total Investment (ECA)	₹60 crore
Investment Over Five Years	₹60 crore (Exceeding ₹50 crore threshold)
Land Acquisition	Private land (Cost excluded from ECA)
Infrastructure Development	Ayurvedic therapy Centres, naturopathy healing gardens, yoga studios, spa therapy units
Eligible NIC Code	86901 (Yoga, Ayurveda, Naturopathy)
Incentive Eligibility	Yes (Meets location & investment criteria)
Capital Subsidy (25%)	₹15 crore (25% of ₹60 crore)
Subsidy Disbursal Option Chosen	<b>Milestone-Based Subsidy</b>
Milestone-Based Disbursal	- ₹3 crore @ 20% investment completion - ₹3 crore @ 40% investment completion - ₹3 crore @ 60% investment completion - ₹3 crore @ 80% investment completion - ₹3 crore @ 100% completion + COD
Performance Security (Bank Guarantee)	Required for Milestone-Based Subsidy
Subsidy Cap Per Project	₹100 crore (Within limit)
Single Window Clearance	Availed for approvals and permits
Expected COD	Within 5 years
Skill Development Focus	Ayurveda Therapists, Naturopathy Experts, Yoga Instructors
Penalty for Not Meeting Minimum Investment	Loss of subsidy & repayment with interest
Potential for Extension	Case-by-case basis by UIIDB

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### Example: AYUSH Wellness & Detox Centre in Plain Area under Uttarakhand Service Sector Policy 2024

<b>Parameter</b>	<b>Assumption (Example Case)</b>
<b>Project Name</b>	Vedanta AYUSH Healing Centre
<b>Location</b>	Dehradun (Plain Area)
<b>Type of Facility</b>	Multi-Speciality AYUSH Wellness & Detox Centre
<b>Total Investment (ECA)</b>	₹75 crore
<b>Investment Over Five Years</b>	₹75 crore (Exceeding ₹50 crore threshold)
<b>Land Acquisition</b>	Government-leased land (Cost excluded from ECA)
<b>Infrastructure Development</b>	Panchakarma Therapy, Yoga & Meditation Halls, Unani & Homeopathy Treatment Rooms, Detoxification Centres
<b>Eligible NIC Code</b>	87200 (Residential Healthcare for Detox & Rehabilitation)
<b>Incentive Eligibility</b>	Yes (Meets location & investment criteria)
<b>Capital Subsidy (25%)</b>	₹18.75 crore (25% of ₹75 crore)
<b>Subsidy Disbursal Option Chosen</b>	<b>Post-Completion Subsidy</b>
<b>Post-Completion Disbursal</b>	- ₹6.25 crore at end of 1st year after COD - ₹6.25 crore at end of 2nd year after COD - ₹6.25 crore at end of 3rd year after COD
<b>Performance Security (Bank Guarantee)</b>	Not required for Post-Completion Subsidy
<b>Subsidy Cap Per Project</b>	₹100 crore (Within limit)
<b>Single Window Clearance</b>	Availed for approvals and permits
<b>Expected COD</b>	Within 5 years
<b>Skill Development Focus</b>	AYUSH Therapists, Alternative Medicine Specialists, Holistic Nutritionists
<b>Penalty for Not Meeting Minimum Investment</b>	Loss of subsidy & repayment with interest
<b>Potential for Extension</b>	Case-by-case basis by UIIDB



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## Policy Document for Film, Media & Entertainment under Uttarakhand Service Sector Policy 2024

The **Uttarakhand Service Sector Policy 2024** provides specific guidelines and incentives for the development of the **Film, Media & Entertainment sector**, focusing on film cities, post-production studios, animation studios, and family entertainment Centres. Below is a detailed breakdown of the policy for this sector:

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### Focus Area: Film, Media & Entertainment

- Uttarakhand has unique backdrops, good accessibility, and a cool climate, making it an ideal location for **film shooting, post-production, and animation studios**.
  - The state aims to capitalize on its natural advantages by incentivizing the establishment of **film cities, post-production studios, and family entertainment Centres (FECs)** like amusement and water parks.
- 

### Eligibility for Film, Media & Entertainment Projects

#### 1. Investment Requirements:

- **Plain Areas:** Minimum investment in **Eligible Capital Assets (ECA)** of **₹100 crore** over five years.
- **Hill Areas:** Minimum investment in **ECA** of **₹50 crore** over five years.

#### 2. Key Drivers for Film, Media & Entertainment Sector:

- Unique backdrops and locations for film shooting.
  - Good accessibility and cool climate for outdoor shooting, especially during summer months.
  - Growing demand for **OTT media** and entertainment avenues.
- 

### Incentives for Film, Media & Entertainment Projects

#### 1. Capital Subsidy:

- Investors can avail a **subsidy equivalent to 25%** of the investment in **Eligible Capital Assets (ECA)**.
- **Two options for subsidy disbursement:**
  - **Option 1: Milestone-based payments during construction.**
    - The subsidy is disbursed in five installments based on the achievement of investment milestones:
      1. **Installment 1:** Upon completion of 20% of the proposed investment.
      2. **Installment 2:** Upon completion of 40% of the proposed investment.
      3. **Installment 3:** Upon completion of 60% of the proposed investment.
      4. **Installment 4:** Upon completion of 80% of the proposed investment.
      5. **Installment 5:** Upon completion of 100% of the proposed investment and achievement of the **Commercial Operation Date (COD)** within 5 years.
    - **Performance security (bank guarantee):** Required for installments 1–4, valid until the completion of 100% investment.
  - **Option 2: Post-completion subsidy.**

- The subsidy is disbursed in three annual installments after completing the investment and achieving COD:
  1. **Installment 1:** One-third of the total subsidy at the end of the financial year when COD is achieved.
  2. **Installment 2:** One-third of the total subsidy at the end of the following financial year.
  3. **Installment 3:** One-third of the total subsidy at the end of the subsequent financial year.
- **No performance security required** for this option.
- **Maximum subsidy capped at ₹100 crore per project.**

## 2. Land Provisions:

- Eligible projects can utilize **government-leased land** or **private land** for development.
- **Cost of land is explicitly excluded** from the calculation of project costs and subsidy eligibility.

## 3. Ease of Doing Business:

- Simplified approvals via a **Single Window Clearance System** for registration, approvals, and subsidy claims.
- The **Uttarakhand Investment and Infrastructure Development Board (UIIDB)** oversees the implementation of the policy.

## 4. Skill Development:

- Institutions are encouraged to establish skill-enhancing courses in sectors like **film production, animation, and media** to improve employability and create a skilled workforce.

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## Objectives for Film, Media & Entertainment Sector

### 1. Quality Entertainment Services:

- Attract reputed national and international players to establish **film cities, post-production studios, and animation studios** in the state.
- Promote Uttarakhand as a hub for film shooting and media production.

### 2. Infrastructure Development:

- Encourage the development of state-of-the-art entertainment facilities with modern infrastructure and advanced equipment.

### 3. Balanced Development:

- Promote equitable access to entertainment services by incentivizing investments in underdeveloped and hilly regions.

### 4. Employment Generation:

- Create job opportunities for locals through direct employment in film, media, and entertainment sectors.

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## Implementation Guidelines

- The **Uttarakhand Investment and Infrastructure Development Board (UIIDB)** is responsible for the implementation of the policy.
  - The subsidy and benefits are linked to achieving predefined milestones, ensuring timely development and operational readiness.
  - Projects must remain operational for at least **25 years**. If operations are curtailed before the stipulated period, the proportional subsidy must be reimbursed with interest.
- 

### Additional Provisions

- **Subsidies and incentives** provided under other state policies (e.g., **MSME, IT, Tourism**) will remain applicable, but beneficiaries must choose between overlapping policies.
  - **Cost of land is explicitly excluded** from the calculation of project costs and subsidy eligibility. The policy focuses on tangible capital investments directly contributing to the development and operation of entertainment facilities.
- 

### Consequences of Falling Below Minimum Investment

#### 1. Ineligibility for Subsidy:

- The project will not receive any subsidy if the actual investment in **Eligible Capital Assets (ECA)** is less than the sectoral threshold (₹100 crore for plain areas or ₹50 crore for hill areas).

#### 2. Refund of Subsidy (if any disbursed):

- If a project has already received partial subsidy payments but fails to meet the minimum investment criteria, the investor will be required to refund the disbursed subsidy along with:
  - **Interest at the rate of RBI Repo Rate + 4% per annum** from the dates of subsidy release.
  - The refund must be completed within **2 months** after the 5-year period; otherwise, the performance security (bank guarantee) will be encashed.

#### 3. Loss of Performance Security:

- If the project fails to meet the threshold and refund the subsidy on time, the government may encash the performance security submitted by the investor.
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### Potential for Extensions

- If the **Commercial Operation Date (COD)** is not achieved or investment targets are not met within the 5-year period, the government may:
    - Evaluate the situation on a case-by-case basis.
    - Grant extensions for achieving COD or completing investments, at the discretion of the Department/Authority.
- 

### Key Takeaway

To avoid financial losses and maintain eligibility for the subsidy, it is crucial for the investor to meet or exceed the minimum investment thresholds defined for their project type and location. The policy ensures that subsidy payments are tied to project progress, incentivizing timely completion and operational readiness.

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This comprehensive framework encourages the establishment of high-quality film, media, and entertainment facilities while fostering economic growth and regional development in Uttarakhand.

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## Example: Animation & Post-Production Studio in a Hill Area under Uttarakhand Service Sector Policy 2024

Parameter	Assumption (Example Case)
Project Name	Himalayan VFX & Animation Studio
Location	Nainital (Hill Area)
Type of Facility	High-End Animation & VFX Studio
Total Investment (ECA)	₹55 crore
Investment Over Five Years	₹55 crore (Exceeding ₹50 crore threshold)
Land Acquisition	Private land (Cost excluded from ECA)
Infrastructure Development	Motion capture studio, animation & CGI lab, sound design, green screens
Incentive Eligibility	Yes (Meets location & investment criteria)
Capital Subsidy (25%)	₹13.75 crore (25% of ₹55 crore)
Subsidy Disbursal Option Chosen	Post-Completion Subsidy
Post-Completion Disbursal	- ₹4.58 crore at end of 1st year after COD - ₹4.58 crore at end of 2nd year after COD - ₹4.58 crore at end of 3rd year after COD
Performance Security (Bank Guarantee)	Not required for Post-Completion Subsidy
Subsidy Cap Per Project	₹100 crore (Within limit)
Single Window Clearance	Availed for approvals and permits
Expected COD	Within 5 years
Skill Development Focus	3D Animation, Game Design, VFX, AR/VR Technology
Penalty for Not Meeting Minimum Investment	Loss of subsidy & repayment with interest
Potential for Extension	Case-by-case basis by UIIDB

### Example : Film City Development in a Plain Area under Uttarakhand Service Sector Policy 2024

Parameter	Assumption (Example Case)
Project Name	Himalayan Film City
Location	Dehradun (Plain Area)
Type of Facility	Integrated Film City with Shooting Studios, Post-Production, and Film School
Total Investment (ECA)	₹150 crore
Investment Over Five Years	₹150 crore (Exceeding ₹100 crore threshold)
Land Acquisition	Government-leased land (Cost excluded from ECA)
Infrastructure Development	Large-scale film studios, soundstages, animation & VFX studios, pre- and post-production facilities
Incentive Eligibility	Yes (Meets location & investment criteria)
Capital Subsidy (25%)	₹37.5 crore (25% of ₹150 crore)
Subsidy Disbursal Option Chosen	Milestone-Based Subsidy
Milestone-Based Disbursal	- ₹7.5 crore @ 20% investment completion - ₹7.5 crore @ 40% investment completion - ₹7.5 crore @ 60% investment completion - ₹7.5 crore @ 80% investment completion - ₹7.5 crore @ 100% completion + COD
Performance Security (Bank Guarantee)	Required for Milestone-Based Subsidy
Subsidy Cap Per Project	₹100 crore (Within limit)
Single Window Clearance	Availed for approvals and permits
Expected COD	Within 5 years
Skill Development Focus	Film Direction, Cinematography, Sound Engineering, VFX, Animation
Penalty for Not Meeting Minimum Investment	Loss of subsidy & repayment with interest
Potential for Extension	Case-by-case basis by UIIDB

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## The Uttarakhand Service Sector Policy 2024: Sports Sector

The **Uttarakhand Service Sector Policy 2024** provides specific guidelines and incentives for the development of the **sports sector**, focusing on adventure sports, professional training, and infrastructure development. Here's a detailed breakdown:

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### Focus Area: Sports

- The policy recognizes Uttarakhand's natural advantages for promoting **adventure sports** and aims to establish the state as an **international hub** for professional training in sports like mountaineering, skiing, water-based sports, and more.
  - The policy seeks to attract **world-class trainers**, establish **professional academies**, and provide **state-of-the-art equipment** and facilities to promote sports tourism and local employment.
- 

### Eligibility for Sports Facilities and Training Infrastructure

1. **Investment Requirements:**
    - **Plain Areas:** Minimum investment in **Eligible Capital Assets (ECA)** of **₹25 crore** over five years.
    - **Hill Areas:** Minimum investment in **ECA** of **₹15 crore** over five years.
  2. **Types of Eligible Projects:**
    - Sports academies for adventure sports (e.g., mountaineering, skiing, rafting, kayaking).
    - Training infrastructure for water-based sports (e.g., kayaking, rafting, canoeing).
    - Facilities for winter sports (e.g., skiing, snowboarding, ice skating).
    - Infrastructure for other sports like shooting, badminton, and boxing.
- 

### Incentives

1. **Capital Subsidy:**
  - Investors can avail a **subsidy equivalent to 25%** of the investment in **Eligible Capital Assets (ECA)**.
  - Two options for subsidy disbursement:
    - **Option 1:** Milestone-based payments during construction.
    - **Option 2:** Annual payments after completing the investment and achieving the **Commercial Operation Date (COD)**.
  - **Maximum subsidy capped at ₹100 crore per project.**
2. **Land Provisions:**
  - Eligible projects can utilize **government-leased land** or **private land** for development.
  - The cost of land is **explicitly excluded** from the calculation of project costs and subsidy eligibility.
3. **Ease of Doing Business:**
  - Simplified approvals via a **Single Window Clearance System** for registration, approvals, and subsidy claims.

- The policy ensures **time-bound clearances** for all necessary permits and licenses.

#### 4. **Skill Development:**

- Institutions are encouraged to establish **skill-enhancing courses** in adventure sports, tourism, and related sectors to improve employability.
- 

### **Objectives for Sports Sector**

#### 1. **Promote Adventure Sports:**

- Establish Uttarakhand as a **global destination** for adventure sports and professional training.
- Attract **national and international players** to set up sports academies and training Centres.

#### 2. **Infrastructure Development:**

- Encourage the development of **state-of-the-art sports facilities** with modern equipment and infrastructure.
- Promote the construction of **sports complexes**, training Centres, and adventure sports hubs.

#### 3. **Balanced Development:**

- Promote **equitable access** to sports facilities by incentivizing investments in **underdeveloped and hilly regions**.
- Ensure that sports infrastructure is accessible to both locals and tourists.

#### 4. **Employment Generation:**

- Create **job opportunities** for locals through direct employment in sports academies, training Centres, and ancillary services.
  - Promote **sports tourism**, which will generate additional employment in hospitality, transport, and related sectors.
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### **Implementation Guidelines**

- The **Uttarakhand Investment and Infrastructure Development Board (UIIDB)** oversees the implementation of the policy.
  - The subsidy and benefits are linked to achieving **predefined milestones**, ensuring timely development and operational readiness.
  - Projects must apply for **in-principle approval** through the **Single Window Clearance System** to avail incentives.
- 

### **Additional Provisions**

#### 1. **Subsidy Disbursal Options:**

- **Option 1: Milestone-Linked Subsidy (During Construction Phase)**
  - The subsidy is disbursed in **five installments** based on the achievement of investment milestones:
    1. **Installment 1:** Upon completion of 20% of the proposed investment.
    2. **Installment 2:** Upon completion of 40% of the proposed investment.



3. **Installment 3:** Upon completion of 60% of the proposed investment.
4. **Installment 4:** Upon completion of 80% of the proposed investment.
5. **Installment 5:** Upon completion of 100% of the proposed investment and achievement of the **Commercial Operation Date (COD)** within 5 years.

- **Key Notes:**

- If the actual investment is less than committed, the subsidy is **proportionately reduced**.
- **Performance security (bank guarantee):** Required for installments 1–4, valid until the completion of 100% investment.

- **Option 2: Post-Completion Subsidy**

- The subsidy is disbursed in **three annual installments** after completing the investment and achieving COD:

1. **Installment 1:** One-third of the total subsidy at the end of the financial year when COD is achieved.
2. **Installment 2:** One-third of the total subsidy at the end of the following financial year.
3. **Installment 3:** One-third of the total subsidy at the end of the subsequent financial year.

- **Key Notes:**

- No performance security is required for this option.

## 2. Consequences of Falling Below Minimum Investment:

- **Ineligibility for Subsidy:**

- If the actual investment in ECA is less than the sectoral threshold (₹25 crore for plain areas or ₹15 crore for hill areas), the project will **not receive any subsidy**.

- **Refund of Subsidy (if any disbursed):**

- If a project has already received partial subsidy payments but fails to meet the minimum investment criteria, the investor will be required to **refund the disbursed subsidy** along with:
  - **Interest at the rate of RBI Repo Rate + 4% per annum** from the dates of subsidy release.
  - The refund must be completed within **2 months** after the 5-year period; otherwise, the **performance security (bank guarantee)** will be encashed.

- **Loss of Performance Security:**

- If the project fails to meet the threshold and refund the subsidy on time, the government may **encash the performance security** submitted by the investor.

## 3. Potential for Extensions:

- If the **Commercial Operation Date (COD)** is not achieved or investment targets are not met within the 5-year period, the government may:
  - Evaluate the situation on a **case-by-case basis**.

- Grant extensions for achieving COD or completing investments, at the discretion of the **Department/Authority**.

#### 4. Overall Subsidy Cap:

- The **total subsidy amount** across all projects under this policy is capped at **₹2,500 crore**.
- Subsidy approval is granted on a **first-come, first-served basis**, subject to annual limits.

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#### Key Takeaway

To avoid financial losses and maintain eligibility for the subsidy, it is crucial for the investor to **meet or exceed the minimum investment thresholds** defined for their project type and location. The policy ensures that subsidy payments are tied to project progress, incentivizing **timely completion** and **operational readiness**.

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This comprehensive framework encourages the establishment of **high-quality sports facilities** and **training Centres** while fostering **economic growth** and **regional development** in Uttarakhand.

## Example: Adventure Sports Training Academy in a Hill Area under Uttarakhand Service Sector Policy 2024

Parameter	Assumption (Example Case)
Project Name	Himalayan Adventure Sports Academy
Location	Auli, Uttarakhand (Hill Area)
Type of Facility	Training Academy for Skiing, Snowboarding, and Ice Skating
Total Investment (ECA)	₹18 crore
Investment Over Five Years	₹18 crore (Exceeding ₹15 crore threshold)
Land Acquisition	Government-leased land (Cost excluded from ECA)
Infrastructure Development	Skiing slopes, ice skating rink, training dormitories, and professional training center
Incentive Eligibility	Yes (Meets location & investment criteria)
Capital Subsidy (25%)	₹4.5 crore (25% of ₹18 crore)
Subsidy Disbursal Option Chosen	<b>Milestone-Based Subsidy</b>
Milestone-Based Disbursal	- ₹0.9 crore @ 20% investment completion - ₹0.9 crore @ 40% investment completion - ₹0.9 crore @ 60% investment completion - ₹0.9 crore @ 80% investment completion - ₹0.9 crore @ 100% completion + COD
Performance Security (Bank Guarantee)	Required for Milestone-Based Subsidy
Subsidy Cap Per Project	₹100 crore (Within limit)
Single Window Clearance	Availed for approvals and permits
Expected COD	Within 5 years
Skill Development Focus	Professional Training in Winter Sports
Penalty for Not Meeting Minimum Investment	Loss of subsidy & repayment with interest
Potential for Extension	Case-by-case basis by UIIDB

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### Example: Multi-Sports Complex in a Plain Area under Uttarakhand Service Sector Policy 2024

<b>Parameter</b>	<b>Assumption (Example Case)</b>
<b>Project Name</b>	Uttarakhand Sports Hub
<b>Location</b>	Haridwar (Plain Area)
<b>Type of Facility</b>	Multi-Sports Complex with Training Facilities
<b>Total Investment (ECA)</b>	₹30 crore
<b>Investment Over Five Years</b>	₹30 crore (Exceeding ₹25 crore threshold)
<b>Land Acquisition</b>	Private land (Cost excluded from ECA)
<b>Infrastructure Development</b>	Indoor & outdoor courts for badminton, boxing, shooting, and a water sports training facility
<b>Incentive Eligibility</b>	Yes (Meets location & investment criteria)
<b>Capital Subsidy (25%)</b>	₹7.5 crore (25% of ₹30 crore)
<b>Subsidy Disbursal Option Chosen</b>	<b>Post-Completion Subsidy</b>
<b>Post-Completion Disbursal</b>	- ₹2.5 crore at end of 1st year after COD - ₹2.5 crore at end of 2nd year after COD - ₹2.5 crore at end of 3rd year after COD
<b>Performance Security (Bank Guarantee)</b>	Not required for Post-Completion Subsidy
<b>Subsidy Cap Per Project</b>	₹100 crore (Within limit)
<b>Single Window Clearance</b>	Availed for approvals and permits
<b>Expected COD</b>	Within 5 years
<b>Skill Development Focus</b>	Coaching for Professional Athletes & Training Programs
<b>Penalty for Not Meeting Minimum Investment</b>	Loss of subsidy & repayment with interest
<b>Potential for Extension</b>	Case-by-case basis by UIIDB

## The Uttarakhand Service Sector Policy 2024: IT/ITES Sector

The **Uttarakhand Service Sector Policy 2024** provides a comprehensive framework for the development of the **IT/ITES sector** in the state. The policy aims to leverage Uttarakhand's natural advantages, such as its cool climate, connectivity, and talent pool, to attract large IT players and foster ecosystem development. Below is a detailed breakdown of the policy for the IT/ITES sector:

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### Focus Area: IT/ITES

- **Objective:** To accelerate the growth of the IT/ITES sector by attracting large IT players, establishing anchor IT offices, and promoting skill development in the state.
  - **Target Concepts:**
    - Anchor IT Offices
    - Large-format Training Campuses
    - Global Capability Centres (GCCs)
- 

### Eligibility for IT/ITES Projects

1. **Investment Requirements:**
    - **Plain Areas:** Minimum investment in **Eligible Capital Assets (ECA)** of **₹100 crore** over five years.
    - **Hill Areas:** Minimum investment in **ECA** of **₹50 crore** over five years.
  2. **Employment Requirements:**
    - **Plain Areas:** Minimum **1,000 permanent direct employees**.
    - **Hill Areas:** Minimum **500 permanent direct employees**.
- 

### Incentives

1. **Capital Subsidy:**
  - Investors can avail a **subsidy equivalent to 25%** of the investment in **Eligible Capital Assets (ECA)**.
  - **Two options for subsidy disbursement:**
    - **Option 1: Milestone-based payments** during the construction phase.
    - **Option 2: Annual payments** after completing the investment and achieving the **Commercial Operation Date (COD)**.
  - **Maximum subsidy capped at ₹100 crore per project.**
2. **Land Provisions:**
  - Eligible projects can utilize **government-leased land** or **private land** for development.
3. **Ease of Doing Business:**
  - Simplified approvals via the **Single Window Clearance System** for registration, approvals, and subsidy claims.
4. **Skill Development:**

- Institutions are encouraged to establish skill-enhancing courses in sectors like **AYUSH, tourism, IT, and food processing**.
- 

### Objectives for IT/ITES Sector

#### 1. Ecosystem Development:

- Attract large IT players to establish anchor offices and training campuses, fostering a robust IT ecosystem in the state.

#### 2. Infrastructure Development:

- Encourage the development of state-of-the-art IT campuses with modern facilities.

#### 3. Balanced Development:

- Promote equitable access to IT infrastructure by incentivizing investments in underdeveloped and hilly regions.

#### 4. Employment Generation:

- Create job opportunities for locals through direct employment and ancillary services.
- 

### Implementation Guidelines

- The **Uttarakhand Investment and Infrastructure Development Board (UIIDB)** oversees the implementation of the policy.
  - Subsidies and benefits are linked to achieving predefined milestones, ensuring timely development.
  - Projects must remain operational for at least **25 years**. If operations are curtailed, the proportional subsidy must be reimbursed with interest.
- 

### Additional Provisions

- **Subsidy Cap:** The total subsidy amount across all projects under this policy is capped at **₹2,500 crore**.
  - **Subsidy Approval:** Subsidy approval is granted on a **first-come, first-served basis**, subject to annual limits.
  - **Overlap with Other Policies:** Subsidies and incentives provided under other state policies (e.g., MSME, IT, Tourism) will remain applicable, but beneficiaries must choose between overlapping policies.
- 

### Eligible Capital Assets (ECA)

- **Included Costs:**
  - Infrastructure (e.g., fencing, internal roads).
  - Buildings, plants, machinery, and equipment.
  - Mechanical, electrical, and plumbing installations.
  - Utilities (e.g., waste treatment, transformers, generators).
  - Fixtures, furniture, and fittings.
- **Excluded Costs:**
  - **Land costs.**

- Intangible assets (e.g., intellectual property rights, goodwill).
  - Pre-construction expenses (e.g., consultancy fees).
  - Capitalized interest and working capital.
- 

## Subsidy Disbursal Options

### Option 1: Milestone-Linked Subsidy (During Construction Phase)

- The subsidy is disbursed in **five installments** based on the achievement of investment milestones:
  1. **Installment 1:** Upon completion of **20%** of the proposed investment.
  2. **Installment 2:** Upon completion of **40%** of the proposed investment.
  3. **Installment 3:** Upon completion of **60%** of the proposed investment.
  4. **Installment 4:** Upon completion of **80%** of the proposed investment.
  5. **Installment 5:** Upon completion of **100%** of the proposed investment and achievement of the **Commercial Operation Date (COD)** within 5 years.

#### Key Notes:

- **Proportional adjustments:** If the actual investment is less than committed, the subsidy is proportionately reduced.
  - **Performance security (bank guarantee):** Required for installments 1–4, valid until the completion of 100% investment.
- 

### Option 2: Post-Completion Subsidy

- The subsidy is disbursed in **three annual installments** after completing the investment and achieving COD:
  1. **Installment 1:** One-third of the total subsidy at the end of the financial year when COD is achieved.
  2. **Installment 2:** One-third of the total subsidy at the end of the following financial year.
  3. **Installment 3:** One-third of the total subsidy at the end of the subsequent financial year.

#### Key Notes:

- **No performance security** is required for this option.
- 

## Consequences of Falling Below Minimum Investment

1. **Ineligibility for Subsidy:**
  - The project will not receive any subsidy if the actual investment in ECA is less than the sectoral threshold (₹100 crore for plain areas or ₹50 crore for hill areas).
2. **Refund of Subsidy (if any disbursed):**
  - If a project has already received partial subsidy payments but fails to meet the minimum investment criteria, the investor will be required to refund the disbursed subsidy along with:
    - **Interest at the rate of RBI Repo Rate + 4% per annum** from the dates of subsidy release.

- The refund must be completed within **2 months** after the 5-year period; otherwise, the performance security (bank guarantee) will be encashed.

### 3. **Loss of Performance Security:**

- If the project fails to meet the threshold and refund the subsidy on time, the government may encash the performance security submitted by the investor.

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### **Potential for Extensions**

- If the **Commercial Operation Date (COD)** is not achieved or investment targets are not met within the 5-year period, the government may:
  - Evaluate the situation on a case-by-case basis.
  - Grant extensions for achieving COD or completing investments, at the discretion of the Department/Authority.

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### **Key Takeaway**

To avoid financial losses and maintain eligibility for the subsidy, it is crucial for the investor to meet or exceed the minimum investment thresholds defined for their project type and location. The policy ensures that subsidy payments are tied to project progress, incentivizing timely completion and operational readiness.



## Example: IT Training & BPO Campus in a Hill Area Uttarakhand Service Sector Policy 2024

Parameter	Assumption (Example Case)
Project Name	Himalayan IT Hub
Location	Almora, Uttarakhand (Hill Area)
Type of Facility	IT Training & Business Process Outsourcing (BPO) Center
Total Investment (ECA)	₹55 crore
Investment Over Five Years	₹55 crore (Exceeding ₹50 crore threshold)
Employment Generation	600 direct jobs (Exceeding 500 minimum)
Land Acquisition	Government-leased land (Cost excluded from ECA)
Infrastructure Development	IT training labs, BPO workstations, server rooms, and staff accommodations
Incentive Eligibility	Yes (Meets location & investment criteria)
Capital Subsidy (25%)	₹13.75 crore (25% of ₹55 crore)
Subsidy Disbursal Option Chosen	<b>Milestone-Based Subsidy</b>
Milestone-Based Disbursal	- ₹2.75 crore @ 20% investment completion - ₹2.75 crore @ 40% investment completion - ₹2.75 crore @ 60% investment completion - ₹2.75 crore @ 80% investment completion - ₹2.75 crore @ 100% completion + COD
Performance Security (Bank Guarantee)	Required for Milestone-Based Subsidy
Subsidy Cap Per Project	₹100 crore (Within limit)
Single Window Clearance	Availed for approvals and permits
Expected COD	Within 5 years
Skill Development Focus	IT Support, Data Processing, Software Training
Penalty for Not Meeting Minimum Investment	Loss of subsidy & repayment with interest
Potential for Extension	Case-by-case basis by UIIDB

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## Example 2: Global IT Park in a Plain Area Uttarakhand Service Sector Policy 2024

<b>Parameter</b>	<b>Assumption (Example Case)</b>
<b>Project Name</b>	Uttarakhand Digital Park
<b>Location</b>	Dehradun (Plain Area)
<b>Type of Facility</b>	IT Park with Global Capability Centres (GCCs)
<b>Total Investment (ECA)</b>	₹120 crore
<b>Investment Over Five Years</b>	₹120 crore (Exceeding ₹100 crore threshold)
<b>Employment Generation</b>	1,200 direct jobs (Exceeding 1,000 minimum)
<b>Land Acquisition</b>	Private land (Cost excluded from ECA)
<b>Infrastructure Development</b>	Co-working spaces, data centers, high-speed internet hubs, and software development offices
<b>Incentive Eligibility</b>	Yes (Meets location & investment criteria)
<b>Capital Subsidy (25%)</b>	₹30 crore (25% of ₹120 crore)
<b>Subsidy Disbursal Option Chosen</b>	<b>Post-Completion Subsidy</b>
<b>Post-Completion Disbursal</b>	- ₹10 crore at end of 1st year after COD - ₹10 crore at end of 2nd year after COD - ₹10 crore at end of 3rd year after COD
<b>Performance Security (Bank Guarantee)</b>	Not required for Post-Completion Subsidy
<b>Subsidy Cap Per Project</b>	₹100 crore (Within limit)
<b>Single Window Clearance</b>	Availed for approvals and permits
<b>Expected COD</b>	Within 5 years
<b>Skill Development Focus</b>	Software Development, AI, Cloud Computing
<b>Penalty for Not Meeting Minimum Investment</b>	Loss of subsidy & repayment with interest
<b>Potential for Extension</b>	Case-by-case basis by UIIDB

## Uttarakhand Service Sector Policy 2024: Data Centre Sector

The **Uttarakhand Service Sector Policy 2024** provides specific guidelines and incentives for the development of **Data Centres** under its focus area. Here's a detailed breakdown:

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### Focus Area: Data Centres

- The policy recognizes the exponential growth in Data Centre capacity driven by digital consumption, 5G rollout, cloud systems, and emerging technologies like Artificial Intelligence and automation.
  - Uttarakhand is strategically positioned to attract investments in this sector due to its cool climate (reducing energy consumption for cooling) and abundant green power capacity.
- 

### Eligibility for Data Centres

1. **Investment Requirements:**
    - **Plain Areas:** Minimum investment in **Eligible Capital Assets (ECA)** of **₹100 crore** over five years.
    - **Hill Areas:** Minimum investment in **ECA** of **₹50 crore** over five years.
  2. **Project Types:**
    - Large format **Data Parks** or smaller **Data Units**.
- 

### Incentives

1. **Capital Subsidy:**
    - Investors can avail a subsidy equivalent to **25%** of the investment in **Eligible Capital Assets (ECA)**.
    - Two options for subsidy disbursement:
      - **Option 1:** Milestone-based payments during construction.
      - **Option 2:** Annual payments after completing the investment and achieving the **Commercial Operation Date (COD)**.
    - **Maximum subsidy capped at ₹100 crore per project.**
  2. **Land Provisions:**
    - Eligible projects can utilize **government-leased land** or **private land** for development.
    - **Land costs are explicitly excluded** from the calculation of project costs and subsidies.
  3. **Ease of Doing Business:**
    - Simplified approvals via a **Single Window Clearance System** for registration, approvals, and subsidy claims.
  4. **Skill Development:**
    - Data Centres are encouraged to establish skill-enhancing courses and training programs to foster expertise in emerging technologies.
- 

### Objectives for Data Centres

1. **Infrastructure Development:**

- Encourage the establishment of state-of-the-art Data Centres with modern facilities to support the growing digital economy.

## 2. Energy Efficiency:

- Leverage Uttarakhand's cool climate and green energy resources to promote energy-efficient Data Centres.

## 3. Balanced Development:

- Promote equitable access to digital infrastructure by incentivizing investments in underdeveloped and hilly regions.

## 4. Employment Generation:

- Create job opportunities for locals through direct employment and ancillary services.

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### Implementation Guidelines

- The **Uttarakhand Investment and Infrastructure Development Board (UIIDB)** oversees the implementation.
- The subsidy and benefits are linked to achieving predefined milestones, ensuring timely development.

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### Additional Provisions

- **Subsidies and incentives** provided under other state policies (e.g., MSME, IT, Tourism) will remain applicable, but beneficiaries must choose between overlapping policies.
- Projects must remain operational for at least **25 years**. If operations are curtailed, the proportional subsidy must be reimbursed with interest.

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### Eligible Capital Assets (ECA)

- **Included Costs:**
  - Infrastructure (e.g., fencing, internal roads).
  - Buildings, plants, machinery, and equipment.
  - Mechanical, electrical, and plumbing installations.
  - Utilities (e.g., waste treatment, transformers, generators).
  - Fixtures, furniture, and fittings.
- **Excluded Costs:**
  - **Land costs.**
  - Intangible assets (e.g., intellectual property rights, goodwill).
  - Pre-construction expenses (e.g., consultancy fees).
  - Capitalized interest and working capital.

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### Subsidy Disbursal Options

#### Option 1: Milestone-Linked Subsidy (During Construction Phase)

- The subsidy is disbursed in **five installments** based on the achievement of investment milestones:
  1. **Installment 1:** Upon completion of **20%** of the proposed investment.
  2. **Installment 2:** Upon completion of **40%** of the proposed investment.
  3. **Installment 3:** Upon completion of **60%** of the proposed investment.
  4. **Installment 4:** Upon completion of **80%** of the proposed investment.
  5. **Installment 5:** Upon completion of **100%** of the proposed investment and achievement of the **Commercial Operation Date (COD)** within 5 years.

#### Key Notes:

- **Proportional adjustments:** If the actual investment is less than committed, the subsidy is proportionately reduced.
  - **Performance security (bank guarantee):** Required for installments 1–4, valid until the completion of 100% investment.
- 

#### Option 2: Post-Completion Subsidy

- The subsidy is disbursed in **three annual installments** after completing the investment and achieving COD:
  1. **Installment 1:** One-third of the total subsidy at the end of the financial year when COD is achieved.
  2. **Installment 2:** One-third of the total subsidy at the end of the following financial year.
  3. **Installment 3:** One-third of the total subsidy at the end of the subsequent financial year.

#### Key Notes:

- **No performance security** required for this option.
- 

#### Eligibility Criteria

- Projects must meet the **sectoral threshold investment requirements** within 5 years.
  - All clearances and **COD** must be achieved for subsidy eligibility.
- 

#### Delays in Disbursal

- If disbursement is delayed beyond **40 days** from the submission of all required documents, the government will pay interest at the **RBI Repo Rate** on the delayed amount.
- 

#### Overall Subsidy Cap

- The **total subsidy amount** across all projects under this policy is capped at **₹2,500 crore**.
  - Subsidy approval is granted on a **first-come, first-served basis**, subject to annual limits.
- 

#### Consequences of Falling Below Minimum Investment

1. **Ineligibility for Subsidy:**

- The project will not receive any subsidy if the actual investment in **ECA** is less than the sectoral threshold (₹100 crore for plain areas or ₹50 crore for hill areas).

## 2. Refund of Subsidy (if any disbursed):

- If a project has already received partial subsidy payments but fails to meet the minimum investment criteria, the investor will be required to refund the disbursed subsidy along with:
  - **Interest at the rate of RBI Repo Rate + 4% per annum** from the dates of subsidy release.
  - The refund must be completed within **2 months** after the 5-year period; otherwise, the **performance security (bank guarantee)** will be encashed.

## 3. Loss of Performance Security:

- If the project fails to meet the threshold and refund the subsidy on time, the government may encash the performance security submitted by the investor.

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## Potential for Extensions

- If the **Commercial Operation Date (COD)** is not achieved or investment targets are not met within the 5-year period, the government may:
  - Evaluate the situation on a **case-by-case basis**.
  - Grant extensions for achieving COD or completing investments, at the discretion of the **Department/Authority**.

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## Key Takeaway

To avoid financial losses and maintain eligibility for the subsidy, it is crucial for the investor to meet or exceed the **minimum investment thresholds** defined for their project type and location.

## Example: Green Data Centre in a Hill Area Uttarakhand Service Sector Policy 2024

Parameter	Assumption (Example Case)
Project Name	Himalayan Green Data Hub
Location	Nainital, Uttarakhand (Hill Area)
Type of Facility	Medium-sized Cloud Storage & AI Computing Data Centre
Total Investment (ECA)	₹55 crore
Investment Over Five Years	₹55 crore (Exceeding ₹50 crore threshold)
Project Type	Data Centre Unit
Employment Generation	300 direct jobs + 200 indirect jobs (Exceeding 500 total)
Land Acquisition	Government-leased land (Cost excluded from ECA)
Infrastructure Development	Server rooms, cooling systems, fiber-optic connectivity, power backup
Incentive Eligibility	Yes (Meets location & investment criteria)
Capital Subsidy (25%)	₹13.75 crore (25% of ₹55 crore)
Subsidy Disbursal Option Chosen	Milestone-Based Subsidy
Milestone-Based Disbursal	- ₹2.75 crore @ 20% investment completion - ₹2.75 crore @ 40% investment completion - ₹2.75 crore @ 60% investment completion - ₹2.75 crore @ 80% investment completion - ₹2.75 crore @ 100% completion + COD
Performance Security (Bank Guarantee)	Required for Milestone-Based Subsidy
Energy Efficiency Measures	Utilization of hydroelectric power, natural cooling
Subsidy Cap Per Project	₹100 crore (Within limit)
Single Window Clearance	Availed for approvals and permits
Expected COD	Within 5 years
Penalty for Not Meeting Minimum Investment	Loss of subsidy & repayment with interest
Potential for Extension	Case-by-case basis by UIIDB

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## Example2: Large-Scale Data Park in a Plain Area Uttarakhand Service Sector Policy 2024

Parameter	Assumption (Example Case)
Project Name	Dehradun Mega Data Park
Location	Dehradun (Plain Area)
Type of Facility	Large-Scale Data Park with Cloud Hosting & AI Infrastructure
Total Investment (ECA)	₹150 crore
Investment Over Five Years	₹150 crore (Exceeding ₹100 crore threshold)
Project Type	Large Format Data Park
Employment Generation	1,500 direct jobs + 500 indirect jobs (Exceeding 1,000 total)
Land Acquisition	Private land (Cost excluded from ECA)
Infrastructure Development	High-density server racks, advanced cooling systems, data recovery centers
Incentive Eligibility	Yes (Meets location & investment criteria)
Capital Subsidy (25%)	₹37.5 crore (25% of ₹150 crore)
Subsidy Disbursal Option Chosen	Post-Completion Subsidy
Post-Completion Disbursal	- ₹12.5 crore at end of 1st year after COD - ₹12.5 crore at end of 2nd year after COD - ₹12.5 crore at end of 3rd year after COD
Performance Security (Bank Guarantee)	Not required for Post-Completion Subsidy
Energy Efficiency Measures	Solar power backup, AI-driven cooling systems
Subsidy Cap Per Project	₹100 crore (Within limit)
Single Window Clearance	Availed for approvals and permits
Expected COD	Within 5 years
Penalty for Not Meeting Minimum Investment	Loss of subsidy & repayment with interest
Potential for Extension	Case-by-case basis by UIIDB



## Focus Area: Skilling

The **Uttarakhand Service Sector Policy 2024** provides specific guidelines and incentives for the development of the **Skilling sector**, aiming to enhance skill development and create a robust ecosystem for specialized education and training. Here's a detailed breakdown:

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### Overview

- The policy recognizes the importance of skill development in driving Uttarakhand's economic growth and ensuring sustainable development.
  - It aims to establish **Centres of Excellence (CoEs)** in various sectors, including AYUSH, food processing, tourism, healthcare, and advanced manufacturing, to foster specialized education and skill enhancement.
- 

### Eligibility for Skilling Projects

#### 1. Eligible Units:

- Centres of Excellence (CoEs) established in the following sectors:
  - Advanced Manufacturing
  - AYUSH
  - Construction
  - Drones
  - Electronics
  - Food Processing
  - Handicrafts
  - Healthcare
  - Horticulture (Fruits, Vegetables, Herbs, Flowers)
  - Hospitality

#### 2. Investment Requirements:

- **Plain Areas:** Minimum investment in **Eligible Capital Assets (ECA)** of **₹100 crore** over five years.
  - **Hill Areas:** Minimum investment in **Eligible Capital Assets (ECA)** of **₹50 crore** over five years.
- 

### Incentives

#### 1. Capital Subsidy:

- Investors can avail a **subsidy equivalent to 25%** of the investment in **Eligible Capital Assets (ECA)**.
- Two options for subsidy disbursement:
  - **Option 1:** Milestone-based payments during construction.
  - **Option 2:** Annual payments after completing the investment and achieving the **Commercial Operation Date (COD)**.
- **Maximum subsidy capped at ₹100 crore per project.**

#### 2. Land Provisions:

- Eligible projects can utilize **government-leased land** or **private land** for development.
3. **Ease of Doing Business:**
    - Simplified approvals via a **Single Window Clearance System** for registration, approvals, and subsidy claims.
  4. **Skill Development:**
    - Institutions are encouraged to establish skill-enhancing courses in sectors like **AYUSH, tourism, IT, and food processing**.
- 

### Objectives for Skilling Sector

1. **Skill Enhancement:**
    - Promote specialized education and training in high-demand sectors to improve employability and skill levels of the local population.
  2. **Infrastructure Development:**
    - Encourage the establishment of state-of-the-art **Centres of Excellence (CoEs)** with modern facilities to enhance the quality of skill development programs.
  3. **Balanced Development:**
    - Promote equitable access to skill development opportunities by incentivizing investments in **underdeveloped and hilly regions**.
  4. **Employment Generation:**
    - Create job opportunities for locals through direct employment and ancillary services.
- 

### Implementation Guidelines

- The **Uttarakhand Investment and Infrastructure Development Board (UIIDB)** oversees the implementation of the policy.
  - The subsidy and benefits are linked to achieving predefined milestones, ensuring timely development.
- 

### Additional Provisions

- **Subsidies and incentives** provided under other state policies (e.g., MSME, IT, Tourism) will remain applicable, but beneficiaries must choose between overlapping policies.
  - Projects must remain operational for at least **25 years**. If operations are curtailed, the proportional subsidy must be reimbursed with interest.
- 

### Eligible Capital Assets (ECA)

- **Included Costs:**
  - Infrastructure (e.g., fencing, internal roads).
  - Buildings, plants, machinery, and equipment.
  - Mechanical, electrical, and plumbing installations.
  - Utilities (e.g., waste treatment, transformers, generators).

- Fixtures, furniture, and fittings.
  - **Excluded Costs:**
    - **Land costs.**
    - Intangible assets (e.g., intellectual property rights, goodwill).
    - Pre-construction expenses (e.g., consultancy fees).
    - Capitalized interest and working capital.
- 

## Subsidy Disbursal Options

### Option 1: Milestone-Linked Subsidy (During Construction Phase)

- The subsidy is disbursed in **five installments** based on the achievement of investment milestones:
    1. **Installment 1:** Upon completion of **20%** of the proposed investment.
    2. **Installment 2:** Upon completion of **40%** of the proposed investment.
    3. **Installment 3:** Upon completion of **60%** of the proposed investment.
    4. **Installment 4:** Upon completion of **80%** of the proposed investment.
    5. **Installment 5:** Upon completion of **100%** of the proposed investment and achievement of the **Commercial Operation Date (COD)** within 5 years.
  - **Key Notes:**
    - **Proportional adjustments:** If the actual investment is less than committed, the subsidy is proportionately reduced.
    - **Performance security (bank guarantee):** Required for installments 1–4, valid until the completion of 100% investment.
- 

### Option 2: Post-Completion Subsidy

- The subsidy is disbursed in **three annual installments** after completing the investment and achieving **COD**:
    1. **Installment 1:** One-third of the total subsidy at the end of the financial year when COD is achieved.
    2. **Installment 2:** One-third of the total subsidy at the end of the following financial year.
    3. **Installment 3:** One-third of the total subsidy at the end of the subsequent financial year.
  - **Key Notes:**
    - **No performance security** required for this option.
- 

## Consequences of Falling Below Minimum Investment

1. **Ineligibility for Subsidy:**
  - The project will not receive any subsidy if the actual investment in **ECA** is less than the sectoral threshold (**₹100 crore for plain areas** or **₹50 crore for hill areas**).
2. **Refund of Subsidy (if any disbursed):**

- If a project has already received partial subsidy payments but fails to meet the minimum investment criteria, the investor will be required to refund the disbursed subsidy along with:
  - **Interest at the rate of RBI Repo Rate + 4% per annum** from the dates of subsidy release.
  - The refund must be completed within **2 months** after the 5-year period; otherwise, the **performance security (bank guarantee)** will be encashed.

### 3. Loss of Performance Security:

- If the project fails to meet the threshold and refund the subsidy on time, the government may encash the performance security submitted by the investor.

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### Potential for Extensions

- If the **Commercial Operation Date (COD)** is not achieved or investment targets are not met within the 5-year period, the government may:
  - Evaluate the situation on a case-by-case basis.
  - Grant extensions for achieving COD or completing investments, at the discretion of the Department/Authority.

---

### Key Takeaway

To avoid financial losses and maintain eligibility for the subsidy, it is crucial for the investor to meet or exceed the minimum investment thresholds defined for their project type and location.

## Example: AYUSH Training Centre in a Hill Area Uttarakhand Service Sector Policy 2024

Parameter	Assumption (Example Case)
Project Name	Himalayan AYUSH Skill Development Centre
Location	Almora, Uttarakhand (Hill Area)
Type of Facility	Centre of Excellence for AYUSH education and training
Total Investment (ECA)	₹55 crore
Investment Over Five Years	₹55 crore (Exceeding ₹50 crore threshold)
Project Type	AYUSH Training and Research Centre
Employment Generation	250 direct jobs + 150 indirect jobs
Land Acquisition	Government-leased land (Cost excluded from ECA)
Infrastructure Development	Classrooms, training labs, herbal cultivation gardens, research facilities
Incentive Eligibility	Yes (Meets location & investment criteria)
Capital Subsidy (25%)	₹13.75 crore (25% of ₹55 crore)
Subsidy Disbursal Option Chosen	<b>Milestone-Based Subsidy</b>
Milestone-Based Disbursal	- ₹2.75 crore @ 20% investment completion - ₹2.75 crore @ 40% investment completion - ₹2.75 crore @ 60% investment completion - ₹2.75 crore @ 80% investment completion - ₹2.75 crore @ 100% completion + COD
Performance Security (Bank Guarantee)	Required for Milestone-Based Subsidy
Skill Development Programs	Training in AYUSH therapies, herbal medicine production, wellness tourism
Subsidy Cap Per Project	₹100 crore (Within limit)
Single Window Clearance	Availed for approvals and permits
Expected COD	Within 5 years
Penalty for Not Meeting Minimum Investment	Loss of subsidy & repayment with interest
Potential for Extension	Case-by-case basis by UIIDB

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## Example: Hospitality & Tourism Skill Development Centre in a Plain Area Uttarakhand Service Sector Policy 2024

<b>Parameter</b>	<b>Assumption (Example Case)</b>
<b>Project Name</b>	Dehradun Hospitality Skill Development Institute
<b>Location</b>	Dehradun, Uttarakhand (Plain Area)
<b>Type of Facility</b>	Centre of Excellence for Hospitality and Tourism
<b>Total Investment (ECA)</b>	₹120 crore
<b>Investment Over Five Years</b>	₹120 crore (Exceeding ₹100 crore threshold)
<b>Project Type</b>	Hospitality and Tourism Skill Development Centre
<b>Employment Generation</b>	600 direct jobs + 400 indirect jobs (Exceeding 1,000 total)
<b>Land Acquisition</b>	Private land (Cost excluded from ECA)
<b>Infrastructure Development</b>	Classrooms, mock hotel rooms, event management facilities, hospitality labs
<b>Incentive Eligibility</b>	Yes (Meets location & investment criteria)
<b>Capital Subsidy (25%)</b>	₹30 crore (25% of ₹120 crore)
<b>Subsidy Disbursal Option Chosen</b>	<b>Post-Completion Subsidy</b>
<b>Post-Completion Disbursal</b>	- ₹10 crore at end of 1st year after COD - ₹10 crore at end of 2nd year after COD - ₹10 crore at end of 3rd year after COD
<b>Performance Security (Bank Guarantee)</b>	Not required for Post-Completion Subsidy
<b>Skill Development Programs</b>	Training in hotel management, culinary arts, front office operations, and tourism management
<b>Subsidy Cap Per Project</b>	₹100 crore (Within limit)
<b>Single Window Clearance</b>	Availed for approvals and permits
<b>Expected COD</b>	Within 5 years
<b>Penalty for Not Meeting Minimum Investment</b>	Loss of subsidy & repayment with interest
<b>Potential for Extension</b>	Case-by-case basis by UIIDB