

## **SPICES BOARD RULES, 1987**

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## **SPICES BOARD RULES, 1987**

In exercise of the powers conferred by Section 38 of the Spices Board Act, 1986 (10 of 1986), the Central Government hereby

makes the following rules', namely :-

CHAPTER 1  
PRELIMINARY

**1. Short title and commencement :-**

- (1) These rules may be called the Spices Board Rules, 1987.
- (2) They shall come into force on the date of their publication in the Official Gazette.

**2. Definitions :-**

In these rules, unless the context otherwise requires,-

- (a) "Act" means the Spices Board Act, 1986 (10 of 1986) ;
- (b) "Board" means the Spices Board constituted under Section 3 of the Act;
- (c) "Committee" means any of the committees appointed by the Board under Section 5 ;
- (d) "Form" means a form appended to these rules;
- (e) "Secretary" means Secretary to the Board appointed under Section 4 ;
- (f) "section" means a section of the Act;
- {g) "Vice-Chairman" means Vice-Chairman of the Board;
- (h) "Year" means the year commencing on the first day of April;
- (i) words and expressions used herein and not defined but defined in the Act shall have the meanings respectively assigned to them.

**3. Office of the Board :-**

The office of the Board shall be located in Cochin, Kerala State.

CHAPTER 2  
THE BOARD AND ITS COMMITTEES

**4. Constitution of the Board and the manner of filling vacancies among members :-**

- (1) The composition of the Board shall be as follows:-
  - (a) Chairman;
  - (b) three members of Parliament, of whom two shall be elected by the House of the people and one by the Council of States;

(c) three members to represent respectively the Ministries of the Central Government dealing with:-

(i) Commerce;

(ii) Agriculture; and

(iii) Finance;

(d) seven members to represent growers of spices out of which four shall represent cardamom, two shall represent pepper and one shall represent other spices ;

(e) ten members to represent the exporters of spices of whom not less than three shall represent cardamom, and not less than three shall represent pepper;

[(f) three members to represent the major spice producing States ;]

(g) four members, one each, to represent the following:-

(i) Directorate of Cocoa, Arecanut and Spices Development, Calicut;

(ii) The Indian Institute of Packaging, Bombay;

(iii) The Central Food Technological Research Institute, Mysore;

(iv) The Central Plantation Crops Research Institute, Kasargode;

(h) one member to represent spices labour interests.

(2) The Central Government may make such consultations as it thinks fit before appointing representatives of the interests specified in clauses (d) to (h).

#### **5. Term of office of members :-**

(1) Save as hereinafter provided, a member of the Board shall hold office for such period not exceeding three years from the date of his appointment as may be specified in the notification appointing him as such: Provided that a member elected or appointed under sub-rule (1) of Rule 4 shall cease to be such member if he ceases

(i) to be a member of the House of Parliament by virtue of which he was elected;

(ii) to hold the office by virtue of which he was appointed; or

(iii) to represent the category from which he was appointed;

(2) A member elected or appointed to fill a casual vacancy shall hold office so long as the member whose place he fills would have been entitled to hold office if the vacancy had not occurred.]

**1** (3) the Central Government may re-appoint a member of the Board for not more than two terms of office

1. Inserted vide " SPICES BOARD RULES, 1987Dt.29th March, 1993 Published in Ministry of Coaunerce, Noti. No. G.S.R.340(E), dated March 29, 1993, published in the Gazette of India, Extra., Part II, Section 3(i), dated 29th March, 1993, p. 2, Sl. No. 116 [F. No. 7/2/92-NS. (AGRI. V)] [C]

**6. Membership roll :-**

The Secretary shall keep a record of the names of members and their addresses.

**7. Change of address :-**

A member shall keep the Secretary informed of any change in his address promptly. If he fails to inform the change of address, the address in the official records shall for all purposes be deemed to be his address.

**8. Resignation :-**

(1) A member may resign his office by a letter addressed to the Chairman.

(2) The office of a member shall fall vacant from the date on which the resignation of such member is accepted or on expiry of thirty days from the date of the receipt of resignation by the Chairman, whichever is earlier.

(3) The Chairman shall communicate the acceptance of the resignation of the member to the Board at its next meeting.

**9. Removal of member :-**

The Central Government may remove any member from office :-

(a) if he is of unsound mind and stands so declared by a competent Court; or

(b) if he is an undischarged insolvent; or

(c) if he is convicted of an offence involving moral turpitude; or

(d) if, without the leave of the Chairman, he fails to attend three consecutive meetings of the Board ; or

(e) if he defaults in payments of any dues to the Board and is so declared by the Board.

**10. Vice-Chairman :-**

(1) The Board shall each year elect from its members a member to be the Vice-Chairman of the Board for a period of twelve months commencing from the date of his election or, if the election is held before expiry of the term of office of an existing Vice-Chairman, from the date on which such Vice-Chairman shall vacate office.

(2) In the event of the Vice-Chairman resigning his office or ceasing to be a member of the Board, the Board shall at its next meeting elect another member to be the Vice-Chairman for the unexpired portion of the term of office of the Vice-Chairman elected under sub-rule (i).

(3) If, however, the election is not held within a period of twelve months, the existing Vice-Chairman shall continue to hold office till the election is held.

**11. Appointment of Committees :-**

(1) The Committees appointed by the Board under Section 5 may be either Executive or Advisory in character and shall exercise such powers and discharge such functions of the Board as may be decided by the Board in conformity with the provisions contained in the Act and these rules.

(2) The Board shall appoint every year the following Standing Committees to exercise such powers and discharge such functions as may be assigned to it under these rules, namely:-

(i) Executive committee.-This committee shall consist of:-

(a) the Chairman of the Board who shall be the ex-officio Chairman of the committee;

(b) the Vice-Chairman;

[(c) one of the members appointed under clause (f) of sub-rule (1) of Rule 4 to be nominated yearly by rotation;]

(d) the member representing the Ministry of the Central Government dealing with Finance;

(e) the Secretary.

(ii) Research and Development Committee for cardamom.-This committee shall consist of:-

(a) the Chairman of the Board who shall be the ex-officio Chairman of the Committee;

(b) the Vice-Chairman;

[(c)- one of the members appointed under clause (f) of sub- rule (1) of Rule 4 to be nominated yearly by rotation ;]

(d) the member representing the Ministry of Central Government dealing with Agriculture;

(e) one member to represent ELETTARIA CARDAMOMMATON growers;

(f) one member to represent AMMOMUM SUBULATUMROXB growers;

(g) Director, Central Plantation Crops Research Institute, Kasargode;

(h) officer of the Board in-charge of Cardamom Research ;

(i) officer of the Board in-charge of Cardamom Development ;

(iii) Market Development Committee for Spices.-This Committee shall consist of:-

(a) The Chairman of the Board who shall be the ex-officio Chairman of the Committee;

(b) The Vice-Chairman;

(c) The Director, Central Food Technological Research Institute, Mysore;

(d) the member representing the Ministry of Central Government dealing with Commerce;

(e) three members to represent trade interests to be appointed by the Board from among themselves ;

(f) an officer of the Export Inspection Agency of India appointed by the Board;

(g) the officer of the Board dealing with Spices Market Development.

(3) The Board may appoint such other committees from time to time as may be deemed necessary.

(4) The Chairman of any committee appointed by the Board may require any officer of the Board or invite any person or persons to attend such meetings of the committee but such person or persons shall have no power to vote.

## **12. Functions of the Committees :-**

(a) Executive Committee.-This committee shall exercise the following functions :-

(i) Such administrative matters as are delegated by the Board;

(ii) Registration of traders and exporters, examination and acceptance of returns to be made by registered owners of estates, farms, gardens, processing units, publications of the statistics so collected, or of any portions thereof or extracts therefrom ;

(iii) Any other function assigned by the Board.

(b) Research and Development Committee for Cardamom.-This committee shall exercise the following functions :-

(i) formulation of projects for the development of cardamom ;

(ii) reviewing implementation of development projects;

(iii) assigning priorities for research work to be undertaken by the Board;

(iv) reviewing progress of research ;

(v) any other function assigned by the Board.

(c) Market Development Committee for Spices.-This Committee shall exercise the following functions :-

(i) monitoring of auctions of spices ;

(ii) formulation of projects for market development in internal markets and for exports;

(iii) review of the market conditions relating to spices ;

(iv) recommend to Board such matters as are necessary for streamlining of marketing of spices ;

(v) any other function assigned by the Board.

### **13. Provision for constitution of a special committee :-**

The Board may set up a special committee for undertaking a specific work connected with its functions and appoint members including Chairman for such a committee.

#### CHAPTER 3

#### POWERS AND DUTIES OF CHAIRMAN

### **14. Powers and duties of the Chairman :-**

The Chairman shall have the following powers and duties :-

(i) to grant, leave to officers and employees of the Board including the Secretary;

(ii) to prescribe duties of all officers and staff of the Board and exercise such supervision and disciplinary control as may be necessary;

(iii) to sanction expenditure for contingencies, supplies and services and purchase of articles required for the working of the office of the Board;

(iv) to require the Board or any Committee thereof to defer taking action in pursuance of any decision taken by the Board or the committee as the case may be, pending a reference to the Central Government on such decision ;

(v) to take decision in respect of matters that cannot wait disposal by the Board or a Committee, as the case may be. The action taken by the Chairman shall be put up to the Board for post facto approval at its next meeting : Provided that where the Board modifies or reverses the decision taken by the Chairman, such modification or reversion shall be without prejudice to the validity of any action taken before such modification or reversion.

#### CHAPTER 4

#### CERTIFICATE OF REGISTRATION

### **15. Application for certificate :-**

(1) An application for grant of certificate under Section 12 shall be made to <sup>1</sup>[\* \* \*] the Board in Form 1.

(2) Every application for grant of certificate of registration shall be accompanied by a receipt evidencing the payment of fee of <sup>2</sup> ["rupees two thousand for a block period of three years ending on the 31st August or part thereof. Renewal fee for such period shall

be rupees one thousand"].

1. In rule 15, sub-rule (1) the words "the Secretary of " shall be omitted by Spices Board (Amendment) Rules, 2002., Noti. No. F. No. 5/1/2002-EP (Agri-V). dt. 10.9.2002 Gaz.of India, Exty., Pt. II-Sec. 3d), No. 420, dt. 10.9.2002 p. 15.

2. Substituted for "rupees one hundred", vide " SPICES BOARD RULES, 1987" Dt.19th October, 1991 Published in Ministry of Commerce, Noti. No. G.S.R. 661(E), dated October 19, 1993, published in the Gazette of India, Extra., Part II, Section 3(i), dated 19th October, 1991, pp. 5-8, SI. No. 360 [F.No. 7/2/93-EP(AGRIV)] [C][W][L]

### **15A. Rule 15A :-**

**1**

(1). An exporter of spices who has his own or taken on rent or leased premises having facilities for cleaning, grading, processing, warehousing and packing as given in the Schedule annexed to these rules, may apply to the Board in Form VI for grant of a Spice House Certificate. The Board, on being satisfied as to the facilities available in the premises owned or taken on rent or lease for a period of not less than three years, shall issue a certificate in Form VII. If on inspection at any time, it is found that the exporter does not have such facilities, the Spice House Certificate issued to him shall be cancelled".

(2) The Spice House Certificate shall be valid for three years from the date of issue:

Provided that the certificate shall be invalid for the period the exporter does not hold a valid exporter registration certificate:

Provided further that the certificate shall be renewed if the exporter maintains the facilities referred to in sub-rule (1);

1. Rule 15A, shall be substituted by Spices Board (Amendment) Rules, 2002. , Noti. No. F. No. 5/1/2002-EP (Agri-V).dt. 10.9.2002 Gaz.of India, Exty., Pt. II-Sec. 3d), No. 420, dt. 10.9.2002 p. 15.

### **16. Appeal :-**

(1) Any person aggrieved by an order of the Board made under Section 13 may, within sixty days from the date of making of such order, appeal to the Central Government.

(2) Every appeal made under sub-section (1) shall be made in Form II and shall be accompanied by a copy of order appealed against and a receipt evidencing the payment of fee of rupees

twenty five.

(3) On receipt of appeal under sub-rule (1), the Central Government shall, after giving a reasonable opportunity to the appellant of being heard, pass such order as it may deem fit.

#### CHAPTER 5

#### FINANCE, BUDGET AND ACCOUNTS OF THE BOARD

### **17. Budget Estimates :-**

(1) The Board shall, in each. financial year, prepare a budget for the Spices Board for the next financial-year and shall submit it for sanction to the Central Government on or before such dates as may be appointed from time to time by the said Government.

(2) No expenditure shall be incurred until the budget is sanctioned by the Central Government and the sanction for that expenditure by the com- petent authorities is received.

(3) The budget shall include a statement of:-

(i) the estimated opening balance ;

(ii) the estimated receipts referred to in sub-section (1) of Section 21 of the Act ;

(iii) the estimated expenditure classified under the following heads and sub-heads or such other heads and sub-heads as the Central Government may from time to time direct, namely:- Heads:-

(a) Administration

(b) Production in respect of cardamom development

(c) Market Development

(d) Research

(e) Promotion and Publicity

(f) Statistics

(g) Works

(h) Promoting co-operative efforts for marketing of Spices

(i) Financial or other assistance in respect of spices for exports

(j) Plantation welfare Sub-heads: -

(i) Pay of officers

(ii) Pay of establishment

(iii) Allowances, honoraria and the like; and

(iv) Other charges, contingencies and the like.

(4) Supplementary estimates of expenditure, if any, shall be submitted for the sanction of the Central Government in such form and on such dates as may be directed by it in this behalf.

**18. Accounts of the Board :-**

(1) The Board shall maintain accounts of all receipts and expenditure relating to every financial year.

(2) The expenditure incurred in a particular financial year shall be shown under separate heads and sub-heads.

(3) The opening balance, if any, shall also be stated as such separately.

(4) The closing balance of the year shall be shown at the foot of the accounts on the expenditure side.

**19. Payment of fees :-**

Any fees or amount payable to the Board under the Act or these rules shall be paid either by money order or demand draft drawn in favour of the Board or by Indian Postal Order payable to the Board at a post office in Cochin.

**SCHEDULE 1**

Minimum facilities required for spices and spice products processing units to qualify for Spice House Certificate

	I. PROESSING	
1.	Premises and surroundings :	The surroundings shall be clean to avoid physical, chemical and microbial contamination and any hazard to the product in process or to the personnel employed in the unit. The immediate approaches to the premises shall be hard surfaced to prevent wind blown dust.
2.	Building :	The building shall be of permanent nature with

		adequate lighting, providing protection from climatic
		hazards and laid out to prevent cross contamination of
		the material. Residential areas shall be separate to
		preclude contamination. Adequate measures shall be
		provided to protect food handling areas from insects,
		rodents and animals. Ceiling, walls and floor shall be
		smooth, impermeable to water and cleanable. The doors
		and windows shall be aligned properly and provided with
		insect proofing. Suitable exhaust vents shall be provided.
3.	Change rooms :	There shall be separate change rooms for male and
		female workers near the entrance of the work area with
		required facilities. Clean working clothes, aprons,
		headgears and mouth covers should be provided/used
		while engaged in any process in the unit.
4.	Machineries	There shall be suitable machinery for processing of
	and	spices in adequate number and capacity depending upon
	Equipments :	the raw material, process technology adopted and
		finished product. Machineries shall be kept in good
		conditions, well maintained.
5.	Utensils, Work	Utensils, Work tables and containers used for edible
	tables and	materials shall be smooth, corrosion resistant and easy
	containers :	to clean. Utensils used for edible materials and non-
		edible materials shall be separate and shall be identified
		as such.
6.	Boiler :	If steam is required for processing, boiler of suitable
		capacity shall be installed and shall meet the

		statutory regulation applicable to it.
7.	Water :	Water used for processing and for sanitation purposes
		shall be potable and shall meet the relevant ISI specifications.
8.	Effluent treatment :	There shall be suitable effluent treatment system meeting the relevant statutory regulations.
9.	Maintenance :	There shall be documented maintenance schedule for the premises, building, machinery, instruments attached to machinery and monitoring and testing devices shall be calibrated.
10.	Toilets :	There shall be adequate number of sanitary type toilets, with running water.

## II. CLEANLINESS, SANITARY AND HYGIENIC STANDARDS :

1.	Hygiene of Personnel	(a) The highest possible cleanliness shall be observed by personnel directly handling spices, food contact surfaces and packing material. Personnel shall be free from contagious diseases
2.	Hygiene in the unit	(b) Food contact areas, floors, walls, partitions, ceilings, and roof linings, machinery, equipments, utensils, toilets, sanitation facilities etc. shall be kept clean and in good condition. The processing premises should be free from Rodents pests, insects, vermin, birds and animals and pets and the same should be documented. Rodenticides, pesticides, etc. used shall not contaminate the area and shall be handled only by trained personnel.
3.	Control of contamination from metal, glass, etc.	There shall be properly documented policy to control contamination from metal, glass, etc. All lighting should have proper protection covers.

## III. WAREHOUSING FACILITIES :

1.	Raw material/ Finished goods storage :	There shall be raw material godown (s) of adequate space having tightly fitting doors, smooth floor and walls. Finished goods store shall have adequate facility
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		including environmental conditions as required
		depending upon the material. Rodent and pest control
		arrangements shall be available in the storage.
2.	Drying yard :	If mechanical dryers are used the same shall be suitable
		and of adequate capacity. If the fuel used is other than
		electricity, there shall not be any chance for
		contamination by the fuel material. In the absence of
		mechanical dryer of adequate capacity, there shall be
		drying yard of adequate space and the drying yard shall
		be smooth, having sufficient and suitable slope with
		facility for protection from birds and animals. The yard
		shall be skirted and there shall be facility for sanitizing
		feet and hand at the entrance.

#### IV. QUALITY ASSURANCE :

Laboratory	There shall be a laboratory with adequate testing facility
	depending upon the raw material, process, and product. The
	laboratory shall be manned by qualified and experienced
	technical personnel. Test reports shall be documented in
	proper registers. Raw material's in process and finished
	products shall be subject to regular tests and registers
	maintained shall document the analytical data.

#### V. PACKAGING and GRADING

Packaging	There shall be a well laid out packaging system either
	automatic or semi automatic which would minimize the direct
	contact with the contents of the packaging to ensure that
	there is no contamination. There shall be facilities for grading
	the spice produce/products of different specifications.

#### VI. CERTIFICATION REQUIREMENTS

Certification requirements	The unit shall be certified under ISO 9000 and HACCP /GMP
	by any of the approved agencies, provided that holders of
	Spice House Certificate may be given relaxation of this
	condition for a maximum period of one year from the date of
	the notification.".