

Circular for Assistance under Scheme for setting up Tea Boutiques in India for Domestic Promotion

India as the second largest producer and the largest consumer of tea in the world has a diversified portfolio of single-origin teas like Darjeeling, Assam, Assam Orthodox, Nilgiri, Nilgiri Orthodox, Dooars-Terai, each of which has distinct aroma & flavour attributable to its geographical origin.

In order to showcase these wide varieties at one place and excite the customers especially youth about the qualitative nuances and the correct brewing method in a magnificent & aesthetic ambience, the concept of “Tea Boutique” has been proposed.

Nature of assistance: Tea Board will handhold a prospective entrepreneur for three (3) years in terms of financial assistance being provided to him/her as explained below in a structured format:

Type of acquisition for a stand-alone boutique	Nature of financial assistance			Remark
	End of Year 1	End of Year 2	End of Year 3	
Ownership	25% of (Capex*+WC**)	50% of WC	25% of WC	Subject to upper ceiling of Rs. 20 lakh in Year 1 and Rs. 12 lakh in Year 2 & 3
Rental	50% of rental	40% of rental	30% of rental	Subject to upper ceiling of Rs. 12 lakh in Year 1, 2, 3

*Capital expenditure-> It excludes land/space value and land value

**Working Capital-> Working capital toward day-to-day operations

Note: For incremental boutique in a chain, the payout will enhance by 5%.

Eligibility criteria

- i) All Indian companies registered with the Tea Board holding valid Registration Certificate (RC) under TMCO 2003 and/or Buyer’s registration no.
- ii) Having financial commitment for the project at least to the tune of 25 lakh
- iii) Indian partners of Joint venture companies, having equity share of at least 51%

Documents to submit

- (i) A detailed project proposal clearly indicating the following:
 - nature of Tea boutique to be set up with planned location (s) (stand-alone or chain)
 - space to be acquired on ownership or lease basis
 - year wise profitability analysis (for 5 years) and its viability
- (ii) Self-certified copies of RC under TMCO 2003 and/or Buyer’s registration no.
- (iii) Verification of credentials from Trade Association(s) to which the prospective applicant is affiliated
- (iv) Documents indicating firm commitment of the applicant for his/her investment share as specified above

Terms & Conditions

- 1.** All interested Tea Companies are required to apply in advance on company letter head to Tea Board in a prescribed application form placed at Annexure - 1
- 2.** While applying, applicants will be required to provide:-
 - a) Year-wise full details of domestic sale (volume and value) of their tea brands during the last 3 years duly certified by Chartered Accountant
 - b) A one-year plan with clear targets and timelines for implementation
- 3.** All claims need to be duly substantiated by proof of payment against self-certified copy of invoice. Claim for reimbursement will have to be accompanied by a Chartered Accountant's Certificate. In the event of any false claims being lodged, Tea Board reserves the right to claim refund of the amount granted to the applicant with prevailing bank interest
- 4.** Applications will be processed on "first-come-first-serve" basis, subject to availability of funds
- 5.** Tea Board reserves the right to inspect and audit the Boutique and related papers from time to time.
- 6.** Relaxation may be made by Chairman/Deputy Chairman depending on the merit of each case.

Proforma Application Covering Letter

(In Company letter head)

To
Chairman
Tea Board, Kolkata

Dated:

Sub : Application for Assistance under Scheme for setting up Tea Boutiques in India for Domestic Promotion

1. I/We propose to avail assistance under the “Scheme for setting up Tea Boutiques in India for Domestic Promotion” on account of our tea boutiques and submit herewith an application for subsidy amount of Rs..... for the purpose .
2. I/We have read and understood all the terms and conditions of the scheme and I/We hereby agree to abide by all the terms and conditions.
3. I/We hereby declare that I/We am/are not a defaulter under any of the loan schemes of the Board.
4. I/We hereby enclose the following documents in support of the application:
 - (a) Latest Copy of the valid Registration Certificate (RC) under TMCO 2003 and/or Buyer’s registration no.....
 - (b) Copy of the tie up arrangement for the credit facility with any scheduled bank/recognized financial institution in case the proposed activity is credit linked.
 - (c) Detailed project proposal including at least one-year plan with clear targets and timelines for implementation
 - (d) Year-wise full details of domestic sale (volume and value) of their tea brands during the last 3 years duly certified by Chartered Accountant
 - (e) Self certified proof of payment against invoices duly certified by Chartered Accountant
 - (h) Certificate of Verification of credentials from Trade Association(s) to which the prospective applicant is affiliated
 - (i) DD/Bankers’ Cheque for Rs.1000/-as application fee enclosed in favour of Tea Board, payable in Kolkata

Encl: As stated

Yours faithfully,

Signature _____

Name _____

Designation _____

Full Address _____

Applicant’s Seal-----



Assistance under Scheme for setting up Tea Boutiques in India for Domestic Promotion

PROFORMA APPLICATION FORM

(Particulars asked for herein should be furnished in respect of tea factory to which the application relates)

Sl. no.	Particulars	Remarks		
A	1. Accounting year of application			
B	Ownership/Name of the Co. with Address /fax/ e-mail			
C	Name and address details of the tea boutique			
D	Registration no. Under Tea Marketing Control Order,2003			
	1.Total Sale Volume (in Kg.) in preceding 3 years	Year 1	Year 2	Year 3
	2. Total Sale Value (Rs. In lakhs) in preceding 3 years	Year 1	Year 2	Year 3
E	Nature of tea sold(CTC/Orthodox/ Green tea/Organic tea/Flavored tea			
F	Total amount of subsidy applied for	Rs.		

DECLARATION

I/We hereby declare that the above mentioned particulars are true to the best of my/our knowledge and also declare that I/We will strictly abide by the terms and conditions laid down in the Scheme.

. Yours faithfully,

Signature _____
Name _____
Designation _____
Full Address _____
Applicant's Seal-----

LETTER OF UNDRTAKING

(On Non Judicial Stamp Paper Rs. 20/-)

(To be used for Assistance under Scheme for setting up Tea Boutiques in India for Domestic Promotion)

1. Director supported by Board resolution (as per Appendix-1) or Authorized signatory as per Power of Attorney)
2. A Partner (in case of Partnership firm)
3. The Proprietor (in case of Proprietary concern)

Sub : Assistance under Scheme for setting up Tea Boutiques in India for Domestic Promotion

For Accounting Year -----

In continuation of Tea Board having sanctioned a subsidy of Rs.....
(Rupees only) for setting up Tea Boutiques in India for Domestic Promotion in favour of (Name of the Company), we do hereby agree to

1. To observe, fulfil and perform all the terms and conditions laid down in the Scheme for setting up Tea Boutiques in India for Domestic Promotion of Tea Board
2. Not to sell and/or transfer the Tea Boutique set up under the Scheme without prior written consent of the Tea Board.
3. I/We agree to sign such documents/papers all undertaking as may be required by Tea Board from time to time.
- 5.I/We hereby undertake to submit the monthly return in regard to sell realized during each month and also the yearly statement of the same.
- 6.The made teas sold by the Tea Boutique should not fail the tea quality parameters of FSSR,2011
- 7.In the event of breach of any of the aforesaid undertaking or the terms and conditions under the Scheme for setting up Tea Boutiques in India for Domestic Promotion scheme, Tea Board at its option will be entitled to call for immediately the entire amount paid as subsidy with interest thereon at the rate of 12% per annum and we undertake to pay the same within 10 days from the date of demand as per the payment made by the Tea Board to us under Scheme for setting up Tea Boutiques in India for Domestic Promotion scheme of the Tea Board.

Signature _____

Name _____

Designation _____

Full Address _____

Applicant's Seal-----