

**SPECIAL PURPOSE TEA FUND**  
**SCHEME(SPTF)**

**LOANS AND SUBSIDY**

**FOR REPLANTING, REPLACEMENT PLANTING/  
REJUVENATION(R&R)**

**For the XI Plan period**

**1-4-2007 to 31-3-2012**



**TEA BOARD**

(Ministry of Commerce and Industries- Govt. of India)

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## **SPECIAL PURPOSE TEA FUND SCHEME (SPTF)**

### **A. INTRODUCTION**

The most important factor afflicting the Indian Tea Industry is the ageing of tea bushes, leading to declining quality and productivity. This has resulted in the cost of production of Indian Tea becoming the highest among major tea exporting countries. To arrest this trend, the Government of India in the Ministry of Commerce and Industry have approved a proposal of Tea Board India for setting up of a Special Purpose Tea Fund for extending financial support to the needy tea estates for undertaking replanting, replacement planting and rejuvenation of old aged tea bushes.

The objective is to cover 2.12 lakh ha over a fifteen-year period. Government approval has been obtained for phase-I of the programme i.e. for activities to be completed till the end of the XI plan period (2007-12). The estimated area to be taken up for re-plantation/rejuvenation during Phase-I would be 85,044 ha comprising re-plantation on 68,154 ha @ 11,359 ha per annum and rejuvenation in 16,890 ha @ 2815 ha per annum. Government's contribution towards the programme during the period has been fixed at Rs. 567.10 crore (capital infusion of Rs. 91 crores to the SPTF and subsidy of Rs. 476.10 crore equivalent to 25% of the projected project expenditure of Rs. 1904.40 crore). Continuation of the scheme in the 12th plan period and further till the end of the 15 year programme period would be considered after evaluation of the implementation and success of the programme in Phase I.

75% of the assessed unit cost of replanting/replacement planting/rejuvenation pruning and consolidation would be provided to tea gardens by way of term loan (50%) and subsidy (25%). The borrowers are required to bear the balance 25% of the cost.

### **B. ACTIVITIES ELIGIBLE FOR LOAN AND SUBSIDY:**

1. Replanting in the plains and Hills
2. Replacement Planting in the plains and Hills
3. Rejuvenation pruning and consolidation by infilling of vacancies only in the Hills.

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#### **Note:**

**(No financial assistance will be made available for undertaking rejuvenation pruning in the gardens located in plains.)**

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### C. ELIGIBILITY CONDITIONS - GENERAL:

All the tea gardens in India (regardless of size and ownership) that are registered with Tea Board are eligible for availing financial assistance under the scheme. The eligibility conditions and other prerequisites for availing the loan and subsidy are as under:

1. The applicant should not be a defaulter in payment of his membership fee to TRA/UPASI-TRF and should hold the valid current membership. (Growers whose holding size is below 50 ha. are exempted).
2. The applicant should have paid his subscription in full to the National Tea Research Foundation. (Small growers and sick tea gardens identified as per the provisions under clause 16B of Tea Act. are exempted).
3. Provident fund dues of the applicant tea garden should not exceed Rs. 10,000/- at the time of submission of application. Where the P.F .liability exceed Rs.10,000/-,the application will be accepted provided it is backed by a Court decree or written consent from the P.F. authorities for allowing the payment of arrear Provident Fund dues in installments. For such applicants, conditional approval will be issued with a stipulation that subsidy would be released only if they are found to be regular in repayment of the dues as per the agreement.
4. The applicant should not be a defaulter under any of the erstwhile loan schemes of Tea Board at the time of submission of application. (Tea Board shall have the right to adjust sanctioned amount of subsidy with defaulted dues if the applicant is found to be a defaulter at the time of releasing the subsidy). The loan assistance will, however, be considered to such defaulters who have already entered into an agreement with Tea Board for liquidating the past outstanding dues within a definite time frame and are found to be regular in repayment of the dues as per the agreement.
5. The applicant should not have been declared as willful defaulter by any bank. Applicants are required to submit a no-objection certificate from their respective bankers for availing the loan from SPTF.
6. For facilitating the field offices in carrying out pre-approval inspection in time, the applicants should submit their application to the nearest field office of Tea Board, 75 days before the commencement of the field activity for which the financial assistance is being sought for. (The locations of the field offices are indicated in **Annexure-1**)
7. Field operations should be commenced by the applicants only after receiving a NOC (No Objection Certificate) issued by the concerned field offices, after carrying out pre-approval inspection.

8. Only one application per garden in a financial year shall be entertained for consideration of subsidy.
9. In the case of loans/subsidy for replanting/ replacement planting activities proposed to be undertaken during 2007 planting season, uprooting, soil rehabilitation and land preparation should have been completed in the target area, and it should be ready for replantation/replacement in the current planting season.
10. Normally an application should be made for replantation/replacement planting/rejuvenation as the case may be for a minimum extent of 2.5% of the total area under tea in any year. However, upward/downward relaxations in the specified area may be permitted on a case to case basis.
11. Where the total extent of old aged sections with bushes over 50 years of age exceed 40% of the total tea area of the gardens, application for loan or subsidy will not be admitted for an area less than the stipulated minimum area of 2.5% of the area under tea per year until the entire bushes over 50 years have been replanted/rejuvenated. Relaxation of this condition will be considered only for such gardens where the total area under old tea (more than 50 years of age) is less than 35%.
12. However, any borrower who defaults in repayment of dues (interest/principal) to the SPTF during the course of the project period as per the given repayment schedule will not be entitled for further loans under the scheme from the date of default.

#### **D. ACTIVITY SPECIFIC ELIGIBILITY CONDITIONS:**

##### **D.1. Uprooting/ Replanting, Replacement Planting.**

1. The proposed area for uprooting and replanting should be currently under regular plucking and shall not fall under the category of "abandoned tea areas" (i.e. Tea Areas not under plucking for the past three years).
2. Where the average yield of the area applied for replanting is abnormally low ( say less than 800 kg/ha) the reasons for such low productivity needs to be ascertained by causing an investigation of the area by the Scientists of TRA/UPASI-TRF. Suitability certificates specific to such sections issued by TRA/UPASI TRF should be attached along with the application.
3. The applicants should use only the approved planting materials. The list of approved planting materials for different tea growing regions of the country is appended as **Annexure-2**.
4. The plant population should not be less than 10,000 plants per hectare in the replanted /replacement planting area subject to limitation of topography.

5. Prior to replanting/replacement planting adequate steps have to be taken for land preparation, soil rehabilitation, proper drainage etc as per the guidelines given by TRA/UPASI TRF.
6. Zero/minimum tillage replanting and progressive replanting with zero/minimum tillage are permissible in respect of tea estates in hilly areas.
7. For Replacement planting in virgin soil, planting permit should be obtained from the Board's Licensing branch.
8. Where there is a dearth of suitable virgin lands, re-use of the areas that have been uprooted against previous replacement planting applications are permitted, for fresh planting under current application provided such area has been properly rehabilitated for at least 2/3 years and found to be suitable for planting and the same being certified by TRA/UPASI-TRF. For allowing such areas for re-use, there shall not be any pending claim of subsidy on account of any of the previous applications submitted to Tea Board.
9. In the case of applications for replanting, after completion of uprooting, the uprooted area should be rehabilitated with an approved rehabilitation crop for a period of **not less than 18 months in case of gardens in plains and not less than 12 months in case of gardens in the hills**. List of approved rehabilitation crop and shade trees is appended as **Annexure-3**.
10. **Replanting in all cases shall be completed within 36 months from the date of completion of uprooting.** However, shorter or longer period of rehabilitation may be allowed provided a request in writing is made by the applicant in this regard prior to commencement of replanting accompanied with a specific recommendation from TRA/UPASI-TRF.
11. Prior to commencement of replanting, the soil should be physically and chemically suitable for planting. The applicants are therefore, advised to get the soil analyzed from any one of the approved Soil Testing Laboratories and **the chemical soil analytical report should be submitted to Tea Board at the time of post planting inspection, for verification.** The list of approved Soil Testing Laboratories, where the applicants could get their soil analyzed in addition to TRA-UPASI-TRF, is appended as **Annexure-4**.
12. On completion of replanting / replacement planting, as the case may be in the approved area, the applicant should get the planted area surveyed by Govt. approved Surveyors or Patwari or Karnam or Mondal (Village Revenue Officer) drawn to a scale 16" a mile. In the case of North Bengal, Bihar & Sikkim, the applicant tea gardens may avail the services of Surveyors empanelled with Tea Board. The current list of such approved surveyors is appended in **Annexure-5**.
13. The post replanting/replacement planting / uprooting survey map, as the case may be, should accompany the following particulars:
  - a) Period of survey.
  - b) Year of field operation.
  - c) Nature of activities

d) Date of issue and issue number of the map. e) Signature & seal of the Surveyor f) Section number with actual areas in ha., covered under replanting / replacement planting/uprooting as the case may be as well as area covered under drains, roads, hullas etc.

14. In case the applicant tea garden has availed subsidy for several years and the activities carried out in the same section part by part over a period of time, a copy of sectional map demarcating the extent of areas applied for and subsidy for the areas already availed of may be submitted at the time of pre-approval inspection or 1st post planting inspection for confirmation to the effect that there was no overlapping of the areas.

### **D.2.: Rejuvenation Pruning & Infilling with or without interplanting.**

1. The proposed area for rejuvenation pruning and consolidation should not fall under the category of "abandoned tea areas" as defined in D.1.(1) and **the section after rejuvenation pruning should not be due for uprooting for next 10 years.**
2. Reclamation of abandoned tea areas of Uttaranchal and Himachal Pradesh shall be allowed for rejuvenation pruning on individual merit subject to submission of a suitability certificate by IHBT for Himachal Pradesh and by the Technical Officer attached to Kumaon Mondal Vikash Nigam Ltd., for the areas of Kumaon Hills.
3. Subsidy for Rejuvenation and Infilling shall be allowed for the 2nd time for the same area in respect of small tea growers of Himachal Pradesh after every 20 years from the date of previous rejuvenation pruning as a special consideration.
4. The existing bushes proposed for rejuvenation pruning should be potentially healthy and be capable of being rejuvenated. Where the average yield of the area applied for replanting is abnormally low (say less than 800 kg/ha) the reasons for such low productivity needs to be ascertained by causing an investigation of the area by the Scientists of TRA/UPASI-TRF. Suitability certificates specific to such sections issued by TRA/UPASI TRF should be attached along with the application.
5. **The sections proposed to be rejuvenated should not normally have a vacancy of more than 25%. In exceptional case, the Competent Authority of Tea Board may allow subsidy in respect of areas where vacancies exceed 25% but not beyond 40% provided such area is certified to be fit for rejuvenation pruning by TRA / UPASI-TRF.**

6. The maximum pruning height from ground level should not exceed the height noted below :

1	For Assam and Assam Hybrid	12" ( 30 cm.)
2	For China and China Hybrid	8" ( 20 cm.)

7. Subsidy for inter-planting shall not be allowed for the sections having spacing less than 4' x 4'.The minimum bush population per ha after the inter-planting activity should not be less than 10,000.
8. Only approved planting materials to be used for infilling and inter-planting purpose.
9. On completion of rejuvenation pruning and infilling with or without inter-planting ,as the case may be , a map of the approved area should be prepared as indicated in D.1(12). The other conditions relating to submission of map as indicated in D.1 (13 & 14) will also be applicable.
10. Loan and subsidy assistance will not be available for the gardens in plains for undertaking rejuvenation pruning and consolidation. Such assistance will be available only for the gardens located in the hills.

#### **E. DURATION OF THE SCHEME:**

This scheme which is applicable, subject to fulfillment of certain conditions, to all the tea growers in India will remain valid during the XI Five year Plan period ending 31<sup>st</sup> March 2012. Continuation of the scheme beyond XI Plan period would be subject to approval for such continuation by the Central Government. However, unfulfilled financial commitment made on account of the applications received during the XI plan period will be fulfilled during the XII Plan period by carrying forward such applications to the new plan period.

#### **F. SUBMISSION OF APPLICATION:**

The application for Loan and subsidy should be submitted in the prescribed format\*\* complete in all respect, 75 days before the commencement of the field operations. Incomplete applications shall not be accepted and returned forthwith.

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**\*\* A format of the Loan/subsidy application together with a list of supporting documents to be submitted along with the application for Replanting, Replacement planting, rejuvenation pruning and consolidation is appended at the end of this manual. The application consists of two parts – viz: Part A and Part-B. The Part-A should be submitted to the CEO of the SPTF Office located in Tea Board Kolkata. Part-B of the application should be submitted to the field office of Tea Board which is located nearest to the tea estate.**

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**(Note: Applicants seeking both loan and subsidy are required to submit Part-A and B of the applications as noted above. Applicants who are seeking only subsidy are required to submit only the Part –B to the nearest office of Tea Board. Specific Directions for submission of the application are given on the body of application form.)**

The entire set of application form along with the SPTF Scheme Manual (on PDF format) can be downloaded from the website of the SPTF [www.teaboard-sptf.com](http://www.teaboard-sptf.com)).

Hard copies of the application form can be purchased from the office of the SPTF situated at 10th Floor, Tea Board Head Office, 14, BTM Sarani, Kolkata-700001 on payment of Rs 200 per application booklet.

A dedicated **help desk** has been set up in the office of SPTF which is headed by Shri. Sudipta Saha. For any queries/clarifications Shri. Saha can be contacted by :

Phone: 033 2235 1411 ext.315.

Fax:033-22358487

email: [sudiptasaha@teaboard-sptf.com](mailto:sudiptasaha@teaboard-sptf.com), [sptf@gmail.com](mailto:sptf@gmail.com);

#### **G. RATES OF LOAN and SUBSIDY:**

The indexed unit cost per hectare of replanting/replacement planting and rejuvenation and consolidation for the various tea growing regions at current prices and the Loan/subsidy rates applicable w.e.f 1.4.2007 are furnished in **Table-1**.

The applicant tea estates may avail either loan and subsidy or only the subsidy for replanting / replacement planting/rejuvenation(R&R). The loan entitlement per hectare would be 50% of the unit cost. Subsidy entitlement per hectare would be 25% of the unit cost.

In absolute terms, however, the actual amount payable per ha would vary depending upon the location of the garden ( i.e. in the hills or in plains etc.,).

- a. The rates of financial assistance will be revised from time to time as and when the unit cost for replanting and rejuvenation is revised by SPTF.
- b. The areas considered to be hilly for the purpose of the scheme are those included in the CBDT Notification No. S.O.1526, DT. 18th May, 1966 a copy of which is appended as **Annexure-6**.
- c. In addition to the hilly areas covered under CBDT notification, the tea growing regions in entire Tripura, tillah area of undivided Cachar district of Assam and Uttarkhand will be treated as hilly areas.

**Table-1: The Loan/subsidy rates applicable w.e.f 1.4.2007**

	Indexed unit cost (Rs/Ha)	Loan @50% of the unit cost (Rs/Ha)	Subsidy @25% of the unit cost (Rs/Ha)
<b>REPLANTATION AND REPLACEMENT PLANTING</b>			
Assam Valley	2,61,200	1,30,600	65,300
Cachar	2,08,800	1,04,400	52,200
Tripura	1,88,400	94,200	47,100
Dooars & Terai	2,55,200	1,27,600	63,800
Darjeeling	3,27,500	1,63,750	81,875
<b>South India</b>	<b>2,73,100</b>	<b>1,36,550</b>	<b>68,275</b>
Other Areas	2,55,200	1,27,600	63,800
<b>REJUVENATION</b>			
Darjeeling	95,000	47,500	23,750
<b>South India</b>	<b>95,000</b>	<b>47,500</b>	<b>23,750</b>

**H. Schedule For Disbursement Of Loans and Subsidies**

Project expenditure as per the above noted unit cost would be funded as per the following schedule. Borrowers contribution of 10% of project expenditure on account of "0" year would have to be expended on **preparatory activities prior to the disbursal of the loan**

Year	00*	01**	02	03	04	Total
<b>Expenditure%</b>	<b>10</b>	<b>50</b>	<b>20</b>	<b>10</b>	<b>10</b>	<b>100</b>
Source Of Funds						
Promoter's Contribution %	10		10		5	25
Loan from SPTF %		50				50
Subsidy%			10	10	5	25
<b>Total</b>	<b>10</b>	<b>50</b>	<b>20</b>	<b>10</b>	<b>10</b>	<b>100</b>

\* Preparatory Period for uprooting/soil rehabilitation activities prior to replanting/replacement planting

\*\*Period of replanting/replacement planting/rejuvenation

### J. Admissibility of the loan

Loan to be advanced by the SPTF shall not in the aggregate exceed the value of fixed asset of the applicant tea estate.

**In case of 2nd charge / paripassu arrangements of equitable mortgage, the admissible amount of loan would be fixed in the following manner:**

(A) Value of fixed asset as per latest Balance Sheet	--	X
(B) Value of crop of average 3 yrs. as per Profit & Loss Accounts.	--	Y
		-----
Total		X + Y

75% of above, i.e. total of X + Y **C**

Less :

(I) Cash Credit Limit	--	a
(ii) Term Loan	--	b
(iii) Tea Board outstanding Loan	--	c

Total	-----	a + b + c	<b>D</b>
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**Admissible limit = (C) minus (D)**

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In case of direct charge arrangement with SPTF, the loan will be restricted to a maximum of 75% of the value of fixed asset of the tea estate after deducting the Tea Board's outstanding dues, if any.

### J. Disbursement of loan :

The loan under SPTF Scheme will be disbursed in one shot within one month after completion of necessary formalities including execution of loan agreements and signing of various deed of conveyances as per scheme.

#### Note:

- I. If the applicant is willing to carry out replanting / replacement planting/rejuvenation in a phased programme in subsequent years and indicates the area to be planted in each phase, then the amount of loan eligible for different phases of the programme will be calculated separately on the basis of the area to be covered in each phase and treated as separate loan for the purpose of disbursement as well as repayment.
- II. Tea Board will have the right of refusing any further loans under the scheme, if it is not satisfied that the previous loans already disbursed has been properly utilised.
- III. In the event of non utilization of the loan advanced for the purpose for which it was advanced within two years from the date of disbursement of loan, then the unutilized portion of the loan or /

whole amount of loan as the case may be shall become immediately repayable with interest as applicable. In this connection, the decision of the SPTF will be final in all such cases.

**K. Mode of disbursement of subsidy:**

**1. Replanting / Replacement planting:**

Sanctioned subsidy for Replantation/replacement planting shall be paid in 3 installments for big gardens and two installments for small holdings.

**1a. Replanting: (Big gardens)**

1st instalment	Immediately on completion of replanting and after receiving satisfactory 1st post planting inspection report .
2nd instalment	On completion of one year after replanting and after receiving satisfactory 2nd post planting inspection report
3rd instalment	On completion of 24 months after replanting and after receiving satisfactory 3rd post planting inspection report .

**1b. Replanting ( Small growers)**

1st instalment	Immediately on completion of replanting and after receiving satisfactory 1st post planting inspection report .
2nd instalment	On completion of one year after replanting and after receiving satisfactory 2nd post planting inspection report.

**1c. Replacement planting:**

Time of release of subsidy	Instalment No.	Minimum percentage of replaced area to be uprooted annually
Immediately after Completion of planting	1st	20%
12 months after completion of planting	2nd	30%
24 months after completion of planting	3rd	50%
Total		100%

1d. To be eligible for 1st and subsequent installments of subsidy for replacement planting, the applicant should have completed uprooting in the prescribed minimum area against replacement planting.

**1e. The entire sanctioned amount of subsidy should be claimed within 7 (seven) years from the date of issuance of sanction letter. Any amount remaining unpaid beyond the period of 7 years shall not be eligible for disbursement and the case shall be treated as time barred and closed.**

## 2. Rejuvenation pruning and consolidation:

- a. Sanctioned subsidy amount shall be paid in 3 instalments for big gardens and in two installments for small holdings as under.:

### (Big gardens)

1st installment	Immediately on completion of rejuvenation pruning and infilling with or without inter planting, as the case may be, and after receiving satisfactory inspection report
2 <sup>nd</sup> installment	On completion of one year after rejuvenation pruning and infilling with or without inter planting, as the case may be, and after receiving satisfactory inspection report
3rd installment	On completion of 24 months after replanting and after receiving satisfactory inspection report

### ( Small holdings)

1st installment	Immediately on completion of rejuvenation pruning and infilling with or without inter planting, as the case may be and after receiving satisfactory inspection report .
2 <sup>nd</sup> installment	12 months after completion of rejuvenation pruning and infilling with or without inter planting, as the case may be, subject to receiving satisfactory inspection report .

- a. **The entire sanctioned subsidy amount should be claimed within 5 (five) years from the date of issuance of approval cum sanction letter. Any amount remaining unpaid beyond the period of 5 years shall not be eligible for disbursement and the case shall be treated as time barred**

## L. Security for Repayment of Loan:

### A. Primary Security :

- 1) Where the fixed assets (i.e. immovable properties including machinery) of the company are mortgaged with a bank and / or other financial institution(s) by deposit of Title Deeds as continuing Collateral Security towards the crop loan availed, the applicant company should obtain the consent of the concerned bank/financial institution to cede Pari Passu charge /Second Equitable Mortgage as the case may be in favour of the SPTF..
- 2) A tripartite or all party agreement containing the stipulation as mentioned in the loan agreement for the scheme should be executed. The said tripartite agreement shall be executed by the bank and / or other financial institution(s), SPTF and the Loanee Company simultaneously immediately after the execution or creation of mortgage in favour of SPTF of the said fixed assets.

- 3) Where title to the property is free of any encumbrances, a direct mortgage in favour of the SPTF should be created and the Title Deeds should be deposited with SPTF.
- 4) When the borrower is a State Corporation and / Public Sector Undertaking, a continuing guarantee in favour of SPTF [for the total loan period or until liquidation of entire debt ] from the concerned State Government should be furnished towards the security for the loan to be advanced by SPTF.

#### **B. Escrow of Receivables:**

The borrowers would have to commit to selling of tea of value equivalent to at least 200% of their annual debt-servicing requirement through one particular tea Auction center of their choice and designate one particular broker operating at that Auction center for selling their tea.

The designated broker would deduct from the auction sale proceeds such amounts as advised by the SPTF from time to time and directly remit to the specified bank account of the SPTF. The office of the SPTF would arrange to refund excess balance if any to the borrowers account. An enabling provision to this effect would be incorporated in the Loan Agreement between the borrower and the SPTF.

The borrower would have to authorize the designated broker in writing to remit the dues of SPTF from the sale proceeds directly to the specified bank account of the SPTF. Acceptance of this arrangement should be evidenced through a letter of undertaking issued by the designated broker.

#### **C. Additional Security:**

In case the working results of the applicant tea company are found to be inadequate to meet the repayment requirements towards loans advanced by SPTF, a corporate guarantee from a sister concern having sound financial position will be accepted as an additional security. The following documents pertaining to the company providing the corporate guarantee should be submitted :

- 1) Memorandum and Articles of the Association;
- 2) List of Directors;
- 3) Copies of audited Balance Sheet and P / L A/cs. for last 5 years;
- 4) Corporate Guarantee on a non-judicial stamp paper of Rs. 50/- duly signed by the accredited Director / person with a Board's resolution as per prescribed format.

### **M. Repayment of Principal and Interest on Loan**

- 1) The total tenure of the loan to be advanced in any given year is 13 years. There will be a moratorium on the principal for a period of 5 years. Commencing from 6<sup>th</sup> year, the outstanding principal is to be repaid in 16 equal half yearly installments. The first half yearly installment shall fall due on the last day of the 66th month from the date of disbursement of loan and at half yearly intervals thereafter.
- 2) The loan will carry interest @ 1.5% p.a. above the 10 year G-Sec rate (currently around 8% p.a.) prevailing on the date of sanction of the loan. This rate will be reset once in two years on the anniversary date of disbursement of the loan. Penal interest will be levied from the due date @ 3% on the defaulted amount for the delayed period.
- 3) The interest shall be payable separately on the expiry of every 6 months from the date of disbursements of the loan.

### **N. Other terms and conditions**

#### **i) Contribution to Default Reserve Fund :**

The SPTF would be creating a default reserve fund to mitigate defaults by borrowers.

- Each borrower would have to pay one quarter's interest in advance calculated on the amount of loan sanctioned to be credited to the Default Reserve Fund at the time of disbursal of loan. This advance payment will be adjusted against the last 3 interest payments and the balance amount if any would be refunded to the borrower after full repayment of the loan.
- Each borrower would have to pay one quarter's principal repayment (equivalent to 1/32 of the amount of loan sanctioned) in advance at the beginning of the 61st month from the date of disbursement of the loan. This advance would be adjusted against the last half yearly installment due.

#### **ii) Distribution of profits:**

During the tenure of the loan period, the loanee shall undertake not to pay dividend or distribute annual profits beyond the following limits, without the prior consent of the SPTF.

- i) Where the loanee is a company other than a company governed by the provision of the Sec. 23A of the Income Tax Act, 1922 or Sec. 104 to 109 of the Income Tax Act, 1961 in excess of the average dividends declared during the preceding 5 years.

- ii) Where the loanee is a company governed by the provision of Sec.23A of the Income Tax Act, 1922 or Sec. 104 to 109 of the Income Tax Act, 1961 in excess of the profits or dividends required to be distributed under the applicable section.
- iii) Where the loanee is an individual or a partnership firm, in excess of the average profits distributed or utilized in the opinion of the Board outside the concern during the preceding 5 years.

**iii) Loan Processing Fee:**

One time loan processing fee @ 1% of the sanctioned loan amount, subject to a minimum of Rs.15,000/- (Rupees fifteen thousand only) per application will be charged at the time of disbursement.

**iv) Audited Accounts for the expenditure incurred for R&R :**

The loanee shall submit an annual expenditure statement duly audited by the statutory auditors for the company. A progress report relating to the status of replanting / replacement planting/rejuvenation should also be furnished indicating therein that the loan availed from the SPTF has been appropriately utilized for the purpose for which it was advanced.

**v) Incidental expenses:**

The entire expenses incurred on Stamp duties, registration fees or any other expenses incurred in connection with preparation of post planting maps, execution of loan agreement and other deed of conveyances/contracts for the purpose of SPTF loan shall be borne by the applicants.



## **O. INSPECTIONS BY TEA BOARD:**

### **1. Pre approval inspection:**

- a. This inspection will be carried out by the field office of the Board on receipt of B-part of the application from the gardens to assess the physical suitability of the applied area.
- b. **On completion of the inspection, a No Objection Certificate (NOC) will be issued from the field office for proceeding with the field work. The field activities undertaken prior to pre-approval inspection by the Board field office will not be eligible for financial assistance.** It is strongly advised that the applicant tea gardens should commence the fieldwork only after the obtaining the NOC. This condition, however, shall be relaxed where the issuance of NOC has unduly been delayed by the field office or field activity has been undertaken after 75 days from the date of submission of application to Tea Board.
- c. During pre-approval inspection, the visiting Tea Board Official shall also verify the past performance of the applicant garden in respect of Replanting/ Replacement planting/ Rejuvenation pruning & consolidation activities, undertaken with Board's Subsidy. For this purpose, the applicant garden should provide all the relevant documents, as shall be called for by the visiting field official so as to evaluate the impact of the past activities on production, productivity, quality improvement etc.
- d. The NOC issued by the field office shall not be binding on the Board, if the applicant was subsequently found ineligible for loan/subsidy due to other reasons to be specified by the Board in writing.
- e. The commitment of the Board would become binding only after issuance of approval cum sanction letter following the scrutiny of the pre-approval inspection report and other related documents/particulars/records, by the CEO of SPTF.

### **2) 1st post planting/post rejuvenation pruning inspection:**

- a. This inspection will be carried out by the field office of the Board or industry sponsored panel of inspectors, or any other persons to be deputed by the CEO for the purpose soon after receipt of information from the applicant garden about completion of replanting/replacement planting/rejuvenation pruning and infilling with or without inter-planting in the sanctioned area.
- b. **The applicant garden should produce a post planting survey map, Soil Analysis Report at the time of this inspection.** In the case of replacement planting, besides completion of planting in the sanctioned area the prescribed minimum area should have been uprooted in the area proposed to be replaced.

- c. Completion of 1st inspection and satisfactory report thereof shall entail the applicant garden for receiving 1st instalment of subsidy.

**3). 2nd post planting / post rejuvenation pruning inspection:**

- a. This inspection will be carried out 12 months after completion of replanting/replacement planting /rejuvenation pruning and infilling with or without inter-planting for verification of upkeep & maintenance of the replanted/replacement planting/rejuvenated area.
- b. For replacement planting, the actual extent of area uprooted against replacement planting shall also be verified during this inspection.
- c. Completion of this inspection and satisfactory report thereof shall entail the applicant garden for receiving 2nd instalment of subsidy.

**4). 3rd post planting / post rejuvenation pruning inspection:**

- a. This inspection will be carried out 24 months after completion of replanting/replacement planting /rejuvenation pruning and infilling with or without interplanting for verification of upkeep & maintenance of the area.
- b. For replacement planting, the actual extent of area uprooted against replacement planting shall also be verified during this inspection.
- c. Completion of this inspection and satisfactory report thereof shall entail the applicant garden for receiving 3rd instalment of subsidy.

**5). Inspections in respect of Small holdings:**

There will be only three inspections viz. pre-approval inspection followed by 1st and 2nd post planting/post rejuvenation inspections.

**6) Other inspections:**

Apart from the above, the Board may carry out or cause to be carried out such investigations as deemed necessary for verification of the particulars furnished in the application or for any other purposes connected with grant of Loan / subsidy. The applicant shall fully cooperate in such investigations and place at Board's disposal such information and records as may be required by the inspecting officials of the Tea Board.

### **7. Letter of undertaking;**

- a. The applicants availing only subsidy for all the activities mentioned above, should submit, before receiving the 1st installment of subsidy, a Letter of Undertaking on a non-judicial stamp paper. The format of LOU is appended as **Annexure-7**.
- b. In the event of breach of any of the provisions of the aforesaid undertaking or the terms and conditions of the scheme, the Tea Board shall be entitled to call back the amount of subsidy with interest thereon @ 12% per annum.

### **P. Change of ownership of the beneficiary company/garden:**

- a. In the event of any change in the ownership of the tea garden before completion of the disbursement of the sanctioned subsidy amount, the transferor / seller of tea estate shall cease to receive any further subsidy remaining to be paid by the Tea Board after transfer or sale is effected.
- b. The transferee / purchaser of the tea company having recorded the present ownership with the Tea Board shall be entitled to receive subsidy due to the previous owner provided the transferee / purchaser tea company submits in writing to Tea Board the willingness to continue the development programme for which sanction has been accorded and agree to fulfill all the terms and conditions for disbursement of balance installment of subsidy.

### **Q. Adjustment of board's dues:**

- a. The subsidy payable by Tea Board for any of the abovementioned activities, will be adjusted against any defaulted amount that has become due and / or remain unsettled by the applicant tea company under any of the Board's loan scheme or any other account to the Tea Board at the time of release of subsidy. After adjustment of all dues of the Tea Board, the balance amount of subsidy if any shall be paid to the applicant tea company.

### **R. Administration Of The Scheme**

A professional framework for appraisal, monitoring and supervision of the SPTF has been set up with participation of experts in the field from Banks having experience of lending to tea industry. The administration of the SPTF has been institutionalized by setting up Committees within the Tea Board to oversee the various functions viz. Screening of Loan Applications. Monitoring of individual loan accounts of borrowers and Treasury Management. These 3 functional Committees will operate under the overall supervision of and as per the guidelines set by the SPTF Committee which will be an Ad-hoc Committee of the Tea Board. The CEO, SPTF or any other officer nominated by Chairman Tea Board will administer the scheme on behalf of the SPTF. An Apex Monitoring Committee in the Ministry of Commerce will oversee the functioning of the SPTF and review the implementation of the programme at periodic intervals. The terms of reference for the various committees are given in **Annexure-8**.

**S. Sanctioning authority:**

- a) The CEO of SPTF shall implement the scheme and have full powers to receive applications, scrutinise, sanction and disburse the subsidy [after obtaining the clearance from the Screening Committee] under the scheme up to 50.00 hect. per applicant tea garden per year.
- b) Where the applied area exceed 50.00 ha per garden per year, such applications after initial scrutiny shall be put up to the Chairman, Tea Board for sanction after obtaining the clearance from the Screening Committee.
- c) The SPTF reserve the right to withdraw sanction at any point of time, in case it finds that the application has been filed in contravention of the scheme norms or is fraudulent in character. Liability for such action shall rest with the applicant and no claim shall be entertained by the Board for payment, compensation or damages in such an eventuality.
- d) The sanctioning authority may, for reasons to be recorded in writing, relax any of the provisions, provided it meets the overall objective of the scheme subject to obtaining concurrence of the Development Committee/Board in advance.

**T. Amendment to the scheme:**

- a) The SPTF reserves the absolute right to amend, amplify or abrogate in its discretion any of the terms and conditions of the scheme without notice.
-

## Annexure-1

## . LOCATION OF TEA BOARD OFFICES

Sl. No.	Tea Board Office	Name of the Officer In-charge	Phone No.	Fax No.
1.	HOUSEFED COMPLEX 5th floor, Central Block Beltola Bashistha Road Dispur-Gauhati-781006 (ASSAM)	Shri C. Saikia, IA&RS Executive Director	0361- 2234253 2234257 2234258	0361- 2234251
2.	Shelwood Coonor Club Road Coonor 643101 Nilgiris, Tamilnadu	Shri R.D.Nazeem, IAS Executive Director	0423 2230316 2231638 2231484	0424 2232332
3.	Shahid Bhagat Sing Commercial Complex 5th floor, Sevok Road(2nd mile), Siliguri-734001	Shri Amal Roy Chowdhury Dy. Director of Tea Development	0353 2540209	0353 2544778
4.	Regional Office (Tea Research Association Campus) Cinnamara, Jorhat-785001	Shri D. Halder Dy. Director of Tea Development	0376 2360066	0376 2360068
5.	Misson Charali Opp: Trade & Industry Bldg. Post- Tekargaon Tezpur-784501 Dist. Sanitpur(Assam)	Shri Subir Hazra Asstt. Director of Tea Development	03712 255664	03712 237028
6.	Club Road, P.O. Silchar-788001, Dist-Cachar (Assam).	Shri Tapan Barua Asstt. Director of Tea Development	03842 232518	03842 245952
7.	Bidur Katra Chowmuhani, P.O. Agartala – 799001, Tripura.	Shri Anupam Das Asstt. Director of Tea Development	0381 2314639	0381 2324182
8.	College Road Kottayam-686001 Kerala	Sri Falguni Banerjee Asst. Director of Tea Development	0481 2567391	0481 2567391
9.	Mission Road, Palampur-176 061, Kangra, (Himachal Pradesh).	Shri P. Chetri Asst. Development Officer.	01894 230524	01894 231748
10.	Holiday Home(K.M.V.N), Kottage No.C-2,3 & 4, Almora-263 601, UTTARANCHAL	Shri Jagdish Prasad Asstt Development Officer	05962 237776	05962 237776

## Annexure-2

**Planting materials recommended by Tea Research Institutes  
North India- as recommended by TRA**

Area	TV clones	Biclinal seed stocks	TRA/garden & estate clones	Total No
Assam	TV1*,TV9*, TV14*,TV16* TV17*,TV18* TV19,TV20, TV21*,TV22* TV23,TV24, TV25,TV26, TV27,TV28, TV29,TV30	TS449*, TS450*, TS462*, TS463*, TS464*, TS491*, TS520*, TS589*, TS506*	Koliapani 25,Baghmari 20*, Nagrijuli 6/24, Teen ali 17/1/ 54, Panitola 126, Barmajan 2*, Longai17, S3A/3,T3E/3, BagMari 35 , Gohpur33*, Barmajan 5, Heeleakah22/14, Kolony26, Dhulapadang36, Tarajulie37, Mornoi 30, Lengree 51, Lengree 56, Borahi 33*, Koomsong 23*, Koomsong 29*	47
Cachar And Tripura	TV1*,TV9*, TV17*,TV18* TV20,TV22, TV23,TV24, TV25,TV26, TV27,TV28, TV29,TV30	TS491*, TS462*, TS463*, TS464*, TS506*, TS520*, TS589*	Longai17*, Hauplongcherra 18, Hauplongcherra 26, Lalamukh 7, Narsingpore 4, Narsingpore 18, Narsingpore 22, Poloi 23, Longai 26, Heeleakah 22/14, Panitola 126, Teen ali 17/1/54, Lengree 51, Lengree 56	35
Dooars And Terai	TV1*,TV9*, TV17*,TV18* TV20,TV22, TV23,TV24, TV25,TV26, TV27,TV28, TV29,TV30	TS491*, TS462*, TS464*, TS506*, TS520*, TS589*	Huldibari 19, Leesh River 9/ 34, Mohargung & Gulma 25, Sanyasithan 8, Sanyasithan 9, Sukna 7, Sanyasithan 10, Sukna 23, Sanyasithan 27, Bormajan 2, Bormajan 5, Heeleakah 22/14,Teen ali 17/1/54, Panitola 126, Lengree 51, Lengree 56	36
Darjee -ling	TV14*,TV19*	TS378*, TS379*, TS557*, TS569*	<b>High elevation:</b> Phoobsering 312*, Bannockburn 157* <b>Mild elevation:</b> AV2, Phoobsering 312 , Bannockburn 157, Tukdah 78, Teesta Valley 1 <b>Low elevation:</b> Tukdah 78, Bannockburn 157, Rungli Rungliot 17/144, CP 1, Phoobsering 312, Happy Valley 39, Rungli Rungliot 4/5, Phoobsering 1404, Phoobsering 1258, Kopati 1/1*, Thurbo 3, Thurbo 9, Lingia 12, Tukdah 253, Badamtam 15/263, Bannockburn 777, Bannockburn 668, Sikkim 1 Infilling: Tukdah 78, Rungli Rungliot 17/144, CP 1, Phoobsering 312, Rungli Rungliot 4/5, Happy Valley 39	27

\* Indicates quality planting material.

**PLANTING MATERIALS AS RECOMMENDED BY UPASI-TRF FOR SOUTH INDIA**

Regions	New Planting / Replanting				Infilling			For specific area / situation	
	Clones		Composite Plants	Bi-clonal Seed Stock	Clones	Composite Plants	Bi-clonal Seed Stock	Drought Prone Area	Wind Prone Area
High yielding	Yield / Quality								
Central Travancore	UPASI-3,8,9,17,25 TRI-2026	UPASI-12,20,24,26 & 27 TRI-2025 CR6017	UPASI 3x2 UPASI 3X6 UPASI 3 x 9 UPASI 8 x 2 UPASI 8x9 UPASI 17 x 9 UPASI 17 x 2 CR 6017 x UPASI 9	UPASI BSS – I, II, III, IV, V	UPASI 1,2,9,20,26,27; TRI-2025 ATK-I W-35	UPASI 3x2 UPASI 3X6 UPASI 3 x 9 UPASI 8 x 2 UPASI 8x9 UPASI 17 x 9 UPASI 17 x 2 CR 6017 x UPASI 9	UPASI BSS – I, II, III, IV, V	UPASI 2,9,20,26 TRI-2025 UPASI-BSS-I ,II ATK-I	UPASI 1,2,26 CR 6017
Nilgiri Wynaad & Wyanaad			UPASI 3x2 UPASI 3X6 UPASI 3 x 9 UPASI 8 x 2 UPASI 8x9 UPASI 17 x 9 UPASI 17 x 2 CR 6017 x UPASI 9			UPASI 3x2 UPASI 3X6 UPASI 3 x 9 UPASI 8 x 2 UPASI 8x9 UPASI 17 x 9 UPASI 17 x 2 CR 6017 x UPASI 9	UPASI BSS – I, II, III, IV, V	UPASI 2,9,20,26 . TRI-2025 UPASI-BSS-I ,II A TK-I	UPASI 1,2,26 CR 6017
Karnataka			UPASI 3x2 UPASI 3X6 UPASI 3 x 9 UPASI 8 x 2 UPASI 8 x 9 UPASI 17 x 9 UPASI 17 x 2 CR 6017 x UPASI 9			UPASI 3x2 UPASI 3X6 UPASI 3 x 9 UPASI 8 x 2 UPASI 8 x 9 UPASI 17 x 9 UPASI 17 x 2 CR 6017 x UPASI 9	UPASI BSS – I, II, III, IV, V	UPASI 2,9,20,26 . TRI-2025 UPASI-BSS-I ,II A TK-I	UPASI 1,2,26 CR 6017
Nilgiri	UPASI-3,8,9,25 TRI-2023,2024,2026	UPASI-5,6,10,13,14,21,22,24 & 27 TRI-2025 CR6017 CID 12/A2	UPASI 3x2 UPASI 3X6 UPASI 3 x 9 UPASI 8 x 2 UPASI 8x9 CR 6017 x UPASI- 9	UPASI BSS – I, II, III, IV, V	UPASI 2,4,7,9,18,23,24 & 27; CI CR 6017 TRI-2025 D-12/A2	UPASI 3x2 UPASI 3X6 UPASI 3 x 9 UPASI 8 x 2 UPASI 8x9 CR 6017 x UPASI- 9	UPASI BSS – I, II, III, IV, V	UPASI 2,9 TRI-2025 UPASI-I ,II	UPASI-2,10 CI. CR6017  CI. CR6017 UPASI-15,16,19
High Range	UPASI 3,8 9,,25 TRI-2026 TTL-1,4,5	UPASI-5,10,24,27, CR-6017 TRI-2025 SMP –I TTL-2	UPASI 3x2 UPASI 3X6 UPASI 3 x 9 UPASI 8 x 2 UPASI 8x9 CR 6017 x UPASI- 9	UPASI BSS – I, II, III, IV, V	UPASI-2,24; CR 6017 TRI-2025 TTL-1,4,5	UPASI 3x2 UPASI 3X6 UPASI 3 x 9 UPASI 8 x 2 UPASI 8x9 CR 6017 x UPASI- 9	UPASI BSS – I, II, III, IV, V	UPASI 2,9 TRI-2025 UPASI- I ,II	UPASI- 2,10 CI CR 6017
Anomallais	UPASI 3,8 9,,25 TRI-2026 TTL-1,4,5	UPASI-5,10,11,12,20,24, 26, 27 CR-6017 TRI-2025 TRI-2025 ATK-I SA6 TTL-2	UPASI 3x2 UPASI 3X6 UPASI 3 x 9 UPASI 8 x 2 UPASI 8x9 UPASI 17 x 9 UPASI 17 x 2 CR 6017 x UPASI- 9	UPASI BSS – I, II, III, IV, V	UPASI-2,24; CR 6017 TRI-2025 TTL-1,4,5	UPASI 3x2 UPASI 3X6 UPASI 3 x 9 UPASI 8 x 2 UPASI 8x9 CR 6017 x UPASI- 9	UPASI BSS – I, II, III, IV, V	UPASI 2,9,20,26. TRI-2025 UPASI-BSS-I ,II ATK-I	UPASI 1,2,10,26 CI CR 6017

**ANNEXURE-3****LIST OF APPROVED REHABILITATION CROPS & SHADE TREES****LIST OF APPROVED REHABILITATION CROPS****GRASSES:**

1.Pusa Giant hybrid napier	2.Tripasanm lamum (Guatemala grass)
3.Panicum maximum (Guinea grass)	4.Panisetum purpureum (Napier grass)
5.Eragrostis curvula (Weeping love grass)	6.Pennisetum pedicellatum
<b><u>COVER CROPS</u></b>	
1.Mimosa invisa.	2. Calopogonium mucunoides.
3. Centrosema pubosconce	4. Stylosanthes guyanonis
<b><u>GREEN CROPS:</u></b>	
1. Crotalaria anagyroides	2. Priotrpls cutospodes
3. Desmodium gytoides	4. Tephrosia candida
5. Crotalaria striata	6. Crotalaria unaramoensis
7. Crotalaria grahamiane	8. other Crotalaria species.
<b>PERMANENT SHADE TREES SPECIES FOR N.E. INDIA</b>	
1. Albizzia odoratissima	2. Albizzia lebbek
3. Albizzia amara.	4. Albizzia cproaroa.
5. Albizzia zygia	6. Acacia lenticularis
7. Dalbergia sericea	8. Daris robusta
<b>TEMPORARY SHADE TREES SPECIES FOR N.E. INDIA</b>	
1. Indigofera teysmanii	2. Albizzia chinensis
3. Glyricidia sepium	4. Leucaena gaica
5. Albizzia falcate	6. Albizzia lucoda
<b>PERMANENT AND TEMPORARY SHADE TREES FOR SOUTH INDIA:</b>	
1. Grevillea robusta	2. Albizzia odoratissima
3. Albizzia sumatrana	4. Albizzia moluecana
5. Acacia decurrens	6. Acacia pruinesa
7. Crotalaria agatiflora	8. Erythrina lithesperma
9. Indigofera teysmanii	10. Albizzia chememosos
11. Acacia elata (temporary).	



**ANNEXURE-4****List of Tea Board enlisted Soil Testing Laboratories other than TRA/ UPASI-TRF laboratories:**

1. Regional Research Laboratory, Jorhat.
2. Assam Agricultural University, Jorhat.
3. Darjeeling Tea Research and Development Center, Kurseong.
4. CSIR, Palampur.
5. Himachal Pradesh Krishi Viswavidyalaya, Palampur.
6. North Bengal University, Siliguri.
7. Darjeeling Tea Research & Management Associations, Siliguri
8. Tamilnadu Agriculture University, Coimbatore.
9. University of Agricultural Science, Bangalore.
10. Kerala Agriculture University, Vellanikkara, Trichur.
11. Soil testing laboratory of R & D wing. Zilla Pathar Parichalana Samity, Tinsukia Assam for the Small Tea Growers of Tinsukia and Dibrugarh district.
12. M/s Neoland Technologies Laborotory, Guwahathi.

**ANNEXURE-5****LIST OF SURVEYORS APPROVED BY TEA BOARD FOR UNDERTAKING SURVEY WORK IN THE TEA GARDENS OF NORTH BENGAL, BIHAR AND SIKKIM**

<b>SI No</b>	<b>Name and Address</b>	<b>SI No.</b>	<b>Name and Address</b>
1	Shri Sarkar Bandopadhyay. Empire Surveyors, P.O. Mal-735221, Dist-Jalpaiguri	2	Shri Dipak Kr. Ghosh Ghosh Enterprise, Damdim, Dt. Jalpaiguri
3	Shri Tapan Kumar Sen, C/O. Shri N. N. Sen, Rabindra Nagar, 38, Gokhel Road, P.O.-Rabindra Sarani-734406 Dt.Darjelling	4	M/s. Das Surveyors P.O. Mal-735221 Dist. Jalpaiguri.
5	M/s Imperial Surveyors, Shri Ranjit Kumar Naskar, C/O. Lipika electronics (Opp. Of PWD Office) P.O. Mal- 735221, Dist. Jalpaiguri	6	M/s. Sikdar Surveyors Shri Swapan Kumar Sikdar, Anandanagar, P.O. Mainguri, Dist. Jalpaiguri
7	Shri Agni Kumar Nandi, C/o/ S.C. Nandi, Ashoke Nagar Road No. 7 P.O Siliguri Bazar, Dt. Jalpaiguri	8	M/s Pure Surveyors S\mt. Karunamoy Pore C\o. Modern Optics (Thana More), P.O. Mal-735221, Dist. Jalpaiguri
9	M/s. Paramount Survey & Co. Shri Subodh Chandra Sikdar, P.O Mal-735221, Dist.Jalpaiguri	10	Shri Pabir Majumder, C/o/ Kumaresh Dutta, P.O. Chalsa, Dist. Jalpaiguri
11	M/s. B.M.Das & Sons, 542/353 P.C. Sarkar Sarani, Hakimpara, Vivekanandapally, P.O. Siliguri, Dist- Darjeeling.	12	Shri Malay Kumar Das, C/o M/s. M.N.Das & S.N.Das, P.O. Mal-735221, Dist. Jalpaiguri
13	Shri Gopal Chandra Paul M/s. Paul Surveyors, Netaji Colony, P.O. Mal-735221, Dist-Jalpaiguri	14	Shri Sukanta Sarkar, C/o Shri Sukumar Sarkar, East Vivekanandapally P.O. Rabindra Sarani- 734406, Dt. Darjeeling
15	Nikhil Chandra ghosh C/o. North Bengal Surveyors, North Colony, (Behind Subhasini Girls' High School, P.O. Mal-735221, Dist. Jalpaiguri	16	Shri. S.K. Das, Mira Garage Buildings, 1 <sup>st</sup> floor, Hill cart Road, , P.O. Siliguri- 734401 Dist Jalpaiguri
17	Shri B. Sutradhar, M/s Indian Standard Surveyors, P.O. Chalsa, Dist. Jalpaiguri	18	Shri Chandrajit Sarkar, C/o. Shri Ramesh Ch. Sarkar, Arobindapally, P.O. Rabindra Sarani, Siliguri 734406, Dist. Darjeeling
19	M/s. Rellance Survey Co. Shri Shyamal Kr. Sarkar, P.O. Baganbari, Vill-Harinathpur, Dt. Jalpaiguri.	20	M/s Dhiraj Ghosh, Prop. Shri Dhiraj Ghosh, Near New Palpara, P.O. Rabindra Sarani-734406, Dt. Darjeeling
21	Shri Binod Das C/o. Shri Suresh Das, Diesel Shed, N.F. Rly., Siliguri Junction, Siliguri, Darjelling		

**ANNEXURE-6**

**The Hilly areas included in the CBDT Notification No. S.O.1526,  
DT. 18th May, 1966**

**Registered No:D.221: The Gazette of India- Extraordinary-Part-II-  
Section3- Sub section(ii) No:145  
New Delhi, Wednesday May 18,1966/Vaisakha 28, 1388**

**Central Board of Direct Taxes Notification**

S.O. 1526 – in pursuance of Sub-Section(8) of Section 33A of the Income Tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes hereby declares the areas mentioned below to be hilly areas for the purpose of the said section:

- 1) Darjeeling District of West Bengal, excluding Siliguri Sub-Division
  - 2) Kangra District Himachal Pradesh
  - 3) Mandi District Himachal Pradesh
  - 4) Trivandrum District, Kerala
  - 5) Quilon District, Kerala
  - 6) Kottayam District, Kerala, excluding Meenachil, Kanjirapally and Changanacherry taluks
  - 7) Ernakulam District, Kerala
  - 8) Trichur District, Kerala
  - 9) Palghat District, Kerala
  - 10)Kozhikode District, Kerala
  - 11)Cannanore District, Kerala
  - 12)Kanya Kumari District, Tamil Nadu
  - 13)Tirunelveli District, Tamil Nadu
  - 14)Madurai District, Tamil Nadu
  - 15)Coimbatore District, Tamil Nadu
  - 16)Nilgiiri District, Tamil Nadu
  - 17)Coorg District, Karnataka
  - 18)Hassan District, Karnataka
  - 19)Chickmagalur District, Karnataka
-

**ANNEXURE-7****LETTER OF UNDERTAKING**  
(On Non Judicial Stamp Paper Rs. 20/-)

To be signed by:

1. Director of applicant company / Registered Society as the case may be duly supported by Board resolution (as per Appendix-A)-applicable for Ltd./Pvt. Tea Company and Registered Small Tea Growers Producers' Society(SHG)
2. A partner (in case of Partnership firm)
3. The Proprietor (in case of Proprietary concern)

**To**

Tea Board,

Ref: Application of \_\_\_\_\_ TE for Subsidy under  
Special Purpose Tea Fund Scheme  
A/c. year \_\_\_\_\_ Owned by \_\_\_\_\_

For the  
activity \_\_\_\_\_

Dear Sir,

In compliance of the terms and conditions set forth in the sanction order No:..... Dated..... of Tea Board and having sanctioned \_\_\_\_\_ subsidy \_\_\_\_\_ of \_\_\_\_\_ Rs

.....(.....)  
for replanting/ Replacement planting/rejuvenation pruning and infilling with or without interplanting/ new planting in small holdings/ creation of irrigation facilities/ Setting up of pilot tea producers' societies (Self help group)/ procurement of pruning machine by small growers ( Mention whichever is applicable) in our above mentioned tea Garden/ society, we do hereby agree and undertake to complete the activity indicated above in our ..... Tea Estate/garden/Society in the manner envisaged under the scheme and on the terms and conditions hereinafter mentioned:

1. To observe, fulfil, and perform all the terms and condition laid down in Special Purpose Tea Fund of Tea Board.
2. Not to sell and/or the tea garden/Society without prior written consent of the Tea Board.
3. To sign such document/papers and undertakings and or submit such returns as may be requires by Tea Board from time to time.
4. In the event of breach of any of the aforesaid undertaking or the terms and conditions under the Special Purpose Tea Fund, Tea Board will be entitled to call for immediately all amount paid as subsidy with interest thereon at the of 12% per annum and I/ We undertake to pay the same within 10 days from the date of demand.

Signature of Authorised signatory

Seal of Company/Garden/Society.

**Appendix-A**

(To be given in Tea Company/Registered Society letter head)

DRAFT RESOLUTION TO BE PASSED BY THE BOARD OF DIRECTORS OF THE applicant company/society

RESOLVED THAT THE COMPANY/SOCIETY SUBMIT THE Letter of Undertaking (LOU) to the Tea Board and obtain the subsidy as specified in the Board’s sanction letter under the Board’s Special Purpose Tea Fund .

RESOLVED FURTHER that the draft on the under mentioned document placed before this meeting and initialed by the Chairman of the meeting thereof be and the same is hereby approved and the same be completed with such modifications as may be agreed upon the Company and the Tea Board.

(a) Draft of the Letter of Undertaking in connection with Special Purpose Tea Fund Scheme between the Tea Board of the one part and \_\_\_\_\_ (insert name of the company)

(b) RESOLVED FURTHER that a Common seal of ..... (insert name of the company) be affixed to the engrossed and stamped LOU in connection with specified activities under Special Purpose Tea Fund Scheme, between the Tea Board of the one part and Shri ..... & Shri....., being two of the directors and they are hereby authorised to sign the said Letter of Undertaking on behalf of the company.

RESOLVED FURTHER that Shri \_\_\_\_\_, a Director of the Company be and he is hereby authorised to sign the Letter of Undertaking answer all requisitions in connection with the said Letter of Undertaking on behalf of the Company.

TRUE COPY

CHAIRMAN OF THE MEETING

Full signature of the Director (s) authorised to sign the Letter of Undertaking on behalf of the Company.

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_

Attested by

\_\_\_\_\_  
(Signature of the Chairman of the Meeting)

N.B Resolution should be in accordance with the Seal Clause of the articles of Association of the Company/Society.

**ANNEXURE-8****Terms of reference of the Committees for administrating the SPTF****Apex Monitoring Committee to be headed by Additional Secretary, Department of Commerce, Govt. of India**Terms of Reference

While the implementation of the SPTF scheme has been entrusted to the Tea Board, the Apex Monitoring Committee in the Ministry of Commerce will oversee the functioning of the SPTF and review the implementation of the programme in the following areas.

- 1] The year wise physical targets in terms of area to be replanted / rejuvenated (R&R) region wise
- 2] The actual areas taken up for R & R
- 3] Review of the actual funding under the programme for :
  - a) Loans raised by the SPTF and the borrowing rates
  - b) Disbursement of loans
  - c) Disbursement of subsidies
- 4] In case of short falls in the targets set for R & R and loan / subsidy disbursements analysis of the reasons therefore and remedial measures to be taken.
- 5] During the course of implementation of the Scheme, there may be a requirement for deviation from the sanctioned norms based on practical experience of industry, SPTF Officials and agents of the SPTF in certain areas. For example
  - i) Minimum area to be taken up for R & R may not be 2½% of target area in the initial years.
  - ii) Certain gardens in areas like Darjeeling do not sell any tea through auctions.
  - iii) Certain gardens sell raw leaf to the factories since they do not have manufacturing facilities.

While the policy decisions in such cases will be taken by the SPTF Committee of the Tea Board such decisions will be reported to the Apex Committee for review. From the third year onwards, i.e. when the replanted areas come into bearing, the impact of the programme in qualitative and quantitative terms may be examined in the following areas:

- 6] Increase in yields/ha for areas under R & R
- 7] Increase in price realization / kg
- 8] Review of overall production in the country as an outcome of the programme

The Apex Monitoring Committee will review the administrative functioning of the SPTF through the Committees set up for the purpose i.e.,

The SPTF Committee  
The Screening Committee  
The Monitoring Committee  
The Treasury Management Committee

and suggest, if necessary, augmentation of their roles in specific areas to ensure the success of the scheme

The Apex Monitoring Committee will also review the performance of the appointed agents who have been retained for management and supervision of the SPTF i.e. SBI Capital Markets Ltd. and Pegasus Advisory Services, on a yearly basis.

## **The SPTF Committee to be headed by Chairman Tea Board**

### Terms of reference

The SPTF Committee, which is being set-up as an Ad-hoc Committee of the Tea Board, will be responsible for laying down the policies of the Fund and approve matters relating to borrowing policy guidelines, lending norms, monitoring norms and investment policy guidelines. The Committee would be specifically responsible for raising lines of credit for the lending targets on a yearly basis for which purpose a sub committee would be constituted comprising the Chairman, Tea Board and three other members from nominees of Banks. The Committee would approve policies and operational targets in the following areas :

#### A. Borrowing Policy

1. Finalisation of the yearly requirement for loan funds based on industry demand
2. Approval of the borrowing rates for each tranche of lines of credit as negotiated by the Sub-Committee and sanction for borrowing
3. Appointment of designated Officials to sign loan documents on behalf of the SPTF for drawe down of lines of credit.

#### B. Lending Norms

1. Finalisation of overall targets for loan disbursements
2. Finalisation of eligibility norms for borrowers
3. Review and Finalisation of the unit costs of R & R for the various tea growing areas (A Sub-Committee may be set up for the purpose comprising, Dy. Chairman, Director Tea Development, Nabard nominee and 3 Bank nominees) on a bi-enmill basis
4. Approval of the procedures to be followed
  - for pre-sanction inspection
  - preliminary screening of applications
  - Inspection criteria
  - Credit rating norms based on
    - Operational appraisal
    - Financial appraisal
    - Management appraisal

(These matters will be detailed in a Lending Handbook prepared for the purpose by SBICAP / Pegasus. However, the various guidelines will have to be reviewed at periodic intervals based on operational experience).

5. Appointment of designated authorities to sanction loans after recommendation by the screening committee
6. Appointment of designated officials to execute loan documents with borrowers on behalf of the SPTF.
7. Appointment of legal firms for drafting and finalization of loan documents
8. Approval of loan documents
9. Appointment of legal firms for title search and verification of charges already created by prospective borrowers and other legal matters related to applications for loans.

#### C. Monitoring Norms

1. Process to be followed for execution of loan documents and storage thereof
2. Norms to be followed for post-sanction inspection and before disbursement of subsidies
3. Norms to be followed for monitoring recoveries and review of progress reports put up by the monitoring committee
4. Appointment of an External Auditor to audit all loan documentation, loan disbursements as per approved policy guidelines and maintenance of individual loan accounts

5. Review of the Escrow Mechanism for Recoveries and necessity for deviations, if any
6. Policies to be followed for Default Management

D. Investment Policy Norms

SPTF Funds would comprise of

1. Capital contribution of the government
2. Contributions to default reserves by collection of one quarter's interest and principal repayments in advance from the borrowers
3. Subsidies received from government to be disbursed after a period
4. The 0.5% spread between borrowing and lending rates
5. Earnings from investment of the above funds

The investment policy of the SPTF would aim to maximize returns of the investible funds to ensure that the sufficient surpluses are generated to

- i) Take care of any defaults from borrowers and maintain regular repayments to the Lending Banks as per schedule.
- ii) Meet the entire operational expenses of the SPTF.

The investment policy norms would cover :

- a) Approved modes of investment : Bank Fixed Deposits, Government Securities, Fixed Deposits of Government Companies or Private sector companies etc.
- b) Proportionate investment limits in the above modes of investment keeping in view the periodic liquidity requirements for administering the SPTF.
- c) Periodicity of investments in the approved modes keeping in view liquidity requirements
- d) Appointment of a designated Official(s) of the Board to operate the Investment Account of the SPTF.

Administrative reviews

The SPTF Committee will also be responsible for reviewing the entire operations of the SPTF through reviews of the reports put up on periodic basis by the Operating Committees viz.

Screening Committee  
Monitoring Committee  
Treasury Management Committee

The Committee will approve the Annual Operating Budget of the SPTF and approve sanctioning powers of Board Officials for incurring Operational expenses i.e., capital expenditure, administration expenses, legal expenses etc. within the overall approved annual budget.

The Committee will also review the attainment of targets for loan disbursements and physical targets for R & R and suggest remedial measures in case of shortfalls.



### **The Screening Committee to be headed by CEO of SPTF**

#### Terms of Reference

The preliminary screening of applications and the technical appraisal including pre-sanction inspection will be carried out by Officials of the Tea Board. The applications along with all prescribed documents and pre-inspection reports will be handed over to SBICAPS / Pegasus for detailed financial appraisal as per the guidelines approved by the SPTF Committee. The recommendations of SBICAP/Pegasus for loan sanctions will be put up to the Screening Committee who would be responsible for ensuring that the appraisals have been carried out in conformity with the guidelines laid down by the SPTF Committee. For this purpose a check list would be appended to each proposal by SBICAP/ Pegasus covering the main requirements viz.

1. Area covered
2. Pre-inspection details
3. Conformity to Eligibility norms
4. Credit Rating
5. Recommended Sanctioned Amount

Since the detailed technical and financial appraisal would already have been carried out, the Screening Committee would not have to undertake a fresh appraisal but merely ensure that the prescribed norms for appraisal/sanction have been adhered to.

The Bank nominees on this Committee would be responsible for providing credit information/inputs on applicants, to ensure that willful defaulters to the Banking system are not sanctioned loans by the SPTF.

The Screening Committee will record their recommendations on each appraisal for sanction by the designated Official of the Board :

Since disbursements would be at half-yearly intervals, appraisals / screening / sanctions would be carried out over a, say, three month window, prior to the R & R periods. Disbursements would, however, be bunched together for consolidated draw down from the Lines of Credit.

Applications for availment of subsidies only, without applying for loans from the SPTF, would also follow a similar procedure for sanction : pre-sanction Technical appraisal and inspection, recommendations by SBICAP/Pegasus on the basis of limited reviews and Screening by the Screening Committee before sanction by the designated Official of the Board.

The Committee will submit reports at periodic intervals to the SPTF Committee detailing:

- No. of applications processed
- No. of sanctions recommended
- No. of applications rejected

The Committee will also recommend to the SPTF Committee any variations/modifications in the appraisal/eligibility norms that they find necessary.

### **Monitoring Committee**

#### **Terms of Reference**

The Monitoring Committee will be responsible for ensuring that all post-sanction activities with respect to sanctioned loans have been carried out as per the Monitoring norms prescribed by the SPTF and would cover, inter-alia, the following areas :

- 1) Execution of loan documents with borrowers
- 2) Storage of loan documents
- 3) Disbursement of loans
- 4) Post sanction inspection
- 5) Escrow arrangement with the Tea Brokers
- 6) Repayments to Lenders to the SPTF
- 7) Issue of Demand notices to defaulters
- 8) Recovery measures instituted, including legal action

One Official of the Board on this Committee will be authorized to issue Demand Notices and initiate legal proceedings. The Committee will submit periodic status reports to the SPTF Committee on disbursements, recoveries, defaults and recovery measures

### **Treasury Management Committee**

#### **Terms of Reference**

SPTF Funds would comprise of

1. Capital contribution of the government
2. Contributions to default reserves by collection of one quarters interest and principal repayments in advance from the borrowers
3. Subsidies received from government to be disbursed after a period
4. The 0.5% spread between borrowing and lending rates
5. Earnings from investment of the above funds

The investment policy of the SPTF would aim to maximize returns of the investible funds to ensure that the sufficient surpluses are generated to

- a. Take care of any defaults from borrowers and maintain regular repayments to the Lending Banks
- b. Meet the entire operational expenses of the SPTF.

The Treasury Management Committee would be responsible for ensuring that the investible funds of the SPTF are invested as per the investment policy guidelines laid down by the SPTF Committee. Investment advisory services will be provided by SBICAP/Pegasus who will be responsible for monitoring the flow of funds into the Investment Account and recommending investment options in the approved modes. These recommendations will be approved by the Committee for investment.

The Committee will also monitor the inflows into the Escrow Account and repayments to Lending Banks

The Committee will submit periodic reports to the SPTF Committee detailing :

- 1] Investments : Mode, Amount, period
  - 2] Projected expenses for the next quarter/half year/ year
  - 3] Projected inflow of funds to meet expenses
  - 4] Operations of the Escrow Account.
-

**Last date for Receipt of application at the Office of the SPTF : 30<sup>th</sup> April 2007**

**APPLICATION FOR FINANCIAL ASSISTANCE UNDER  
SPECIAL PURPOSE TEA FUND OF TEA BOARD.**

**APPLICATION  
FORM- PART - A**

**FINANCIAL**

**(THIS FORM SHOULD BE SUBMITTED IN DUPLICATE  
INCORPORATING THEREIN THE CONSOLIDATED FINANCIAL  
DATA OF THE COMPANY/FIRM AS PER THEIR AUDITED  
FINANCIAL ACCOUNTS).**

**[This application should be submitted to the SPTF Office at TEA  
BOARD, 10<sup>TH</sup> FLOOR, 14, BTM SARANI, KOLKATA – 700 001  
not later than 30<sup>th</sup> APRIL 2007 for availing loan and subsidy for  
the areas proposed for replanting/replacement/rejuvenation  
pruning during the planting season of 2007]**

## APPLICATION FORWARDING LETTER

(In applicant's company letter head indicating the Complete Mailing address)  
(Please strike out which ever is not applicable).

To

The Chief Executive Officer,  
Special Purpose Tea Fund,  
Tea Board,  
14, Biplabi Trailokya Maharaj Sarani,  
(Braboume Road)  
Calcutta-700 001.

Dated.....

**Sub:** Application for Loan and Subsidy/ only subsidy under the Special Purpose Tea Fund Scheme of Tea Board for our Tea Estate(s).....

For the Accounting year:.....

Sir,

I / We desire to avail Loan cum Subsidy/only Subsidy for carrying out replanting/replacement planting /rejuvenation in our under noted Tea Estate(s):

Sl.No	Name of the Tea Estate	Area Proposed for (in Hectares)			Total
		Replanting	Replacement Planting	Rejuvenation & infilling	

I/ We have read and understood all the terms and conditions of the Fund, and I/ we hereby agree to abide by them.

I/ We hereby declare that all the particulars furnished in the attached application are true to the best of my/our knowledge.

I/ We hereby declare that I/ we have not obtained any loan from any other source (s) for the purpose of replanting/replacement planting /rejuvenation in respect of which loan is sought for under this application.

I/We undertake to execute and cause to be executed the necessary deeds and agreements in respect of the loan and to meet expenses towards stamp duty, registration fees and any other expenses in connection with the execution of contract or other documents for the loan.

I/We hereby enclose the following documents in support of the application:

- (a) Copies of Memorandum and Articles of Association/Partnership Deed as applicable.
- (b) List of Directors/Partners.
- (c) Copies of audited Profit & Loss A/Cs. and Balance sheet for past 5 years.
- (d) Proof of Membership with TRA/UPASI-TRF as applicable
- (e) Proof of Contribution to the National Tea Research Foundation (NTRF).
- (f) Consent letter from the Designated Tea Broker of a Public Tea Auction Centre to deduct from the auction Sale Proceeds the annual debt servicing liability. (As per Annexure I).
- (g) Consent letter from your Banker agreeing to cede Pari Passu charge /Second Equitable Mortgage as the case may be in favour of the Special Purpose Tea Fund. (As per Annexure II).
- (h) Copies of the Title Deeds of the estate on which Mortgage has been created with our Banker along with the copy of acknowledgement of the Bank confirming that Title Deeds are with them.
- (i) Site Plan indicating the sections where the replanting/rejuvenation/replacement planting is/are proposed to be carried out. (A similar copy of the map has also been submitted to Tea Board office located at ..... on .....along with Application Form Part B).
- (j) Soil analysis report of the proposed area for replacement planting (A similar copy of the SAR has also been submitted to Tea Board office located at ..... on .....along with Application Form Part B).
- (k) Copy of the challan in respect of payment towards current PF dues and a certificate confirming that the outstanding liabilities of Provident Fund is less than Rs.10,000. / Copy of Court Decree or written consent from the PF Authorities allowing for payment of arrear dues in installments for the outstanding PF dues exceeding Rs.10,000/-
- (l) Estimated break up cost of replanting/rejuvenation/replacement planting in one ha with clear indication of man days and the volume and value of inputs used/ha

Yours faithfully,

Signature .....

Designation .....

Date:

Applicant's Seal

**APPLICATION FORM**  
(Particulars asked for herein should be furnished in respect of the Tea estate to which the application relates)

**I. GENERAL INFORMATION**

<b>1.</b>	Name of Tea Estate		
<b>1.1</b>	Tea Board Registration No		
<b>1.2</b>	Location of the Estate		
<b>i)</b>	Post Office		
<b>ii)</b>	Revenue District		
<b>iii)</b>	State		
<b>1.3</b>	Total area under Tea in Ha		
<b>2</b>	Area for which financial assistance is sought for	<b>Loan and Subsidy</b>	<b>Subsidy only</b>
<b>2.1</b>	Replantation in Ha		
<b>2.2</b>	Replacement Planting in Ha		
<b>2.3</b>	Rejuvenation pruning and Consolidation in Ha		
	Please furnish an estimate of expenditure towards the above activities per ha with a break up of man days and volume and value of inputs		
<b>2.4</b>	Full Particulars of the areas for which the financial assistance is sought for are to be furnished in Part –B of the application and submitted to the office of Tea Board located nearer to the Estate.		
	i. Please state the name of the Tea Board office at which the Part B. of the application has been submitted		
	ii. Date of submission		
<b>3</b>	Name of the Tea Company/Owner		
<b>3.1</b>	Mailing Address		
	Name of the contact Person		
	Telephone; Fax & E.Mail		
<b>4</b>	Date from which the Estate has been under present ownership		
<b>5</b>	Name, designation and address of the person(s) having legal title to sign and enter into contract on behalf of the owner		
<b>6</b>	If owner is a partnership firm please furnish Names and addresses of partners		
<b>7</b>	If owner is a limited liability company, furnish		
<b>7.1</b>	Copies of Memorandum and Articles of Association		
<b>7.ii</b>	List of Directors		
<b>8</b>	If owner is a Co-operative Society, furnish		
<b>8i</b>	Copy of the By-Laws of the Society		
<b>8.ii</b>	No. and date of Registration		
<b>8.iii</b>	Address of the Registrar of Co-operative Societies under whose seal registration was effected		
<b>8.iv</b>	Total membership of the Society		
<b>8.v</b>	Whether the Society is empowered to raise loan (quote the relevant clause of the By-Law)		
<b>9</b>	If the Estate is owned by partnership firm, state the share of each partner.		

## II.FINANCIAL STRUCTURE

### 10. Working Results of the Estate over the preceding five years

(To be supported by copies of Audited Profit and Loss Accounts and Balance sheets for each of past 5 years)

<b>Financial Position and Performance</b>						
<b>a.i. Income from Sale of Tea</b>	<b>Unit</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
Volume of Sales	Kgs.					
Sales Value	Rs. Lakhs					
- Sales through auctions	Volume					
	Value					
Private Sales	Volume					
	Value					
Direct Exports	Volume					
	Value					
Sale of Green leaf	Volume					
	Value					
<b>a.ii. Income from other sources</b>						
<b>a.iii. Total income for the year</b>						
<b>b. Expenditure</b>						
b.i.Garden and Factory Expenses	RsLakhs					
b.ii.Other Expenses (HO and Admin)	Rs. Lakhs					
<b>b.iii.Total Expenditure for the year</b>						
<b>Gross profit (+) or Loss(-) before taxation (aiii-biii)</b>						
EBDITA	Rs. Lakhs					
PBT	Rs. Lakhs					
PAT	Rs. Lakhs					
Equity (Share Capital)	Rs. Lakhs					
Reserves or (Accumulated losses)	Rs. Lakhs					
Secured Loans	Rs. Lakhs					
Unsecured loans	Rs. Lakhs					
Current Assets	Rs. Lakhs					
Current Liabilities	Rs. Lakhs					
Sales Realisation	Rs./Kg					
Cost of Production (including garden, factory, selling, admin and HO expenses)	Rs./Kg					

<b>11</b>	<b>Working Capital</b>					
<b>i</b>	Source of finance for working Capital (Bank, Mfg. Agents/Broker/others with name and address)					
<b>ii</b>	Whether the tea estate is mortgaged or charged to financier		<b>Yes</b>	<b>No</b>		
<b>iii</b>	Security for working Capital		Primary security	Collateral security		
<b>iv</b>	Financial arrangement for working capital during current season					
<b>a)</b>	Limit in Rs.lakhs					
<b>b)</b>	Estimated Crop in made tea kgs for which Working capital has been arranged					
<b>c)</b>	Rate of Working capital per kg					
<b>d)</b>	Amount drawn up to the date of application					
<b>v</b>	<b>Surplus/deficit in repayment of working capital over the last five years</b>					
<b>Year</b>	<b>Total drawing of working capital loan</b>		<b>Total sale proceeds of tea</b>		<b>Surplus (+) Deficit (-) at the end of the year</b>	
	<b>Rs.</b>	<b>Per kg.</b>	<b>Rs.</b>	<b>Per kg.</b>	<b>Rs.</b>	<b>Per kg.</b>
2006						
2005						
2004						
2003						
2002						
<b>vi</b>	Cash cum Bank Balance position of the Company/Estate at the close of the last accounting year:.....					

**12. Outstanding loans/debts of the Applicant** (Other than those shown against "Working Capital")

<b>Nature of Loan</b>	<b>Source of loan</b>	<b>Date of loan</b>	<b>Original Amount</b>	<b>Interest charged</b>	<b>Amount outstanding</b>	<b>Security offered</b>	<b>Period of repayment</b>	<b>Purpose for which loan was taken and utilised</b>
Secured								
Unsecured								
Total								

<b>13</b>	Status of Bank Accounts with the Principal Banker:	Standard/ Non-standard/ Doubtful/ Lost
-----------	--	--

<b>14</b>	Projected Annual Loan Repayment Installment Payable by the company in the next year towards all the long term loans except the loan applied for:	
-----------	--	--



<b>III SECURITIES FOR LOAN APPLIED FOR</b>	
<b>15</b>	<b>Primary security</b>
<b>A</b>	<b>Where Tea Estate is mortgaged or charged in favour of a Bank as collateral security for yearly crop hypothecation loan.</b>
i	Name and address of the Bank where the title is pledged,
ii	Nature of the property represented by the title deed pledged with the Bank
a	Whether leasehold or patta
b	If leasehold whether the lease contain any restrictive clause
c	Tenure and Date of expiry of the lease
iii	Value of the property mentioned against (ii) above (as per valuation shown in the Balance Sheet dated.....)
iv	Whether, and if so, to what extent the property mentioned against (ii) above is encumbered otherwise than that of collateral security
v	Date of Agreement with bank for crop hypothecation loan and the balance tenure of agreement.
Consent letter from your Banker agreeing to cede Pari Passu charge /Second Equitable Mortgage as the case may be in favour of the Special Purpose Tea Fund. (As per Annexure II) to be enclosed Copies of the Title Deeds of the estate on which Mortgage has been created with your Banker along with the copy of acknowledgement of the Bank confirming that Title Deeds are with them are to be enclosed.	
<b>B</b>	<b>Where the property is free of encumbrances</b>
(i)	Nature of the property represented by the title deed
a	Whether leasehold or patta
b	If leasehold whether the lease contain any restrictive clause.
c	Tenure and Date of expiry of the lease
ii	Value of the property mentioned against (i) above (as per valuation shown in the Balance sheet dated.....)
iii	Whether the property mentioned against (i) above, is encumbered in any way (where possible, a certificate from the office, of the Sub-Registrar concerned should be produced to show that the property is free from encumbrances)
<b>16</b>	<b>Additional Security (if required)</b>
(i)	Name & address of the Company willing to provide Corporate Guarantee for repayment of the loan
The following documents pertaining to the company providing the corporate guarantee should be submitted :	
	1. Memorandum and Articles of the Association
	2. List of Directors
	3. Copies of audited Balance Sheet and P / L A/cs. for last 5 years
	4. Corporate Guarantee on a non-judicial stamp paper of Rs. 50/- duly signed by the accredited Director / person with a Board's resolution as per prescribed format

<b>17</b>	<b>Pending Litigation &amp; Contingent Liabilities</b>
(i)	Pending litigation either by or against the concern (including those with Central, State Govt. and/or Labour Union). Please furnish full particulars of suit filed by or against the

	Concern and the latest position in regards to each of them		
(ii)	Contingent Liabilities Please furnish full, particulars of Contingent liabilities, if any.		
<b>18</b>	<b>Liabilities for Taxes</b> – Please state	(a) Income Tax	(b)Agricultural Income Tax
(i)	The year of assessment upon and Which tax liability has been fully discharged by you		
(ii)	The total tax liability as per completed assessments still remaining to be discharged by you on the date of the application		
(iii)	The estimated tax liability for the year [s] for which assessments, have not yet taken place or for which you have not yet submitted the return [s] after accounting for the payments, if any, you have already made		
(iv)	The particulars of the certificate proceedings, if any, pending against you for arrears of taxes.		
<b>19</b>	Any additional information and particulars of Insurance		
<b>20</b>	Provident Fund Liabilities in respect of the Tea Estate for the past five years	Amount Deposited	Amount Outstanding
	2006-07		
	2005-06		
	2004-05		
	2003-04		
	2002-03		
	If the outstanding PF liabilities exceed Rs. 10,000/-, then the application may not be admitted. However, the same may be considered if a copy of Court Decree or written consent from the PF Authorities allowing for payment of arrear dues in installments for the outstanding PF dues exceeding Rs.10,000/- is produced along with copy of the latest payment challan.		
<b>21</b>	<b>Escrow Receivables</b>		
i	Designated Tea Broker of a Public Tea Auction Center who has given the consent letter (As per Annexure I) to deduct from the auction Sale Proceeds towards the annual debt servicing liability.		
ii	Designated Auction Centre through which teas towards Debt servicing requirement would be routed.		
iii	Name of your Bank and account No to which the balance amount after meeting the annual debt servicing liability is to be transferred.		

**PART A**  
**ANNEXURE I**

(Letter of Consent given by the Designated Tea Broker of a Public Tea Auction )

To,  
The Chief Executive Officer,  
Special Purpose Tea Fund,  
Tea Board,  
14, BTM Sarani,  
Kolkata-700001

Date:

Dear Sir,

We have been informed by M/s..... (Name of Applicant tea company/estate) that they have applied for a Term Loan under the Special Purpose Tea Fund Loan Scheme. We understand that as per the provisions of the Scheme, the applicant company/estate has to agree to sell through the Public Tea Auctions, tea worth about twice their annual debt servicing requirement and such value of tea shall have to be deducted from the sale proceeds by their designated broker and remitted directly to the specified bank account of the Special Purpose Tea Fund.

M/s.....(Name of the Applicant tea company/estate) have appointed us as designated broker for the above purpose. We here by give our consent to deduct from the total sales proceeds of applicant tea company/estate's tea sold through .....(specify the name of the Auction Centre), the amount to be specified by SPTF from time to time and to remit the same to the Bank Account to be specified by the SPTF.

Yours faithfully,

( Authorised Signatory of the Tea Broker Firm)

Name:

Designation:

Part A  
Annexure- II

[Consent letter from the Banker to the applicant Tea company, agreeing to cede Pari Passu charge /Second Equitable Mortgage as the case may be in favour of the Special Purpose Tea Fund, and confirming that the original Title Deeds of the estate are in safe custody of the Bank.]

To,  
The Chief Executive Officer,  
Special Purpose Tea Fund,  
Tea Board,  
14,BTM Sarani  
Kolkata-7000001

Date:

Dear Sir,

(Name of Applicant tea company/Estate)

This is to certify that the abovementioned Company/Firm/Garden is enjoying the under noted facilities extended from our bank against equitable mortgage of their fixed assets (as shown in annexure) and hypothecation of their machinery/equipment/crop etc.:

Nature of facility granted	Amount Rs. lakhs	Outstanding as on date
Working Capital Loan		
Term Loan		
Special Tea Term Loan		
Other Facilities		
Total		

We understand that the above company/tea estate has now applied for a Term Loan under the Tea Board's SPTF Loan scheme for undertaking replantation / replacement planting and rejuvenation pruning and consolidation.

We confirm that we have not granted any term loan to the applicant for the areas for which they have sought financial assistance from SPTF and we have no objection to the loan being sanctioned by SPTF of Tea Board in favor the applicant tea company/tea estate.

We confirm that in the event of the said Loan being sanctioned by the Tea Board, we are agreeable to cede the pari passu first charge/ equitable mortgage second charge as the case may be on the said fixed/current assets in favour of the SPTF of Tea Board.

We also confirm that we are holding the Title deeds (as in annexure-1) of the Company/Firm/Garden.

Yours faithfully,

(Authorised Signatory of the Bank )

Name:

Designation.

**Check List**  
**Documents to be submitted along with the Application –Part-A**

1. Copies of Memorandum and Articles of Association/Partnership Deed as applicable.
  2. List of Directors/Partners.
  3. Copies of audited Profit & Loss A/Cs. and Balance sheet for past 5 years.
  4. Proof of Membership with TRA/UPASI-TRF as applicable
  5. Proof of Contribution to the National Tea Research Foundation (NTRF).
  6. Consent letter from the Designated Tea Broker of a Public Tea Auction Centre to deduct from the auction Sale Proceeds the annual debt servicing liability. (As per Annexure I).
  7. Consent letter from your Banker agreeing to cede Pari Passu charge /Second Equitable Mortgage as the case may be in favour of the Special Purpose Tea Fund. (As per Annexure II).
  8. Copies of the Title Deeds of the estate on which Mortgage has been created with our Banker along with the copy of acknowledgement of the Bank confirming that Title Deeds are with them.
  9. Site Plan indicating the sections where the replanting/rejuvenation/replacement planting is/are proposed to be carried out. (A similar copy of the map has also been submitted to Tea Board office located at ..... on .....along with Application Form Part B).
  10. Soil analysis report of the proposed area for replacement planting (A similar copy of the SAR has also been submitted to Tea Board office located at ..... on .....along with Application Form Part B).
  11. Copy of the challan in respect of payment towards current PF dues and a certificate confirming that the outstanding liabilities of Provident Fund is less than Rs.10,000. / Copy of Court Decree or written consent from the PF Authorities allowing for payment of arrear dues in installments for the outstanding PF dues exceeding Rs.10,000/-
  12. Estimated break up cost of replanting/rejuvenation/replacement planting in one ha with clear indication of man days and the volume and value of inputs used/ha
-

**Last date for Receipt of application at the Office of the SPTF : 30<sup>th</sup> April 2007**

**APPLICATION FOR FINANCIAL ASSISTANCE UNDER  
SPECIAL PURPOSE TEA FUND OF TEA BOARD.**

**APPLICATION  
FORM- PART - B**

**TECHNICAL**

**TO BE SUBMITTED SEPARATELY FOR EACH TEA ESTATE.**

**[PLEASE MAKE OUT FOUR COPIES OF THIS APPLICATION ]**

- **First and second copy should be submitted to the nearest field office of the Tea Board.**
- **Third copy should be forwarded along with Part A of the application to the office of SPTF, Tea Board, Kolkata.**
- **Fourth copy should be retained by the Garden Manager**

**[First and second copy of this application should be submitted to the FIELD Office OF TEA BOARD LOCATED NEARER TO THE APPLICANT TEA ESTATE not later than 30<sup>th</sup> APRIL 2007 for availing loan and subsidy for the areas proposed for replanting/replacement/rejuvenation pruning during the planting season of 2007]**

**APPLICATION FORWARDING LETTER (for Part B)**  
(In applicant's company letter head indicating the Complete Mailing address)  
(Please strike out which ever is not applicable).

To

The Officer in charge,  
Tea Board,  
(please use the address as given in annexure-1 of the Manual)

Dated.....

**Sub:** Application for Loan and Subsidy/ only subsidy under the Special Purpose Tea Fund Scheme of Tea Board for our Tea Estate(s).....

For the Accounting year:.....

Sir,

I/We desire to avail Loan cum Subsidy/only Subsidy for carrying out replanting/replacement planting /rejuvenation in our under noted Tea Estate(s):

Sl.No	Name of the Tea Estate	Area Proposed for (in Hectares)			Total
		Replanting	Replacement Planting	Rejuvenation & infilling	

I/ We hereby declare that all the particulars furnished in the attached application are true to the best of my/our knowledge.

I/We hereby enclose the following documents in support of the application:

- 1) Site Plan indicating the sections where the replanting /rejuvenation /replacement planting is/ are proposed to be carried out.
- 2) Soil analysis report of the proposed area for replacement planting
- 3) Estimated break up cost of replanting/rejuvenation/replacement planting in one ha with clear indication of man days and the volume and value of inputs used/ha

Yours faithfully,

Signature .....  
Designation .....

Date:

Applicant's Seal

**APPLICATION FORM**  
**(Particulars asked for herein should be furnished in respect of the Tea estate to which the application relates)**  
(Please strike out which ever is not applicable).

**DETAILS OF THE TEA ESTATE:**

Name of Tea Estate and Regd. No:

Location of Tea Estate:

Post Office: .....

Revenue District: .....

State: .....

Name of the Manager : .....

Contact Numbers: Landline:.....Mobile.....

E.Mail.....

Regional Location: Tick mark the applicable Region

Assam Valley	Cachar	Tripura	Dooars & Terai	Darjeeling	South India	Other Areas
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Name and address of the Tea Company/Firm: .....

.....

.....

.....

	Present status of the Tea Estate	Area (in Ha.)
1.	Grant Area of the Estate	
2	Area under Tea	
2.a)	Area Under plucking	
2.b)	Area under young tea ( non-bearing)	
3	Area available for extension/ replacement planting within the grant area	

**Age Profile of Bushes**

Age Profile of Bushes (in years)					
	< 5	>5 - < 40	>40 - <50	> 50	Total
Area under tea (in ha)					
% to total area					



**Production details for the previous five years**

	Production in Kg				
	Yr-1	Yr-2	Yr-3	Yr-4	Yr-5
Made Tea Production					
• CTC					
• Orthodox					
• Green Tea					
• Any other type of tea					
In case the garden does not have a factory, the crop harvested in green leaf may be given					
Garden Yield in kg made tea /ha					

Area uprooted during the course of last three years and currently under rehabilitation and proposed for replanting/replacement/rejuvenation during the course of next three planting seasons (in ha)

Activity	2004	2005	2006
<b>Old Area Uprooted in Ha</b>			
	2007	2008	2009
<b>Area Proposed for development in Ha</b>			
Replanting			
<b>Fresh Uprooting</b>			
Replacement Planting			
Rejuvenation Pruning (applicable only for hill gardens)			

**Developmental work undertaken in the past.**

Following details may please be furnished in respect Past applications submitted to Tea Board for subsidy in a separate sheet.

Application year	Activity	Sec. no	Division no.	Area approved ( ha)	Area replanted/repl aced Rejuvenated ( ha)

**PARTICULARS OF AREA FOR WHICH LOAN/SUBSIDY APPLIED FOR:**

ACTIVITY SPECIFIC DETAILS						
A	Nature of activity			Uprooting and Replanting and /or Replacement planting (mark tick)		
B	Area applied for in ha					
C	Percentage of applied area to the total tea area in ha			Tea area	Applied area	Percentage
D	Details of applied area(s) for uprooting and replanting ( to be) shown in red colour in the map.					
	Division no	Section no.	Total area of the section (ha)	Actual area to be uprooted (ha)	Year of planting	Age of bushes
		Total				
E	Average yield of the garden for last three years					
	Year	Actual area under tea (ha.)	Actual Area under plucking (ha)	Production of made tea (in kgs)	Average yield kg./ha based on actual area under plucking	
1						
2						
3						
F	Average yield of the applied areas for the last three years corresponding to garden average yield					
	Year	Section no.	Sectional yield in kg/ha	Average yield (in kg/ha.)	Year of pruning	
1						
2						
3						
( If sectional yield is higher than the garden yield, justification for selecting the area for the activity is to be given)						
<b>Replacement planting</b>						
Details of applied area(s) to be uprooted (replaced) against replacement planting (to be ) demarcated in Yellow in the map.						
Sl. No	Division no	Section no.	Total area of the section (ha)	Actual area to be uprooted (Replaced -ha)	Year of planting	Age of bushes
		Total			-	
Details of applied area(s) to be planted in Replacement of equivalent replaced area demarcated in GREEN in the full Garden Map :						

	Division./ section no. if any	Area in hect	Whether proposed area is virgin land ( Yes/No)	Whether the land is being reused arising out of earlier replacement application. If so, give details.	Present usage of land
H	Average yield of the areas to be replaced for the last three years corresponding to garden yield mentioned above				
	Year	Section no.	Area of the Section in ha	Average Sectional yield ( in kg/ha.)	Garden average yield( in kg/ha.)
	1				
	2				
	3				
	( In case the sectional average is higher than the garden average, justification for selecting the area for the activity is to be given)				
I	Variety of Planting Materials proposed to be used		Name	Source of supply	
	(a) Seed/ bi-clonal seed stock				
	(b) V.P. clones				
	( c ) Shade plant				
	The planting materials should be from the Board's approved list of planting materials. In case of seed, seed chalan in support of purchase is to be produced. In case of clonal plants purchased from outside the garden nursery, the source is to be indicated.				
J	Proposed planting spacing ( in cms. or inches)			Spacing	Plant population/ha
			Tea*		
			Shade		
	*Tea plant population should not be less than 10,000 per hect. in the replanted/ replacement planting area.				
K	Variety of rehabilitation crop proposed to be used after uprooting for replanting				
L	Proposed date of field activity		Date of commencement	Date of completion	
	(i) For replanting activity				
	(a) Uprooting				
	b) (Replanting				
	(ii) For replacement planting				
	(a) Clearing and land preparation				
	(b) Planting in replacement				
	(c) Uprooting of replaced area				

Rejuvenation pruning & infilling with or without inter-planting								
A	Nature of activity			Rejuvenation pruning & infilling without interplanting and /or Rejuvenation pruning & infilling with interplanting (mark tick)				
B	Percentage of applied area to the total tea area in ha			Tea area	Applied area	Percentage		
C	Details of applied area(s) for Rejuvenation pruning & infilling without interplanting shown in red colour in the map.							
Sl.no	Division no	Section no.	Total area of the section (hect)	Actual area to be rejuvenated (hect)	Age of the section	Existing Vacancy percentage		
		Total				-		
D	Details of applied area(s) for Rejuvenation pruning & infilling with interplanting shown in Yellow colour in the map.							
Sl. no	Divn. no.	Sec. no.	Total area of section (in ha)	Actual area to be rejuvenated (ha)	Age of the section	Present spacing in inches or cms)	Proposed spacing in case of interplanting	Existing vacancy percentage*
		Total			-	-	-	
Vacancy up to 25 % is normally allowed on the basis of inspections by Board's field office. If the vacancy is between 25% and 40%, suitability certificate is to be obtained from TRA/UPASI-TRF as the case may be. Subsidy is not allowed if the vacancy is above 40%.								
E	Average yield of the garden corresponding to entire pruning cycle of applied area(s) immediately preceding the year of application							
	Year	Actual area under tea (hect.)	Actual Area under plucking (hect.)	Production of made tea (in kgs)	Average yield kg./ha. based on actual area under plucking			
F	Average yield of the applied area(s) for entire pruning cycle immediately preceding the year of application							
	Year	Division/ Section no.	Sectional area in ha	Average yield- kg/ha	Year of Pruning			
( In case the sectional average yield is higher than the garden average, justification for selecting the area for the activity is to be given)								

G	Variety of Planting Materials proposed to be used for infilling/interplanting	Name	Source of supply	No. of plants to be used
	(i) Clonal materials			
	(ii) Seed / bi-clonal stock			
*Bush population should not be less than 10,000 per hect. in the Rejuvenation pruning and infilling with interplanting.				
H	Proposed date(s) of field activity	Date of commencement	Date of completion	
	(i) For Rejuvenation pruning			
	(ii) For infilling and interplanting			

**PARTICULARS OF DOCUMENTS ENCLOSED::**

1. Copy of the Planting permit issued by the Controller of Licensing , Tea Board in respect of sections proposed for replacement planting: **Yes/No**
2. Soil Analysis report in original in respect of sections proposed for Replanting/replacement planting: **Yes/No**
3. Site map of the areas proposed for uprooting/replanting/replacement planting/rejuvenation pruning and infilling: **Yes/No**
4. Suitability certificate issued by TRA/UPASI TRF for undertaking rejuvenation pruning in the sections having more than 25% but below 40%

**Particulars of submission of this application to Tea Board:**

1. Office of the Tea Board where this application was submitted:
2. Date of submission of the Application:
3. (Pl. enclose a copy of the acknowledgement issued by the Tea Board's office)

**DECLARATION**

I/We hereby declare that the above mentioned particulars are true to the best of my/our knowledge .

Signature------(of the Garden Manager)

Name -----

Designation-----

Garden Seal

Date:

Note:

1. For the areas proposed for replacement planting a planting permit issued by the Controller of Licensing , Tea Board needs to be produced.
2. For the areas proposed for replanting/replacement planting the soil analysis report along with the certificate of physical suitability of the area for replanting/replacement planting issued by TRA/UPASI TRF needs to be produced.
3. Please attach for the above activities, a sectional map with clear demarcation of the proposed activity in different colors [Brown – old Uprooted Area, Green – Replanting , Yellow – Replacement Planting , Blue – Rejuvenation, Red: Fresh

uprooting], for different years [please specify the years in the map]. (Division section areas in Ha. Along with the date/proposed date of commencement.)

**For Official Use by the Field office of Tea Board only**

1. Date of Receipt of Part B application in the office of Tea Board:
2. Date of inspection of the applied areas:
3. Name and Designation of the Officer who had inspected the applied areas:
4. Inspection Report by the inspecting official:

This is to certify that the undersigned inspected the areas as indicated in this application and verified the garden records as to the sectional and garden production details and the particulars as furnished in this application are found to be true and correct.

The sections (where the replanting /replacement planting is proposed) are found to be physically **suitable/unsuitable** for replanting/replacement planting.

The soil suitability certificate issued by the TRA/UPASI TRF has been checked and the analytical results are also found to be suitable /unsuitable for good growth of tea.

In the sections proposed for rejuvenation pruning and infilling, the existing vacancy% is less than 25% and the bushes are found to be potentially healthy and capable of yielding more after rejuvenation pruning and consolidation.

In the sections proposed for rejuvenation pruning and infilling, the existing vacancy% is higher than 25% (Please specify the actual % of Vacancy.....%). TRA/UPASI- TRF have certified the suitability of the concerned sections for rejuvenation pruning. (a copy of the suitability certificate issued by TRA/UPASI TRF is enclosed).

Place:  
Date

Signature of the inspecting official  
**Office seal**

(FOR OFFICIAL USE)

<b>Field Office:</b>		<b>SPTF Office</b>	
i) Date of receipt of application:		i) Date of receipt of application:	
ii) Entry sl. no. in the application register:		ii) Entry sl. no. in the application register:	
iii) Date of field inspection		iii) Date of processing & put up to Screening Committee.	
iv) Date of forwarding the report to SPTF office		iv) Date of Sanction of Loan	



### Check List

#### Documents to be submitted along with the Application –Part-B

1. Sketch / Survey map of the area proposed to be uprooted /replanted/ Rejuvenated depicting the location, extent of area in ha. and section number etc.( In case, proposal is for a part of the total section, the status of the balance part of the section should be clearly indicated in the map).
  2. Past performance statement of earlier replanting /replacement planting /Rejuvenation area under the subsidy scheme.
  3. Photocopy of the letter issued by the Licensing Department of Tea Board in respect of ownership position.
  4. Application for replacement planting must be accompanied by :
    - a Soil Analysis Report of the area proposed for replacement planting
    - b. Sketch / survey map of the area proposed for uprooting & replacement planting
    - c. Replacement Planting permit for the area covered in the application issued by the licensing department of Tea Board.
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