



स्पाइसेस बोर्ड भारत
वाणिज्य एवं उद्योग मंत्रालय, भारत सरकार
SPICES BOARD INDIA
Ministry of Commerce & Industry, Govt. of India

No. MKT-AUC/0021/2015

Date: 16.12.2020

Notice inviting Application for award of Auctioneer License for conducting Auction of Cardamom as per the Cardamom (Licensing & Marketing) Rules, 1987.

The primary sale of the small cardamom in India, under the provisions of the Cardamom (Licensing & Marketing) Rules 1987 (framed in accordance with Spices Board Act 1986), is carried out through auction; e-auction for small cardamom at Spices Board's e-auction centres at Puttady in Kerala and Bodinaykannur in Tamil Nadu, manual auction for small cardamom in other states and manual auction for large cardamom. The auctions are facilitated by Spices Board with auctioneers and dealers (buyers) licensed by the Board.

It may be noted that the Board has initiated the process of bringing in progressive amendments to the Cardamom (Licensing & Marketing) Rules 1987 (amended till date), with a view to enable sustainable development of the cardamom industry. In this background this notice inviting applications is issued as per the existing provisions of the Cardamom (Licensing & Marketing) Rules 1987. Upon notification of such amendments in rules, necessary changes will be made in the existing auction guidelines.

Spices Board, for the block period 2017-2020 issued licenses to 13 auctioneers to conduct e-auction, 3 auctioneers to conduct manual auction and around 600 dealers across the country for participation in the auction. The Board has extended the validity of the existing licenses till 31st March 2021 vide Circular No. MKT-REGN/0002/2017-MARKETING dated 9th December, 2020 as per the extension conveyed vide Circular No. MKT-REGN/0002/2017-MARKETING dated 16th June, 2020. In this regard, the Board would like to commence the process of awarding the License to the Auctioneers for conducting Auction for Cardamom for the period **2021-23.**

Applications are invited from prospective Entrepreneurs/Auctioneers including existing auctioneers for considering the award of the license for the said period. The details, guidelines and terms and conditions applicable are given below. The document to be submitted along with the application is given in Annex-I and the prescribed application forms are as per Annex II. The applicants are advised to go through the same before submitting the application. Any Corrigenda, addenda,

amendments, time extension, clarification etc related to this notification will be published in the website of the Board. Therefore, the applicants are advised to visit the Board's website (www.indianspices.com) from time to time to take note of amendments/corrigenda if any.

The decision of the Spices Board regarding the award of the auction license shall be final and binding. The Board reserves the right to amend or modify any of the eligibility conditions or reject the applications without assigning any reason or may call fresh application without assigning any reason whatsoever, if it appears appropriate in the public interest.

The selection of the applicants will be in accordance with the norms set out in the Guidelines. Failure to furnish complete information as mentioned in the guidelines, documents or submission of a proposal not substantially responsive to the guidelines and required documents in every respect will be at the risk of the applicant and may result in rejection of the application for short listing. The notice for invitation of applications is not an offer and is issued with no commitment. By submitting an application each applicant shall be deemed to acknowledge that it has carefully read the Guidelines and annexure thereto, if any, and has fully informed itself as to all existing conditions and limitations.

Applications submitted through intermediaries will not be considered and will be rejected out rightly. Applications found incomplete are liable to be rejected and no correspondence will be entertained in this regard. Those who are interested to participate in the process of considering the award of License as Auctioneers **may submit their Application to the Director (Marketing), Spices Board, Sugandha Bhawan, Palarivattom PO, Kochi-682 025.**

General

1. The Cover containing the application should be superscribed as "Application for Auctioneer License for **2021-2023**" and forwarded by Registered Post to Shri P M Suresh Kumar, Director (Mktg), Spices Board, Palarivattom P O, Kochi – 682 025,
2. The last date fixed for submitting the Application is 5 pm, **15th January, 2021.**
3. The Applications received after the last date will not be considered.
4. The submission of Application is not a guarantee for awarding the License. License will be awarded subject to the verification of the application and documents and fulfillment of the criteria fixed for awarding the license.

5. The Board reserves the right to incorporate additional criteria for awarding the license whichever is found necessary for the benefit of the industry/Public Interest.

GUIDELINES FOR ISSUE OF AUCTIONEER LICENCE

The following are the Guidelines for the issue of Auctioneer License in accordance with the Cardamom (Licensing & Marketing) Rules 1987 and subsequent amendments till date.

1. The Board has established e-auction centers for Small cardamom at Puttady, Kerala and Bodinayakanur, Tamil Nadu. License for e-auction will be issued only to conduct e-auction at these centers.
2. Manual auction centre for small cardamom can be established anywhere in India other than in the States of Kerala and Tamil Nadu.
3. Manual auction centre for Large cardamom can be established anywhere in India.
4. Separate License shall be necessary for an auctioneer in respect of manual auction for each centre if he desires to conduct in more than one centre.
5. It is the responsibility of the Auctioneer to set up the facility for conducting manual auction as per the guidelines of Spices Board.
6. It may be noted that, though the applications are currently invited for issuing license for conducting manual auction/e-auction through Spices Board's current e-auction platform, the Board, if found necessary, may organize auction through any platform approved by the Board (including 'online'), in which case the willing auctioneers may participate in such platform to conduct the auction as per the guidelines being issued by the Board for conducting auctions through such platforms. This may involve additional payment of fee/bank guarantee, etc as may be specified in such guidelines.
7. The applicant shall be registered under Companies Act, 1956 or Multi- State Cooperative Societies Act, 2002 or the Indian Partnership Act, 1932, or under the Societies Registration Act 1860.
8. The selected applicant for e-auctioneer License shall provide a security deposit in the form of the Bank Guarantee, so as to safeguard the cardamom farmers against any default in payment. The Bank Guarantee shall be from a Nationalized Bank or any Bank approved by the Government. *(Based on the data available on record, for the period 2017-2020, the approximate amount of Bank Guarantee would be Rs.7.00 Crores.*

However, the Board is proposing to amend the clause to fix the appropriate BG amount. Therefore, the actual amount to be remitted as security deposit in the form of BG will be intimated to the selected applicants in due course).

9. Bank Guarantee is not applicable for awarding Manual Auctioneer License.
10. On verification of the application, the Board will short list the eligible applicants, who will have to submit the Bank Guarantee for the prescribed amount valid during the license period, before issue of the license.

GENERAL TERMS & CONDITIONS

11. Fee for issue of License
The fee payable for auctioneer license is as under:
 - (a) Manual auction Rs.15,000/- plus GST @ 18%
 - (b) e-auction Rs.1,00,000/- plus GST @ 18%.
12. For conducting e-auction using Board's common facility, an auctioneer has to pay a user fee of Rs.480/- per ton of cardamom sold in an auction plus GST @ 18%, which would be subject to revision by the Board, if found necessary.
13. No Manual auctioneer license will be issued in a State where the Board has established common e-auction centers.
14. The auctioneer shall pay the growers, whose cardamom is pooled, the applicable sale value of the cardamom sold in an auction within 10 working days from the date of auction. If the auctioneer defaults to make payment as per the terms and conditions of the License, the Board will be entitled to invoke the Bank Guarantee and use the proceeds for arranging settlement of amount due to growers and to initiate steps for suspension and / or cancellation of the License.
15. In the case of manual auction, if the auctioneer defaults to make payment as per the terms and conditions of the License, the Board will initiate steps against the Auctioneer including suspension and/or cancellation of the License.
16. The auctioneer has to provide the required facility to the satisfaction of the Board for pooling the cardamom in places convenient to the farmers. In such pooling centers, the auctioneers shall provide electronic weighing machines and moisture meters which should be readily available for inspection by any officer of the Board.
17. The auctioneer shall conduct the auction at a place and on a day and time specified by the Board. If the auctioneer wishes to cancel / is not able to conduct an auction as scheduled by the Board, the same shall be informed to the Board promptly in writing with valid reasons to the satisfaction of the Board. Any cancellation/non conduct of the auction shall be only with the prior approval of the Board.

18. The auctioneer shall draw 1500 grams out of each lot of (the quantity of cardamom pooled for auction as desired by the farmer), of cardamom offered for pooling and the quantity of sample drawn should be recorded in the Crop Slip issued to the person whose cardamom is pooled. Out of the sample drawn, 100 grams will be set aside as purchaser sample and 50 grams will be put on display at the auction center. The remaining 1350 grams of Cardamom can be used by the auctioneer for distributing as samples during the bidding process of the said lot. The auctioneer shall refund to the person who pooled the cardamom, the value of 1350 grams of cardamom used for distribution in the auction. Therefore, the total amount payable by the auctioneer to the person who pooled the cardamom shall be the sum of the sample refund value and the value for which the lot has been sold in an auction after deducting the eligible 1% commission on the total amount.
19. No additional charges other than one percent commission can be deducted from the person who pooled the cardamom in any name be it wastage, weight loss, charity etc. If an auctioneer is found to have collected any additional charges other than the one percent commission, action will be initiated by the Board including suspension /cancellation of License.
20. The auctioneer shall ensure that the cardamom pooled in an auction is free from any adulteration, contamination and artificial coloring.
21. If the auctioneer violated the terms and condition of the License/instructions of Spices Board, the Board will take necessary steps, against the Auctioneer, including but not limited to, suspension and/or cancellation of the License.

(Hindi version follows)

Street

City Pin

State

Tel.

Mobile

Fax

E-mail ID

(5) Permanent Account Number (PAN)

(6) Tax Registration
(Attach self-attested copies)

Goods & Services Tax (GST)

Date of Issue

Place of Issue

(7) Indicate whether the applicant was issued with licence as auctioneer by the Spices Board
(Please tick where appropriate)

YES

NO

If YES, indicate

(a) Licence Number

Date of Issue

Type/mode of Auction.....

Place of Auction

Day of Auction

Time of Auction

(b) Quantity and value of cardamom auctioned during the last three years of operation

Year	Quantity (MT)	Value (Rs. in Lakhs)

(c) Indicate category based on average turnover per auction in the last three years of operation

(Please tick where appropriate)

A

B

C

D

(A- Rs. 10 crore & above, B- Rs. 5-10 crore, C- Rs. 1- 5 crore, D- less than Rs. 1 crore)

(8) If the application is for conducting manual/online auction, indicate the following

Proposed place of auction

Proposed day of auction

Proposed time of auction

Proposed frequency

(9) Details of fee remitted

Amount Rs.

Mode of Payment Bank Transfer DD

UTR/DD No.

Name of the Bank

(10) Infrastructure Facilities

(i) Details of Storage

Type	Location & Address	Floor Area (sq ft)	*Seating/Storage Capacity
Godown			
Collection Depot I			
Collection Depot II			
Collection Depot III			
Auction Hall**			

(Attach additional sheets wherever required)

(*Seating Capacity of auction hall & storage capacity (MT) of warehouse and collection depots)

(** For conduct of manual & online auction only)

- (ii) Other facilities available
- (a) Grading Facility Yes No
 - (b) Weighing Machine Yes No
 - (c) Moisture Meter Yes No
 - (d) Tables/Chairs Yes No
 - (e) Computer Facilities Yes No

(f) Total floor area for storage (sq ft)

- (g) Transportation Facility Yes No
 - (h) Parking facility for vehicles Yes No
 - (i) Road Facility for movement of vehicles to the warehouse/depot Yes No
 - (j) Packing Facility Yes No
 - (k) Pallets Facility Yes No
 - (l) Sieving Facility Yes No
 - (m) Adequate Lighting Yes No
- (n) Floor Surface of central warehouse/ collection depot (Cement/Tiles/Others)
- (o) Lot Sample Display Board Yes No
 - (p) Auction Details Display Board Yes No

11) Provide details of financial capacity

(a) Working capital available Rs.

(b) Capital structure
 Authorized capital Rs.

Paid up capital Rs.

DECLARATION

I/We..... declare that the information given above are true to the best of my/our knowledge and belief that I/We shall abide by the Cardamom (Licensing and Marketing) Rules, 1987, Cardamom (Licensing and Marketing) Amendment Rules (amended up to 2018) and any instructions given by the Board from time to time regarding the conduct of business.

Place:

Date:

Signature

Name:

Designation:

Note : Applications which are not accompanied with the prescribed fee shall not be entertained.

Annexure-II

SELF ATTESTED COPIES OF SUPPORTING DOCUMENTS TO BE ATTACHED WITH THE APPLICATION

All applicants

- a) Copy of PAN card.
- b) Copy of GST Registration.
 - c) Copy of the Audited Balance sheet for 3 years up to 31.3.2019.
 - d) Copy of acknowledgement of IT Return 3 years up to 31.3.2019.
- e) Copy of GST Return Acknowledgement for March 2020.
 - f) Copy of ESI registration (if applicable).
 - g) Copy of PF registration (if applicable).

In addition to the above, the following additional documents are to be submitted by the applicants based on the category of applicants they belong to :

1)Category: Companies:

- a) Copy Memorandum of Association/Articles of Association.
- b) Copy of Certificate of Incorporation.
- c) Copy of Latest Annual Return (form MGT-7).
- d) Copy of Self declaration that none of the Directors of the Company are disqualified to act as Director as on date of application.
- e) Name, Residential address of Directors with profile.
- f) Copies of Aadhar of Directors.
- g) Copies of PAN card of Directors.
- h) Copy of DIN Number of Directors.

2)Category: Partnership/proprietorship.

- a) Copy of Partnership firm Registration Certificate (if applicable).
- b) Copy of Partnership deed (if applicable).
- c) Name, Residential address and details of partners/proprietor.
- d) Copy of Aadhar of Partners/proprietor.
- e) Copy of PAN card of Partners/proprietor.

3) Category : Multi-state co- operative societies registered under the Multi-State Co-operative Societies Act, 2002 (39 of 2002) or a charitable society registered under the Societies Registration Act, 1860 (21 of 1860)

- a) Copy of registration certificate.
- b) Copy of Bye Laws.
- c) Name, Residential address and details of the current Office bearers / trustees.
- d) Copy of Aadhar of office bearers / trustees.
- e) Copy of PAN card of office bearers / trustees.

DETAILS OF THE INFRASTRUCTURE FACILITIES

I. Details of Collection Depots

Location with Address	Nature of building	Ownership of the building (owned / leased/ rented)	Collection Depot building Length, Breadth, Height (in feet)	Storage capacity of the collection Depot (Tons)	Moisture Meter available in the collection Depot	No. of Electronic Weighing machine available in the collection Depot

(In the case of ownership, please attach self-attested copies of building certificate from Local authority as proof for ownership of the building. In case of leased / rented building, please attach self-attested copies of the lease deed copy / rental agreement.

II. Details of Storage facilities (storage facilities other than the storage in collection depots)

Location	Postal Address	Nature of Building	Ownership of the building (owned / leased/rented)	Storage building / godown Length, breadth, height (in feet)	Storage Capacity

(In the case of ownership, please attach self-attested copies of building certificate as proof for ownership of the building. In case of leased / rented building, please attach self-attested copies of the lease deed copy / rental agreement.

III. Facilities for cleaning and grading of cardamom

Location	Postal address	Type of Cleaning facility (Manual / Mechanical)	No of cleaning equipment and capacity of the equipment	Type of grading facility (Manual/ Mechanical)	No of grading equipment and capacity of the equipment
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