

MINUTES OF THE 67TH MEETING OF THE SPICES BOARD HELD ON
15TH JANUARY, 2010

The 67th meeting of the Spices Board was held at 2.30 p.m. on 15th January, 2010 in the Board's Head Office at Kochi.

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

The following members were present:

1. Shri P.T.Thomas, MP(LS)
2. Shri V.D.Alam
3. Adv. Joy Thomas
4. Shri Roy K.Paulose
5. Shri Jose Kompanathottam
6. Shri G.Muraleedharan
7. Shri Abul Kalam
8. Dr. Viju Jacob
9. Shri Mathavan
10. Shri Ajay J Mariwala
11. Shri Murughasan
12. Shri Rajendra P.Ghogale
13. Smt. Sushama Srikandath
14. Shri Philip Kuruvilla
15. Shri P.J.Kunjachan
16. Shri Jojo George
17. Shri George Valy
18. Shri N.C.Saha

Leave of absence was granted to the following members:

1. Shri Anant Kumar Hegde, MP(LS)
2. Shri Tiruchi Siva, MP(RS)
3. Dr.V.Prakash
4. Dr. V.A.Parthasarathy
5. Smt. Sutapa Majumdar
6. Shri Bhaskar Singh Raghuwanshi
7. Chairperson, NHM, Ministry of Agriculture
8. Shri Mangat Ram Sharma

The following Members were absent:

1. Representative from the State of Kerala
2. Representative from the State of Rajasthan
3. Representative from the State of Sikkim
4. Shri K.C.Pradhan

The following Officers of the Board were present:

1. Shri S. Kannan, Director (Mktg) & Secretary
2. Dr. Charles J Kithu, Director (Fin)
3. Dr. J. Thomas, Director (Res)
4. Shri G.K.Sekharappa, Dy. Director (Dev)
5. Shri Ramakrishna Menon, Sr.Scientist(Quality)
6. Shri P.Jagadeesan, Dy. Director(P&C)
7. Shri P.M.Suresh Kumar, Dy. Director(EDP)
8. Shri B.Sreekumar, Dy. Director(TIS)

At the outset, the Chairman welcomed all the Members newly appointed to the 67th Spices Board meeting. The Members then introduced themselves. Thereafter, the agenda items were taken up for discussion.

Item No.1: Confirmation of the minutes of the meeting of the Board held on 29th June 2009

Except for Shri V.D.Alam, no other members commented on the minutes. Whereas it was mentioned in the minutes of Item No.7 that the Tuticorin Laboratory has already been approved by the Government, Shri Alam has corrected the minutes of Item Nos. 7 and 11 on the same subject stating that the proposal was considered by the concerned Division of the Ministry and sent to the ASIDE Committee for consideration. Accordingly, the minutes has been corrected to read as the Division has approved and forwarded the proposal to the ASIDE Committee for consideration. It was also informed that recently the Government has approved the proposal for establishing Laboratory at Tuticorin at a total cost of Rs. 4.98 crores and released Rs. 50.00 lakhs. .

Confirmed the minutes with the modifications suggested by Shri V.D.Alam

Item No.2: Notes on action taken on the decisions of the Board Meeting held on 29.06.2009

As regards the Market Promotion of Cardamom in Syria and neighboring countries, Shri V.D.Alam commented about the delay in submitting the proposal to the Government for financial assistance under the MAI.

Director(Mktg.) explained that the Spices Board has been asked to revise the proposal in such a way the common facility can be operated by the Spices Board or the nominated agency for the benefit of the entire spice industry. The detailed proposal had, therefore, to be sent to the Government belatedly. It is now understood from the concerned Division that the Ministry has recommended the revised proposal to the MAI and listed in the agenda of the next meeting for consideration.

Item No.3: Election of Vice Chairman to the Board

Proposed by Shri Philip Kuruvilla and seconded by Shri P.J.Kunjachan, Dr. Viju Jacob is unanimously elected as the Vice Chairman of the Board for a period of one year commencing from 15th January, 2010.

Item No.4: Appointment of Committees

The Board elected the following members to the Standing Committees for one year:

1.Executive Committee (7 members)

- | | | |
|---|---|---|
| (a) Chairman (ex-officio) | - | Chairman, Spices Board |
| (b) Vice-Chairman | - | Dr. Viju Jacob |
| (c) Member (to represent major Spice producing State) | - | To be appointed on receiving the names of representatives from spice producing States |
| (d) Member (Central Govt. dealing With Finance) | - | Shri V.D.Alam |
| (e) Member (Spices Board) | - | Secretary, Spices Board |
| (f) Member(Growers of Spices) | - | Shri Joy Thomas |
| (g) Member (Exporters of Spices)- | - | Mrs. Sushama Srikandath |

2. R&D Committee for Cardamom (10 Members)

- | | | |
|---|---|------------------------------|
| (a) Chairman (ex-officio) | - | Chairman of the Board |
| (b) Vice-Chairman | - | Dr. Viju Jacob |
| (c) Member (to represent major Spice producing States) | - | The nominee of Kerala State |
| (d) Member (Central Govt. dealing With Agriculture) | - | Director (Plantations) |
| (e) Member (Elettaria Cardamomum Maton) | - | Shri Jose Kompanathottam |
| (f) Member(Amomum Subulatum Roxb) | - | Shri K.C. Pradhan |
| (g) Member (IISR) | - | Director, IISR |
| (h) Member (Officer of the Board In-charge of cardamom Research) | - | Director (Research), ICRI |
| (i) Member (Officer of the Board In-charge of cardamom Development) | - | Director (Dev), Spices Board |
| (j) Member (Exporter of Spices) | - | Shri P.J. Kunjachan |

3. Market Development Committee for Spices (11 Members)

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|---|---|---|
| (a) Chairman (ex-officio) | - | Chairman, Spices Board |
| (b) Vice-Chairman | - | Dr. Viju Jacob |
| (c) Member (CFTRI) | - | Director, CFTRI, Mysore |
| (d) Member (Central Govt. dealing With Commerce) | - | Director (Plantations) |
| (e) 3 Members (Trade interests) | - | 1. Shri George Valy
2. Shri Mathavan
3. Shri Rajendra P.Ghogale |
| (f) Member (EIA) | - | Officer from EIA |
| (g) Member (Officer of the Board dealing with Market Development) | - | Director (Mktg), Spices Board |
| (h) 2 Members (Growers of Spices) | - | 1. Shri G. Muraleedharan
2. Shri Roy K. Paulose |

Item No.5: Performance of Spices Board over the years

Chairman informed that the very purpose of the agenda item is to keep the new members an overview of what we have been doing since its inception, the budget allocations by the Government of India, the export promotional schemes of the Board, the financial assistance provided to the stakeholders and the development of cardamom, etc. He said that the budget allocation during 1987-88 was just Rs. 3.70 crores, whereas during the VIII plan, it was Rs. 44.00 crores and during the XI plan, it rose to Rs. 471.00 crores. Apart from the increased allocation of funds over the years towards the activities of the Board, special allocation of funds, viz. Rs. 122.23 crores as Special Purpose Fund for replanting and rejuvenation of cardamom plantations, one time grant-in-aid of Rs.5 crores given to CDS and Rs.23.90 crores proposed for 2009-10, 2010-11 and 2011-12 out of the total outlay of Rs.53.28 crores for Replantation and Rejuvenation of pepper in Wayanad district in Kerala and North East under XI Plan period have also been sanctioned. Chairman also mentioned about the Replantation and rejuvenation of pepper in Idukki district of Kerala at a total cost of Rs.230.58 crores with total NHM assistance of Rs.120.00 crores. Chairman also explained the allocation of funds during 2007-08, 2008-09, 2009-10 and BE proposed for 2010-11 and the allocation of funds under the ASIDE schemes also for establishing Regional Quality Evaluation Laboratories.

To the suggestion of Shri Philip Kuruvilla for similar rejuvenation programmes on the lines of pepper for chillies also in view of its remarkable share in the exports, Shri Alam, Director (Finance), Ministry of Commerce pointed out that the lack of funds is a major constraint for the Government to undertake such programmes for the time being.

To the suggestion of Shri Jojo George for assistance from the Board for irrigation grants at least for cardamom since the Kerala Government has not been giving money, the Chairman clarified that the Government is not considering such activity for extending financial support. The Pepper Replantation & Rejuvenation programme is outside the budget allocation from the Ministry of Agriculture (National Horticulture Mission) and the Ministry of Commerce & Industry. Incidentally, the former Chairman of the Spices Board, Shri T.Nandakumar, the present Secretary to the Government of India, Ministry of Agriculture has extended his full support to get funds from the Agriculture Ministry for Pepper production programme.

Shri Jojo George said that the prices of cardamom are going up and due to this; Guatemala is on the way of increasing their production as a result of which, in a year or two, the prices may fall down drastically. We should gather more information on what is happening in Guatemala as a major cardamom producer and in Saudi Arabia as a major cardamom importer. He suggested sending a fact-finding delegation to Guatemala.

On this, the Director (M) informed that during the recent visit of Shri Jyotiraditya M Scindia, the Hon'ble Union Minister of State for Commerce & Industry to Idukki, this subject was discussed and it was suggested to send a proposal to the Government. Accordingly, the Board agreed to send a proposal to the Government for approval to sending a delegation under the chairmanship of Chairman, Spices Board to Guatemala to study the current situation on priority.

Shri B.Sreekumar, Dy. Director (Trade Information Service) shared his experience with the members of his visit to Guatemala in 2007. He explained that Cardamom is grown in open places in Guatemala and the country gets 220 days' rain fall throughout with light showers. The farmers are shifting the land regularly for cultivation of cardamom and hence they do not experience pests and diseases.

Shri Mathavan commented that when the prices of the cardamom are higher, Saudi Arabia will not be interested to buy and so their import will be lower.

Shri Philip Kuruvilla expressed the need for higher grants for export oriented units. Chairman explained that grant-in-aid can be given only upto 33 per cent of the total cost of the plant & machinery and certified equipments. Raising the subsidy may not be agreeable to the Government during the present five year plan period.

Shri V.D.Alam appreciated that the Spices Board has been performing well and utilizing the funds in time. He also opined that based on the utilization of the funds allocated to the Board for the setting up of Spices Parks and Quality Evaluation laboratories, the Government is willing to help the Spices Board in whatever possible manner.

Chairman welcomed the assurance of Shri V.D.Alam. Summing up the discussions, the Chairman informed that we want to share as much information as possible with the members so that all the members are updated on various activities undertaken by the Spices Board. Hence this agenda item

Item No.6: Review on Export Performance of Spices during November 2009 and April-November, 2009

Last year, the export has recorded a remarkable achievement. This year (upto November'2009), it has shown a decline of 2% in quantity and 4% in value. However, considering the last year's record performance, it is hoped that the target will be achieved during the remaining period of the year.

Adv. Joy Thomas regretted that the price of vanilla is very low. Dr. Viju Jacob opined that USA is the biggest buyer of Indian vanilla, but due to recession, the export to that country has come down. Shri Ajay Mariwala is of the view that the quantity of pepper imported is equal to the quantity of pepper exported from India. We have to increase the production of pepper. If there is increase in productivity and production, there will be surplus for exports whereby the customers will be satisfied with the price competitiveness.

The Board noted the export performance of spices during November, 2009 and April to November, 2009.

Item No.7: Review on Import of Spices into India during April-November, 2009

Director (Mktg.) gave an account of the spices imported into the country during the period in quantity and value terms compared to the corresponding period of previous year. Traditionally, India is the net importer of spices like Cassia, Poppy seed, Star Anise, etc. to meet the domestic demand. Import of certain spices is also allowed for value addition and re-export of the products.

Dr. Viju Jacob viewed that the Indian spice oleoresin is dependent on the import of good quality spices for value addition for export. Hence, Imports of good quality spices for value addition should be made available.

Shri Philip Kuruvilla stated that as for Paprika chillies, we are facing competition from China and hence requested for more incentives to the growers for increase in the production of chilly.

The Board noted the import of spices into India during April-November, 2009.

Item No.8: Trophies & Awards for Excellence in Spices Exports for the year 2008-09

Chairman informed the Members that there is total transparency in the selection of the award winners since the Committee looking into this consists

of members from the Directorate General of Foreign Trade, Indian Institute of Packaging, Reserve Bank of India and Export Inspection Agency and Spices Board.

Director (Mktg.) outlined the procedures of selection of award winners and provided the details of the export performance in value terms (net foreign exchange) of the winners.

It was also informed that the Spices Board has considered citation to honour those exporters hailing from the North Eastern Region. Three exporters, viz. M/s Jamir Uddin, Assam, M/s MH International, Assam and M/s Fokrul Islam, Assam, who have earned an export value of Rs. 18.00 lakhs, Rs. 17.00 lakhs and Rs. 15.00 lakhs respectively have been selected for Certificates of Honour.

The awards for the two years, viz. 2007-08 and 2008-09 are proposed for distribution sometime in March 2010.

To a query as to what do the 'Value added spices' constitute, Director (Mktg.) informed that they include dehydrated products, seasonings, sauces, etc. in which the spice is the major ingredient.

Adv Joy Thomas stated that as for Curry powder, he would provide details for further consideration of the Board.

The Board approved the selection of winners for Trophies and Awards.

Item No.9: Status Note on Spices Parks

Director(Mktg.) outlined the progress of the works relating to Spices Parks which are under various stages of implementation. It was informed that the Telungana agitation has disrupted the works at the Guntur Spices Park for a while. Besides, a portion of the land alienated to the Board for the Guntur Park was under dispute, but the RDO has now settled the case in favour of the Spices Board. The applications received in large numbers for 1 acre to 10 acres of land are being processed for final allotment immediately after the road laying and demarcation is completed some time in March, 2010.

As regards the Chhindwara Spices Park, the dehydration plant including facilities for processing leafy vegetables, onion, etc. will be ready for operation by February, 2010.

The tender notice for starting the work at the Sivaganga Spices Park has been published by the KITCO.

The allotment of 67.35 ha. of land in Tarabha village of Mehsana district at a very reasonable price for the setting up of the Spices Park Gujarat is likely to be cleared by the Govt. of Gujarat shortly.

Jodhpur (Rajasthan)

The Government of Rajasthan has given 60 acres of land for setting up a spices park in Rampura Bhatia free of cost to the Spices Board. KITCO has been appointed as consultant and the tender notice has been published. The project will be completed in the next financial year.

Puttadi (Kerala)

The Spices Park at Puttadi in Idukki district, Kerala State with all infrastructure facilities is almost nearing completion. The plant and machinery are being installed. This project is expected to be inaugurated by March, 2010. A centralized e-auction centre will be set up here to protect the interests of the planters and other stakeholders of the cardamom industry.

The Board noted the progress of implementation of the Spices Park projects at various centres.

Director(Mktg.) clarified that in the 62nd meeting of the Spices Board held on 28th January, 2008, the Members had felt that the centralized auction system should continue instead of allowing auctioneers to set up e-auction system at their own premises. As per the approved minutes of the 65th meeting of the Board held on 27th March, 2009, the Members had urged that the Board should have the auction system in a centralized place by bringing auction houses and traders under one roof and it was unanimously agreed to have a centralized auction centre to protect the interests of the planters and other stakeholders of the industry.

Shri Jojo George urged the Board to consider decentralizing the cardamom (small) auction system, which is more effective and makes the process more accessible.

The cardamom farmers get good prices for their produce because of the centralized e-auction system, said Shri Jose Kompanathottam. E-auction system has proved effective in curbing malpractices by the traders and auctioneers.

Chairman briefly explained that the Spices Board started the e-auction system at Bodinayakannur in 2007 at the instance of the then Union Minister of State for Commerce, Shri Jairam Ramesh who took greater initiatives in the matter. A lot of objections had been there from the trading community and others against the e-auction at the beginning. The traders were under the apprehension that the e-auction may be changed into online trading/auctioneering at a future date leading to the loss of their job, for which the Chairman has assured that such a situation would not happen. The farmers were under the impression that they were taken for granted by the auctioneer or the trader. The entire auction system was revamped as a measure to stop the reported malpractices. The experience of the CMC which resulted heavy

loss to the cardamom growers, traders, etc. forced us to protect the interests of the cardamom industry. The Board started the second e-auction centre at Vandanmettu. Shri K. Zia Ud Din Ahmed, the then Board member came with a demand for the decentralization of the e-auction system a couple of months back. This issue was discussed in detail. We want to carry farmers, traders and auctioneers together and proposed to have a centralized e-auction system at Puttadi.

The Centralization does not mean that the Board is forcing any farmer to bring the produce to any centre place. When a farmer wants to sell produce, he goes to any auctioneer. Only sample comes to the auction centres. Centralization also does not mean that the farmers have to carry all the stocks to the auction centres.

Shri George Vally informed that some farmers are also representing for the e-auction to continue on a centralized basis. Adv. Joy Thomas stated that e-auction system is not harmful to anybody. Shri P.K.Kuruvilla suggested for a detailed discussion about this during the next Board meeting so that its advantages and disadvantages come for a detailed study. Shri N.C.Saha welcomed the idea of centralized e-auction system for the cardamom. Shri V.D.Alam stated that common e-auction centre has been set up with the Government funds and hence it is not possible to dismantle the system or the centre, but may be allowed to function for some more time.

To a query as to why we should have 2 centres today, Chairman explained that Bodinayakannur has been traditionally an important centre of cardamom traders. We cannot close it overnight.

Shri P.T.Thomas, MP mentioned that if the system is in the interests of the farmers, it will be better to allow it to function. However, he suggested that the Board come out with a detailed paper during the next Board meeting outlining the advantages and disadvantages of both the centralized and decentralized auction system. It was decided to have a detailed discussion on the subject in the next Board meeting.

Shri P.T. Thomas, MP also wanted to know the present status of allotment of land in Pachadi and in Muttam for the setting up of the Spices Park.

Chairman replied that in 2007, the Spices Board and KINFRA on behalf of the State Government had entered into an agreement for acquisition of 100 acres of land, but no information has since been received from the State Government on land alienation to the Spices Board. If the State Government is ready to hand over the land, the Board will take over it for further expansion of the activities and explore the possibility of integrating with the existing spice park at Puttadi. We waited till 2008 and since the land was not allotted to us in time, we started the Park at Puttadi with the assistance of Cardamom Development Fund. We have provided facilities for cleaning, grading, sorting and packing at the proposed Park.

Chairman also informed that we are considering the processing of pepper powdering, pepper sterilization, white pepper production, etc. at the spices park Puttadi. The National Institute for Inter-Disciplinary Science & Technology, Thiruvananthapuram has expressed their willingness to provide the latest technology (working of bacteria instead of soaking in the water) for white pepper production in a cost effective manner.

Adv. Joy Thomas suggested that along with the cardamom research, we can consider research also in pepper, ginger, etc. at the ICRI, Myladumpara. Chairman clarified that we have mandate to look after the cardamom production and research only. The Spices Board's involvement in the production aspect of other spices even in a limited manner was opposed by the State Governments and even by the Union Ministry of Agriculture. In fact, the responsibility for Pepper Replantation & rejuvenation was given to us by Sri T.Nandakumar, Secretary (Agriculture) overruling the objection of the Government of Kerala.

Item No.10: Status Note on Establishment of Quality Evaluation Laboratories

The present status of setting up of Quality Evaluation Laboratories was briefed to the members.

Tuticorin

30 cents of land have been allotted by Tuticorin Port Trust (TPT) at the Government rate and Rs.50 lakhs has been released by the Government against approval of Rs.4.98 crores for establishing the laboratory. The work will start in the month of March, 2010.

Delhi

The construction of Laboratory building is fast progressing. The third floor roofing has been completed. By June/July, the structure will be completed. Before the end of the calendar year, the laboratory is expected to be operational.

Guntur

Almost all the works have been completed except electric and water connections. Standardization and calibration of equipments is in progress. By the end of February, 2010, the Laboratory will be inaugurated.

Chennai

2 acres of land has been allotted by M/s. State Industries Promotion Corporation of Tamil Nadu (SIPCOT) Ltd., and construction work has started. The construction and installation of the equipments are expected to be completed by the end of 2010.

Kolkata

1 acre land has been allotted to the Spices Board by the Government of West Bengal and is in the process of bifurcating the land and putting the boundaries for the land, which is allotted to different agencies. Once the plan is approved, the land will be taken possession of and construction started.

Kandla

Kandla Port Trust (KPT) have identified 1 acre of land, which is closer to the Port Trust area considering our request for allotment. By the end of February, 2010, the land is expected to be allotted and possession will be taken. Once the land is acquired, Government will be approached for consideration and allotment of funds under ASIDE scheme.

Mumbai

The laboratory at Mumbai is successfully functioning. We have started testing pesticide residue and other parameters in addition to Sudan and aflatoxin testing. Few more parameters will also be started testing soon. But there are space constraints for keeping samples and operating some of the equipments properly. Hence the Board have taken one more floor in the present building on lease basis at an estimated cost of Rs.35/- per square feet and the modification as well as interior will be completed by the end of February, 2010 and operational by March, 2010 in full scale.

Shri N.C.Saha suggested that all the export goods should be compulsorily tested in the Laboratories for the contaminants and adulterants and our Laboratories should have NABL accreditation.

Chairman replied that our Laboratory at Kochi has NABL accreditation since 2004 and the Laboratory at Mumbai is also in the process of obtaining NABL accreditation. The new Laboratories being established will also have NABL accreditation. He also added that on 25th of this month, FDA officials from the USA are coming to Kochi and see the facilities available in our Laboratory at Kochi and the new building being built in the same premises. Chairman also mentioned about the accreditation of the Laboratories of the Board with foreign Laboratories. He informed that the major problem being faced is non-availability of sufficient technical hands to man our Quality Laboratories. The Board is, therefore, engaging students with desirable qualifications under the scheme "Earn while you learn". The first Laboratory of the Board was opened at Kochi in 1989 and it took more than 19 years for the second Laboratory to function at Mumbai in 2008. But, in less than two years' time, we will have 6 more Quality Evaluation Laboratories at various centres in the country.

Shri V.D.Alam assured that adequate funds will be provided by the Government to the Spices Board for establishing Quality Evaluation Laboratories.

Item No.11: International Pepper Community (IPC), Jakarta

The constitution, various activities of the IPC, and the benefits we derive from the IPC were outlined by the Director (Mktg.). It was also informed that the Chairman, Spices Board has been appointed as the Chairman of the IPC for one year in its meeting held at Belem, Brazil on 4th December 2009. Next IPC session is proposed to be held at Kochi during the 2nd half of November, 2010.

The Board congratulated the Chairman on his assuming as the Chairman of the IPC.

Item No.12: International Organization of Spice Trade Associations (IOSTA)

Director (M) briefly explained the formation and the activities of IOSTA and its importance in the changed circumstances with regard to addressing quality issues. He also said that from April 2009 onwards, the IOSTA Secretariat has been functioning in India with Spices Board and as its Secretariat. The next meeting of IOSTA will be held along with the World Spice Congress on 3rd February, 2010 in New Delhi.

The Board noted.

Item No.13: Status of consignment and other samples analyzed by Quality Evaluation Laboratory, Spices Board

The Board members raised a serious concern regarding the instances of Sudan dye in the samples tested even after the introduction of mandatory sampling by the Spices Board for chillies and turmeric and other stringent quality measures adopted. Sudan dye is actually cancer-causing chemical.

Shri N.C.Saha pointed out that earlier there was a case when the gunny bag packed with spices got contaminated from the marking ink on the surface of the bag. It was also revealed that there are possibilities of rhodamine contamination from the gunny bags.

Sr. Scientist (Quality) pointed out a number of reasons for the contamination like usage of floor with red oxide for keeping the products of spices, usage of lubricants for the grinding machineries, usage of marking dyes in the packets/bags, usage of pesticides which have colours, etc. Some people use oil spraying for drying the chillies to reduce the drying time and enhance the glossy appearance.

Smt. Sushama Srikandath also informed that such types of contaminations are really a serious threat to the entire spice industry. She emphasized the necessity to protect the products from such contamination and for Good Manufacturing Practices (GMP) in the spice processing units.

The Board noted and stressed for strict quality assurance measures by the processing units at all levels.

Item No.14: Status Note on Scheme for Replantation & Rejuvenation of Cardamom (Small & Large)

Shri Jojo George wanted to know (1) whether the subsidy under the scheme is one time allocation (2) subsidies are given for 0-4 ha and 4-8 ha category of holdings for Replantation but the same is not extended to rejuvenation programme and (3) frequency at which the subsidies on Replantation or rejuvenation can be availed.

It was clarified that the Government has not accepted the Board's proposal for rejuvenation of cardamom plantations for the holdings of 4-8 ha category. As regards frequency of availing of subsidies, it was replied that rejuvenation subsidy can be availed once in a plan period and replantation subsidy once in 8 years, which was earlier 12 years.

The Board noted.

Item no.15: Status Note on Project for Development of Pepper in Idukki District of Kerala assisted under National Horticulture Mission (NHM)

Shri Abul Kalam stated that in Karnataka, the area and production of pepper as per the statistics provided by the State Government is 50,150 hectares and 12,000 tones respectively, which seems unrealistic because the area is much more than what is mentioned. In Karnataka, 2,33,000 hectares are under coffee plantation, about 1,40,000 hectares under arecanut plantation and about 40,000 hectares under coconut plantation. In all these crops, upto 60-70% is planted with pepper as inter crop. In view of this, he requested to extend the Replantation & Rejuvenation scheme for pepper in Karnataka also as is being implemented in Idukki with a view to increasing the production of pepper in the country. He also wanted to conduct a survey to find out the realistic assessment of area and production of pepper in Karnataka in view of the disputed area and production statistics available with the State Government.

It was clarified that pepper is already intercropped with coffee, arecanut and coconut plantations in Karnataka, but proper statistics is not available with the State Government.

Chairman stated that meetings taken up with officials of State Horticulture/Agriculture departments and several other efforts have not yielded

the desired results so far. Since the Board does not have the manpower, it is very difficult to conduct a survey currently. After discussion, it was decided to prepare and submit a project proposal for Development of Pepper in Karnataka to be taken up with the Government of India.

Chairman also stated that out of the applications received for replantation and rejuvenation of pepper in Idukki, about 20-25% are found not eligible. It was further clarified that out of 35,006 applications received, 12,414 applications have been inspected, of which 9,378 have been found eligible. It was also stated that the subsidies are given to the farmers directly to their bank account through e-payment for making payment transparent. The Board is having 26 Field offices, 7 Zonal and 2 Regional offices in the Idukki district and outsourced 75 Technical Assistants for assisting regular officers of the Board. They were given training on various aspects of pepper cultivation and scheme implementation.

Item No.16: Status Note on the Scheme "Replantation and Rejuvenation of Pepper in Wayanad district of Kerala and North-East" for implementation during XI and XII plan period by the Spices Board

The Board noted.

Item No.17: Supply of Silpaulin Sheets

Shri N.C.Saha wanted to know what kind of standard is fixed for Silpaulin sheets by the Board. It was replied that the Board is supplying 120 gsm sheets with ISI specification/standard. Chairman also clarified that the Board is giving a subsidy of 33 per cent for general category and 50 per cent for ST category.

The Board noted.

Item No.18: Tenth World Spice Congress, February 3-5, 2010

The Board noted.

Item No.19: Annual Report of Spices Board for the year 2008-09

Annual Report of Spices Board for the year 2008-09 has already been placed in the Parliament. The Report is now placed before the Board for information.

The Board noted.

Item No. 20: Corporate Internet Banking Service by the Spices Board

Director (Fin) explained that the Board is an assessee under Central Excise department. So for those assessees who are paying more than Rs.50 lakhs per annum, they insist corporate internet banking services, which has been made mandatory. Otherwise they will impose penalty on the Board. Since the Board is paying more than Rs.50 lakhs, the Board has to go for corporate internet banking services and the Board wants to get the services from the State Bank of Travancore, a Public Sector bank, for which a resolution from the Board is required. Hence the draft resolution is placed before the Board for approval.

The resolution was then read out and the Board approved. The Board also considered availing such services from SBT as well as from other nationalized banks.

The meeting came to an end with a vote of thanks to the Chair at 5.30 P.M.
