

**Revised Guidelines for registration of Bought leaf factories tea
Manufacturing factories under provision of Tea (Marketing)
Control Order 2003 (TMCO 2003)**

The issue of setting up new bought leaf / Cooperative tea factories in any area depends on the availability of the green tea leaf in that area.

In case, the **capacity** of handling tea leaf by the **existing tea factory** in any area is **lower than** the quantum of **tea leaf available** in that area, then the supplier of tea leaf may be in adverse situation. In such situation, there is a **need to set up new tea factory** in that area.

In case, the **capacity of existing factory is higher than the quantum** of tea leaf available, then the setting up a new factory in that area may lead to encourage the suppliers to supply coarse leaf and thereby there is a scope of deterioration in the quality of made tea.

Keeping in mind the above situation and also the **limited time of only fifteen** days for taking **decision** towards grant or **refusal of any application** for registering BLFs under TMCO 2003, the following are the revised guidelines for consideration of any application submitted by any bought leaf / Cooperative tea factories :

Revised Guidelines

First Stage (A)

Initially, an applicant shall intimate, to the Chairman, Tea Board his intention for setting up of a tea factory and for this purpose following information are also to be submitted along with the letter.

- 1 Name of the applicant with mailing address
2. Status of the applicant viz:- (Public Ltd / Pvt.Ltd / partnership / proprietorship / Cooperative etc)
3. Details of **proposed location** where the factory will be **set up**
4. Documentary proof in support of **ownership of land** for proposed factory
5. In case of **Bought leaf / Cooperative tea factory**, the applicant shall indicate **details of the existing tea factory within 10 km of the land of proposed factory**
6. **In case of Cooperative tea factory**, the applicant shall indicate detailed list of its members, tea area of each member, registration document of the cooperative society
7. List of tea growers with names as well as **area under tea of such growers separately** and the **expected green leaf available annually as well as during lean & peak season separately** from them **within 10 kms of the proposed factory**
8. **List of machineries along with capacity, make** etc. of each machinery required for manufacturing process.
9. Details of withering trough
10. Methodology to be adopted to separate **tea and tea waste** in the processing stage
11. **Proposed date of installation of each machinery including withering trough, sorting machine etc.**

Second Stage (B)

- 1) After receipt of request with all documents as mentioned above, **Tea Board** shall undertake an **enquiry** by way of inspection of the **applicant's office as well as the proposed location of the tea factory.**
 - a) During the enquiry, the **list of existing tea factories** within 10 km of the applicant's proposed tea factory is to be prepared and to be verified with all documents submitted by the applicant.
 - b) The **reasons for switching over** from existing tea factory to the proposed BLF tea factory by the **sampled tea growers**, if any, **out of the indicated list of the applicant** shall required to be obtained during the enquiry. The views of the sampled tea growers on few of such **reasons like (i) distance, (ii) level of tea leaf price fetched (iii) problem in delivering tea leaf to the existing tea factory** etc are to be obtained for consideration of the Committee.
- 2) A Committee consisting of following will examine the documents and enquiry report.
 - a) **Dy. Chairman / Executive Director Guwahati / Coonoor** Tea Board -- Chairman of the Committee.
 - b) One representative from **Land & Land Revenue Deptt of concerned State Govt.** not below the rank of Jt. Secretary -- Member
 - c) One representative from **Commerce / Industries Deptt of concerned State Govt.** not below the rank of Jt. Secretary -- Member
 - d) Controller of Licensing, Tea Board -- Member
 - e) Adviser, Tea Board -- Member
- 3) After examination of the **documents and the report**, Committee will **examine further** on the issue of **necessity** for installing a **new factory as proposed** by the applicant for achieving a **balance between the supply and demand of tea leaf and ensuring the interest of small tea growers, existing BLF tea factory etc. in that area.**
- 4) **The verifiable parameters as a basis of acceptance / rejection by the Committee are :-**
 - a) **Availability of green tea leaf** within 10 kms of the proposed tea factory and the **capacity of existing tea factory** to process within 10 kms of the proposed tea factory to assess supply demand imbalance.
 - b) **Assessment of existing linkages between concerned small tea growers and tea factory in the area and its advantages & disadvantages.**

- c) **Capacity of each** of the machineries for/ equipment for withering, rolling, fermenting, drying, sorting etc and identifying any **mismatch** between such machineries / equipments.
- 5) The decision of the Committee **towards acceptance / rejection** of the application will be **intimated to Tea Board by the Committee.**

Third Stage (C)

- 1) Tea Board, after receipt of the decision of the Committee will intimate the concerned applicant accordingly.
- 2) In case, **the Committee accepted the application**, the applicant will be intimated to furnish the following at the time of **submission of application in Form A** attached to TMCO 2003 for registration of the factory.
- 3) The **applicant along with the filled in Form A**, shall submit the following clearance documents issued from different concerned authorities
 - a) No objection from concerned PFA authority.
 - b) No objection from concerned Central authority.
 - c) No objection from concerned Pollution Control Board.
- 4) The applicant shall indicate the details of installation of machineries and equipment **installed in the factory along with the date of installation.**
- 5) The application in Form A shall be accompanied with the following documents :-
 - i) Declaration on non judicial stamp paper mentioning that **the tea which will be manufactured in the proposed factory shall conform to the specification for tea as laid down under PFA Rules amended from time to time.**
 - ii) A copy of Memorandum and Articles of Association duly certified by one of the Directors in case the **applicant is a company**
 - iii) A clean photocopy of original certificate of incorporation **of the company**
 - iv) Court/Notary certified deed of partnership in case the **applicant is a partnership firm**

- v) A clean photocopy of certificate of registration issued by the **Registrar of Firms** in case the applicant firm is a **registered firm**
- vi) A clean photocopy of certificate of registration issued from the concerned authority of the State in case the applicant is a **cooperative firm**
- vii) Latest Income Tax clearance certificate or the declaration about payment of Income Tax as per specified form (enclosed) together with permanent Account no. allotted to the applicant by the Income Tax Deptt.
- viii) Name and address of the persons presently holding the offices of Directors in case the applicant is a company
- ix) In case of Sole Proprietor unit declaration on Non-Judicial Stamp Paper to the effect that the applicant is a **Sole Proprietor**

Fourth Stage (D)

Tea Board, after verifying the information submitted by the applicant as indicated in third stage, will consider for granting registration in favour of the applicant. **Application may be rejected on the ground of misrepresentation of information by the applicant, if any.**