

MINUTES OF THE 93RD BOARD MEETING HELD ON HYBRID MODE

AT HOTEL HOLIDAY INN, KOCHI ON 20TH OCTOBER 2023.

The 93rd Board Meeting was conducted at Kochi on 20-10-2023. The meeting commenced at 10.30 am. Shri Amardeep Singh Bhatia IAS, Additional Secretary, Ministry of Commerce & Industry and Chairman, Spices Board, chaired the meeting. The following members participated in the meeting:

1. Shri Amardeep Singh Bhatia IAS – Chairman
2. Shri D Sathiyar IAS, Secretary, Spices Board - Member
3. Shri Balashowry Vallabbhaneni, Hon'ble MP, Lok Sabha – Member
4. Dr. Vanlalramsanga IES, Economic Adviser, Ministry of Commerce – Member
5. Dr. R Dinesh, Director, ICAR-IISR – Member
6. Shri S Thirumurugan – Member
7. Shri Chandrasekhar Singh Raghuvanshi – Member
8. Shri S K Sathyanarayana – Member
9. Dr. Neelam Patel, Senior Advisor (Agriculture), NITI Aayog – Member (attended online)
10. Dr. Atya Nand, Director, Ministry of Labour and Employment – Member (attended online)
11. Shri Gautam Ghosh – Member (attended online)

In addition, the following Directors of the Board attended the meeting with the permission of the Chair.

1. Dr. Remashree AB, Director (Res & Fin) i/c
2. Shri Jijesh T Das, Director (Admin) I/c
3. Shri B N Jha, Director (Marketing) I/c
4. Shri Dharmendra Das, Director (Development) i/c

At the outset, Secretary, Spices Board welcomed the Chairman and all the Board Members to the 93rd board meeting. Secretary informed that the reconstituted Board at present has only 17 members. After ascertaining the quorum, the Chairman asked the Secretary Spices Board to make a brief presentation about the Board since it was the first meeting after the reconstitution of the Board. Accordingly, Secretary made a presentation about the Spices Board and its activities.

After the presentation, Dr. Vanlalramsanga, Economic Advisor noted that import of spices was also increasing and suggested that measures should be explored to reduce it and to substitute this import. Secretary pointed out that, India being a global hub for processing and value addition in spices needed certain imports for the purpose of re-export as value added products like extracts, oleoresins etc. However, a review of imports would need to be undertaken to identify any area of concern. The Chairman pointed out that data on import of value added spices for domestic consumption should also be reviewed.

Shri Balashowry Vallabbhaneni, Hon'ble MP and member, informed that more than 30% of the spices export during 2022-23 was contributed by chilli; that export of chillies to Mexico got stalled and desired to know on the action taken to improve the trade. Secretary informed that with regard to of Chilli exports to Mexico, a trade barrier was being faced since the Mexican authority wanted to get each storage house within India inspected for hygiene and sanitation for issuing their NOC. Despite several follow up meetings by the Ministry of Agriculture, Gol, it was learnt that the Mexico side has inspected and allowed only two export houses so far. The Chairman directed to take up the matter through the Ministry.

The Hon'ble MP also requested whether the Board could explore options to establish a separate Chilli Board for better control of the trade like Tobacco board, Turmeric board, etc. The Chairman replied that establishment of a new Chilli Board would require a Government decision but, if required, the Board could set up a committee, using its powers, to look specifically at chilli issues including quality, export promotion and value addition.

The Hon'ble MP stated that some exporters struggled to get their payment in lieu of export already done, particularly from Bangladesh and Sri Lanka, and enquired on the possibility of registration of importers with KYC details and sought for assistance from the Board. The Economic Adviser stated that, as settlement of such dispute in terms of payment was usually time consuming, the best way for the exporters would be to have export insurance.

The Hon'ble MP also stated that some of the genuine exporters faced delayed payment or received only part of the invoice amount, on account of some quality disputes and pointed out that some exporters even received notice from the Enforcement Directorate too in this regard. He requested the Board to take it up with RBI and ED. Secretary sought additional specific details on the issue so that the Board could examine and take suitable action.

Honourable MP added that some spices like cardamom and pepper showed higher level of presence of chemical residues than the limit set by FSSAI or countries like America, Europe and sought to know details on the Board's R&D lab facilities and the trainings given to the farmers to address the issue. The Chairman clarified that the Board had set up quality evaluation labs which could test for chemical residues and in addition the Board was also taking up various education activities, including a traceability project in Guntur with UNDP India collaboration and an IndGAP Certification project on pilot basis.

The Hon'ble MP appreciated Spices Board for signing the MOU with the CFTRI for establishing an Incubation Centre and desired to know about the money invested in this project and the progress made. He also sought to know the possibility of bringing importers to India so that our exporters have more interaction with buyers, to boost export. He added that some existing Spices Parks did not have adequate infrastructure facilities like approach roads, street lights etc. The Chairman replied that all these issues would be discussed in detail under forthcoming agenda items.

After the above discussions, the agenda items were taken up.

ITEM NO. 1: CONFIRMATION OF MINUTES OF THE 92ND BOARD MEETING HELD IN HYBRID MODE ON 26.4.22 AT ITC GOLDEN PALACE, MYSORE

As no comments were received for the Minutes of the 92nd Board Meeting circulated among the Board Members, the Board confirmed the Minutes.

ITEM NO.2: ACTION TAKEN REPORT

The Board noted the action taken.

Shri Thirumurugan, Member sought to know whether the testing laboratory in ICRI would give service to the farmers to test the residue levels. Director (Research) replied that ICRI successfully established new testing facilities which could be availed by farmers to test their samples. It was informed that efforts would be made to get NABL accreditation for the new facility at ICRI. To a query from the Chairman on who would bear the cost of testing, Secretary clarified that the Board could give a subsidized rate for farmers as approved by the Board.

Honourable MP sought to know how issues related to third party analysis of export consignments by foreign countries would be settled. Secretary replied that Spices Board was implementing a mandatory testing program for exports through its 8 laboratories and its empanelled labs. However, many countries used to exercise their right to re-test, at random, and rejected the consignments failing the test. The Board's program was designed to gain their confidence and to reduce such re-tests and also to reduce rejections. Director (Marketing) added that the Board recently introduced an appeal system whereby any exporter could opt for re-test of the consignment which was not cleared by the Board's laboratory for export. With regard to the query from the Hon'ble MP regarding insurance, he clarified that the ECGC insurance was offering consignment-based insurances for export. The Chairman informed that though re-test was done by the importing country, Spices Board test reports were generally held in good regard by them.

ITEM NO:3 ANNUAL ACCOUNTS OF THE BOARD FOR THE YEAR 2020-21, 2021-22 AND 2022-23

With regard to the query from Chairman whether the audit raised any observations, Secretary replied that audit suggested few improvements in the nature of improved accounting practices, and that the Board was taking steps to achieve maximum compliance.

The Board ratified the annual accounts and audit report of the Board for the years 2020-21, 2021-22 and 2022-23 with the direction that compliance to suggestions made should be reviewed by the Secretary regularly, and reported in the next Board meeting.

ITEM NO:4 NEW FINANCIAL ACCOUNTING SYSTEM DEVELOPED BY NATIONAL INFORMATICS CENTRE

The Board noted.

ITEM NO:5 STATUS OF ESTABLISHMENT OF SPICE COMPLEX AT NAMCHEYBONG, PAKYONG, SIKKIM

Director (Marketing) briefed the status of the project. Secretary added that this project was just one-year-old with a timeline extending up to March 2024, when it was cancelled in the TIES meeting; the Board requested Ministry to reconsider that decision subsequently explaining the reasons for delay and highlighting the importance of the project, in consideration of which the Ministry reinstated the project in January 2023 giving an extension of an additional year.

Replying to the query by the Chairman on delays noticed in the project at present, it was explained that the delay was on account of the lengthy procedural requirements on the part of the implementing agency, i.e. the CPWD and that the Board had meetings with senior officials of the CPWD both in Delhi as well as in Siliguri, apprised them of the importance of the project and requested to ensure completion within the timeline. The Chairman suggested to improve the monitoring and hold review at the level of Ministry to expedite implementation and follow up with CPWD for monitoring the project. If required a meeting at the Ministry level could be arranged with CPWD authorities concerned.

ITEM NO.6 STATUS OF CONSIGNMENT SAMPLES ANALYZED BY QELS OF SPICES BOARD

With regard to a query on health certificate issued to the exporters after testing, Director (Marketing) clarified that the Board, in addition to test results to the exporters, is also issuing health certificates demanded by the EU for ETO and other specific parameters. He added that the mandatory sampling and testing program indeed was helping to reduce rejections of spice consignments exported.

The Board noted.

ITEM NO.7 STATUS OF STRENGTHENING OF QELS

On a query on the capacity of QELs, Secretary clarified that the Board was constantly strengthening the QELs by updating and upgrading all the 8 QELs in terms of equipment as well as procedures adopted. In the last 2-3 years, two LCMSMS were purchased and deployed for strengthening infrastructure for testing pesticide residues at QEL Mumbai and Guntur where the same was being tested through empanelled labs. Similarly, RTPCR system was purchased for QEL Kandla for automating salmonella analysis. One GCMSMS was purchased for strengthening infrastructure for testing ETO at QEL Kochi where the same was being tested through the empanelled labs. One ICPMS was purchased for heavy metal analysis at QEL Kochi to enable the lab to test lead in view of the recent notification from EU indicating such a requirement.

The Board noted.

ITEM NO.8 PILOT PROJECT FOR ESTABLISHING SPICES INCUBATION CENTRE IN THE CFTRI, MYSORE

The Hon'ble MP asked about the level of support envisaged under the scheme. Secretary replied that the support proposed to be provided would be Rs.10,00,000/- (Rupees Ten lakhs) per eligible selected candidates for a period of 12 months and CFTRI would provide infrastructure support and expert guidance through its resources. In addition, it was also proposed to provide initial seed money of Rs. 10,00,000/- to CFTRI to establish basic infrastructure facilities required to be provided to the selected incubates. He explained that the Board would like to replicate the model in a phased manner, in collaboration with other expert institutions like IIT Chennai, IIT Guwahati, National Institute of Nutrition, etc. after entering into an agreement with them to establish and run incubation centres in their facilities.

With regard to funding, the Chairman advised to meet the funds from IEBR and also to explore possible convergence with the Department of Science and Technology.

The Board approved the proposal.

ITEM NO.9 APPLICATIONS RECEIVED FOR AWARD OF CARDAMOM AUCTIONEERS LICENSES/E-AUCTION FOR THE BLOCK PERIOD 2023-26

The Board had a detailed discussion on the subject.

The Board approved the issuance of cardamom license for the block period 2023-2026 to the eligible applicants, after completion of inspection of infrastructure facilities.

The Board ratified the action taken by the Secretary for extending the cardamom auctioneer license validity from 31.8.23 to 31.10.23 and also approved to extend the cardamom auctioneer license validity up to 30.11.23.

With regard to enhancement of the bank guarantee to be submitted by the applicants of the auctioneer license (E-Auction), it was discussed that BG cannot be discontinued as the Board cannot take the entire risk in case of payment defaults under its auction system. It was, instead, suggested to explore the possibility of differentiating BG amount for different categories of participants, which should be examined within a month. The Board allowed the present BG amount to be continued with till the time a decision would be taken on this.

ITEM NO.10 STATUS OF FUNCTIONING OF SPICES PARKS

Director (Marketing) briefed on the functioning of Spices Parks in various states along with the details of operation of the common processing facilities. In this regard, Secretary informed that the operation of common processing facilities in Sivaganga Spice Park awarded

to M/s Season Fresh Agro Foods was cancelled recently because they had not been operating the facilities fully and had not paid the dues in full. It was informed that the Board would be selecting the next operator through a fresh EoI.

The Board noted & approved.

ITEM NO.11 CURRENT STATUS OF PLOTS ALLOTTED TO THE EXPORTERS AT SPICES PARKS:

The Secretary briefed about the plots allotted in the Spices Parks to exporters and highlighted that it was for the exporters to set up the units within the time limits prescribed by the Board; however, in many cases, even after lapse of more minimum seven years period since allotment, they have not established and started operations, whereas they were supposed to have done so within two years. Taking a serious note of this, in the previous Board meetings, it was decided to cancel the allotment in all such cases where the plot holders did not take steps to construct and operate their units, even after sending multiple notices to them. Secretary informed that the Board had intervened to solve wherever critical issues were noticed in terms of necessary approvals and basic infrastructure like road, water and electricity up to the Park.

The Hon'ble MP asked about the functioning of ITC unit at Spices Park, Guntur and wanted to know whether small traders and FPOs can compete with such big firms by operating their units therein. It was informed that M/s ITC Ltd established their own unit in the plots allotted to them in Spices Park Guntur, investing about Rs.180 crores, with nearly 20,000 metric tons capacity and that various spice powders and mixtures were being manufactured. It was also clarified that, considering the demand for Indian spices in overseas markets, though M/s ITC is a major player, there would be space for many more manufacturers including small time traders/ exporters to open their units and export to various countries. Regarding a query on the common processing facility at Guntur, it was informed that the common processing unit established by the Board was allotted to an exporter and the Board had provided certain support to activate the unit, which is expected to start functioning in two months. Regarding a query on vacant plots in Guntur, it was clarified that a limited number of plots are kept reserved in some parks including Guntur and Sivaganga to accommodate future requirements. It was also informed that the AP Warehousing Corporation conveyed their willingness to surrender some plots allotted to them which would be re-allotted, once taken over by the Board, through an EoI process. Similar process of re-allotment was being adopted and would continue to be adopted in all cases of cancelled/surrendered plots in all parks including Guntur. With regard to Chhindwara and Puttady spice parks, it was clarified that only common processing facility was made available and no plots were allotted. In regard to Guna spice park, Director (Marketing) briefed that the Board had allotted 39 out of 68 plots available for allotment, and for the remaining vacant plots a 'running EOI' was floated for more than one year but still not all plots were taken by exporters. Some of the exporters had pointed out the hindrance in the entry through the railway under pass having very less height clearance which restricted the movement of containers. The Board was following up on this

with respective DGMs of the railways and the District Administration. It was observed that this should be taken up for review at the Government level.

With regard to query on facilities provided at Spices Parks, it was informed that the land was given on 30 years lease at nominal cost and the Board took care of providing basic infrastructure like electricity, water, internal roads, etc. On a query on providing no tax exemption to plot owners for certain years, it was informed that the same was neither made available nor under the purview of the Board. It was also informed that, these parks were declared as deemed food parks under the Ministry of Food Processing, and the plot owners could get assistance from the MoFPI under their schemes.

The Member from Ministry of Labour suggested that the plot holders may be encouraged to avail schemes implemented by MOFPI by submitting applications in time, for secondary processing instead of primary processing, and that the Board may also facilitate by writing to Electricity and Water departments to provide connections to the plot holders at Spices Parks.

Hon'ble MP suggested to take up with the State Governments to explore providing discounted electricity charges to the entrepreneurs at Spices Parks and also the feasibility of promoting low cost solar energy at Spices Parks for the benefit of the entrepreneurs.

In regard to Puttady Spices Park, it was informed that the Park has good common processing facilities, but the previous operator had not handed over the storage units even after the completion of the lease period and also filed a case in the Hon'ble court which hampered the operation of the storage facility therein. The Chairman suggested that the Board should intensify its monitoring and review of the Parks and list out the issues being faced, spice park wise, and to address them in a mission mode.

After detailed discussion, the Board approved the following:

- (a) To invite running EOI for allotment of plots which are vacant due to cancellation/surrender
- (b) To continue the running EOI for allotment of plots to the exporters in Spices Parks at Sivaganga and Guna.
- (c) Wherever plots could not be allotted even after long Eol periods, like in Sivaganga and Guna, opening such plots for allotment to exporter registered with APEDA, Tea Board and Coffee Board for establishing allied food processing units.
- (d) To invite EOI for vacant plots at spice parks, Rae Bareli.
- (e) To continue implementing the Board's decisions on cancellation of unused plots by monitoring the response/ level of compliance to the agreement signed or show cause notices issued; to issue them where required; and to resume cancelled plots and re-allot them through fresh Eol.

ITEM NO.12 COLLECTION OF MAINTENANCE CHARGES FROM THE PLOT ALLOTTEES AT SPICE PARKS

Secretary informed that it would be ideal to have the association of plot owners in every Spices Park which could start contributing to the basic management of the Pak facilities, whereby some basic facilities like levy of fee for using weigh bridge, etc, could be transferred to their control and that they in turn be made responsible for undertaking minor and routine maintenance works of common electrical points, water connection, etc. The plot owners should create a corpus by regular contributions for this purpose. For any major repair works, the board could step in. It was proposed that the Board should start recovering a part of the cost of maintaining the parks infrastructure, viz, minor repair of roads, water and electrical connections, weigh bridge, etc. on a monthly basis.

The Member from Ministry of Labour suggested to set up common toilet facilities at spices parks for men and women and Director (Marketing) replied that such common toilet facilities were established in the common processing units.

The Board approved the proposal.

ITEM NO.13 PURCHASE OF NEW PACKAGING EQUIPMENT AT SPICES PARK SIVAGANGA

Secretary informed that, as per the operating agreement, it was the basic responsibility of the exporter to whom the common processing unit was allotted, to get the repairs done and operate the unit. But the current operator at Sivaganga failed to do the same. There is also a condition in the agreement as per which the Board should make critical interventions to operationalize the unit, the Board can step in so as to kick start the operations. As the exporter who was supposed to do the work was failing to do that, the Board had stepped in and undertaken it. Upon repairing the faulty machine, it has been installed and made functional. And meanwhile we have observed that this Operator has not only failed to operate the unit, but also he failed even to deposit the monthly rental payments and after issuing show cause notice, the lease agreement has been cancelled.

The Board Noted.

ITEM NO.14 NEW INDEPENDENT 11 KV FEEDER FOR PROVIDING UNINTERRUPTED POWER SUPPLY TO SPICES PARK AT RAE BARELY

Secretary informed that Rae Bareilly is the latest Park which was inaugurated in the year 2019, and many of the exporters who availed plots complained about inadequacy of power supply, as the transmission line which connected the park was also supplying power to many villages, and that only 5-6 hours of supply was made available to the park. The Board took up the matter for a separate feeder line with the State Electricity Distribution Company and recently released a payment of Rs.1.06 crores, based on their estimate, for providing a dedicated transmission line to the park.

The Chairman noted that 60% of the work had already been completed and the remaining work was pending for want of NOC from the Forest and NHAI departments, and suggested to

hold a meeting with concerned authorities to expedite the NoC, and if required, the matter may also be reviewed at the Central Government level.

The Board further noted and ratified the expenditure.

ITEM NO.15 SETTING UP OF SARDAR VALLABHAI PATEL NIRYAT SUVIDHA KENDRA AT CHUNAR, MIRZAPUR DISTRICT, UTTAR PRADESH

Secretary briefed the background of the proposed project, to be implemented by APEDA with funding support from other agencies including Spices Board. It was proposed to converge some of the programs of the Board to benefit the FPOs and other stake holders in their region. Shri Chandrasekhar Singh Raghuvanshi, Member informed that chilli is a major spice in Mirzapur and requested for early approval of the proposal.

The Board noted the agenda and approved the proposal to meet a part of the cost of the project, to the tune of Rs. 66 Lakhs and to converge select programs of the board in the region.

ITEM NO.16 EXPORT OF SPICES FROM INDIA DURING 2022-23 IN COMPARISON WITH CORRESPONDING PERIOD OF LAST YEAR.

Director (Marketing) briefed on the status of export of spices during 2022-23. The Chairman noted that there was a reduction in the quantity of exports during 2022-23. Possible reasons for the decline in export value in terms of US dollars compared to last year, and also decrease in export of certain spices like pepper, small cardamom, were noted and discussed. It was informed that prices of spices like chilli, cumin had increased in the domestic market during that period affecting exports, partly. Reduction in exports to China, the largest importer of Indian spices, was due to reasons including covid restrictions in China, cumbersome registration requirements introduced, and the tepid economic condition affecting procurement.

The Board noted.

ITEM NO.17 PROPOSAL FOR PROVIDING OVERHEAD ELECTRICAL CONNECTION AND SEMI-PERMANENT COMPOUND WALL TO COMMON PROCESSING UNIT AT SPICES PARK GUNTUR

Secretary briefed that the common processing facility at Guntur had initially been operated by one operator. After the end of their term the Board invited EoI and identified a new operator to run the facility. The new operator had requested to provide HT overhead line because of faulty underground cables, repair the old Firefighting system, as well as fencing to meet the food safety norms. The Board agreed and was in the process of providing the same. The Board also took steps to provide a separate LT line for office & pump house, to reduce the electricity load. The Chairman suggested to complete the works quickly.

The Board ratified the proposal.

ITEM NO.18 EXPORT EXCELLENCY TROPHY/AWARD FOR THE YEAR 2017-18, 2018-19, 2019-20 AND 2020-21

The Board granted post facto approval to the awards finalized for the years 2019-20 and 2020-21.

The Board noted the distribution of the awards for the years 2017-18, 2018-19, 2019-20 and 2020-2021.

ITEM NO.19 QUALITY ISSUES WITH EXPORT OF SPICES TO EU AND UK

Director (Marketing) briefed about the quality issues with export of spices to EU & UK and measures including mandatory sampling and testing implemented by the Board.

The Chairman asked about the method of dissemination of information related to quality issues and about the mandatory sampling and testing to the stakeholders. It was informed that circulars were issued and hosted on the Board's website and also circulated to the respective exporters associations as well as the Customs authorities stationed in various ports.

The Board noted.

ITEM NO.20 TRAINING ON PREVENTIVE CONTROL FOR HUMAN FOOD (PCQI-HF) COLLABORATIVE TRAINING CENTRE (CTC)

On the query from Chairman, whether the programme was limited to exporters, Director (Marketing) clarified affirmatively and that it was desirable that they were pre-informed about the procedures for exporting spices to the United States.

The Board noted.

ITEM NO.21 KEY INTERFACE FOR DIGITALIZATION OF CERTIFICATE

Director (Marketing) briefed on the recent improvements effected in the interface by way of digitization of certificates for CRES, auctioneer license and trader license, etc. as part of ease of doing business.

The Board noted.

ITEM NO.22 ISSUANCE OF CARDAMOM DEALER LICENSE FOR THE BLOCK PERIOD 2023-26.

The Board noted.

ITEM NO.23 EXPORT DEVELOPMENT PROMOTION SCHEMES OF THE SPICES BOARD

The Board noted.

ITEM NO.24 SPICE HOUSE CERTIFICATION WITH STAR RATING TO SPICE PROCESSING FACILITIES

Secretary briefed that a revamped version of the old scheme with the addition of a star rating program was sent to the Ministry for approval. This proposal was desirable as it would raise the credibility of Indian suppliers before the importing countries and indicate to them reliable suppliers for various products. It was informed that Ministry's approval was awaited.

The Board noted.

ITEM NO.25 SPICES EXPERIENCE ZONE AT THE G-20 TRADE AND INVESTMENT WORKING GROUP MEETINGS

The Secretary informed that, as part of the promotion of Indian spices before the foreign dignitaries who visited India to participate in various G20 events this year, the Board set up Indian Spices Pavilions on the side lines of the G20 Trade and Investment Working Group Meetings, at Mumbai, Bangalore, Kevadia and Jaipur.

The Board noted.

ITEM NO.26 PROPOSAL FOR UTILIZATION OF BOARD'S FUNDS KEPT IN BANK FOR SOCIAL RESPONSIBILITY ACTIVITIES IN CARDAMOM FARMING SECTOR

Secretary briefed the Board about the acute shortage of vehicles in field for carrying out various marketing, research and development activities, since the Board's area of focus has increased many fold, some of old vehicles became unusable, and also that few more vehicles would have to be scrapped as per the recent notification issued by the Government.

After detailed discussion, the Board approved to purchase of 4 vehicles by utilizing a part of the funds realised under the e-auction system in lieu of the 50 gram of cardamom collected as sample, to be used for research and development purposes within the small cardamom growing region, i.e Kerala, TamilNadu and Karnataka. The Board also approved to purchase 4 vehicles to be used in the other regions including the large cardamom growing areas, from IEBR. The new vehicles would be purchased only after completion of the condemnation/scrapping process of the old vehicles. The purchase of vehicles should be through GeM and should be the most economical vehicles.

ITEM NO.27 WORLD SPICE CONGRESS 2023

The Board noted.

ITEM NO.28 ANNUAL ACHIEVEMENT OF EXPORT ORIENTED PRODUCTION DURING 2022-23

Director (Development) briefed on the achievements under various development schemes implemented by the Board. The Chairman advised to scale up the programmes to the extent possible.

The Board noted.

ITEM NO.29 CARDAMOM (LARGE & SMALL) PRODUCTIVITY AWARD DURING 2022-2023

Director (Development) briefed on the Cardamom (small and large) productivity award programme and informed about the finalization of the large cardamom award for 2022-23.

In regard to the small cardamom productivity award, Secretary informed that, as suggested in the previous Board meeting, the guidelines were revised, giving weightage for bio diversity/sustainability practices adopted, in addition to productivity. It was informed that, based on the revised criteria, applications were called for small cardamom award for the year 2023-24 and that inspections were in progress. It was also informed that, since the scheme was under revision during 2022-23, nominations could not be collected for small cardamom productivity award for that year.

The Board approved the awards for large cardamom for the year 2022-23 and suggested to distribute the award early.

ITEM NO 30: ASSISTANCE FOR ESTABLISHMENT OF TRAINING CENTRE AT KADS PCL, THODUPUZZHA ON ORGANIC FARMING, IPM & GAP

Director (Development) briefed about the establishment of a training centre at KADS, Thodupuzha and the outreach training programme conducted at that centre.

The Chairman suggested to establish such centres in other states also, as applicable.

The Board noted the achievements of the centre and ratified the proposal.

ITEM NO:31 PILOT PROJECT ON Ind G.A.P. CERTIFICATION OF SPICES

Director (Development) briefed about the details of the pilot projects initiated in association with QCI for IndGAP Certification of spices. Secretary explained that the objectives were to enhance the exportable surplus of spices and to facilitate benchmarking against the global GAP, an established standard, for the overall benefit of the spices sector. The Board supported 5 projects which were completed and the next set of 5 projects were under implementation. In these projects, exporters were on boarded to provide buying support.

The Board ratified the proposal and the Board also suggested to scale up the initiative where required.

ITEM NO.32 LABOUR REQUIREMENT FOR RESEARCH FARM AT ICRI MYLADUMPARA

Director (Research) briefed about the labour requirement for the research farm at ICRI Myladumpara and presented a proposal to engage additional 25 labourers to strengthen the management of the research farm and support to research programs.

Shri Thirumurugan, Member highlighted the shortage of staffs at ICRI Myladumpara. Director IISR suggested to employ labourers through agency.

After detailed discussion, the Board approved the proposal for engaging 25 labourers at ICRI Myladumpara through an agency selected through GeM for a period not exceeding one year.

ITEM NO.33 THE SECOND PHASE OF THE COLLOBORATIVE PROJECT ENTITLED 'GIS BASED SOIL FERTILITY ASSESSMENT OF CARDAMOM TRACT AND APP BASED FERTILIZER RECOMMENDATION FOR CLIMATE RESILIENT CARDAMOM CULTIVATION'

Director (Research) explained about the achievements under the first phase of this project in Idukki district of Kerala and proposed to extend to cover Tamil Nadu and Karnataka also in the 2nd phase of the project.

After detailed discussion, the Board approved to extend the project to cover Tamil Nadu and Karnataka.

ITEM NO.34 PROPOSAL FOR CONSTRUCTION OF NEW QUARTERS/REFURBISHMENT OF OLD QUARTERS FOR SC LABOURERS WHO ARE WORKING IN THE ICRI FARM AT MYLADUMPARA

Director (Research) briefed on the proposal for construction of labour quarters in place of the dilapidated old quarters at repair of ICRI Myladumpara. The Hon'ble MP suggested to explore the possibility of securing CSR funds from agencies like ONGC, BPCL, NTPC etc.

The Board approved the proposal, subject to availability of funds under the approved schemes of the Board, to undertake the works through CPWD, provided CSR funds could not be secured.

ITEM NO.35 RENOVATION OF OFFICE BUILDING AT ICRI, RS, SAKLESHPUR

The Board approved the proposal subject to availability of funds under the approved schemes of the Board and also to execute the works through CPWD.

ITEM NO.36 ERECTION OF PREFAB STRUCTURE FOR ICRI RS LABORATORIES AT PANGTHANG FARM GANGTOK

Director (Research) explained to erect a prefabricated structure to house the proposed lab at Pangthang Farm, Gangtok. The Chairman suggested to explore funding under RKVY scheme.

The Board approved the proposal subject to availability of funds under the approved schemes of the Board, provided RKVY funds could not be secured.

ITEM NO.37 RENOVATION OF FARM BUILDING TO START PRODUCTION OF BIO AGENTS IN ICRI RS FARM AT PANGTHANG

The Board approved the proposal.

ITEM NO.38 ESTABLISHMENT OF LABORATORY FOR PHYSICO/BIO CHEMICAL ANALYSIS AT RS GANGTOK

The Board approved the proposal.

ITEM NO.39 IMPLEMENTATION OF THE EXTERNALLY FUNDED PROJECTS BY ICRI

The Board noted.

ITEM NO.40 ELECTION OF VICE CHAIRMAN

The Chairman informed that Vice Chairman used to be elected annually on a rotation basis, alternating between farmers' representatives and the exporters' representatives, amongst the members. Since it was last held by a farmers' representative, the next would be the turn of exporter's representative. He sought nomination from interested members.

Shri S.K. Sathyanarayana, member and a pepper exporter from Sakleshpur, Karnataka volunteered to be the Vice Chairman of the Board. As there was no other nomination, the Board unanimously elected Shri S.K. Sathyanarayana as the Vice Chairman of the Board for the next one year.

ITEM NO.41 RECONSTITUTION OF STANDING COMMITTEES AS PER RULE 11(2) OF SPICES BOARD RULES 1987 AND SPICES BOARD (MEETING) AMENDMENT RULES 2018

After detailed discussion, the Board constituted the following committees with the available members:

- a. Executive Committee
 - i. Secretary, Spices Board - Chair
 - ii. Vice Chairman of the Board
 - iii. One member to represent spice producing state (yearly by rotation)– vacant

- iv. One member to represent the ministry dealing with Finance-Vacant
 - v. One member to represent grower of spices – Vacant
 - vi. One member to represent exporter of spices – Shri. Gautam Ghosh
- b. R&D Committee for Cardamom**
- i. Secretary, Spices Board - Chair
 - ii. Vice Chairman of the Board
 - iii. One member to represent spice producing state (yearly by rotation)– vacant
 - iv. One member to represent the ministry dealing with Agriculture- Dr. Prabhat Kumar, Horticulture Commissioner, Ministry of Agriculture & Famers welfare
 - v. One member to represent *Elettaria Cardamom* Maton Growers- Shri. Thirumurugan
 - vi. One member to represent *Amomum Subulatum* Roxb. Growers - Vacant
 - vii. One member to represent IISR Kozhikode – Dr.R Dinesh, Director IISR
 - viii. Officer Incharge of Cardamom Research – Director (Res.) Spices Board
 - ix. Officer Incharge of Cardamom Development– Director (Dev.) Spices Board
 - x. One member to represent exporters of spices – Vacant
- c. Market Development Committee for Spices**
- i. Secretary, Spices Board - Chair
 - ii. Vice Chairman of the Board
 - iii. Director CFTRI, Mysore
 - iv. One member to represent the Ministry of Central Government dealing with Commerce - Dr. Vanlalramsanga IES, Economic Advisor, Ministry of Commerce
 - v. Three members to represent trade interests to be appointed by the Board from among themselves - (1) Shri. Akkiseti Baburao, (2 &3) vacant
 - vi. An officer of the Export Inspection Agency of India appointed by the Board
 - vii. An officer of the Board dealing with spice market development – Director (Marketing.) Spices Board
 - viii. Two member representing growers of spices – 1. Shri. Chandrasekhar Singh Raghuvanshi (2) vacant

Vacant positions in the above Committees would be filled by the Board from among the members who would get nominated to the Board by the Ministry to fill up the existing vacancies in the Board.

ITEM NO.42 SPICES (PROMOTION AND DEVELOPMENT) BILL, 2022

The Board noted the status.

ITEM NO.43 AMENDMENT OF SPICES BOARD ACT 1986 THROUGH JAN VISHWAS (AMENDMENT OF PROVISIONS), ACT 2023

The Board noted.

ITEM NO.44 EXPENDITURE FINANCE COMMITTEE PROPOSAL

The Board noted

ITEM NO.45 STUDY VISIT OF THE DEPARTMENT RELATED PARLIAMENTARY STANDING COMMITTEE ON COMMERCE TO MUNNAR, KANNUR AND MADIKERI (COORG) FROM 6TH TO 10TH SEPTEMBER 2023 ON THE SUBJECT 'COMPREHENSIVE STRATEGY TO MAP MAJOR PRODUCTS AND COUNTRIES TO MAXIMISE EXPORT AND MINIMISE IMPORTS'

The Board noted.

ADDITIONAL AGENDA:

ITEM NO.1 – SPEAKING ORDER ISSUED BY THE SECRETARY, SPICES BOARD AS PER THE COMPLIANCE WITH THE DIRECTIONS OF HON'BLE HIGH COURT OF KERALA IN ITS JUDGEMENT DATED 8.8.2022 IN WP (C) NO.23691 OF 2022

The Board noted.

In addition, the following General Discussions took place in the Board meeting:

The Chairman wanted the members to give suggestions for improving the functioning of the Board.

1. Shri Ghosh, Member asked regarding the activities undertaken by the Board in the NER and programmes for exporters. The Chairman clarified that Board was implementing development programmes for large cardamom in Sikkim and other NE states, turmeric in Meghalaya and Tripura, etc. Secretary informed about various schemes for export promotion of spices in NER with higher assistance viz., foreign trade fair participation, infrastructure development, entrepreneurship development programme for new exporters, quality improvement trainings etc., and that details of the schemes implemented were available on the Board's website.
2. Shri Ghosh added that new exporters from NER were finding it difficult to avail the Board's scheme benefits and requested to reduce the Bank Guarantee. Secretary clarified that under some of the export promotion schemes, particularly the infrastructure support scheme, 110% of the value of the assistance was prescribed as BG. The Chairman suggested that the Board should examine the BG issue and try to come out with alternatives to support new exporters.
3. Shri Ghosh requested support for development of pepper in Assam and other NE states. Chairman clarified that the Board was having limitation in extending direct support for pepper cultivation but could support for exports, and that his request would be flagged to the agriculture department. The Chairman suggested that

Director IISR might have a meeting with Assam and other NE State Governments in this regard. On the request for support for solar dryers for spices, Secretary replied that the Board has schemes for mechanical dryers. The Chairman desired that inclusion of suitable solar driers under the scheme for NE Region might be explored.

4. Shri Thirumurugan, Member informed about a memorandum of Department of Expenditure with regard to a proposal to move Cardamom under the Spices Cell in MIDH and sought to get clarification. The Chairman clarified that it was not a proposal from the DoE but an observation on the EFC proposals of the Board and that the views of the Department / Board would be given on the same.

The meeting came to a close at 3.30 pm with the vote of thanks to the Chair and the Members.


08/11/2023
Amardeep Singh Bhatia
Addl. Secretary
Ministry of Commerce & Industry
Department of Commerce
Government of India
Vaniya Bhawan-110001