

**MINUTES OF THE 70th MEETING OF THE SPICES BOARD HELD ON
6th JANUARY 2011**

The 70th meeting of the Spices Board was held at 3.00 p.m. on 6th January 2011 in the Board's Head office, Kochi.

Shri V.J.Kurian, IAS, Chairman, Spices Board presided over the meeting and the following members were present.

1. Dr.Jayathilak IAS
2. Smt.Amrit Raj
3. Smt.Sutapa Majumdar
4. Dr.V.A.Parthasarathy
5. Shri Ajay Mariwala
6. Shri P.J.Kunjachan
7. Shri Devender Singh Raghuwanshi
8. Smt.Sushama Srikandath
9. Shri Rajendra P Ghogale
10. Shri Mathavan
11. Shri G.Muraleedharan
12. Shri Abul Kalam
13. Shri George Valy
14. Shri Jojo George
15. Shri Roy K Paulose

Leave of absence was granted to the following Members.

1. Shri Anant Kumar Hegde, MP (LS)
2. Shri P.T.Thomas, MP (LS)
3. Dr.Viju Jacob
4. Shri Philip Kuruvilla
5. Shri N.C.Saha
6. Shri Jose Koompanathottam
7. Shri Umesh Kumar
8. Shri K.K.Singh
9. Dr.V.Prakash
10. Shri Mangat Ram Sharma
11. Shri K.C.Pradhan

The following were absent.

1. Adv. Joy Thomas
2. Shri Sanjeev Chopra

The following officers of the Board were present.

1. Shri P.M.Suresh Kumar, Secretary
2. Dr.Charles J Kithu, Director (Fin/Mktg)
3. Dr.J.Thomas, Director (Res/Dev)
4. Shri Ramkrishna Menon, SS (QC)
5. Shri B Sreekumar, Dy.Director (Mktg)
6. Shri Narayana Swamy, Dy.Director(Dev)

At the outset Chairman welcomed the members and informed the sad demise of the ~~Ex~~ Board Member Shri.Murughasan, Managing Director, Exim Rajathi India Pvt Ltd, Chennai on 31 August 2010. As a mark of respect, the Board observed one minute silence and expressed its' condolence. New members, Dr.Jayathilak, Agriculture Secretary, Government of Kerala and Smt.Amrit Raj, Director (Fin), Department of Commerce were introduced by the Chairman. Thereafter the agenda items were considered.

Item No. 1: Confirmation of the Minutes of the meeting held on 12.07.2010.

Confirmed.

Item No. 2: Minutes of the three standing committee meetings of the Board held on 13.08.2010 (FN & AN) & 18.08.2010 respectively.

The Minutes of the Executive Committee meeting held on 13.08.2010, R&D Committee meeting held on 18.08.2010 (FN) and Market Development Committee meeting held on 18.08.2010 (AN) were placed before the Board for favour of information and consideration .

The Board took note of the decisions of the committee meetings.

Item No.3 : Action taken report of the 69th meeting of the Spices Board held on 12.07.2010.

Secretary briefed the action taken on the decisions of the Board meeting held on 12.07.2010. Regarding the action taken on Item No.14, para 9 on the suggestion to bring farmers from Karnataka to Kerala to gain more knowledge in the spice cultivation, Chairman informed that study tours for farmers from all spices growing regions are regularly organized by Spices Board. Under NHM programame, Board proposes to conduct such visit of farmers from Idukki district to the pepper gardens in Karnataka where pepper is grown very systematically and scientifically obtaining very high yields levels of 20kg or more dry pepper per vine.

Noted.

Item No.4: Review on export of spices from India during April-October 2010 compared with April-October 2009.

The export figures and review of exports during April-November 2010 were circulated among the members. Director (Mktg) briefed the export performance upto November 2010. It is informed that during April-November 2010 a total of 361,650 MT of spices and spice products valued at ₹4320.88 crores (US\$ 946.23 million) has been exported and we have achieved 78% in quantity and 85% in value terms of the target fixed for 2010-11. Shri Ajay Mariwala and Mrs Sushamma Srikandath informed that the value of all spices have gone up considerably and so also the raw materials costs and the trend is likely to continue.

Noted.

Item No.5: Review on import of spices into India during April-October 2010 – compared with April-October 2009.

The import figures and review during April-November 2010 were circulated among the members. It is informed that the total import of spices into India during April-November was 58,217 MT valued ₹726.28 crores (US\$ 158.42 million). The major spices imported are Pepper, Clove, Poppy seed, Ginger and Spice extracts.

Noted.

Item No. 6: Methodology formulated for identifying the ‘Innovative Products’ for instituting Export Award

Director (Mktg) placed the draft guidelines on the procedures for selection of ‘Innovative Products Awards’ that was discussed and finalized in the Market Development Committee held on 18.08.2010. The innovative product is defined as a new product with respect to the product characteristics, usage pattern or its use as a component to make a spice product functional in a novel way. The product should be spice predominant and patented. In case of pharmaceutical products, it should be clinically proven. The minimum export of the product for considering the application for award is ₹50.00 lakhs. Award will be given to the top most exporter in the category.

Dr.Parthasarathy opined that the research and development of a new product and commercialization and export of that innovative products are two separate entities . He suggested to give award to the innovators or constitute two awards; one for the innovators and other for the exporters. Smt.Amrit Raj, Smt.Sutapa Majumdar, Shri Kunjachan have also supported the proposal. Smt.Sushama Srikandath and Shri Jojo George requested that the condition of patenting may not be insisted for export of innovative products.

The Board decided to constitute two separate awards; one for the innovators and the other for exporters of the innovative product.

Item No.7 : Status of establishment of spices park

Director (Mktg) briefed the status of establishing spices parks at Guntur in Andhra Pradesh, Sivaganga in Tamil Nadu, Jodhpur and Kota in Rajasthan, Mehsana in Gujarat and Puttadi in Kerala and Guna in Madhya Pradesh.

Chairman informed the Board that the inauguration of the Spices Park at Puttadi will be held on 22nd January 2011 at 3.00 p.m. The Hon'ble Union Minister for Commerce & Industry Shri Anand Sharma has consented to inaugurate the park. This is a major event in the development of spices in Kerala and Chairman invited all the members to the inaugural function.

Shri Devender Singh Raghuvanshi, the Member from Guna brought to the notice of the Board that the ~~Spices Board~~ office at Guna is ~~practically~~ non-functional. He requested the Chairman to post more staff – one technical officer from Marketing department and a peon to the office. Chairman assured him that action would be taken to strengthen the office as early as possible.

newly opened office of the Board
Due to lack of staff.
non-availability

Item No.8 : Status Note on the Quality Evaluation Laboratories under construction.

Director (Mktg) briefed the status of establishment of Quality evaluation labs at New Delhi, Tuticorin, Chennai, Kolkatta, Kandla and the expansion works in Mumbai lab. Except in the case of Kolkatta, all other centers the work is progressing in full swing and in the case of Kolkotta, Board is facing difficulty in starting the construction work even though the work was awarded to M/s.Build Fab, Kolkatta since the approach road to site is not completed by the KMDA. Board is making all the efforts with KMDA for the completion of the approach road.

Noted.

Item No.9 : Setting up of Technical Committee for Spice Trade

Director (Mktg) informed that the Board has constituted a Technical Committee comprising technical personnel from the Board as well as senior technical staff of the spice manufacturing/processing units to have regular discussion on the new challenges on technological front especially in areas of quality management and to take up the issues with ASTA, ESA, ANSA and regulatory bodies like USFDA, EU etc. The committee met thrice and discussed various issues regarding quality. The committee examined the draft regulations of Food Safety and Standards Authority of India (FSSAI) and sent comments regarding spices to the FSSAI.

Noted.

Item No.10 : IPC Annual Session 2010

Director (Mktg) briefed about the successful conduct of 38th Annual Session of International Pepper Community held during 8 – 12 November 2010 at Kochi. It was informed that for the first time in the history of IPC, farmers were invited to attend the session. Seventy seven pepper farmers from Kerala, Karnataka and Tamil Nadu attended the session. Chairman thanked the exporters for their magnanimous contributions for the successful conduct of the meetings. He informed that a balance amount of ₹14 lakhs is available with the Board and the amount will be given to the proposed new world body 'World Spice Association' as its initial funding.

Noted.

Item No.11 : Organic Vanilla Award for 2009-10

Director (Dev) briefed about the item. It is informed that Board has selected Shri K.M.Sathya Narayana from Chickmangalur district of Karnataka for the first prize and Shri T.J.Mathew from Idukki district of Kerala for the second prize for the year 2009-10. Since there were no women farmers eligible for the second prize reserved for women farmers, only one second prize is recommended.

Approved.

Item No.12 : Supply of bamboo mats during 2010-11 season

Director (Dev) informed the details of purchase rate of bamboo mats and subsidized rate for distribution the sheets to general farmers @ 50% subsidy and tribal farmers @ 90% subsidy. It was informed that the supply would be completed by the end of this financial year.

Noted.

Item No.13 : Supply of Silpauline/HDPE tarpaulins sheets during 2010-11 season

Director (Dev) informed the details of purchase rate of Silpaulin/HDPE sheets and current year's subsidized rate for general farmers and tribal farmers. It was informed that the supply would be completed by the end of this financial year.

Noted.

Item No.14: Status of consignment samples analysed by Quality Evaluation Laboratory, Spices Board.

Director (Mktg) briefed the status of consignment samples analysed at Cochin, Mumbai and Guntur labs of the Board. It was noticed that the samples arrival at Guntur lab is very less and Chairman requested the exporter members to make use of the Guntur lab for testing the raw material before it is purchased. Shri Ajay Mariwala enquired about the action taken on the detected cases of Sudan dye. Director (Mktg) informed that Board has warned the exporters in the Sudan detected cases and around 100 rapid alert notifications,,mainly of pesticide residue contamination, were received from EU commission. Board is strictly monitoring these cases and necessary action will be taken on defaulters.

Chairman informed the Board that EU Commission would be visiting India during first week of February 2011. They may visit Spices Board laboratories at Cochin and Mumbai as well as few spice processing facilities. A meeting with the industry representatives is also being arranged. Chairman requested the exporter members to come prepared to raise all their concerns with the EU Commission.

Noted.

Item No.15 : Conduct of IX batch of GAP training for unemployed youths for Kerala region.

Director (Res) informed that applications have been invited from unemployed youths in Kerala region for the next batch of GAP training and the training is scheduled to start during February 2010. Shri Devender Singh Raghuwanshi requested to conduct GAP training to other regions also, especially for the youths from Madhya Pradesh. Director (Res) clarified that GAP taining is conducted for youths of all spices growing regions and focus is given to North Eastern Region also. Chairman informed the member that if he desires to have GAP programme for Madhya Pradesh region, it could be arranged at the National Research Centre for Seeds Spices at Ajmeer as the major spices grown in Guna region is seed spices with an exposure visit to Kerala.

Shri Devender Singh Reghuwanshi opined that the spices development in the country should be given to Spices Board since the State Agriculture/Horticulture departments are not giving the required importance to the spice crops. Shri Rajendra P Ghogale supported this view. Chairman clarified that as per the Act, Spices Board is mandated to look after the production development of cardamom alone.

Noted.

Item No.16: Short term training programme on 'Safe handling & Usage of Pesticides'.

Director (Res) informed that as decided in the R&D committee meeting, a one day training programme on safe handling and usage of toxic pesticides was conducted at

ICRI, Myladumpara on 28.12.2010. Farmers, supervisors from in and around ICRI and ICRI farm labourers attended the programme. ICRI intends to organize such programmes for creating awareness on safe use of pesticides in cardamom ecosystem.

Dr. Jayathilak, Agriculture Secretary, Govt. of Kerala drew the attention to the decision of the Kerala Government to ban the usage of red and yellow pesticides in Kasargod district and will follow the suit in Wynad district in the coming months. It is proposed to ban the usage of pesticides in the State in a phased manner and the Government proposes to convert all farming activities to organic farming with a span of 10 years. He requested the Board to plan its programmes taking into consideration of the State Government policy and enter into constant dialogue with state policy makers on any specific concern with respect to spices

Members expressed concern on the overdose usage of pesticides in crops. Board deliberated the issue in detail. Members of the view that banning the pesticides in region wise will not give the desired effect as people will bring it from neighbouring areas. High price realized for cardamom is one of the reason for the overdose usage of pesticides. Chairman commented that the farmers are now more business minded and they are not bothered about the soil. Smt. Sushma Srikandath suggested that instead of avoiding the usage of pesticide fully, farmers may be advised for moderate usage of pesticides and chemical fertilizers so that it will not affect the production drastically and she stressed the need for a closer interaction of Spices Board, farmers and Exporters to tackle the growing concern of pesticide residue.

Noted.

Item No.17 : Monitoring of pesticide residue in cardamom and pepper

Director (Res) informed ICRI Myladumpara conducted evaluation of pesticide residue in cardamom and pepper, which indicated high percentage of contamination with various pesticides. The majority of contaminants are due to pesticides like quinalphos, triazophos, chlorophyrifhos, endosulfan and profenophos. It was suggested that the monitoring of pesticide should continue and steps should be taken to create more awareness among farmers on safe usage of pesticides.

Noted.

Item No.18: Soil fertility mapping in Idukki

Director (Res) informed that ICRI has started soil fertility mapping programme sponsored by State Planning Board Kerala and more than 16000 soil samples would be analysed. The samples would be drawn by the volunteers of Nehru Yuva Kendra and from each panchayat 400 nos. of samples would be analysed. The data base of soil testing results will be created. Soil health cards will be prepared and issued to the farmers.

Noted.

give
little
attention
to the Govt

Item No.19 : Bioagent production and supply under IPM programmes in Pepper

Director (Res) informed that Board has produced and distributed the intended quantity of bioagents in Idukki district. Action has already been initiated to promote the use of bioagents in cardamom with the objective of reducing pesticide load in cardamom. Board is organizing spice clinics on all Wednesdays in the field units in Idukki district.

Noted.

Item No.20 : Mechanization in cardamom.

Director (Res) informed that as per the decision of the R&D committee meeting held on 18.8.2010, programme on possible mechanization in cardamom has been taken up. A joint programme on input delivery system for cardamom was initiated with M/s.Jain Irrigation Ltd., Jalgoan. Studies on possible use of mechanical weed cutter in cardamom was undertaken and found that 7-8 hours of weeding using weed cutter can cover one acre against 12-15 man days for manual weeding. A new cardamom washing machine developed by Shri Thomas Nerapeel of Puliamala was evaluated at his site and found to be useful for pre-cleaning cardamom before drying. Research on possible mechanization in spices cultivation would continue. Dr. Parthasarathy informed about the new machine being evaluated for potting mixture and nursery bag preparation at IISR by the Central Institute for Agricultural Engineering and such machine could be tried for the NHM pepper scheme planting material production.

Noted.

Item No.21: Regularization of Casual labourers (temporary status) and Contingent staff

Secretary briefed the item. It is informed that six casual labourers and two contingent staff are working in the Board for many years. They are over-aged for fresh appointment under Government and few of them has crossed 50 years of age. 8 vacancies in the cadre of Daftry in the pay band of PB-1 Rs.5200-20200 +GP Rs.1800/- have arisen due to retirement, promotion etc. These vacancies may be filled up by regularizing the six casual labourers_(temporary_status)_and the two contingent staff by relaxing the requirements in qualification and age etc. Chairman requested the members to have a sympathetic view of the case. Members agreed to the proposal. Smt.Amrit Raj, Director (Fin), Department of Commerce pointed out that Government has stopped recruitment to all Group D cadres and recruitment can be made to Group C.

Approved.

Item No.22 : Election of Vice Chairman to the Board

The term of Vice Chairman is for one year and the term of present Vice Chairman is going to expire on 13.1.2011. Chairman requested the members to elect a new Vice Chairman. It is informed that normally a farmer member is elected in alternate years.

Shri Abul Kalam requested that this time the selection may be made from a person from Karnataka as lot of development works are coming up in Karnataka. Shri Devender Singh Reghuwanshi also supported this view and suggested the name of Shri Abul Kalam. Shri Jojo George suggested the name of Shri Roy K Paulose as Vice Chairman from Kerala. Chairman informed that, for many years, the election of Vice Chairman has been done with consensus. Chairman requested the members to have a consensus on the selection. Dr. Jayathilak also requested the members to have a consensus choice. Since there is no consensus among the members, Chairman suggested to postpone the election of Vice Chairman to the next meeting to be held in February/March, by which time a consensus choice could be sought.

The item postponed to the next meeting.

Item No.23 : Reconstitution of committees

The item postponed to the next meeting.

General:

Chairman invited Shri Rajendra P Ghogale, the leading exporter of Mint products to make a presentation on Mint export. Shri Ghogale gave a brief history of mint industry in the world and in its growth in India. Today India is the major exporter of mint products viz., menthol crystal and mint oil with 87% share of the world market. USA was the leader in the mint export. Mint products is the single largest item in the export basket of spices from India and the export of mint crystal alone is around US\$.one billion. The leaders in the industry are from India. Mint is extensively cultivated in Uttar Pradesh, Bihar and Madhya Pradesh and is suitable to cultivate in Karnataka, Andhra Pradesh and other states. India has a production of 30,000 tons and processing capacity of 10000 tons.

A German company has come up with synthetic menthol crystals from petroleum products. Synthetic menthol crystals is going to be a major challenge to the natural menthol based Indian industry since the price for the synthetic menthol crystals is only around UD\$11-15 dollars a kg against US\$ 25-30 for natural menthol crystals. He requested the Board to take up the issue very seriously.

Chairman assured all possible steps from the Board to cope up the situation. He suggested to constitute an expert committee with members Dr.J.Thomas, Director (Res), Director (Mktg) and Shri B.Sreekumar, Dy.Director (Mktg) and experts from the industry and CIMAP to study the issue and come up with suitable proposals to meet the challenge.

Board approved the suggestion of the Chairman to constitute an expert committee to look into the issue and make suitable proposals.

Shri Abul Kalam raised the issue of loan waiver for cardamom growers in Karnataka. Director (Mktg) informed him that Board has written to the Ministry on the issue and matter is pending with the Ministry.

Shri Muraleedharan enquired about the pending cases of pepper subsidy payment and Director (Dev) informed that only about 500 cases are pending due to the problem in bank accounts. Shri JoJo Geoge requested that the payment of subsidy is coming into the account but farmers are not knowing about the payment and its details. Shri Sureshkumar, Secretary informed that efforts are being taken to send mail automated to Board's field offices or through sms to farmers while making payment advise to the bank.

The meeting came to a close by 5.15 p.m.