

**MINUTES OF THE 66TH MEETING OF THE SPICES BOARD HELD ON
29th June 2009**

The 66th meeting of the Spices Board was held at 2.30 p.m. on 29th June 2009 at Board's Head Office, Cochin.

Shri V.J.Kurian, IAS, Chairman, Spices Board presided over the meeting.

The following members were present:

1. Shri Rayapati Sambasiva Rao, MP (LS)
2. Shri D.M. Kathir Anand, Vice Chairman
3. Shri K.Zia-Ud-Din Ahamed
4. Shri T.Asokkumar
5. Shri Sajan Kurian Kalarickal
6. Shri H.Vishwanath
7. Shri V.D.Alam
8. Ms. Suchismita Palai
9. Shri K.S.R.J. Rajkumar
10. Shri K.C. Chowde Gowda
11. Shri Ravibabu Seelam
12. Shri Balkaran Patel

Leave of absence was granted to the following members:

1. Shri Anantkumar Hegde, MP (LS)
2. Shri Tiruchi Siva, MP (RS)
3. Dr. M.L. Choudhury
4. Shri K. Jayakumar, IAS
5. Shri P.N. Roychowdhury
6. Dr.G.S.G. Ayyangar
7. Member from Planning Commission
8. Dr. K.V. Peter
9. Shri Rajiv Dhar
10. Dr. V. Prakash
11. Dr.V.A. Parthasarathy

Absent

1. Shri K.N. Hazarika, Special Invitee
2. Shri Prakash Uttamchand Wadhvani
3. Shri Vishvanath Okte
4. Shri N. Jehangir
5. Shri J.V. Narayanaswamy
6. Shri Mahendra Parmar

The following Officers of the Board were present:

1. Smt. K.Lekshmikutty, Secretary I/C
2. Shri.S.Kannan, Director (Mktg)
3. Dr.J.Thomas, Director (Res)
4. Shri.R.Chandrasekhar, Director (Dev)
5. Shri Charles J Kithu, Director (Fin)

At the outset, Chairman welcomed the Members and introduced the new Member Shri Rayapati Sambasiva Rao, Hon'ble MP (Lok Sabha) to the Board followed by self-introduction by the Members.

Item No.1: Confirmation of the minutes of the meeting of the Board held on 27.03.2009.

Confirmed.

Item No.2: Notes on action taken on the decisions of the meeting of the Board held on 29.5.2008.

Noted.

Regarding item No.7 – Establishing Quality Evaluation Laboratory at Tuticorin and Kandla, Shri V.D.Alam, Director (Fin), Ministry of Commerce & Industry has informed that the proposal for Tuticorin has been cleared and will be considered by the ASIDE committee. The proposal for setting up of laboratory at Kandla has been kept pending for want of more information.

Regarding Item No.8 – Purchase of land for Spices Board Office at Bangalore, Shri Vishwanath has pointed out that in the last Board meeting, it was decided to go for outright purchase instead of lease and the new proposal is also for taking the land on lease basis.

It was clarified by the Director (Mktg) that Bangalore Development Authority (BDA) is not providing land for outright purchase, but on lease basis only. Although private lands are available, the Board is not interested to purchase private land and hence the offer of BDA is put forward for consideration.

Participating in the discussions, Shri Rayapati Sambasiva Rao, Hon'ble M.P. requested to strengthen the Spices Board Office at Guntur by upgrading the present Joint Director level office to a Director level one. He said even though chilli and turmeric form a major part of spices exports, Spices Board is not giving due importance to Guntur, which is the main growing area of these two crops and a little has been done so far. He has requested the Board to implement schemes for the production development of chilli, similar to the replanting and rejuvenation programme implemented for cardamom and pepper. He had pointed out that production and supply of quality seed material is the thrust area where Spices Board should come up with new initiatives/programmes.

Chairman has clarified that Spices Board has no mandate to undertake production development programmes of spices other than cardamom. For other spices, the Board has the mandate only in the area of post-harvest development like technology upgradation, setting up of laboratories etc. In line with this, the Board is giving much importance to Guntur by setting up of a Quality Evaluation Laboratory with sophisticated equipments to undertake analysis of chilli and other spices as well as Spices Park in Guntur. The Board is already having one office in Guntur at the Joint Director (Dev) level. One Assistant Director (Mktg) has also been posted there and the office will be further strengthened once the laboratory is made operational and informed that the laboratory will be commissioned by July/August this year.

Item No.3: Approval of the Final Accounts of the Board for the period from 01.04.2008 to 31.03.2009.

It was informed that auditing by the Accountant General, Kerala has already been started and after the audit, the final accounts with Audit Report will be placed before the Board. Shri V.D.Alam sought clarification on the amount mentioned in the Income and Expenditure Statement under the head 'Grants/subsidies' and the points have been clarified to him.

Draft final accounts of the Board for the year 2008-09 is approved for audit for C & AG.

Item No.4: Status Note on Spices Parks.

Director (Mktg) briefed the present status of six Spices Parks proposed to set up during the Plan period.

Guntur:

The Board was given the possession of the land last week, got the land survey done and sketch of the land has been received. On receipt of the sketch, the land could be earmarked for setting up common infrastructure facilities for the exporters. A consultant has already been identified and he had interaction with the industry to decide on the kind of infrastructure needed for the park such as chilli cleaning system, grinding and crushing system. Facilities for sterilization and drying will also be provided later. For drying purpose, mechanical driers will be preferred as the land in the park is not adequate for setting up facilities for sun drying.

Shivaganga:

The draft report from Indian Institute of Management (IIM), Bangalore is ready. By next week, they will submit the report. Immediately after that, the project will be ready for implementation. One South African company has shown keen interest to set up a full-fledged factory in Shivaganga for processing of spices.

Chhindwara.

As far as Chhindwara is concerned, it has already been made operational and successfully working. Some additional equipments are being added so that the dehydration unit can be made operational throughout the year with a view to process other items like onions, vegetables, fruits and leafy items, which are locally grown there. The machinery will be ready very soon and within two weeks, the trial run will be done. Another important thing is that the STCL has also started steam sterilization work as well as utilizing the grinding system in the park.

Puttadi:

Almost all the construction work including setting up of e-auction system is in full swing and will be completed by November.

Shri KSRJ Rajkumar requested for setting up of the facilities for the stay, food etc., for the people coming from far away places since no such facilities are available in Puttadi.

Chairman informed that minimum facilities of restaurant will be provided in Puttadi.

Jodhpur:

60 acres of land has been allotted and taking possession of the land is fast progressing. After that, an agency will be identified to get the survey work done. Simultaneously, the report will also be ready for establishing Spices Park.

Gujarat:

There are two lands identified; one in Unjha district and the other in Ahmedabad district. The District Collector has informed that in Unjha, the land value is Rs.500/- per sq.metre, whereas in Ahmedabad district, it will come to only Rs.50/- per sq.metr. Since the total cost of the land in Unjha with Rs.500/- per sq.metr will be about Rs.6-7 crores, taking up of land in Ahmedabad may be a better option. Hence the District Collector, Ahmedabad has been persuaded for issue of allotment order at the earliest and the land is expected to be cleared in two weeks' time.

Shri Vishwanath enquired about the progress of setting up of Spices Park in Karnataka. He said he has learnt that around 100 acres of land has already been allotted by the Government of Karnataka for the purpose. The Director (Mktg) clarified that the order is not for setting up Spices Park, but for developing industry in that area.

The Board noted/approved.

Item No.5 : Status of consignment samples analyzed by Quality Evaluation Laboratory, Spices Board.

Noted.

Item No.6 : Analytical service for more pesticide & Ochratoxin A

Noted.

Item No.7: Status of Regional Laboratories at Mumbai & Guntur

Noted.

Item No.8: Review of spices export 2008-09 and review of export performance of spices during April 2009 compared with April 2008

Noted.

Item No.9: Review of import of spices into India during 2008-09 compared to 2007-08 and estimated import of spices during April 2009 compared to April 2008.

Noted.

Item No.10: Market promotion of Cardamom in Syria and neighbouring markets

Director (Mktg) explained the proposal in detail. Board proposed to set up a warehousing facility in Syria for cardamom with the assistance under MAI scheme of the Government of India. 75% of the expenditure will be obtained from the Government and the balance expenditure will be met from the CDF. He also informed that the meeting of CDF held on 29.6.2009 has welcomed the suggestion and approved the proposal for meeting the balance amount from CDF. Members welcomed the proposal.

He also informed that the Indian Ambassador in Syria is arranging a buyer-seller meet on 18th and 19th July. 2009. The Ambassador will be inviting all the Indian entrepreneurs to have an interaction with Syrian counterparts there. Representatives of cardamom industry, who are interested, can also participate in the meet. In that case, the Board may also consider deputing one official for the meet.

Shri V.D. Alam appreciated for bringing out such a good proposal and further explained that under MAI scheme, 75% financial support is given in the first year, 50% in the second year and 33% in the third year and depending upon the progress, the assistance could be extendable for a further period of three years also with financial support of 25% under the MAI scheme. He suggested to put up the proposal to the Government.

Approved.

Item No.11: Status Note on establishment of Regional Quality Evaluation Laboratories.

Director (Mktg) briefed the present status of setting up regional quality evaluation laboratories in Guntur, New Delhi, Chennai and Kolkatta. He informed that proposals have been submitted for setting up laboratories at Tuticorin and Kandla under ASIDE scheme. Shri V.D.Alam, Director (Fin), Ministry of Commerce & Industry has informed that the proposal for Tuticorin has been accepted for consideration under ASIDE and the proposal for Kandla needs more information and once the information received, the same also will be placed for consideration of the Empowered Committee of the ASIDE.

Shri Kathir Anand, Vice-Chairman suggested to make the function of laying the foundation stone of Regional Quality Laboratory at Chennai a statewide function by inviting prominent ministers etc., so as to get wide publicity on Board's activities.

Chairman assured that the inauguration of the Laboratory in Chennai will be organized in a big way so that people will be aware of activities undertaken by the Board in the region rather than making the laying of foundation a big ceremony.

Noted.

Item No.12: Project on Pepper Development in Idukki district assisted under National Horticulture Mission (NHM)

Shri Sambasiva Rao, Hon'ble MP has requested the Board to take up similar production development initiatives/programmes for chilli and turmeric also. Chairman clarified that the Board has no mandate to take up production development programmes of spices other than cardamom. When the Hon'ble Member requested the Board to pass a resolution, requesting the Ministry to take up similar production development programmes for chilli and turmeric, Chairman has suggested the Hon'ble Member to send a proposal to the Government with a copy to the Spices Board so that the matter shall be taken up in the next Board meeting.

Noted.

Item No.13: Training Programme on Quality Improvement of Spices for the year 2009-10.

Shri Ravi Babu Seelam, Member from Andhra Pradesh has informed that they are not informed about the training programmes organized by the Offices of the Board. He requested the details such as number of farmers who attended, from where the farmers were invited and the date of training programmes conducted during the last year in their area.

Chairman assured that necessary instructions will be issued to the concerned offices to inform the local Board members and growers about the training programmes well in time.

Noted

General:

1. Vice-Chairman, Shri Kathir Anand, said that as regards cardamom, members are actively communicating with the Spices Board with each and every part of information exchanged with the Board. But for chillies as well as turmeric, the exporters in Tamil Nadu do not have a forum or a strong association to bring all the information to the Board except through the officers of the Board, who are posted in Tamil Nadu. He, therefore, suggested for forming an association in Tamil Nadu like Spices Exporters' Forum.

2. Shri KSRJ Rajkumar drew the attention on the closure of Research Station in Thadiankudissai. He stated that since the cardamom production in the area is already on the decrease, the closure will result in no activities undertaken for the research and development of cardamom in the Lower Palany Hill area of Tamil Nadu.

Director (Res) clarified that the Research Station was functioning in the forest land on a lease basis. The lease was not renewed by the Government of Tamil Nadu despite efforts by the Spices Board, which in turn created difficulties for the Board to do even the basic maintenance work.

Chairman requested the Members to make use of their good offices to persuade the Government of Tamil Nadu for allotment of land for setting up the research station in Thadiankudissai. Chairman assured that the research activities intended towards the development of Lower Palany hills will not be affected and will be looked after by the ICRI, Myladumpara.

3. Shri Zia-ud-Din Ahemed has requested to strengthen the Bodinayakanur office for better functioning as the present staff strength is inadequate to meet the requirements.

Chairman said that the Board is facing acute shortage of staff because Government of India is not allowing the Board to have new recruitments taking place at the field office level.

4. Shri Kathir Anand suggested creating a database of the farmers on the website so that people and other stake holders will be benefited out of it. He also suggested updating the database periodically.

5. Shri Vishwanath from Karnataka requested to extend the facility of study tour programmes to the farmers from Karnataka also. There was also some demand on sending delegation of growers' representatives to competing/importing countries.

It was clarified that the growers from Karnataka are already given opportunity to participate in the study tour programmes conducted by the Board. Chairman pointed out some practical difficulties regarding sending delegation of growers' representatives to abroad for the time being.

The meeting concluded at 4.30 p.m.

=====