

# **Project Profile for Traditional Pain Balm Production in Uttarakhand**

## **1. Introduction**

The Traditional Pain Balm Production initiative in Uttarakhand aims to tap into the region's rich heritage of indigenous herbal knowledge and wellness practices. Pain balms, often made using natural ingredients like menthol, camphor, eucalyptus oil, and beeswax, are deeply rooted in traditional medicine systems such as Ayurveda. These balms are commonly used for relief from headaches, muscle pain, joint stiffness, and respiratory discomfort. Uttarakhand, known as the "Herbal State" of India, provides an ideal ecosystem for developing a value-added product like traditional pain balm, which blends modern consumer needs with time-tested local remedies.

With the increasing global demand for herbal and ayurvedic healthcare products, there is a growing awareness around the adverse effects of synthetic painkillers and a simultaneous preference for topical, non-invasive, and plant-based treatments. Traditional pain balm offers a safe, accessible, and effective alternative, especially in rural and semi-urban areas where allopathic options may be limited. This production venture not only promotes healthcare access but also strengthens the local rural economy through herbal value chain development.

The proposed project leverages Uttarakhand's unique geographical and cultural strengths to develop a scalable, community-based pain balm production unit. This can be anchored by local women's groups, young entrepreneurs, or community collectives under schemes like the Devbhoomi Udyamita Yojana. A micro-enterprise model can provide sustainable livelihoods while reinforcing the traditional knowledge systems associated with forest-based healing practices.

## **2. Industry Overview**

India's herbal and traditional medicine industry is growing rapidly, with the AYUSH (Ayurveda, Yoga, Unani, Siddha, and Homeopathy) sector witnessing significant governmental and private sector interest. Within this domain, pain relief balms form a sizable

and stable segment, especially in over-the-counter (OTC) healthcare markets. According to market trends, the Indian balm and topical pain relief market is expected to grow at a CAGR of over 6% between 2022 and 2028, reflecting a shift towards natural healing products.

Major FMCG players like Emami (Zandu), Reckitt Benckiser (Moov), and Amrutanjan dominate the formal segment of this market. However, a significant portion of demand remains unorganized or semi-formal, with smaller herbal producers catering to local and regional markets. Uttarakhand's natural flora, existing forest produce-based SHG activity, and expanding herbal parks and AYUSH infrastructure present a viable pathway for formalizing and scaling local balm production ventures.

Furthermore, the state's push for rural entrepreneurship under centrally sponsored schemes and state-level start-up incentives provides fertile ground for new entrants in the natural wellness space. With increasing acceptance in urban wellness markets and international interest in Indian herbal products, local traditional balm production can find niche and mass-market buyers alike if quality and branding are ensured.

### **3. Products and Applications**

Traditional pain balm is typically a semi-solid preparation composed of herbal essential oils, beeswax, and therapeutic aromatic substances that produce a cooling or warming effect upon application. Key ingredients include menthol (derived from peppermint), camphor, eucalyptus oil, clove oil, ajwain oil, and mustard oil, all of which have anti-inflammatory and analgesic properties. The product is used topically to provide symptomatic relief from headaches, muscular cramps, joint stiffness, common colds, insect bites, and even mild sprains.

The balm may be sold in different forms such as small glass jars, plastic containers, or collapsible tubes for convenience. In addition to personal use, it has utility in household first-aid kits, clinics, and traditional wellness centres. A variant of the balm may also be developed for aromatherapy or stress-relief by adjusting the essential oil composition.

Product differentiation can be achieved through natural/organic certifications, region-specific branding such as "Himalayan Herbal Balm", or infusion with rare herbs like jatamansi or kapoor kachri. Premium products can be positioned for wellness stores, tourist souvenir shops,

and e-commerce platforms, while budget products can be sold through kirana stores and rural health camps.

#### **4. Desired Qualification**

The enterprise can be led by individuals with basic education (Class 10 or 12 pass) and an orientation towards local herbal traditions, self-help group activity, or Ayurveda. While formal degrees are not mandatory, training in herbal formulation, basic pharmaceutical hygiene, and micro-enterprise management is highly recommended. The government of Uttarakhand, along with NABARD, KVIC, and MSME-DI, can facilitate short-term training sessions on traditional balm making and quality control.

It is beneficial for the entrepreneur or managing team to understand basic marketing, digital literacy (for e-commerce and QR-based labeling), and record-keeping. Knowledge of local herbs and processing techniques is an added advantage. Women-led collectives and SHGs can also be empowered to lead such initiatives with handholding support in operations and packaging.

Skill-building through Industrial Training Institutes (ITIs), AYUSH-affiliated herbal processing centres, and pharma/AYUSH R&D institutes in Uttarakhand (such as UAU or HRDI) can be integrated into the capacity-building component. Technical advisors with backgrounds in pharmacy or Ayurvedic medicine can serve as mentors during the product development phase.

#### **5. Business Outlook and Trend**

The business outlook for traditional pain balm production is highly promising given the convergence of wellness trends, consumer preference for herbal products, and the rich biodiversity of Uttarakhand. The enterprise has scope for forward integration into a broader herbal product line—pain oils, vapor rubs, cold creams, and stress-relief roll-ons. Moreover, increasing digital penetration allows even small producers to access national and international buyers.

There is growing trend of private labels, boutique herbal brands, and social enterprises sourcing products from rural India. If compliance with FSSAI/AYUSH standards and eco-friendly

packaging is ensured, the balm can find shelf space in wellness chains, e-commerce portals, and even global alternative medicine outlets. With government incentives for local manufacturing, production costs can be optimized for long-term viability.

The local tourism economy, particularly in pilgrimage and wellness hubs like Rishikesh, Badrinath, and Almora, offers an in-state consumer base for Himalayan wellness products. The potential to build regional brands around ingredients sourced from the Himalayas can create identity-based value addition, ensuring customer trust and long-term brand recall.

## **6. Market Potential and Market Issues**

The market potential for traditional pain balm is wide-ranging, from rural households to urban wellness seekers, international consumers of herbal medicine, and even alternative medicine practitioners. With over 60% of India's population relying on traditional home remedies, a well-positioned pain balm product can rapidly gain market access. Export potential also exists in countries with significant Indian diaspora or a strong Ayurvedic consumer base.

However, key market issues include lack of standardization, improper packaging, poor shelf stability of products, and absence of proper branding. Regulatory bottlenecks related to AYUSH licensing or product categorization may also delay time-to-market. Moreover, quality inconsistency or lack of awareness in production hygiene can reduce consumer confidence.

Addressing these gaps through training, certification, proper formulation, and clear labeling is essential. Market access strategies must include bulk buyers like pharmacies, NGOs distributing wellness kits, and e-commerce aggregators promoting organic/handmade products. Participation in wellness expos, local haats, and rural marts will also increase visibility and credibility.

## **7. Raw Material and Infrastructure**

The key raw materials required for traditional pain balm include menthol crystals, camphor, beeswax, petroleum jelly (as a base), eucalyptus oil, clove oil, ajwain oil, and turmeric extract. Most of these can be sourced locally or through Ayurvedic raw material traders in Haridwar, Rishikesh, Dehradun, and Haldwani. Forest produce like beeswax and essential oils can be aggregated through Van Panchayats or State Medicinal Plant Boards (SMPB). Ensuring purity

and food-grade or pharma-grade quality of raw materials is critical for safety and standardization.

For infrastructure, the production unit requires a clean and ventilated space of around 800–1000 square feet. This includes areas for raw material storage, weighing and measuring, heating and mixing, cooling and filling, labeling, and finished goods storage. Basic utility services such as power backup, water filtration system, and fire safety equipment are necessary. A semi-automated filling line can be introduced for scalability, depending on investment capability.

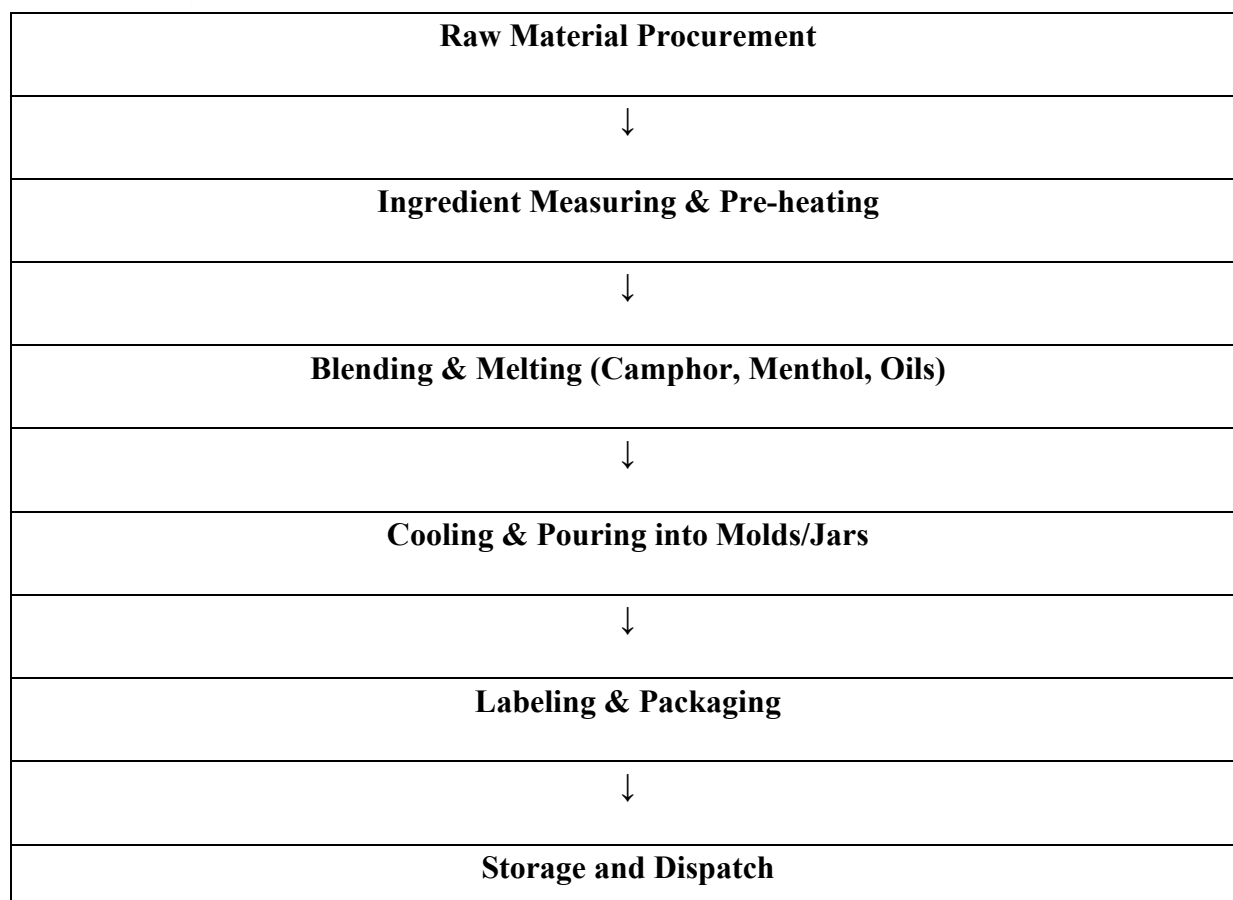
Small-scale units can operate with modular, portable setups using stainless steel vessels, induction stoves, and manual mixers. For larger batches, industrial mixing kettles with heating jackets, homogenizers, and labeling machines may be introduced. Compliance with hygiene and minor pharmaceutical-grade regulations must be maintained to ensure product safety and consumer trust.

## **8. Operational Flow and Flow Chart**

The production process for pain balm involves sequential operations with strict control over temperature, ingredient proportions, and hygiene. The process begins with procurement and testing of raw materials. Menthol crystals and camphor are dissolved in warm oil base, typically petroleum jelly or beeswax. Essential oils are added once the mixture is homogenous. After controlled heating and blending, the mixture is cooled and poured into pre-sterilized containers.

Each stage is monitored for consistency in texture, viscosity, aroma, and shelf stability. After the balm solidifies, it is capped, labeled, and packed. Periodic sampling is done to test for microbial contamination, pH level, and overall product integrity. Inventory management systems track input-output ratios to optimize raw material usage.

Below is the operational flow chart:



## 9. Target Beneficiaries

The primary beneficiaries of this project are rural youth, women's self-help groups, and traditional healers looking to modernize and scale their remedies. Uttarakhand has a high outmigration rate; such livelihood-based ventures can help reverse this trend by providing local, dignified employment. Women, in particular, can manage balm production as a cottage industry or cooperative-based enterprise with flexible timings.

Secondary beneficiaries include AYUSH practitioners, wellness centers, and eco-tourism operators who can source customized balm formulations for their clientele. Moreover, eco-conscious and health-aware consumers in urban and semi-urban markets benefit from increased access to safe, affordable, herbal alternatives for everyday ailments.

The long-term vision is to foster decentralized, cluster-based balm production units across districts like Chamoli, Rudraprayag, and Pauri, feeding into common branding and distribution channels supported by cooperatives, FPOs, or state missions.

## **10. Suitable Locations**

Ideal locations for setting up pain balm production units include regions with easy access to medicinal herbs, forest produce, and basic road connectivity. Districts like Chamoli, Almora, Pithoragarh, and Tehri Garhwal, with their forest-dwelling communities and SHG activity, are particularly suitable. Proximity to Ayurvedic institutions or herbal parks will facilitate sourcing and knowledge transfer.

Haridwar and Dehradun offer good backward and forward linkages, with industrial parks, cold storage, and pharma-related services. Haldwani and Ranikhet can serve as regional aggregation points for herbal raw materials from higher altitudes. Location preference should also consider electricity availability, proximity to local markets, and logistics ease for raw material inflow and product distribution.

Eco-tourism hubs like Rishikesh or hill stations like Mussoorie can also house small-scale premium balm production units targeted at wellness tourists. The integration with state-run Herbal Research and Development Institutes can further enhance value chain access.

## **11. Manpower Requirement**

A small-scale traditional balm production unit can begin operations with 5–6 skilled workers and 2–3 supervisory/marketing staff. Labor requirements include raw material handling, mixing, filling, packaging, labeling, quality control, and logistics. Workers must be trained in hygiene, measurement accuracy, and safe handling of essential oils and heated substances.

As operations scale, additional roles in branding, digital marketing, inventory control, and procurement can be created. One trained production supervisor with pharmacy or Ayurveda background is recommended to maintain product standards and batch records.

Manpower development can be coordinated with ITIs, AYUSH centers, or skill development missions in Uttarakhand. Women's SHGs can be given rotational training to ensure workforce continuity and peer-to-peer learning, further embedding entrepreneurship in rural ecosystems.

## 12. Implementation Schedule

Phase	Activity	Timeline
Phase 1	Project planning, training, and DPR finalization	Month 1
Phase 2	Procurement of raw materials, space setup	Month 2
Phase 3	Machinery installation, trial batches, packaging	Month 3
Phase 4	Market linkage, branding, retail/distributor outreach	Month 4–5
Phase 5	Full-scale production and expansion	Month 6 onwards

The implementation process from concept to commercial launch takes approximately 5–6 months. This assumes swift regulatory compliance and timely procurement. Seasonal availability of herbs should be considered while scheduling procurement windows.

## 13. Estimated Project Cost

Cost Head	Amount (INR)
Plant setup & infrastructure	2,00,000
Machinery & equipment	3,50,000
Raw material for 3 months	1,50,000
Packaging and branding	1,00,000
Licensing & regulatory fees	50,000
Training & capacity building	50,000
Working capital buffer	2,00,000
<b>Total Estimated Cost</b>	<b>11,00,000</b>



This budget supports a semi-automated unit. Scaling up for wider distribution would require additional investments in automated filling lines, sterilization equipment, and digital marketing.

## 14. Means of Finance

Source of Finance	Amount (INR)
Promoter's Contribution (10–15%)	1,50,000
Bank Term Loan (under PMEGP/CGTMSE)	6,00,000
State Subsidy (DUY or MSME scheme)	2,00,000
Working Capital Loan	1,50,000
<b>Total Funds Mobilized</b>	<b>11,00,000</b>

The project can be financed through a mix of self-investment, institutional credit, and government subsidies. Banks such as Gramin Banks, NABARD-linked institutions, and cooperative societies offer credit facilities under schemes like PMEGP, MUDRA, and Stand-Up India. The Devbhoomi Udyamita Yojana can provide a subsidy for youth-led and women-led ventures, especially in remote districts. Handholding support from District Industries Centres (DICs) or RSETI can facilitate linkage with banks.

## 15. Revenue Streams

Revenue is generated through the sale of pain balm in various packaging formats such as 5g, 10g, and 20g jars or tubes. Premium lines with additional herbs or aromatherapy properties can command higher margins. Bulk sales to pharmacies, wellness stores, and distributors form the backbone of steady revenue, while local fairs, wellness retreats, and online platforms offer additional income channels.

Customized products for eco-resorts or spas and value-added offerings like balm gift packs or seasonal wellness kits can further diversify income. Institutional sales to NGOs or wellness NGOs can create bulk and recurring demand.

Digital retail (through Flipkart, Amazon, OneGreen, or Meesho) offers additional B2C revenue potential if QR-coded packaging and backend logistics are integrated. Local Kirana and AYUSH centers also remain stable points for offline retail.

## 16. Profitability Streams

Profitability improves with higher production scale, better packaging efficiency, and expanded market outreach. The production cost per 10g jar of balm (including raw material, labor, packaging, overheads) can be around INR 8–10, while the selling price in local markets is INR 20–25. Premium variants may sell for INR 40–50, improving margins further.

Value-based pricing strategies such as Himalayan herb branding or organic certifications help in accessing higher-income consumer segments. By engaging in direct-to-consumer channels (own outlets, online stores), the venture can retain a larger share of profits by cutting intermediaries.

Reinvestment into expanding product lines—such as pain oils, roll-ons, or massage balms—also increases average order value and consumer retention, thereby enhancing overall profitability over time.

## 17. Break-even Analysis

Particulars	Estimate (Annual)
Fixed Costs (rent, salaries, etc.)	2,40,000
Variable Costs (raw material, etc.)	3,60,000
Sales Revenue (conservative)	9,00,000
Gross Profit	3,00,000
Break-even Sales Required	~6,00,000

With a moderate initial investment and strong market demand, the venture can achieve break-even within the first year. Fixed cost recovery becomes easier as volumes increase and brand

recognition builds. Low wastage, bulk sales, and local sourcing reduce operating costs and improve break-even timelines.

## 18. Marketing Strategies

The marketing plan includes a mix of grassroots and digital approaches. Locally, word-of-mouth promotion through health camps, panchayat exhibitions, SHG outlets, and rural medical stores is crucial. Attractive eco-friendly packaging, along with storytelling about the Himalayan origin and community-based manufacturing, can attract conscious consumers.

On digital platforms, social media marketing via Instagram reels, Facebook groups, and health influencers can build niche traction. Participation in regional and national wellness expos, and collaborations with yoga schools and nature resorts, will boost brand recall.

Partnerships with AYUSH doctors and wellness centers, particularly in Rishikesh and Mussoorie, offer institutional marketing opportunities. A dedicated WhatsApp Business account and Google Maps listing will help with hyperlocal visibility.

## 19. Machinery Required and Vendors in Uttarakhand

Machinery Name	Purpose	Vendor Name & Location
SS Mixing Vessel with Jacket (50 L)	Melting and mixing ingredients	Uttarakhand Pharma Machinery, Haridwar
Hand-operated or semi-auto filling unit	Filling balm into containers	Shiva Packaging Solutions, Dehradun
Induction Heating Plate	Controlled heating	Himalaya Equipments, Haldwani
Cold Storage Cabinet (optional)	Storing heat-sensitive oils	CoolTech Enterprises, Rudrapur
Labeling Machine (manual or semi-auto)	Product labeling and sealing	Rudrapur Label Tech Pvt. Ltd., Rudrapur

Most machines required are low-cost, compact, and do not need industrial-scale installation. Vendors across Haridwar, Rudrapur, and Dehradun offer maintenance services and warranty-backed delivery. Buying locally supports ease of servicing and faster replacement of parts.

## **20. Environmental Benefits**

The traditional balm production process is eco-friendly and low-waste, as it relies on plant-based essential oils and naturally derived ingredients. Packaging can be shifted to reusable glass or recyclable plastic containers. Waste such as oil residues or leftover wax can be reused or safely composted, minimizing environmental impact.

Sourcing ingredients from sustainably harvested forest produce (with Van Panchayat coordination) encourages biodiversity conservation and afforestation. Localizing the supply chain also reduces transport emissions, supporting a low-carbon economy.

As an alternative to chemical pain relief sprays or pills, herbal balm reduces dependency on pharmaceutical pollutants, promoting planetary health and personal wellness simultaneously.

## **21. Future Opportunities**

In the long term, the unit can diversify into a full-fledged wellness brand, offering products like pain-relief oils, vapor rubs, foot soaks, or wellness gift hampers. Custom formulations based on Ayurvedic doshas (Vata, Pitta, Kapha) can attract educated health seekers. Export opportunities under the India Organic and AYUSH certification frameworks can open new revenue streams.

Franchise models, mobile sales vans, and co-branding with state tourism bodies are other growth options. Collaborating with Forest Department nurseries or herbal gardens for raw material sustainability can ensure secure backward linkages.

The business also holds potential to evolve into a training and incubation centre for youth interested in natural product manufacturing, thereby multiplying its social impact and reach in the coming years.

### **Disclaimer**

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