

NATIONAL MEDICINAL PLANTS BOARD

Ministry of Health & Family Welfare

(Dept. of ISM &H)

PROMOTIONAL AND COMMERCIAL SCHEMES

Operational Guidelines for Financial Assistance

PREAMBLE

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

FUNCTIONS OF THE BOARD:

Coordination with Ministries /Departments/Organisations/State/UT Governments for development of medicinal plants in general and specifically in the following fields.

- 1.Assessment of demand/supply position relating to medicinal plants both within the country and abroad.
- 2.Advise concerned Ministries /Departments/Organisation/State/UT Governments on policy matters relating to schemes and programmes for development of medicinal plants.
- 3.Provide guidance in the formulation of proposals, schemes and programmes etc to be taken by agencies having access to land for cultivation and infrastructure for collection, storage and transportation of medicinal plants.
- 4.Identification, inventorisation and quantification of medicinal plants.
- 5.Promotion of ex-situ and in-situ cultivation and conservation of medicinal plants.
- 6.Promotion of co-operative effort among collectors and growers and assisting them to store transport and market their produce effectively.
- 7.Setting up of database system for inventorisation, dissemination of information and facilitating the prevention of Patents being obtained for medicinal use of plants, which is in the public domain.

8. Matter relating to import/export of raw material, as well as value added products either as medicine, food supplements or as herbal cosmetics including adoption of better techniques for marketing of products to increase their reputation for quality and reliability in the country and abroad.

9. Undertaking and awarding Scientific, Technological research and cost-effectiveness studies.

10. Development of protocols for cultivation and quality control.

11. Encouraging the protection of patent Rights and IPR

ORGANISATIONAL SET UP

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

Ex-officio members:- i) Secretary, Department of Indian Systems of Medicines & Homeopathy; ii) Secretary, Minister of environment & Forests; iii) Secretary, Department of scientific and industrial Research; iv) secretary, Department of Bio –Technology; v) Secretary, Department of Science & Technology; vi) Secretary, Department of Commerce; vii) Secretary, Department of Industrial Policy and Promotion; viii) secretary, Department of Expenditure; ix) secretary, Department of Agriculture and Co-operation; x) secretary, Department of Agricultural Research and education, and xi) Secretary, Ministry of Tribal Affairs.

Four Nominated members: -Having expertise in the field of

- i) Medico ethnobotany
- ii) Pharmaceuticals industry of ISM
- iii) Marketing and Trade
- iv) Legal matters and patents.

Four nominated members representing exporters of :-

- i) ISM & H drugs,
- ii) NGOs,
- iii) Growers of medicinal plants
- iv) Research and Development industry groups.

Two nominated members representing:- Federations/cooperatives dealing with medicinal plans.

One member from:-Research Councils of Department of i) Indian Systems of Medicines and Homoeopathy, ii) Pharmacopoeial Laboratory of Indian Medicines/Homoeopathic Pharmacopoeia Laboratory, Ghaziabad, and iii)two members representing State Governments (by rotation every two years)

Chief Executive Officer in the rank of Joint Secretary as Member secretary

MARKET SCENARIO OF MEDICINAL PLANTS

Domestic Scenario

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

Marketing is a daunting problem, which besets the development of the plant-based industry in developing countries. Marketability of products will be a crucial factor in determining the failure or success of this sector. The market outlets can be for local use and for export. As for local use some products could reach the consumer directly while other have to be either further processed or used as secondary components in other industrial products. A clear understanding of both the supply-side issues and the factors driving the demand and size of the medicinal plants market is a vital step towards planning for both the conservation and sustainable use of the habitats of these plants as well as for ensuring continued availability of the basic ingredients used to address the health needs of the majority of the world's population.

Brief Global Scenario

According to the report of the world Health Organisation (WHO) a large population of the world relies on the traditional systems of medicines, largely plant based to meet their primary health care needs. India at present (2000) exports herbal materials and medicines to the tune of Rs.446 crores only while it has been estimated that this can be raised to Rs.3000crores by 2005. The Chinese export based on plants including raw drugs, therapeutics and other is estimated to be around Rs.18000-Rs.22000 crores. In view of the innate Indian strengths which interalia include diverse eco-systems, technical and farming capacity and a strong manufacturing sector, the medicinal plants area can become a huge export opportunity after fulfilling domestic needs.

Export

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

PROMOTIONAL AND COMMERCILA SCHEMES

DESIGNATED AREAS FOR FINANCIAL SUPPORT:

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

1. Amla *Embica officinalis* Gaertn
2. Ashok *Saraca asoca* (Roxb.) de wilde
3. Ashwagandha *Withania Somnifera* (Linn) Dunal
4. Atees *Aconitum heterophyllum* Wall.ex Royle
5. Bael *Aegle marmelos* (Linn) Corr.
6. Bhumi amlaki *Phyllanthus amarus* schum & Thonn
7. Brahmi *Bacopa monnieri* (L) Pennell
8. Chandan *Santalum Album* Linn

9. Chirata Swertia Chirata Buch-Ham
10. Giloe Tinospora Cordifolia Miers
11. Gudmar Gymnema sylvestre R.Br.
12. Guggal Commiphora Wightti (Arn.)Bhandari
13. Isabgol Plantago ovata Forsk
14. Jatamansi Nardostachys Jatamansi DC.
15. Kalihari Gloriosa Superba Linn.
16. Kalmegh Andrographis Paniculata Wall.ex Nees
17. Kokum Garcinia indica Chois
18. Kuth Saussurea Costus C.B Clarke (S.lappa)
19. Kutki Picrorhiza Kurroa Benth ex Royle
20. Makoy Solonum nigrum Linn.
21. Mulethi Glycyrrhiza Glabra Linn.
22. Musali Safaid Chlorophytum borivillianum Sant.
23. Patharchur (Rhiver) Coleus barbatus Benth./C.Vettiveroides
24. Pippal Piper longum Linn
25. Rasaut (Daruhaldi) Berberis aristata DC
26. Saffron (Kesar) Crocus sativus Linn
27. Sarpagandha Rauwolfia serpentina Benth.ex Kurz
28. Senna Cassia angustifolia vahl
29. Shatavari Asparagus racemosus willd
30. Tulsi Ocimum sanctum Linn.
31. Vai Vidang Embelia ribes Burm.F
32. Vatsnabh Acontium ferox Wall.

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

PROJECT PROPOSALS CAN BE SUBMITTED IN THE FOLLOWING AREAS:

I PROMOTIONAL SCHEMES:

1. Survey and inventorization of medicinal Plants.
2. In-Situ conservation and ex-situ cultivation of medicinal Plants.
 - To encourage ex-situ conservation and ex-situ cultivation of selected medicinal Plants, particularly endangered species which have appeared in Indian Red Data Book (IRDB) and negative list of CITES
 - To Create region-wise and species-wise medicinal plants demonstration centres (herbal Gardens).
3. Production of quality planting material
 - To Produce germ Plasms of quality Planting materials in bulk by developing improved agro-techniques and other appropriate technology.
4. Extension activities- information, education and communication :
 - Awareness through audio-visual aids, talks seminars, training workshops etc.
 - Training & Visit of growers and collectors to demonstrations plots, research centres and other related organisations in the country.
 - Activities encouraging cultivation for growing medicinal Plants.
 - Extension material on medicinal Plants
5. Study demand supply position and marketing of medicinal plants for domestic and global market

- Study in respect of state –of-art creating and developing infrastructure for the purpose of value addition, shelf life, storage & Packing of drugs conforming international standards.

6. Research & Development in medicinal plants sector.

7. **Strengthening capabilities** of NMPB:- The scheme related to man-power for NMPB including pay and allowances to Staff, Office infrastructure, computerization etc.

Other areas:

8. Promote Co-Operative efforts among growers and collectors of medicinal plants.

9. Value addition and semi-processing of products of medicinal Plants

10. Undertake/assist or encourage scientific technological and economic research on medicinal plants.

Eligibility:

Applicable to government organisation for grant in the specified areas above

Non-Government organisation (NGOs) are eligible for certain specific areas except R&D activities

II COMMERCIAL SCHEMES:

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

Eligibility:

Govt. Organization

Registered growers, association /federations of growers,traders,manufacturers, Societies, pharmaceutical companies, NGOs and recognized private research institutes or any group of people who have past 3 years experience in the medicinal plants sector

Financial Assistance to farmers :

In case of farmers financial assistance would be as under:

Small and marginal 50% (operational land area below 02 hectare)

Medium 40%(operational land area 02-10 hectares)

Large 30%(operational land area 10 hectares and above)

FOR THE ABOVE ACTIVITIES IN CASE OF NGOS, SOCIETIES/ CO-OPERATIVES FINANCIAL ASSISTANCE WOULD BE PROVIDED TO THE EXTENT OF 30% OF TOTAL EXPENDITURE, AS EXPLAINED ABOVE.

PREPARTION AND SUNMISSION OF PROPOSAL:

1. The applicant will submit the project proposal on appropriate prescribed application form (**Annexure-I&II**) prepared as per the guidelines of the Board and the lending institution /Financial institution (FI*). The project will have a Principal Investigator who would be responsible for its formulation and implementation.
2. The objectives of the projects have to be precise and well-defined indicating the likely benefits to be derived.
3. The technical programme of the scheme has to be as comprehensive as possible, outlining allocation of works, work scheduling, annual action plan etc.
4. The promotional activities related proposals have to be directly submitted to the National Medicinal Plant Board (NMPB) in five (5)copies with a copy to the concerned State Medicinal Plants Board (SMPB)/designated nodal agency of State Government .

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

5. In the case of commercial projects proposals, these have to route through the financial Institution (FI) and State Medicinal Plants Board with an advance copy to National Medicinal Plants Board, New Delhi.
6. On receiving the project proposals the FI will scrutinize and examine the proposal to its feasibility. The FI will forward a brief report along with their comments to the SMPB for initial scrutiny with a copy to NMPB. The FI in their brief note will indicate the detailed information about the applicant's profile,
 - i) Name of the associate bank, if any, ii)
 - ii) Nature/main activities of the project,
 - iii) Item-wise financial projection,
 - iv) Means of finance including NMPB assistance, brief coverage on technical feasibility and financial viability etc.
7. The proposal so received will finally be placed before the appropriate project Screening Committee (PSC) of NMPB for approval.
8. After approval of the project by the PSC the applicant, SMPB and the FI will be informed so that the applicant may apply for the appropriate term loan, as per guidelines of the FI. The total back-ended financial assistance shall be paid through FI in two equal installments
9. 50% of the Financial Assistance would be released to the participating Financial Institution after 50% of term loan is disbursed. The remaining 50% Financial Assistance will be released on disbursement of 2nd installment of term loan.
10. The first installment of 50% of the Financial Assistance will be released within Fund Account of the concerned borrower, which is to be adjusted finally against the loan amount of the bank on completion of the project . At every stage funds would be released on the verification and recommendation of FI. For release in subsequent years funds will be provided within 30 days after receipt of utilization certificate demand.

11 On completion of the project, the concerned FI would inform NMPB that the project has been completed as per the over all guidelines of NMPB and shall make a request to NMPB for joint inspection of the project, in the presence of the applicant. The remaining 50% of the financial assistance would be released after the satisfactory report of the inspection of the project. The FI would submit utilization certificate about the financial assistance to the NMPB and SMPB.

12. Adjustment in Applicant's Account : The financial assistance released by NMPB to the FI on behalf of the applicant that is sanctioned will be kept in the separate reserve account. The repayment schedule will be drawn on the loan amount in such a way that the financial assistance amount is adjusted after the bank loan portion is liquidated. Suitable instruction issued in this regard by the RBI from time to time would be followed.

13 Before leasing fund the officials of National Medicinal Plants Board or in their absence officials of the State Board will inspect the project area and submit a report for its satisfactory progress or otherwise for release of funds.

14. The Board will have final discretion for actual grant of financial assistance to be given.

15. The term loan could be availed by the4 applicant depending upon species, acreage, agro-climatic conditions and amount of margin money etc. but in any case the term loan has to be not less than 10% of the total project cost, through recognized FI.

16. Monitoring and evaluation of the project would be the responsibility of concerned SMPB.

17. Other conditions:

The project proposals may have vertical or horizontal integration .

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

GENERAL CONDITIONS:

100% financial assistance would be available for the promotional schemes to be implemented by State Medicinal Plants Board (SMPBs)(Annexure-V), State Government, Central and State Government institutions, Universities, reputed NGO's and quasi –public institutions.

- i) The project proposals may be up to 3 years durations.
- ii) Scientists/Teachers/Foresters with botany/Forestry background would be eligible to become the principal investigator (PI), provided they have at least 3 years to superannuate.
- iii) Scientific technical and supporting staff will be contract basis and contractual salaries, specialized equipment, unavoidable recurring contingencies, TA(PI and staff) and in selected cases for small items of works will be in accordance with the approval of the project.
- iv) The Principal Investigator shall enjoy the freedom in selection of CO-PI and other staff. The appointment will be regular in nature, but restricted to the project /scheme on contract basis.
- v) In case of transfer/leaving of principal investigator, Co-principal Investigator will hold the charge of the scheme and work as PI. In case there is no co-principal Investigator, the host institute will suggest the name of suitable PI to handle the scheme. In case of transfer of the PI the scheme could be shifted to the institution on the request of the PI concerned.
- vi) Under non-recurring head, financial assistance could be provided for only.

Selected, essential and specialized items of equipments required for project works, for modification of existing structure or for undertaking petty works.

The implementation institution without approval of the Board shall not make re-appropriation of funds among different heads of expenditures of a scheme, except in case of recurring contingencies.

Component towards rental value of land /lease rent shall not exceed 10% of project cost.

Expenses towards manpower for supervision and other technical input shall not exceeds 10% of the project cost.

Other general conditions will be as per Terms/Conditions (Annexure-IV)

FUNDING OF PROJECTS:

(i) financial assistance would be considered for **projects related to technology transfer and development** for promotion of identified medicinal plants, up to the limit of Rupees **10 lacs per year**.

(ii) For **pilot projects based on high quality-commercial production**, compact area development approach for popularizing new and modern scientific concept of medicinal plants, up to **Rupees 10 lacs per year**.

(iii) For **Research and development (R&D) projects** on specific problems related to medicinal plants to encourage domestic and export promotion, up to Rupees 25 lacs. The projects form State Agricultural Universities /Research Organizations, Universities/PG. Colleges of repute and State Government etc.would be considered.

(iv) For **in-situ conservation** and **ex-situ cultivation** a grant up to **Rs.10 lacs per annum** per project would be admissible.

(v) **For training/workshops/seminars: Up to Rs 2 lacs** for state level; upto Rs 3 lacs for Regional level ;upto **5lacs** for national level and “up to **Rs 10 lacs** for international event in a year.

(vi) For awarding title ‘**Vanaushdhi Pandit**’ upto Rs. 1.5 lacs in a year in the country @ Rs. 15000/- per head.

(vii) To assist all stakeholders in sector up to Rs 10 lacs could be financed for in-depth **Market Information** Service including data bank.

PROCEDURE FOR PROCESSING PROJECT PROPOSALS FOR APPROVAL:

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

IMPLEMENTATION AND MONITORING :

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

- (5) Release of funds will be withheld in the event of non-receipt of utilization certificate and progress reports in time or unsatisfactory progress of work.
- (6) On completion of the project, the PI shall submit to the National Medicinal Plants Board a final report in the prescribed proforma, which shall be examined by the Board, for identifying project results, their significance and follow up required therein.
- (7) All publication (book, research papers, popular articles) produced related to the project have to be duly acknowledged for financial support.

COST SCHEDULING :

- i) Establishment /maintenance of herbal gardens (minimum area 1 ha.)
- a) Land development, fencing, developing water resources, setting up irrigation facilities @up to Rs 1.0 lacks per ha (0.25 lacks for procurement of basic planting material and 0.75 lacks per ha. establishment charges.)
- b) Annual maintenance of garden @ upto RS.0.40 lacks per year per hectare.
- ii) **For quality planting material sapling etc.** upto Rs 40000/- per ha.
- iii) **For establishment/maintenance of nursery centers** : land development, mist chamber nursery sheds, irrigation systems @ upto Rs. 1.25 lacks per hectare in first year. For next two years Rs. 0.40 lacks would be provided for maintenance.
- (The organization has to ensure supply of at least 40,000 seedling /quality planting material per hectare per year)
- iv) **Regional Analytical Laboratory for Quality testing, Validation and Certification** : For quality testing and certification of medicinal plants produce identifies regional labs./Institutions would be considered to provide maintenance /Strengthening of lab.up to 2.0 lacks per year.

MODALITIES:

- An internal project Screening Committee (IPSC), headed by CEO of the Board will be constituted for screening of the projects upto Rs. 10lacks representative form DoISM&H, representative form NMPB will be members of this committee.

- For projects between Rs 10 lacks to Rs 30 lacks, the Projects screening Committee(PSC) will include the following members.
 - i) Chief Executive Officer, National Medicinal Plants Board
 - ii) Representative from National Horticulture Board
 - iii) Representative from Ministry of Environment & Forests
 - iv) Representative from ICAR
 - v) Representative from CSIR
 - vi) Representative from National Medicinal Plants Board
 - vii) representative from Do ISM &H

The Committee will be headed by the official, designated by Secretary (ISM &H)

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

The **Member –Secretary** of the respective SMPBs will head the Committee

DOMESTIC & INTERNATIONAL VISITS

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

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

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

The proposals may be submitted to

CHIEF EXECUTIVE OFFICER
NATIONAL MEDICINAL PLANTS BOARD

(Deptt of ISM & H Govt of India)

Chandralok Building, 36, Janpath

New Delhi 110001

Tel.No.(011)-3319360, 3319255

Fax (011)-3319360

E-mail :nmpb22@indiatimes.com

National Medicinal Plants Board

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

- 1 Name of organisatin/Applicant with full address
- 2 Status
- 3 Name of Principal Investigator (PI) and CoPI (with address)
- 4 Detailed Bio-data (including details of published work) of PI& CoPI
- 5 Name of the person whom correspondence to be made, together with his telephone and telegraphic address/Fax number, E – mail, if any
- 6 Introduction with justification of the project
- 7 Summary of the work particularly in medicinal plants sector undertaken by the organisation in the last 3 years along with past experience.
- 8 Project Concepts
- 9 Project Period
- 10 Details of infrastructure available
- 11 Physical and financial requirement
- 12 Monitoring and evaluation mechanism
- 13 Benefits from the projects-tangible and intangible

Note:

- i) Proof of operational land and market mechanism(wherever applicable) to be submitted.
- ii) Costing pattern to be provided in the form of schedule of rates as applicable.
- iii) Title of the project along with the designated area should be mentioned on the top of the project.
- iv) Supporting documents including map (where applicable) and annexure relating to project proposal must be attached.

Certified that the information given above is correct and we agree to abide by the rules and Regulations of the Board for utilization of the financial assistance sought for .

Date
Authority

Signature of Authorised

Annexure –II
(For promotional activity related projects)

National Medicinal Plants Board

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

A. General information about beneficiary Organization/Applicant

1. Name of organization /Applicant with full address
2. Status
3. Name of the contact person (Principal Investigator (PI)/CoPI) with telephone/fax. e-mail and complete postal address
4. Detailed of Bio data (including details of published work) of PI & CoPI
5. Year of establishment (**Wherever applicable**)
6. Whether registered under the Registration of Societies Act, 1860 or any similar State Act (Provide registration number & date and attach a certificate by Gazetted officer in case of NGOs)(**wherever applicable**)
7. Major objectives of the organization. Attach Byelaws of the society certified by Gazetted Officer in case of NGOs (**Wherever applicable**)
8. Total number of members and their names in the organization as on 31 st March (Year to be mentioned) in case of NGO, Association of Growers (**Wherever applicable**).
9. Summary of the work particularly in medicinal plants sector undertaken by the organization in the last 03 years.
10. Audited balance sheet of last 3 years duly certified by CA (Wherever applicable)
11. Other sources of financial assistance received by the applicant/organization if so, furnish details.
12. Details of financial assistance already received from the Board, if any may be given in the following proforma.

| Year | Amount of grant | Purpose in brief | Total expenses incurred |
|------|-----------------|------------------|-------------------------|
|------|-----------------|------------------|-------------------------|

| Amount of grant utilized | Has utilization certificate been accepted by the Board | Remark | |
|--------------------------|--|--------|--|
|--------------------------|--|--------|--|

B. Project Proposal

- i) Title of the project. Mention the designated area in bold capital letter on the top of the project
- ii) Details of the project proposal with location and map (wherever applicable) highlighting main activities with justification.
- iii) Requirement of funds (with break up) and item-wise financial projections.
- iv) Means of Finance including total financial assistance sought from the Board(a) Own resources (b) Bank loan, (c) Financial assistance sought.

C. Supporting documents and annexure relating to project proposal

- Land record including title or lease deed duly attested by revenue department.
- MoU between growers/**individuals /federation** and buyers on **Stamp paper of Rs.50/-** as per format attached.

Certified that the information given above is correct and we agree to abide by the Rules and Regulations of the Board for utilization of the financial assistance sought from the Board.

Date

Signature of Authorized Authority

MEMORANDUM OF UNDERSTANDING (MoU)

This MoU is made on (date).....between the Buyer(s) (full name & complete address)..... hereafter called the second party.

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

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

Signature of the first party
witness 1
(with full address)

Signature of the second party
Witness 1
(with full address)

Witness 2
(with full address)

witness 2
(with full address)

National Medicinal Plants Board

Format for Submission of Progress Report

(Half yearly- April to September; Annual –April to March)

1. Title & project number
2. Name of Principal investigator (with Address & Tel.No)
3. Name & Address of the contact person to whom correspondence to be made, along with Tel.No.(with STD code) / Fax No.(with STD code) / E mail address.
4. Area of activity (Extension, Conservation, R & D, Cultivation, Marketing , Inventorisation, Herbal Garden)
5. Total Amount of sanction along with period (years)
6. Amount of last installment & date received
7. Period of report (Half Yearly / Annual)
8. Summary of work done with Statistical parameters (not more than one page) stating, names & number of plants and area coverage etc.
9. Detailed progress report:
 - a) Please indicate financial & physical targets achieved
 - b) Indicate names of medicinal species studied in the report where applicable
10. Assets acquired during the period (under report)
11. Meeting /seminar/or training attended/organized during the period along with brief note on presentation made, if any
12. Research publication done, extension material prepared, if any
13. Special achievements, if any
14. Any applied suggestion for growth and development of the sector.

Dated :

Signature (Principal Investigator)

With Seal

Place:

*05(five)copies of progress report may be sent to chief executive officer, National Medicinal Plants Board, Chandralok Building, 36-Janpath, New Delhi-110001,

E-mail: nmp22@indiatimes.com

NATIONAL MEDICINAL PLANTS BOARD
TERMS AND CONDITIONS OF FINANCIAL ASSISTANT
(GRANT)

1. The institution /organization /principal investigator (PI) should maintain an account with a bank by designation in the name of the institution and not by name of an individual. The accounts should be operated jointly by two office-bearers.
2. The grantee (NGOs) will execute a bond in the prescribed proforma (copy enclosed) with two sureties to the effect that the grantee will abide by all the conditions of the grant. In the event of any failure of comply with these conditions or committing any breach of the bond, the grantee with sureties individually and jointly will be liable to refund to Government of India entire amount of the grant together with interest at such rate as is stipulated in the Bond. The requirement of furnishing two sureties will not be necessary if the grantee institution/ organization is a society registered under the Societies Registration Act-1860 or is a Co-operative Society. When the bond is also signed by two sureties both the them should be solvent and owner of such assets of value not less than the amount of the Bond as can be attached and sold in execution of a court's decree. This fact should certified by the District Magistrate or other equivalent authority on the body of the bond.
3. The grant-in-aid is to be utilized within a period of 3 months form the data of receipt of the money for the purpose for which it is sanctioned.
4. If the grant of any part thereof is proposed to be utilized for a purpose other than that for which it is sanctioned, prior approval of this Board should be obtained by the grantee.
5. The payment of the grant –in-aid will be made by this Board through crossed cheque-draft after all the requirement mentioned in this sanction letter have been fulfilled by the grantee. A separate account exclusively for the purpose should be opened in a bank, if not done before, the name of which may kindly be intimated to this Board.
6. The payment of grant is subject to the following conditions.
 - a) The grantee should furnish a certificate that the person signing the undertaking duly authorized to operate upon and bind the funds of the grantee organization.
 - b) The grantee should furnish a certificate that the grantee organization is not involved in any proceedings relating to the account or conduct of any of its

office bearers. A certificate to the effect that the institution is not involved in corrupt practices should also be furnished.

- c) The grantee should furnish the certificate to the effect that the grantee has not been sanctioned grant-in-aid for the same purpose by any other agency of Central Government/State Government during the same period. There should be no duplication of activity within the project area.
- d) The grantee will not, without the prior sanction of the Government of India, dispose of, or divert the use for any other purpose of permanent and semi-permanent assets that may be created or acquired out of the grant. If and when such body is dissolved the assets are reverted to the Government.
- e) The grantee should maintain a register in GFR form 19 of all assets acquired out of this grant. This register is required to be maintained separately in respect of such sanction and two copies of the same duly signed by the grantee be furnished to this Board annually.
- f) The register of assets maintained by the grant should be available for scrutiny by audit or any other person authorized in this behalf by this ministry.
- g) The grantee forward to this Ministry a signed utilization certificate (Copy enclosed) along with three copies of the Audited Statement of Accounts duly certified by a Chartered Accountant as mentioned at item No.(i),(ii) and (iii) below as soon as possible after the close of the current financial year and in any case not later than six months of its closing:-

The receipt and payments Accounts of the body as a whole for the year in which the grant has been received.

- i) The Income and Expenditure Accounts of the body as a whole for the financial year, for which the grant has been received.
 - ii) The Balance Sheet as at the end of the current Financial year for the body as a whole.
- h) The accounts of the grantee should also be open for the test check and regular audit of the comptroller and Auditor General of India at this discretion.
 - i) No portion of the grant shall be utilized for furtherance of a political movement prejudicial to the security of the nation.
 - j) The grantee Organization/ Institute should give an undertaking in writing that the grantee agrees to be governed by the conditions of the grant mentioned in this Annexure and the sanction letter.

- k) The private and voluntary organizations receiving recurring grant-in-aid to the tune of Rs 5 lacs and above shall submit 10 copies of their Annual Reports including Audited Statement of Accounts (both in English and Hindi) (as these are to be laid on the Table of Parliament) within four months of the close of the financial year. The grant shall be released in receipt of the documents mentioned in subparas: (1) and 6(a), b, (c) and (j) above.
- l) The grantee shall have to submit five (05) copies of Half Yearly Progress Report (Mentioning physical and research targets achieved) along with the Utilization Certificate. At the end of the year one has to submit Annual Progress Report failing which grant shall be stopped.
7. The purchase of vehicle is not permissible from the grant sanctioned for the project/scheme.
 8. The cost of computer including UPS and all accessories should not exceed Rs .01 lacs
 9. The rates of wages applicable for carrying out various works proposed in the projects would be to the extent of prevailing schedule of rates in the State /UTs/Central Government Institutes.
 10. The Voluntary organization have to furnish documentary proof in support of land ownership. The Government Organizations have to indicate details about status of land.
 11. For extension activities like training, seminar, workshop towards payment of boarding and lodging transport the admissible limit would be as per Government of India norms. The expenses on visit of trainees to demonstration plots, recognized concerned institutes etc. would be on actual basic and incidental charges as admissible under Rules.
 12. Resource persons may be paid honorarium and TA/DA as per existing Government of India norms.
 13. Expenses on equipments should be at the lower level. Further, in case the institution /organization is already having the same equipment: purchase of the equipment for the project is not permissible.
 14. Salary on staff should be kept on lower side. For contractual staff salary/honorarium norms shall be as follows :

| | |
|------------------------|----------------------------------|
| Principal Investigator | Rs.8000-10000/-per month (fixed) |
| Research Associate | Rs.8000-per month (fixed) |
| Sr. Research Fellow | Rs 8000-per month (fixed) |
| Jr. Research Fellow | Rs 6000/-per month (fixed) |

Research/Field Assistant Rs 4000/-5000/-per month (fixed)

Computer operator Rs 4000/-per month(fixed)

Mali/Field Attention/Peon Rs.3000/-per month (Fixed)

15. No regular/permanent staff including Principal Investigator of the Institute/organization will be eligible for payment of salary from this grant

16. No subcontracting within the project is permissible.

17. Other terms and conditions will be those as applicable in State/Central Government institutes as the case may be.

Prescribed Format:

BOND

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

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

- 1) That the obligor shall utilize the said grant-in-aid of
Rs. _____ (Rupees _____) only for the purpose
specified in the said letter and for no other purpose whatsoever.

- 2) That the obliger shall abide by all the norms and conditions specified in the said letter and the General Financial Rules 1963 and any orders or instructions that may be issued by Government from time to time.
- 3) That in the event of any failure on the part of the obliger to abide any of the terms and conditions of the grant –in-aid specified in the said letter or his committing any breach thereof the Government will be at liberty to order the obliger to repay in full (Forthwith entire grant-in-aid amounting to Rs. _____ (Rupees _____) only or any part thereof with interest thereon at the rate of six percent (6%) per annum and any order made by Government in this respect will be final and binding on the obliger forthwith and without any objection to pay the Government such sum not exceeding a sum of Rs. _____) only plus interest thereon as may be fixed by the Government and the decision of the Secretary to the Government of India in the Ministry of Health and Family Welfare about the amount so to be paid shall be final and conclusive.
- 4) The Society/trust agrees and undertakes to surrender/pay to Government the monetary value of all such pecuniary or other benefits which it may receive or derive/have received or derived through/upon unauthorized use (such as letting out the premises for adequate or less than adequate consideration or use of the premises for any purpose other than that for which the grant was sanctioned) of the property/building created/acquired/constructed largely from out of Government Grant. The decision of the Secretary to the Government of India in the Ministry of Health and Family Welfare as regards the monetary value aforementioned to be surrendered/paid to the Government of India will be final and binding in the Society/Trust.
- 5) Upon the obliger utilizing the Grant-in-aid only for the purpose specified in the said letter and abiding by fulfilling and performing all the terms and conditions of the said letter the above written obligation shall be void and of no effect by otherwise it shall be an remain in full force effect and Virtue. Provided always it is hereby agreed and declared that the decision of the Secretary, Ministry of Health and Family Welfare as to whatever the obliger has or has not performed and observed the obligations and conditions herein before received shall be final and binding.
- 6) The stamp duty on the Bond shall be borne by the Government IN WITNESS whereof these presents have been signed by Shri _____ and Shri _____ for and on behalf or the obliger and Shri _____ for and on behalf or

the obliger and Shri _____ for and on behalf of the President of India on the dates appearing against their respective signatures.

Signed by :

1) Shri. _____ dated: _____

2) Shri. _____ dated : _____

1)Signature _____

2)Signature _____

1)Witness

Name and Address

2)Witness

Name and Address

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

Signature _____

1) Witness

2) Witness

(Each page of the Bond has to be signed by the two office bearer of the institution who are authorized to operate upon and bind its funds)