

ITEM NO. 3: CONFIRMATION OF THE MINUTES OF THE 88TH MEETING OF SPICES BOARD HELD ON 3RD SEPTEMBER 2020 THROUGH VIDEO CONFERENCING

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The 88th meeting of Spices Board was conducted at 11 am on 3rd September 2020, in virtual platform by observing the COVID-19 protocol. The Meeting started at 11.00 am with the Chairman's message.

Following members attended the meeting through video conferencing:

Shri Subhash Vasu	Chairman
Shri B Y Raghvendra, MP	Member
Shri GVL Narasimha Rao, MP	“
Shri D Sathiyam, Secretary, Spices Board	”
Dr. Varghese Sebastian Moolan,	Vice-Chairman
Shri Rajendra Kumar Kataria, Secretary to Karnataka State Govt.	Member
Dr. Santhosh J Eapen, IISR	“
Dr. M. Madhava Naidu, CFTRI	“
Dr. Thanveer Alam, IIPM	“
Shri Stany Joseph Pothen	“
Ms. Annu Shree Poonia	“
Shri Bhojraj Saraswat	“
Shri S.G. Medappa	“
Shri P. Vikram Reddy	“
Shri T T Jose	“
Dr. Dasam Umamaheswara Raju	“
Shri Nandyala Satyanarayana	“
Shri Rajendra Kasat	“
Shri Sen Thabab	“

Leave of absence was granted to:

Adv. Dean Kuriakose, MP	“
Shri Ajay Kumar Srivastava, Economic Adviser, MoC&I	“
Dr. B.N. Srinivasa Murthy, Horticulture Commissioner, MoA&FW	“
Shri AjitPai, OSD,NitiAayog	“
Mr. Arun Kumar, Deputy Secretary, Ministry of Labour, GoI	“

The meeting was presided over by Shri SubashVasu, Chairman, Spices Board. After welcoming the Board members the Secretary, requested the Chairman for his address. Due to interruption occurred in the Video Conferencing system, the address of the Chairman was not clear, and hence Secretary read out the Chairman's message. The highlights of Chairman's message are as follows:

Each and every Agenda should be circulated well in advance with the approval of Chairman. Such agenda should be discussed in the board meeting and the decision should be taken then and there only.

In the thematic audit report for the period from 2012-12 to 2016-17, C & AG reminded the board to act as per the Spices Board Act and rules.

After the self introduction of Board members, the Secretary introduced the Agenda items, with the permission of the Chairman.

Item No.1:- Confirmation of the minutes of 86th & 87th meetings of Spices Board and action taken

Secretary informed the Board that the minutes of the previous two Board meetings are yet to be approved by Chairman and that the action taken will be placed in the Board

subsequent to their approval. The members expressed their concern on the delay in approving the minutes of Board meeting and commented that it is not the professional way for Board' functioning. They further stated that if meeting minutes are not approved in time, the Board will not be able to support the farmers and take up export promotion of spices in time. Secretary requested for approval of the minutes of the two Board meetings, so that the administrative delay in implementing Board's decisions could be avoided.

The members also suggested that if Chairman needs some clarification for finalizing the minutes, he may get it clarified at the earliest. The Members requested Vice Chairman to talk to the Chairman in this regard.

Vice Chairman opined that the Sub Committees should meet regularly at least once in a month, so that the Board can function in a synchronized manner for the Development of Spices industry. If so, the Board meetings can be conducted in an effective manner and timely decisions can be taken in implementing Board's policies. He further suggested that Chairman may come to Spices Board HO and convene meeting with the Depts/Officers and seek clarification in approving the Minutes. Secretary suggested that regular visits by the Chairman to Board's Office and interaction with the concerned officers would help facilitate better understanding on various issues.

Item No.2 :- Amendment of segregation of powers between the Chairman and CEO'S of Spices Board

The Board noted.

Item No.3 :- Approval of final accounts of the Board for the year 2019-20

Secretary informed the Board that Central Audit Team has intimated that they are ready to start the audit of final accounts of the Board for 2019-20 in the coming week. He also informed that audited annual accounts of the Board has to be sent to the Ministry at the earliest for placing it before the Parliament.

Shri Rajendra Kumar Kataria, Member asked the Secretary whether there is any major observation by the internal Audit team about the Annual accounts of 2019-20 and Secretary informed that there is no major observation by the internal Audit team and that their observations are being followed up. Secretary further explained that the Board is functioning with the allocated budget of 105 crores. During the year, the Board has a total expenditure of 116.93crores against the release of 105 crores and balance is met from IEBR.

After discussion, the Board unanimously approved the annual accounts for the year 2019-20.

Item No.4:- Educational stipend and merit Award for children of Cardamom plantation workers under Plantation Welfare Scheme

The Board approved the enhancement of educational stipend , introduction of new scheme viz ‘Merit Award Sub Component for Children of Cardamom Plantation Workers’ and extend the benefits to large cardamom plantation workers of NE States. The Board members suggested to give publicity to this Scheme.

The Board approved the proposal

Item No. 5:- Integrating GIS based soil fertility assessment of Cardamom tract and App Based fertilizer recommendation for climate resilient cardamom cultivation

The matter was discussed in detail.

Shri Rajender Kumar Kataria, representing the Govt. of Karnataka, suggested that some area from Karnataka also may be considered under this project as they have different agro climatic zones where cardamom is grown. He also suggested that lot of land resources inventory are available that has to be utilized. He also suggested to give publicity regarding the proper usage of fertilizers as there is no standard protocol for utilization of fertilizers by the farmers. He recommended the Scheme with a request that it should be extended to Karnataka agro climatic conditions. Secretary

assured that the suggestion for inclusion of cardamom farmers of Karnataka would be considered.

The Board approved the proposal

Item No.6 :- Scaling up of Quality planting material production of cardamom and pepper at ICRI, Myladumpara and ICRI-RRS, Thadiyankudusai

The Board approved the proposal

Item No.7 :- Constitution of Task Force Committee for overall development and export promotion of chilli

The matter was discussed in detail. Shri Raghavendra, Hon MP expressed thanks for including a Board member from Karnataka in the Chilli Task Force for the benefit of BydagiChilli. He suggested to give importance for processing of bydagichilli .

ShriRajender Kumar Kataria suggested that Spices Board should take the lead in expanding cultivation of all Spices. Secretary drew attention to the mandate of the Board which limits the Board's interventions when it comes to production development of Spices other than Cardamom. He informed that the mandate for production related aspects is with the Ministry of Agriculture and the State Governments and hence the Board is co-ordinating with State Agri/HortiDepts, MoA to fill the gaps in production of other Spices. Secretary further briefed the formation of turmeric and chilli task force.

Shri GVLN Rao, MP suggested that Guntur area should be given adequate representation in the task force. It was also suggested that Chilli Task Force may give adequate attention to bird's eye chilli. It was informed that the Board is considering

farmers and exporters from Guntur, Warangal and other potential areas of other States. It was suggested to include IIHR also in the task force and it was considered.

It was suggested that Spices Board should take the lead in the area expansion of chillies. Secretary informed that the Board is coordinating with the State government departments, IISR and DASD for the area expansion of other Spices including Chilli under MIDH. The source of funding is expected under MIDH.

The Board noted.

Item No.8:- Project for rejuvenation of cardamom in Aranamala Tribal area in Waynad district of Kerala

The Board took note of the project proposal. Secretary informed that the Board is working on a similar project with Govt of Karnataka.

Members suggested to request the Ministry to allocate more fund for rejuvenation of cardamom cultivation. Secretary informed that the suggestion is noted. He also informed that action is being taken to clear the backlog applications received for cardamom re-planting.

The Board noted.

Item No.9 :- Exploring the export potential of spices having health benefits in collaboration with Ministry of Ayush

Secretary informed that the export potential of spices having health benefits is being explored in collaboration with Ministry of Ayush. It is informed that after the spread of COVID 19, there is an increase in the demand for spices having properties for increasing immunity viz turmeric, cardamom, pepper, ginger etc. The Board is planning to popularize these immune boosting properties of Spices for export promotion and take advantage of the increased demand at the international level in

collaboration with AYUSH. It was suggested to include IISR also in the collaborative effort.

Vice Chairman pointed out that the consumption of indigenous preparation of spice mixes has been increased multiple times during this COVID 19 season. Spices Board can take lead in popularizing such spice mixes which boost the immunity.

Secretary informed that a Video Conference can be arranged with all concerned to launch promotional programmes jointly.

The Board noted.

Item No.10 :- Status of consignment samples analyzed by Quality Evaluation Laboratory, Spices Board.

The Board took note of the status of consignment samples analyzed by Quality Evaluation Laboratory. Shri Stany Joseph Pothan suggested to establish a Quality Evaluation lab at Spices Park, Puttady for testing the Cardamom samples in Idukki itself instead of sending to Quality Lab at Kochi. Shri T T Jose also recommended this suggestion.

Secretary informed the cost involved in setting a quality lab for testing pesticides and Board's inability in meeting the cost due to dearth of funds faced by the Board. He further informed that the suggestion is noted and possibility of improving the testing facility available at ICRI, Myladumpara will be explored.

The Board noted.

Item No.11:- Pesticide residue testing – Status in Quality evaluation laboratory, Spices Board

Secretary briefed the members on the efforts made by the Board on the matter and informed that the Board has introduced mandatory sampling and testing of Cardamom for exports to Saudi Arabia, for 6 pesticides for which the SFDA has set MRL limits

adopting CODEX standards. It is informed that the Board is constantly upgrading the labs in terms of equipments and standardization of additional testing parameters.

The Board noted.

Item No.12:- Setting up of QEL, Kolkata and Spice Park Lab at Rae Baraeli

The Board noted the status of QEL, Kolkata and Spice Park Lab at Rae Baraeli

Smt. Annu Shree Poonia informed that, in the last meeting she suggested to establish Quality testing lab at the Spices Park in Jodhpur which will help in the increase of export of cumin directly from Rajasthan. Rajasthan is the major producer of Cumin in India. Since land, building and fund is available, the Lab with basic parameters can be set up easily. She urged steps to set up the Lab with basic parameters in the Jodhpur Spice Park.

Secretary informed that the Board is unable to take up the proposals for establishing new Quality evaluation labs because of the shortage of funds. He further informed there are requests for labs to be established in Karnataka, Telangana, etc. It is suggested that the State Govts may consider establishing Quality Labs themselves by availing financial assistance under TIES programme of GoI. The Board is ready to extend technical support for establishing Quality Labs by State Govts.

Smt. Annu Shree Poonia requested to give copy of proposal for establishing Quality Lab for her reference so that she can take up a similar proposal with the State Govt. Secretary agreed to share the copy of the same.

The Board noted.

Item No.13:- Area and production of Cardamom (small) and Cardamom (large)

The Board noted the decline in the production of small cardamom. Secretary informed that the decline is mainly due to the damage of cardamom plantations in Kerala and Karnataka due to heavy rains.

The Board also noted that in Arunachal Pradesh there is an increase in the production of large cardamom, but in Sikkim production of large cardamom has declined due to heavy rains.

In this connection, Secretary informed that Spices Board is giving Cardamom Productivity Award every year to encourage the cardamom growers. He further informed the Board that even in Border areas of Arunachal Pradesh and Nagaland farmers are taking up Large Cardamom cultivation and its production is increasing in these region. Secretary pointed out that last year, one of the awards for the highest productivity has gone to a woman farmer in the Border area in Arunachal Pradesh.

The Board noted.

Item No.14:- Grant of cardamom Auctioneer License to M/s Green Cardamom Trading Company, Bodinayakannur

Secretary informed that the comments of the Chairman on this agenda was separately circulated prior to the Board meeting among the members. Chairman wanted a revisit in the process of issuing license to M/s Green Cardamom Trading Company, Bodinayakannur.

Secretary informed that the matter was an agenda and was discussed in details in the last Board meeting as well and involved a contempt of court proceedings. wherein the Secretary is personally chargeable for the Contempt of court, unless the decision of the Board is intimated to the Court within the specified time limit. Since the Board could not take a decision in time either in its last meeting or thereafter, to ensure compliance to the Hon'ble High Court of Kerala in the matter, the secretariat

approached the Ministry of Commerce for guidance and directions on the matter, giving details. The Ministry advised that the Secretary can exercise its emergency power, so that a decision can be conveyed to the Court before the deadline. Accordingly the Secretary has exercised his emergency powers and decided the matter, and a detailed speaking order was issued which was circulated to all members along with the agenda. Based on Secretary's speaking order, Director (Marketing) issued the License to the applicant.

Shri Rajender Kumar Katariadesired to see the legal opinion on the matter since license was issued based on the direction by the Court. Accordingly the legal opinion taken by the Board was projected on the screen for viewing by all the members; and it was also read out.

Shri Rajender Kumar made a query that whether the Secretary has the power to exercise the Emergency Power, and whether approval from the Ministry has obtained for this. The relevant provision was projected on screen and it was clarified that as per Rule 14B of Spices Board Rules 1987 the secretary has such emergency powers to take a decision in respect of matters that cannot wait disposal by the Board or a Committee as the case may be. Secretary informed that as mentioned in the Rules, the action taken by the Secretary is now put up in this Board meeting for the post facto approval.

Vice Chairman informed that in the last Board meeting it was decided to form a committee for a decision on this issue but committee meeting did not happen.

Shri Rajender Kumar Kataria opined that there was no illegality in the decision of the Secretary when the Secretary was having such Emergency Power and supported ratification.

Chairman expressed his dissent in the issue of license.

After detailed discussion, the Board ratified the action taken by the Secretary.

Item No.15 :- Applications received for conducting manual auction of Cardamom in the State of Karnataka

The matter has been discussed in detail. Chairman expressed disagreement in the actions taken by the Office in processing and recommending the applications for issuing license for manual auction.

Secretary briefed the difference between e-Auction and manual auction highlighting the market centre and volume of cardamom traded through both auctions. Shri Rajendra Kumar Kataria wanted to know the possibility of establishing e-Auction centre in Karnataka for better transparency and better rates. Secretary replied that the cardamom traded through manual auctions in Karnataka is meager and hence establishing e-Auction centre in Karnataka is not considered currently.

It was informed that during Covid 19 period it was realized by the Board to have an online auction system which does not require the physical presence of stakeholders. Accordingly the Board approached the Ministry of Agriculture to allow cardamom auction in e-Nam platform so that anybody sitting anywhere can participate the cardamom auction through e-Nam platform (also refer Item No.22)

After detailed discussion, it was decided to place the applications before the MD committee for giving suitable recommendation to the Board.

Item No.16 :-Requests received from M/s Dhara Enterprises and M/s Vysya Company to surrender plots allotted at Spices Park, Sivaganga and also to refund the developmental charges paid by them.

While discussing this item, Secretary informed the Board that statutory committees viz. Market Development(MD) Committee for Spices, R&D Committee for cardamom and Executive Committee have been constituted in the Board meeting conducted in November 2019. As the minutes of the Board meetings were not approved, the

meetings of statutory committees could not take place so far and decision on requests for surrendering plots is pending.

Secretary further briefed the background and objectives of establishing Spices Parks. The matter was discussed in detail and it was suggested to place the matter before the MD committee, on approval of Board meeting minutes, for suitable recommendation to the Board. (also refer Item No.19)

Item No.17 :- Preference for allotment of plots to qualified agricultural graduates as new entrepreneurs

Secretary informed the Board that Hon'ble Vice President of India had a meeting with the Commerce Secretary recently for maximizing the services that are emanating from Spices Park, Guntur. Based on this, the Board has prepared an Action Plan for the Guntur Spice Park and the Action Plan was reviewed by the Commerce Secretary last month. The Board considered the a proposal for activating the Spice Park, which include

- i) Earmarking at least one plot in the Park for new entrepreneur
- ii) Giving preference to park allottees in availing benefits of schemes from the Board
- iii) Considering preference in allotting vacant plots to already established processing units successfully and who require additional land for their extension needs.

Vice Chairman informed that, during last Board meeting held in Andhra Pradesh, the Board members had a visit to Spices Park, Guntur and it was noticed that only 4 or 5 plots have been activated and the remaining plots are lying idle even after 2 years since allotment.

Secretary informed that show notices were issued to the plot owner and as a result few units have started construction in the Spices Parks. In Guntur 3 units, and

Jodhpur 10 units have started construction after issuing show cause notices. Some plot owners have requested for additional time considering the COVID situation. Smt. Annu Shree Poonia opined that only genuine request should be considered for extension..

Shri GVLN Rao opined that urgent steps should be taken to cancel allotment as per the Agreement. The Board should also take immediate action to encourage farmers and FPOs in utilizing the Agri infrastructure fund channelized through NABARD for establishing cold storage and post harvest infrastructure. Guntur is the largest APMC for chillies. Lot of post harvest activities can be taken up in the Spices Park using the services of Regional Office in Guntur. He also suggested to explore the possibility of starting a ChilliMandi in Guntur park. Secretary informed that these suggestions will be taken into consideration. It is informed by the Secretary that the details of show cause notice issued to plot owners and cancellation of plot allotment are covered in item No.19.

The Board approved the proposal

Item No.18 :- Enhancement of development charges and annual Lease rent of Spices Parks

The Board took note of the present development charges and annual lease rent of plots allotted in the Spices Parks. Secretary informed that the rates are few years old and requested the Board to consider increasing the development charges and annual Lease rent. The Board is bearing the expenditure towards electricity charges and other amenities provided in the Spice parks. It was opined by Mr.GVL Narasimha Rao, MP that the enhancement of annual license charge may lead to early utilization of allotted plots instead of keeping it idle.

The Board suggested that the Market Development (MD)committee may consider the enhancement in the development charges and annual Lease rent and give suitable recommendation to the Board.

Item No.19 :- Details of show cause notice issued to the Plot allottees in Spices Parks and reply received from stakeholders.

The details of show cause notice issued and replies received; including status of construction, request for time extension, willingness to surrender the plots etc were explained by Director(Marketing). Secretary informed that, as of now, six plot owners have expressed their readiness to surrender and they have requested for a waiver of development fee. As decided in the previous discussions, the Board suggested that the subject may be placed before the MD Committee for suitable recommendation to the Board.

Item No.20 :- Collaborative projects on traceability, sustainability, bio-diversity and certification to enhance export of spices

The following items was discussed at length.

- (a) National Sustainable Spice Programme
- (b) Global Environmental Fund Project (GEF) in Karnataka and Andhra Pradesh.
- (c) Project on Block chain enabled traceability of Spices
- (d) Standards and Trade Development Facility (STDF)
- (e) Doubling of exports of spices in line with AEP and increasing farmers income by INDGAP Certification

Shri Santhosh Eapen, Director, IISR pointed out that, under National Sustainable Spice Programme, one of the major objectives is to stop using the off label chemicals and try to address the label issues so that farmers can use more legal pesticides which are not causing any harm to other organisms or environment. He suggested that the Board may take it up at the appropriate level.

Shri Stany Joseph suggested that the Board has to organize campaigns and motivate the farmers to discourage using the pesticides rightly.

The suggestions were noted for follow up.

The members appreciated the proposal for collaborative projects

The Board noted.

Item No.21 :- Renewal of registration as Exporter of Spices / Licensing of Cardamom Auctioneer and Dealer

The item was discussed in detail. Chairman, in his revised agenda, wanted to give extension up to 20th Nov 2020 only. In view of the Covid 19 pandemic situation, the Board has ratified the decision of extending the validity period of Licenses and export Registrations till 31st December, 2020 with the reservation of the Chairman.

Shri Stany Joseph Pothan suggested that Spices Board should not regulate people from trading of spices. He suggested that the licensing norms for participating in the auction may be relaxed for those having GST registrations. Shri T T Jose opined that the restrictions on traders are not good for the healthy cardamom business.

Secretary informed that the suggestions will be considered for suitable follow up action.

The Board noted.

Item No.22 :- Proposal to introduce online Auction facility through E-NAM Platform of Ministry of Agriculture as an additional Facility for primary sale of Cardamom with the existing provisions under Cardamom (Licensing and Marketing) Rule 1987

Secretary briefed various steps taken by the Board in regard to the proposal to enable online auction of cardamom through the ENAM Platform.

Replying to the query raised by Shri Stany Joseph Pothan about the delay in implementing the project by M/o Agriculture(MoA), Secretary informed that the Board is taking its best efforts to follow up with the concerned department in MoA to start online Auction facility. It is expected that formal approval by MoA will be received in the near future.

The Board noted.

Item No.23 :- Export of spices during 2019-20 compared with 2018-19

Secretary informed the Board has achieved the landmark export of 3 billion US\$ during 2019-20 and it is an achievement for the Indian spice industry. The Board members congratulated for the all-time export achievement in this regard.

The Board noted.

Item No.24 :- Approved budget allocation of the Board for the year 2020-21 and Fund release.

The Board noted that budget allocation and release has been curtailed considerably. Shri Stany Joseph Pothan has opined that it is the responsibility of Spices Board to come out with projects/proposals and submit the same to the Ministry to get higher allocation for the entire spice community.

It was opined that the Hon'ble MPs in the Board may be requested to pursue the matter with the Government of India to get higher allocation.

Shri GVLN Rao, Hon'ble MP agreed to take up the issue with the concerned.

The Board noted.

Item No.25 : Recommendations of the Department Related Parliamentary Committee on Commerce(DRPSC) on the subject "Export of Agricultural and Marine Products, Plantation Crops, Turmeric and Coir" – 154th Report submitted to the Parliament.

The Board noted.

ADDITIONAL ITEMS

The Board considered the additional agenda item proposed and circulated by the Chairman, concerning Chairman's amenities. Secretary briefed the amenities and support staff provided to the Chairman in Board's Office. The Board noted the amenities provided to the Chairman.

The Chairman informed that he would like to select the support staff as per his discretion. Secretary suggested that Chairman may select as per the relevant guidelines of the Board/Government which will be forwarded in due course.

Shri Stany Joseph Pothen has requested the Board to include Kottanadan varieties of black Pepper while scaling up of quality planting material production. Secretary told the same will be taken up with IISR.

Dr. Sebastian Moolan informed that he visited the Ministry of Commerce & Industry and Ministry of Agriculture and requested to include more spices under the purview of the Spices Board. In turn, the Government has directed the Board to examine the case and offer comments. It was informed that the reply has already been sent to the Ministry. Secretary informed that Parliamentary Committees had also given recommendation to bring production development of few spices having export potential under the purview of the Board.

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