

No.2/1/2017 – Plant-D
Government of India
Department of Commerce
(Plantation Division)

New Delhi, Udyog Bhawan
Dated the 7th November, 2017

To,
The Chairman,
Spices Board
'Sugandha Bhawan' N.H.By Pass, Palarivattom.
P.O Cochin – 682025, Kerala, India
(Email: Jayathilak@nic.in)

Sub: Integrated Scheme for Export Promotion and quality improvement in Spices & Research and Development of Cardamom for medium Term Framework (2017-18 to 2019-20) reg.

Sir,

The Integrated Scheme for Export Promotion and Quality Improvement in Spices & Research and Development of Cardamom with total outlay of Rs.491.78 crores has been approved by the competent authority for implementing the following components during Medium Term Framework (2017-18 to 2019-20);

Rs. In Crores

Component	Recurring/Non-Recurring	2017-18	2018-19	2019-20	Total
Export Oriented Production	Recurring	35.53	38.55	40.12	114.20
	Non Recurring	Nil	Nil	Nil	Nil
	Total	--			
Export Development and Promotion	Recurring	57.90	27.40	35.28	120.58
	Non-Recurring	5.40	5.40	5.40	16.20
	Total	63.30	32.80	40.68	136.78
Export Oriented Research	Recurring	1.30	1.60	2.50	5.40
	Non-recurring	1.60	6.00	5.50	17.50
	Total	7.30	7.60	8.00	22.90
Quality Improvement Component	Recurring	0.70	0.77	0.84	2.31
	Non-Recurring	5.25	4.98	5.05	15.28
	Total	5.95	5.75	5.89	17.59
Human Resources Development	Recurring	1.00	1.00	1.00	3.00
	Non Recurring	Nil	Nil	Nil	Nil
	Total	--			3.00
Establishment & Minor Works	Recurring	54.27	60.40	67.09	181.76
	Non-Recurring	4.90	4.90	5.75	15.55
	Total	59.17	65.30	72.84	197.31
Total Recurring		150.70	129.72	146.83	427.25
Total Non Recurring		21.55	21.28	21.70	64.53
Grand Total (Recu + Non-Recurring)		172.25	151.00	168.53	491.78

O/C

2. The above Scheme has been approved subject to the following conditions;

1. The Outlay approved for the Scheme is subject to actual allocation during the budget exercise every year during the Medium Term Frame Work. It may thus be ensured that all the activities are kept within the budgetary allocation of a FY, the same is not exceeded, and no liabilities are created for the Government on this account.
2. The detailed guidelines for implementation of the Scheme may be formulated as per the recommendations of SFC (minutes of the meeting enclosed) and approval of Hon'ble Commerce and Industry Minister in consultation with DoC.
3. The pattern of assistance and rate of subsidies should conform to the approval accorded by SFC and CIM.
4. GFR 2017 provisions and other instructions issued by Department of Expenditure, time to time may be followed strictly.
5. A robust monitoring mechanism may be put in place. A mid-term review of the outcomes and outputs of the Scheme may be undertaken in consultation with DoC.
6. Steps may be taken to enhance Internal Extra-Budgetary Resources, including user charges, with a view to make Spices Board a self-sustaining organistaion in near future.
7. Spices Board may ensure Aadhar seeding, compliance with DBT platform and PFMS.

3. The Expenditure on implementation of the Scheme would be met from the budget allocation of Spices Board from the outlay approved for the scheme.

4. This issues with the concurrence of Finance Division of Department of Commerce vide their Dy.No 410/FD/017 dated 07/11/2017.

Encl. as above

Yours Faithfully,

A. Karn
8/11/17

(Anita Karn)

Director (Plantations)

Copy to

1. Shri Abhishek Mukherjee, Economic Officer
Niti Aayog, Yojana Bhawan, Sansad Marg, New Delhi
2. Ms. Swayamprava Pani, Joint Director-PF (C.I)
Ministry of Finance, Department of Expenditure
3. Ms. Rupa Dutta, Economic Adviser, Department of Commerce
4. The Principal Director of Audit (Economic & Service Ministries), AGCR Building IP State New Delhi - 62.
5. Controller of Accounts, Principal Account Officer, Depatment of Commerce
6. B&A Section, Department of Commerce

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Sub: Minutes of the SFC Meeting held on 1st September, 2017 in Udyog Bhawan to consider the Integrated Scheme for Export Promotion & Quality Improvement in Spices and Research & Development of Cardamom for Medium Term Framework (2017-18 to 2019 -20)

A meeting of the Standing Finance Committee (SFC) was held on 1st September, 2017 at 12.00 noon in Conference Room No. 141, Udyog Bhawan under the Chairpersonship of Ms. Rita Teatota, Commerce Secretary to consider the scheme to be implemented by Spices Board viz. Integrated Scheme for Export Promotion & Quality Improvement in Spices and Research & Development of Cardamom during the Medium Term Framework (MTF) from 2017-18 to 2019-20. The list of participants is enclosed as Annexure.

2. After a brief introduction regarding the proposed MTF by Shri Santosh Kumar Sarangi, Joint Secretary, especially about the new components proposed, the SFC proposal was presented by Dr. A. Jayathilak, Chairman, Spices Board. He briefed about the activities undertaken and achievements of the Board during the 12th Plan. Chairman also explained regarding the components of the proposed Integrated Scheme for Export Promotion & Quality Improvement in Spices and Research & Development of Cardamom for the Medium Term Framework as under:

S.No.	Components	Proposed outlay (Rs.in crore)
I	Export Oriented Production	114.20
II	Export Development and Promotion	136.78
III	Export Oriented Research	22.90
IV	Quality improvement	17.59
V	Human Resources Development	3.00
VI	Establishment	197.31
Total Outlay		491.78

(1) Export Oriented Production:

The main objectives of the activities proposed to be undertaken under Export Oriented Production (EOP) of Spices are to increase the production and productivity of Small & Large Cardamom, promotion of export of spices through post-harvest improvement, sustain India's position as the world's largest supplier of quality spices and spice products. Assistance to be provided under this component, inter-alia, includes Replanting/ New planting, quality planting material production, irrigation and land development, supply of bio-inputs, mechanization, post harvesting improvement of spices, organic farming, Extension Advisory services regarding Good Agricultural Practices (GAP); SDA/SPEDA programmes etc. with special focus to North Eastern States.

(II) Export Development and Promotion

Export Development and Promotion component aims at providing support to spice exporters. The component consists of two major parts - Export Development and Promotion of spices. The export development part consists of infrastructure development which includes common processing facilities (Spice Parks) and spice processing in NE Region. The export promotion of spices includes trade promotion, product development & research, market study abroad, promotion of Indian spice brand, participation in International meetings/seminars/trainings, publication & public relations, trade information service, marketing and auxiliary services like buyer seller meets, participation in domestic fairs, electronic data processing (EDP), IT services etc.

(III) Export Oriented Research

The activities to be undertaken under this component includes research on cardamom (small & large), Go organic programme, bio-control production, quality assurance laboratory at farm gate level, hi-tech nursery, analytical services, survey on quality of spices, validation & check sample programme, implementation of ISO system, participation in CODEX and other meetings, procurement of analytical instruments, strengthening of labs etc.

(IV) Quality Improvement

The activities to be undertaken in the component are analytical services including mandatory consignment inspection programme, survey on quality of spices, training for technical persons in the Laboratories, implementation of ISO systems, participation in CODEX and other meetings, procurement of analytical instruments, strengthening of Quality Evaluation Labs in collaboration with Government Funding Agencies etc.

(V) Human Resources Development

The objective of the programme is to train the stakeholders viz. farmers, traders, exporters, members of NGOs, officers of Spices Board, State Agriculture/ Horticulture Departments etc. for improving the quality of spices by adopting GAP/GMP in spices and productivity improvement in Cardamom (Small & Large) including NE region.

3. After a detailed discussion, the SFC directed/observed as follows:

- (a) To explore the possibility for increasing area of production of both Small and Large Cardamom through area expansion as the cultivation is mostly concentrated in one district.
- (b) Spices Board has submitted integrated projects for promoting organic farming of spices in NE region to all NE States for consideration under 'Paramparagat Krishi Vikas Yojana' (PKVY), projects for organic value chain development in organic spices under the Mission for Organic Value Chain Development (MOVCD) and for development of spices under MIDH to concerned State Governments. For expediting the approval for these projects, Ministry of Agriculture & Farmers Welfare and State Governments may be approached.
- (c) Spices Board to pursue with North Eastern Council (NEC) and Small Farmers Agri Business Consortium (SFAC) for expediting assistance for setting up Farmer Producer Companies in Arunachal Pradesh and other NE States.
- (d) Road map for rationalization of staff in Spices Board considering the technical man power requirement, merging / closing of offices etc should be completed on priority and send to DoC within one month. No further sub-offices should be opened without prior approval of DoC.
- (e) The modalities of the proposed new sub-component i.e Interest Equalization Scheme for Infrastructural Development should be chalked out and given wide publicity amongst the exporters for availing the scheme.
- (f) Production of cardamom planting material / establishment of nurseries by private sector should be encouraged with accreditation by Spices Board, in addition to the Departmental Nurseries and certified nurseries in the growers' fields implemented by the Board.
- (g) With regard to the non-functional Spices Parks, the concerned State Government may be approached to operationalize the Park. The options of utilizing the existing infrastructure for agro processing can also be explored and if required, the facilities established may be transferred to the State Govt. For new Spice Parks to be set up on PPP mode, the equity may be limited to 20%.
- (h) More number of Buyer Seller Meets to be conducted during MTF period.

- (i) Employment generation and beneficiaries to be targeted in the proposed scheme of the Spices Board to be worked out.
- (j) Spices Board to adopt Global GAP and encourage & facilitate safe and sustainable agriculture.
- (k) Efforts should be made by the Spices Board to enhance user charges and explore means of augmenting internal extra -budgetary resources
- (l) The proposed scheme of Spices Board to be implemented in synergy with the schemes being implemented by the Ministry of Agriculture & Farmers Welfare for Spices under MIDH.
- (m) Spices Board to engage Professional Agency/ Experts for formulation of export strategy.

4. Subject to the above, SFC proposal of Spices Board viz. Integrated Scheme for Export Promotion & Quality Improvement in Spices and Research & Development of Cardamom for Medium Term Frame Work (2017-18 to 2019 -20) with a total outlay of Rs. 491.78 crore is approved/ recommended by the Committee. The approval is subject to actual allocation during the budget exercise.

The meeting ended with a vote of thanks to the Chair.

SFC Meeting held on 1st September 2017 at 12.00 Noon in Room No. 141, Udyog Bhawan, New Delhi under the Chairpersonship of Ms. Rita Teotia, Commerce Secretary

LIST OF PARTICIPANTS

Sr. No	Name and Designation of Officer	Name of Department/Organization
1.	Ms. Rita Teotia, Secretary	Department of Commerce
2.	Shri J.K. Dadoo, AS & FA	Department of Commerce
3.	Shri Santosh Kumar Sarangi, Joint Secretary	Department of Commerce
4.	Dr. A. Jayathilak, Chairman	Spices Board
5.	Ms. Rupa Dutta, Economic Adviser	Department of Commerce
6.	Ms. Anita karn, Director	Department of Commerce
7.	Ms. Swayamprava Pani, Joint Director-PF (C.I)	M/O Finance, D/o Expenditure
8.	Shri S. Siddaramappa, Secretary	Spices Board
9.	Shri R. R. Sharma, Assistant Commissioner (Hort.)	DAC &FW
10.	Shri Abhishek Mukherjee, Economic Officer	Niti Aayog
11.	Ms. Kamna Dixit, Under Secretary	Department of Commerce
12.	Shri M.S. Banerjee, Under Secretary	Department of Commerce
13.	Dr. A.B. Remashree, Director	Spices Board
14.	Shri M.S. Ramalingan, Assistant Director	Spices Board
15.	Shri Prathyush T.P., Asistant Director	Spices Board