

Minutes of the 92nd Board Meeting held in hybrid mode on 26.4.22 at ITC Golden Palace, Mysore

The 92nd Board Meeting was conducted at Mysore on 26.4.22. The following Members participated:

Sl.No	Name	Designation
1	Shri A G Thankappan	Chairman
2	Shri D Sathiyam	Secretary
3	Ms Anushree Poonia	Member
4	Shri Dasam Umamaheshwara Raju	„
5	Shri S G Medappa	„
6	Shri T T Jose	„
7	Shri P Vikram Reddy	„
8	Shri Ajith Pai	„ (from NITI Aayog)
9	Shri S J Ankegowda	„ (from IISR)
10	Dr M Madhava Naidu	„ (from CFTRI)

The following Members attended online:

Sl.No	Name	Designation
1	Shri Stany Pothan	Vice-Chairman
2	Shri Sen Thabah	Member
3	Shri Rajendra Kumar Kataria	„ (Karnataka State)

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

Secretary, Spices Board welcomed the Chairman and all Board Members to the 92nd Board Meeting.

The Board Meeting was chaired by Shri A G Thankappan. In his speech, he gave a brief account of the following:

Shri D Sathiyam IFS, Secretary, has been granted extension of deputation for another year, ie, upto 17th March 2023.

The aim of the Indian spice industry is to become the global hub for processing and value addition of spices and the premier supplier of clean, safe and value added spices and spice products to the industrial and retail segments of the global spice market.

The Board coordinated the Vanijya Saptah Celebrations as part of the “Azadi Ka Amrut Mahotsav” and related programmes in the states of Kerala and Sikkim.

The Board introduced a cloud based e-auction facility which increased the competition in auctions and Puttady, Idukki and Bodinayakannur in Tamil Nadu.

The Board celebrated Coral Jubilee- 35 golden years in the service of nation on 26.02.2022. Spices Board coral jubilee celebrations was inaugurated by Hon'ble Minister for Commerce and Industry on 26.2.2022 and the minister launched a postal stamp on Spices Board to commemorate the celebrations. Also, a new scheme - weather based crop insurance scheme for small cardamom - for implementation on a pilot basis in Idukki and other districts of Kerala was launched.

Spice Xchange India, a web portal for export facilitation of Indian spices was launched by the Hon'ble Minister of State for Commerce and Industry on 20.1.22.

On 12.3.2022, Hon'ble Agricultural Minister, Kerala distributed the Small Cardamom Productivity Awards.

The Board successfully conducted the 'PLACROSYM' - a symposium on plantation crops from 14-16th December 2021.

A Quality Evaluation Laboratory (QEL) in Spices Park Jodhpur was inaugurated on 20.4.2022.

The Chairman appreciated the significant support from the Board Members in implementing the programmes of the Board and thanked each and every member for the support and guidance.

Secretary, Spices Board then briefed the members on the developments that took place in each department after the last Board Meeting held on 30.09.2021.

Before taking up the agenda items, a five minute commemoration video highlighting the achievements and contributions of the Board during the last 35 years was shown to the members.

After this, above address and introduction by all the members, the Chairman allowed the Directors of the Board concerned to present agenda items one by one.

Item No.1 - Confirmation of the minutes of the 91st meeting held on 26.4.22 at Kochi.

The Board confirmed the minutes.

Item No.2 - Action Taken Report as per the minutes of the 91st Board Meeting

Action taken report circulated concerning agenda items No.4,5,7,8,15,16 and 24 were noted by the Board.

Regarding an observation from a member on outbreak of disease in Chilli, Secretary clarified that a 'chilli task force' has been constituted by the Board to prepare a road map for the development of further exports of spices, used the forum to coordinate efforts towards addressing the disease outbreak and the progress made in this regard was explained by Director Research. It was also

clarified that Spices board could not directly undertake interventions as its mandate does not include production of spices other than cardamom.

Noted and approved by the Board.

Item No.3 -Establishing of spice complex at Namcheybomg, Pakyong, Sikkim

Director (Mktg) briefed about the current status of establishment of the project. It was informed that, CPWD, Gangtok has completed the preliminary works at the site and tendering of the components of the projects are in progress. It was also informed that in pursuance of the guidelines of TIES, the Board had constituted Project Monitoring Committee (PMC) for ensuring the timely completion of the project with representatives from Govt of Sikkim, Department of Horticulture, Sikkim, State Cell, Department of Commerce, Govt of India, CPWD, Spice Exporter member from Sikkim and Board's officials. The first PMC meeting was convened on 23rd February 2022 in Hybrid Mode.

The Board noted

Item No.4 - Status of functioning of Spice Parks

Shri Medappa, Board Member informed the Members that the State Government of Karnataka was willing to offer 50 acres of land for establishing a Spices Park in Karnataka and desired to know whether Spices Board would execute the project.

It was informed that, the Board has already established 8 crop specific Spices Parks in major production/market centres. Due to the discontinuation of the ASIDE Scheme of Govt of India for establishing the infrastructure facilities, from 2015 onwards, the Board has stopped proposing /taking up establishment of the Spices Park directly. However, under the TIES Scheme (which replaced the ASIDE Scheme) the concerned State Government can propose the project, subject to its feasibility to Department of Commerce for availing the financial assistance. In such cases, the Board will provide technical assistance to establish Spices Park in any state, including the project in Karnataka. The Board has already conveyed this matter to Government of Karnataka.

During discussions, Shri Stany Pothen, Vice Chairman emphasized the need for improving the hygiene conditions in Puttady Spices Park and E-auction Centre at Bodinayakannur where the small cardamom auctions are being held. Secretary informed that the Marketing Department of the Board has already initiated necessary action in this regard.

Smt Anu Shree Poonya raised the following points with regard to the Spices Park in Jodhpur;

- She thanked the Board for starting a new Quality Evaluation Laboratory inside the Spices Park at Jodhpur for testing the basic parameters and wanted it to be upgraded at the earliest.

- She suggested to dig a new bore well having 1000 feet depth to address the water shortage in the park especially during summer months and requested the Board to install additional pipe lines.
- She suggested that the Board should start charging a maintenance fee of Rs.5500/- or a suitable amount from the plot holders of the spices park
- She requested the Board to consider simplifying the procedure for NOC issued to plot owners to facilitate them getting loans, subsidies and other benefits easily.
- She suggested to take up with the appropriate authority (RICOH) so that the cost of getting electricity connection to the units in the park, is made affordable. She mentioned that at present Rs.25-30 lakhs is charged for the connection.
- She suggested to consider allotting vacant plots in jodhpur spice park to stakeholders who have applied for establishing an effluent treatment unit.
- The spices board office which is presently located at about 20kms away from the spice park may be shifted inside the spice park premises.

The Board noted the suggestions of the members for appropriate action. Regarding the suggestion to shift the Regional Office from Jodhpur city to the Spices Park, it was clarified that in view of the multiple activities looked after by the RO covering the entire region, shifting the office to Spice Park is not under consideration at present, and that an office will be set up within the Spice Park and Board's staff from the RO will be visiting frequently.

Item No.5 - proposal for conduct of special e-auction for graded/certified and tested cardamom

Director (Mktg) briefed about the proposal for conducting special auction for graded/certified and tested Cardamom. The purpose of the special auction is to develop a separate marketing channel for certified/ graded and tested Cardamom as per the requirements of the importing destination. The proposal is an attempt to ensure exportable surplus quality Cardamom for export. It is expected to commence the special e-auction from June 2022

The Board approved the proposal

Item No 6 - Current status of show cause notices issued to plot owners in spices parks

Director (Mktg) briefed about the background and the decision already taken by the Board in the previous Board meetings for initiating action to take back the land allotted to the plot owners who has not yet commenced the construction of their unit. The Board had issued show cause notices to such plot owners with a dead line to complete the constructions within 31.3.22.

It was further informed that 7 (seven) units have started works after receipt of the Board's show cause notices and sought for an extension of time up to December 2022 for completion of the works. Further, a few exporters have responded to the notice and requested time extension up to three months to

commence the work. Some plot owners have neither commenced the works nor responded to the show cause notice.

The following plan of action was discussed in detail in the meeting:

- (a) To give an extension of time up to 31.12.2022 for completing the construction of units by those exporters who have already started the works.
- (b) Those who have requested three months time for commencing the construction, may also be given permission with the stipulation that they should also complete the construction within 31.12.22.
- (c) In case of those who have neither responded nor commenced the work, the allotment may be withdrawn forthwith.

After detailed discussions, the Board approved the plan of action vide (a) to (c) above.

Item No.7- Current status of allotment of land in spice parks.

Director (Mktg) presented the progress made in the allotment of vacant plots available in the Park as per the decision of the Board. It was informed that eligible applicants were allotted with plots by specifying time frame for commencement of the work and its completion.

The Board noted.

Item No.8 - Export Development and Promotion schemes of the Board

Director (Mktg) briefed about the approval of the Export development and Promotion scheme for its implementation.

Shri Kataria, Member suggested to have a scheme/project for the production and development of black pepper in the non-traditional areas. Shri Medappa, pointed out the scarcity of labour in non-traditional areas. He suggested to enhance technical support from the Board.

It was informed that, since Spices Board does not enjoy mandate over production aspects of pepper, the suggestion may be taken up by the State under the MIDH program. It was also informed that Spices Board has been assisting the Coffee Board in recent years to promote pepper cultivation in Coffee estates in Karnataka, especially in tribal pockets.

The Board noted.

Item No.9 - Export of spices from the country during 2021-22 in comparison with corresponding period of last year

Secretary pointed out that there was an all-time achievement of 4.17 billion US\$ in Spices export during 2020-21. Accordingly, DoC has fixed an ambitious target of 4.81 billion US\$ for 2021-22. However, the achievement during 2021-22 was

4.10 billion US\$ with a slight decrease as compared with 2020-21. The percentage achievement of target is 85%. The decrease in export earnings are mainly attributed by the following reasons

- (a) substantial decrease in the export quantity of seed spices in particular
- (b) trade barriers imposed by the various countries, especially China and EU
- (c) The domestic prices of spices particularly chilly, cumin and turmeric have increased which affected the export to price sensitive countries like Thailand and Bangladesh.

Various new regulatory measures like pesticide residue and registration measures were imposed by China (the key market with a share of 24% of total export) without giving sufficient time for taking necessary steps by the Board. Due to this, all the units of each and every exporter, exporting spices to China needs to be registered with Chinese authorities in their portal which was insisting to register each and every units of the exporter while exporting spices to China. The matter was taken up with the Regulatory Authorities in China with the help of Indian Embassy for simplifying the procedure. As of now, the Board has completed the registration of almost all existing spice exporters of spices in their portal. Further, the Board is also supporting spice exporters to meet the requirements on a case-to-case basis.

It was also pointed out that the demand for spices remains robust.

The Board noted.

Item No.10 - Trophies & Awards of Spices Board for Excellence in Export of Spices for 2017-18, 2018-19 and 2019-20

Director (Mktg), briefed on the selection process used to select the Trophy/Award winners based on their export performance. It was informed that due to the COVID situation, the Board couldn't distribute the Trophy/Award to the exporters for the years 2017-18, 2018-19 and 2019-20 and the list of award trophy/winners was placed for approval.

The Board approved.

Item No.11 - Entrepreneurship Development Programme 2021-22

The Board noted.

Item No.12 - Conducting Buyer Seller Meets (BSMs) for building direct linkages

Director (Mktg), informed that, during 2021-22, the Board organized 12 International Buyer-Seller Meets (IBSMs) virtually to establish effective business linkages, in collaboration with the Indian Embassies abroad. The Board also participated in IFE, London an international trade fair.

The Board noted.

Item No.13 - Quality issue with export of spices to EU

Director (Mktg) informed about the sudden implementation of EU Regulation 2021/2246 by imposing ETO test for export of almost all spices from India to the EU. The Board implemented mandatory testing of ETO and issuance of Official certificate from 7.02.2022

The Board noted.

Item No.14 - Recent hurdles in export to China

Director (Mktg) informed about the sudden implementation of mandatory testing of pesticide imposed by China for export of Cumin.

To the query raised by Shri Anant Pai, Member, regarding spices export to China, it was answered that sudden imposition of MRLs for pesticides by China impacted the exports, especially cumin, during 2021-22. Regarding a query on investment made in value addition of spices, it was informed that the Board had established 8 spices parks to promote processing and value addition and that the entrepreneurs/exporters/manufactures need to fully utilize the facilities provided in the spice parks.

The Board Noted.

Item No.15 - Key interface for digitalization of certificate

Director (Mktg) briefed about the implementation of single window system by DGFT for issuing the RCMC. The Board is in the process of onboarding E-RCMC portal and the same is expected to be implemented from May 2022 onwards.

The Board noted.

Item No.16 - Training on preventive control for human food (PCQI-HF) by Collaborative Training Center (CTC)

Director (Mktg) briefed about the CTC and informed that three training programmes were conducted, one each in Kolkata, Mumbai and Bangalore.

The Board noted.

ItemNo.17 - Annual achievement during 2021-22

During discussion on this subject, Shri Stany Pothan, Member, suggested to increase the fund outlay for financial assistance for replanting and rejuvenation of cardamom plantations and also to promote electrical dryers in place of conventional methods so that de-forestation can be avoided.

Shri Vikram Reddy, Member, suggested to increase distribution of tarpaulin sheets in Telangana and supply of washing, slicing machines needs to be done for the coriander and ginger farmers.

Shri Anand Pai, Member suggested to focus not only on production of cardamom but lay more emphasis on marketing activities in cardamom. It was informed that cardamom export has increased to an all-time high of 8300 MT upto Jan-22.

Smt. Anu Shree Poonya raised a query regarding the status of Spices Board mandate on production aspects of other important spices which was discussed during the last Board Meeting at Vijayawada.

The Members' concerns were noted by the board and would be considered, subject to availability of funds.

Further, to the query raised by Smt Anu Shree Poonya, it was informed that at present Spices Board has production mandate on cardamom alone and the production aspects of other spices are looked after by the Ministry of Agriculture. In this connection, the members were also informed about the amendments currently being proposed in the Spices Board Act. The proposed draft bill was hosted on the Board's website and that of the Ministry's website for public consultation till 09.04.2022 and that the suggestions and feedback received from stakeholders would be submitted to the ministry after scrutiny. It was informed that the proposed draft bill has a provision for inclusion of any spice by the Govt of India under 'notified spices' in schedule-2.

The Board Noted.

Item No.18 - Cardamom (Large) Productivity Award during 2021-2022

The Board approved.

Item No.19 - Sugandhashree Project

The Board approved.

Item No.20 - Installation of Rapid Curcumin Testing Device in major turmeric market yards/FPO

It was informed that, for promoting quality assessment at the market yard level, two rapid curcumin testing machines were installed in Nizamabad and in Meghalaya on a pilot basis. Based on the positive feedback received from the stakeholders, it was proposed to install two more devices in the APMC yard in Sangli and Hingoli in Maharashtra.

The Board approved.

Item No.21 - Establishing a Comprehensive Surveillance System for Cardamom Hill Reserve by strengthening the Quality Testing Laboratory of ICRI Spices Board Myladumpara, Kerala with the financial support of State Horticulture Mission, Government of Kerala.

The progress made was informed by Director (Res). It was informed that the Quality Evaluation Laboratory (QEL) in ICRI Myladumpara will be made functional in 2-3 months.

The Board noted.

Item No.22 - Paid up Trial; Evaluation of new molecule of insecticide for the management of shoot capsule borer and thrips in small cardamom.

The Board approved.

Item No.23 - Election of Vice Chairman

The post of Vice Chairman is rotated among members each year. However, since the term of the present Board would expire on 29.05.2022, it was decided to continue with the present vice chairman till the expiry of the term of the present Board.

Item No.24 - Engaging Outsourced Staff on contract basis

Director (Admn) explained the acute staff shortage and engagement of contractual personnel as an interim measure till permission is received from the Govt to fill up the vacancies, subsequent to approval to the Board's Recruitment Rules. It was informed that after successful restructuring of the Board as per the directions of the Ministry, the total sanctioned staff strength was brought down to 379 Nos. from 513 Nos. Presently about 110 posts are lying vacant. The Board was asked to frame the Recruitment Rules of the Board based on the restructuring, which was sent to the Ministry and is pending for approval.

Shri Stany Pothen, Member expressed concern over shortage of staff especially technical personnel in Idukki District to make the required farm visits and extend technical support to farmers.

It was proposed to engage more qualified personnel on contract at various locations as per the requirements.

The Board noted and approved.

Item No.25: Temporary down grading of the post of staff car driver grade-1 to staff car driver grade-2 to avoid stagnation in promotion of the employees working as staff car driver ordinary grade.

The Board approved.

Item - No.26 - Status of work study entrusted to IIM Kozhikode

It was informed that the latest work study was done 20 years back and there was a need to re-

assess the situation now. The final report from IIM Kozhikode is yet to be submitted. The study got delayed due to Covid circumstances. It was proposed to consider further action after receipt of the final work study report.

The Board approved.

Additional Item:

a) 35 glorious years-Achievements of Spices Board

Attention of the Board was drawn to the achievements/ contributions of the Board in the last 35 years. This was presented through a 5 minute video.

The Board noted and appreciated the contributions.

b) General

In response to the call for any other points to be discussed with the permission of the Chair, the following were discussed:

- I. Shri Medappa requested the Board to take up renewal of lease for the lands under the Spices Board Departmental nurseries at Aigoor, Biligiri and Bettadamane in Karnataka.
 - a. It was informed that Spices Board found it difficult to run three out of five departmental nurseries which are on lease land in Karnataka due to expiry of lease of land and delay in non-renewal by the State Government. Hence, it was informed that the Board would close one or two non-productive nurseries presently under lease, but will do so, only after ensuring alternate arrangement to meet the demand for supply of quality seedlings. The Board would strengthen the nurseries on its own land and would also expand the number of certified nurseries so that the production capacity of seedlings will be retained and the services and facilities to the stakeholders will not be affected.
- II. Shri Stany Pothan, Member suggested to change the GI Tag from AGEB to Idukki Cardamom. He further suggested to augment the Cardamom Development Fund by adding the amount realized in lieu of the 50 gms of cardamom samples offered in auctions.
 - a. It was informed that the proposal to change the GI Tag would be examined. Regarding the value realized from the cardamom samples, it was informed that the contribution is not from the farmers alone and therefore diverting the entire fund for the benefit of farmers exclusively is not ideal. However, it was informed that the Board is examining a proposal to augment CDF with a part of the amount realized from the sale of 50 gm samples.

- III. In response to the request by Shri Vikram Reddy, to support the ginger farmers it was informed that the matter would be being examined for suitable action.

The Chairman and the Secretary conveyed their gratitude to all the Members of the Board for their valuable support and contributions in all the Board Meetings.

After Vote of Thanks, the meeting came to a close at 1.30pm.
