



**COFFEE BOARD**  
**NO. 1, Dr. B.R. AMBEDKAR VEEDHI**  
**BENGALURU: 560 001**

Ref: RES/CQD/R&G/ 2022-23/ 04

Date: 07-04-2022.

**NOTIFICATION**

Sub: Continuation of Implementation of “Integrated Coffee Development Project” Scheme - Modalities for implementation of Support for Value Addition: Support to R&G units – Reg.  
Ref: Letter No. 42(02)/PF-II/2014, dated 10<sup>th</sup> June 2021.

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The Government of India has conveyed approval for continuation of the scheme for implementation of Support for Value Addition: Support to R&G units’ under the component ‘Integrated Coffee Development Project’ Scheme vide letter cited under reference.

The date of implementation of the scheme will be effective from the date of issue of this notification dated: 07<sup>th</sup> April 2022.

**Procedure of application:**

- i) The application in the prescribed format (**Annexure-I**) are invited for issuing feasibility reports towards financial support for establishment of New - Coffee Roasting and Grinding Units. The applications may be submitted to The Divisional Head- Coffee Quality Division, Coffee Board, No.1, Dr Ambedkar Veedhi, Via., email: [hdqc.coffeeboard@nic.in](mailto:hdqc.coffeeboard@nic.in) / [hdqccoffeeboard@gmail.com](mailto:hdqccoffeeboard@gmail.com)
- ii) The information provided by the applicant will be scrutinized and physical inspection/verification will be undertaken by Coffee Board officers for issuing Feasibility Report if/when required on a case to case basis.
- iii) Procurement, installation and commissioning of coffee machinery should be carried out by the applicants only on receipt of the Feasibility Report from the Coffee Board.
- iv) The Application claiming support for establishment of R&G unit (**Annexure - II**) may be submitted by the applicant on successful installation and commissioning of R&G machinery. The claim will be processed after physical site inspection by the

Divisional Head- Coffee Quality & officers of the Coffee Quality Division, Bengaluru. If the application is found liable for rejection, same will be communicated to the applicant.

- v) Online applications shall be considered on first come first serve basis provided the applications are complete in all respects and subject to availability of funds.
- vi) The Scheme is NOT applicable to R&G units / establishments installed and commissioned before the scheme notification date of 07-04-2022.

The modalities along with the applications for providing Support for Value Addition: 'Support to R&G units' is hosted in the Coffee Board's website. <https://www.indiacoffee.org>.

  
**DIRECTOR OF FINANCE**

Copy to:

- 1) DS to Secretary & CEO / PA to DF / PA to DR
- 2) Dy. Director (P&C)
- 3) The Dy. Director (Accounts) / Dy. Secretary (Plan Fund Accounts)
- 4) The Dy. Director (MR) for uploading on Board's website.

## Modalities for Implementation of:

### Sub Component 3.2: Support for Value Addition - Support to R&G units

**Objective:** To enhance quality of coffee product and achieve value addition through introduction of improved technologies in roasting, grinding and packaging which will result in boosting domestic coffee consumption and entrepreneurship in the coffee sector especially in the Non Traditional areas.

#### 3.2.1. Eligibility

Individual units, Partnership firms, Self-Help-Groups (SHG)/ Growers' collectives who are interested to establish coffee roasting units.

#### 3.2.2. Conditions

- i) **The Scheme is applicable only for establishment of New R&G units** and not applicable for up gradation of already existing units/facilities/establishments.
- ii) The applicant's Unit should hold a valid license for the business from the respective statutory authorities.
- iii) Applicants who have availed subsidy in the XI, XII and MTF plan periods are not eligible.
- iv) The Scheme is NOT applicable to R&G units / establishments installed and commissioned before the scheme notification (No. Res/CQD/R&G/2022-23/04) date of 07-04-2022.

#### 3.2.3. Scale of subsidy

- i) Roasting Unit, Gourmet roasting unit 1Kg to <10Kg/batch and small roasting units with a capacity of less than 25 kg capacity are eligible for subsidy support of 40% of the machinery cost with a ceiling of Rs.10 lakhs.
- ii) For the SHG's, women entrepreneurs, SC/ ST, Minorities and differently abled beneficiaries, subsidy support is @50% of the machinery cost with a ceiling of Rs.10 lakhs.

Support to gourmet roaster units would enable roasting of specialised blends in smaller quantities. This may also help to encourage large number of small players/ new entrepreneurs to take up this venture in non-traditional coffee drinking areas.

#### 3.2.4. Components eligible for subsidy

**For New R&G Units:** The roasting, grinding and packaging machinery in any of the following combinations are eligible for subsidy

- a) Roasting machine, grinding machine and packaging machine.
- b) Roasting machine and packaging machine.
- c) Grinding machine and Packaging machine

The Subsidy scheme is not applicable for similar machinery or for more than one (Roasting, Grinding and Packaging) machinery of each type/ kind.

#### 3.2.5. Priority

Applications shall be considered on first come first serve basis provided the applications are complete in all respects and subject to availability of funds.

#### 3.2.6. Procedure of application:

##### Procedure of application:

- i) The application in the prescribed format (**Annexure-I**) are invited for issuing feasibility reports towards financial support for establishment of New - Coffee Roasting and Grinding Units. The applications may be submitted to The Divisional Head- Coffee Quality Division, Coffee Board, No.1, Dr Ambedkar Veedhi, Via., email: hdqc.coffeeboard@nic.in / hdqccoffeeboard@gmail.com

- ii) The information provided by the applicant will be scrutinized and physical inspection/verification will be undertaken by Coffee Board officers for providing feasibility report if/when required on a case to case basis.
- iii) Procurement, installation and commissioning of coffee machinery should be carried out by the applicants only on receipt of the Feasibility Report from the Coffee Board.
- iv) The Application claiming support for establishment of R&G unit (**Annexure - II**) may be submitted by the applicant on successful installation and commissioning of R&G machinery. The claim will be processed after physical site inspection by the Divisional Head- Coffee Quality & officers of the Coffee Quality Division, Bengaluru. If the application is found liable for rejection, same will be communicated to the applicant.
- v) Online applications shall be considered on first come first serve basis provided the applications are complete in all respects and subject to availability of funds.

### **3.2.7. Documents to be submitted**

- i) Online applications in the prescribed format.
- ii) Copy of the blue print / layout plan for the proposed R&G unit/facility
- iii) Copy of the Photo identity like Aadhaar or Ration card or PAN card or Passport or Driving License or Election Photo Identity Card etc.
- iv) Original copy of Tax Invoice / Cash Bill issued by the supplier.
- v) Attested copies of Bills in support of freight/installation/commissioning charges and insurance (if included in the total cost).
- vi) Copy of warranty certificate
- vii) Notarized Copy of the lease agreement / rent agreement / ownership document in respect of the shop / building premises.
- viii) Copy of license from municipal authorities.
- ix) Copy of the Bank pass book of the applicant containing the information such as:
  - a) Name of the Bank and Branch address
  - b) Account Holder Name
  - c) Account No.
  - d) IFSC code
- ix) Photographs of the new machinery installed for which subsidy is claimed
- x) In case of SC /ST and differently abled category beneficiaries applying individually, caste / community / disability certificate (with disability of 40% and above) issued by the competent authority.

### **3.2.8. Disbursement of subsidy**

- The subsidy shall be released to the applicant's bank account through PFMS in cases where the application is complete in all respects and only after approval of post installation inspection report submitted by the Coffee Quality Division, Coffee Board, Bengaluru.
- The submission of application by the applicant or acceptance of the application by the office does not entitle the applicant for the eligible subsidy from the Coffee Board. The release of eligible subsidy to the applicant is subject to availability of funds during a particular year.
- The Coffee Board reserves the right to amend, amplify or abrogate in its discretion any of the terms and conditions of the scheme without notice as it may consider necessary for efficient execution of the scheme and fulfilment of its objectives.
- Applications of persons who resort to making offers, rewards, gifts or any material benefit, or any coercion either directly or indirectly, to influence the sanction process shall summarily be rejected. Similarly, legal action will be initiated for recovery with applicable interest against applicants who obtain the subsidy benefit by wilfully furnishing wrong/incorrect information, misrepresentation and suppression of information.

**3.2.9. Specifications of Coffee Roasting, Grinding and Packaging machinery eligible for subsidy**

Sl. No.	Machineries	Minimum Specifications	Details
01	Roasting Unit Gourmet roasting unit 1Kg to <10Kg/batch	Roasting capacity of 10 kg / batch & below and above one kg.	Gourmet roasting / small roasting unit / shop roasting units/ speciality roasting unit / small speciality roasting unit. This may include small drum roasters with LPG, diesel, electrical, air roasters, and small modular roasters of size above one kg / batch.
	Small roasting unit 10Kg to 25Kg/batch	10 kg and less than 25 kg capacity (Technically exact quantity of 25 kg capacity cannot be achieved in drum roasting system, hence $\pm 2$ kg is allowed.	25 kg / batch air roasters includes all convection & convection systems with 25 kg capacity of $\pm 2$ kg or roasting chamber of 25 kg capacity working on electrical / LPG/ Diesel / different fuel systems. They may be simple / digital with control panel provided with any pollution control devices, online control systems

<b>Sl. No.</b>	<b>Machineries</b>	<b>Minimum Specifications</b>	<b>Details</b>
02	Grinding Unit	15 Kg capacity per hour (stone mills are not eligible)	a) Minimum 10 kg / hour and above for gourmet roasting units. b) Minimum 15 kg / hour and above for small roasting units (disc mills, roll mills, water cooled for small and large roasting units)
03	Packaging Unit	For small roasting units according to the capacity different packaging machines are eligible	Packaging machineries includes Pedal sealing machine; Continuous sealing machine; Filling and sealing machine; Form fill and sealing machine; Automatic or semi-automatic Nitrogen flushing and sealing machine, vaccumizing and sealing machine or Vaccumizing & Nitrogen flushing and sealing machine (automatic or semi-automatic) pod forming, filling and sealing, capsules filling and sealing, liquid coffee filling and pouch forming machines, powder or liquid filling and sealing machines or any other new technologies developed for liquid coffee / powder coffee / coffee beans are eligible for subsidy.

Items listed above would cover all types of machinery and equipment of different makes and specifications available in the market for both indigenous and imported.

### **3.2.10 Amendment to the Scheme**

- The submission of application by the applicant or acceptance of the application by the office does not entitle the applicant for the eligible subsidy from the Coffee Board. The release of eligible subsidy to the applicant is subject to availability of funds during a particular year.
- The Coffee Board reserves the right to amend, amplify or abrogate in its discretion any of the terms and conditions of the scheme without notice as it may consider necessary for efficient execution of the scheme and fulfilment of its objectives.
- Applications of persons who resort to making offers, rewards, gifts or any material benefit, or any coercion either directly or indirectly, to influence the sanction process shall summarily be rejected. Similarly, legal action will be initiated for recovery with applicable interest against applicants who obtain the subsidy benefit by wilfully furnishing wrong/incorrect information, misrepresentation and suppression of information.

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**COFFEE BOARD  
BENGALURU**

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**ANNEXURE- I**

<b>Application Seeking Feasibility Report for Financial Support for Value Addition: Support to R&amp;G units</b>		
1	Name of the applicant	
2	Address of the applicant  Phone No. Email Id.	
3.	Applicant's Category	<b>General /OBC / Religious Minorities /SC / ST</b>
4	Name of the proposed unit	
5	Nature of the ownership	
6	Address & Location of the Proposed R&G Unit	

7	<b>Details &amp; Quotations of the new machinery proposed to be installed:</b>			
i)	<b>Machinery</b>	<b>Roasting Machine</b>	<b>Grinding Machine</b>	<b>Packing Machine</b>
ii) a.	Capacity			
b.	Make			
c.	Model			
iii)	Estimated Cost of Machines			
8	Source of Finance & Amount	<b>Source</b>	<b>Amount (Rs.)</b>	
		Bank Finance		
		Self-Finance		
9	Details of Infrastructure & Existing Machinery already installed			
10.	Details of Subsidy availed in the past 10 years for similar activities for the same land/area			

**Documents to be submitted in support of the application:**

- i) Online applications in the prescribed format.
- ii) Copy of the blue print / layout plan for the proposed R&G unit/facility
- iii) Copy of the Photo identity like Aadhaar or Ration card or PAN card or Passport or Driving License or Election Photo Identity Card etc.
- iv) Quotations issued by the supplier/machine manufacturers.
- v) Notarized Copy of the lease agreement / rent agreement / ownership document in respect of the proposed site/ shop / building premises.
- vi) Copy of the Bank pass book of the applicant containing the information such as:
  - e) Name of the Bank and Branch address
  - f) Account Holder Name
  - g) Account No.
  - h) IFSC code
- vii) In case of SC /ST and differently abled category beneficiaries applying individually, caste / community / disability certificate (with disability of 40% and above) issued by the competent authority.

**DECLARATION**

I/We, hereby declare that the information furnished above is true to the best of my/our knowledge and declare that I/We, am/ are liable to refund the amount with interest if, at any stage the information furnished is found to be false.

(Applicant's Name and Signature)

Place:

Date:

**Application for Claiming Subsidy Support for Value Addition:  
Support to R&G units**

**(To be submitted after obtaining Feasibility Report & installation of R&G  
machinery)**



**COFFEE BOARD: BENGALURU**

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**ANNEXURE-II**

<b>Application for Claiming Subsidy Support for Value Addition: Support to R&amp;G units (To be submitted after obtaining Feasibility Report &amp; installation of R&amp;G machinery)</b>		
1	Name of the applicant	
2	Address of the applicant  Phone No. Email Id.	
3	Name of the unit	
4	Nature of the ownership	
5	Address of the Unit	

6	Details of the new machinery installed			
i)	Machinery	Roasting Machine	Grinding Machine	Packing Machine
ii) a.	Capacity			
b.	Make			
c.	Model / Sl.No.			
iii)	Invoice No.			
iv)	Invoice date			
v)	Cost of Machine			
vi)	Taxes / Insurances			
vii)	Total cost			
viii)	<p><b><u>Subsidy claimed</u></b>  a) 40 % for gourmet roasting unit and small roasting units  b) 50 % for SHG's, women entrepreneurs, SC/ST Minorities and differently abled beneficiaries.</p>			

7.	<b>Bank account details</b>	
i	Account Holder name	
ii	Account No.	
iii	Name of the Bank and Branch	
iv	Address of the Branch	
v	IFSC Code	

**DECLARATION**

I/We, hereby declare that the information furnished above is true to the best of my/our knowledge and declare that I/We, am/ are liable to refund the amount with interest if, at any stage the information furnished is found to be false.

(Applicant's Name and Signature)

Place:

Date: