


No. 5/8/2021-Plant-D
Government of India
Ministry of Commerce & Industry
Department of Commerce

Udyog Bhawan, New Delhi
Dated: 23.02.2022

OFFICE MEMORANDUM

Subject: Repeal of Spices Board Act, 1986 and enactment of Spices (Promotion and Development) Bill, 2022-reg.

The undersigned is directed to refer to this Department's O.M. of even no. dated 10.01.2022, 21.01.2022 and 08.02.2022 on the above cited subject and to say that the time limit for seeking comments of public/stakeholders on the draft Spices (Promotion and Development) Bill, 2022 has been extended till 09.04.2022. Now the comments/views on the said bill may be submitted to this Department till 09.04.2022.


(Arun Kumar T)
Deputy Director
Tel: 23062261/616


No. 5/8/2021-Plant-D
Government of India
Ministry of Commerce & Industry
Department of Commerce

Udyog Bhawan, New Delhi
Dated: 08.02.2022

OFFICE MEMORANDUM

Subject: Repeal of Spices Board Act, 1986 and enactment of Spices (Promotion and Development) Bill, 2022-reg.

The undersigned is directed to refer to this Department's O.M. of even no. dated 10.01.2022 and 21.01.2022 on the above cited subject and to say that the time limit for seeking comments of public/stakeholders on the draft Spices (Promotion and Development) Bill, 2022 has been extended till 09.03.2022. Now the comments/views on the said bill may be submitted to this Department till 09.03.2022.


(Arun Kumar T)
Deputy Director
Tel: 23062261/616

No. 5/8/2021-Plant-D
Government of India
Ministry of Commerce & Industry
Department of Commerce

Udyog Bhawan, New Delhi
Dated: 21.01.2022

OFFICE MEMORANDUM

Subject: Repeal of Spices Board Act, 1986 and enactment of Spices (Promotion and Development) Bill, 2022-reg.

The undersigned is directed to refer to this Department's O.M. of even no. dated 10.01.2022 on the above cited subject and to say that the time limit for seeking comments of public/stakeholders on the draft Spices (Promotion and Development) Bill, 2022 has been extended till 09.02.2022. Now the comments/views on the said bill may be forwarded to this Department by 09.2.2022.

2. This issues with the approval of Competent Authority.



(M.S. Banerjee)

Under Secretary to the Govt. of India
Tel: 23061732

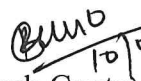
No.5/8/2021-Plant D
Govt. of India
Ministry of Commerce & Industry
(Department of Commerce)

Udyog Bhawan, New Delhi
Dated 10th January, 2022

Office Memorandum

Subject: Repeal of Spices Board Act, 1986 and enactment of Spices (Promotion and Development) Bill 2022-reg

Department of Commerce is proposing to repeal Spices Board Act, 1986 and enactment of Spices (Promotion and Development) Bill 2022. A copy of the draft Bill is placed on the Department of Commerce Website (<https://commerce.gov.in/>) for seeking comments from public/stakeholders etc. till 21 January 2022. Comments may be sent to undersigned within specified time.


(Devesh Gupta)
Deputy Secretary to the Govt. of India
Tel: 011 2306 2593

Encl: As above

Explanatory Note for the proposed draft ‘Spices (Promotion and Development) Bill

2022

The Spices Board Act, 1986 constituted the Spices Board as a statutory body on 26th February, 1987 by merging the erstwhile Cardamom Board and Spices Export Promotion Council. The Board with its head quarter at Kochi, Kerala is headed by the Chairman and the day to day administration is looked after by the Secretary. The Board is responsible for overall development and marketing of both small and large cardamom and promoting the export of all the 52 Spices listed in the schedule of the Act.

In order to study the scope for streamlining the Act by removing the obsolete provisions, and modernising the Act to support the spices industry better to sustain the leadership in global spice exports taking in to account the emerging market scenario, the primary legal instrument namely the Spices Board Act, 1986 was examined closely by a team of officials, comprising of a representative from Centre for Trade And Investment Law (CTIL). To further understand the market reality and the prevalent practices, consultations were undertaken with the exporters of Indian spices, growers of cardamom and other stakeholders. Further, the structure of the Act was reviewed by a team of legal policy experts.

Spices Board currently holds the mandate for export promotion and quality management of spices and spices products. For cardamom (large and small) only, the current mandate of the Spices Board extends to pre-harvest activities also. There is a felt need to enable the Board to provide focussed attention across the entire supply chain of spices, if required for the purposes of export promotion. Hence, an enabling provision is required to be made for the Government to include any of the spices as ‘notified spices’ in the Schedule II of the Act, in addition to cardamom, so that interventions across the entire supply chain can be undertaken by the Board for such notified spices. Also, considering the emerging quality, food safety requirements in spices sector and the modern applications of spices in nutraceuticals, natural colours, etc, it is essential to orient the research support to spice industry to address these aspects. Further, some of the never used/ redundant provisions in the Act need to be removed and offences are to be decriminalized for facilitating ease of doing business in spices sector.

Accordingly, it is proposed that the Spices Board Act, 1986 is repealed and a new legislation is enacted to reflect the present realities and objectives, as listed above.

SPICES (PROMOTION AND DEVELOPMENT) BILL, 2022

A BILL

to promote and develop the Indian spices industry, enable the functioning of a modern Spices Board, and for matters connected therewith or incidental thereto

BE it enacted by Parliament in the Seventy-Third Year of the Republic of India as follows:—

CHAPTER I
PRELIMINARY

Short title, extent,
and commencement

1. (1) This Act may be called the Spices (Promotion and Development) Act, 2022.
- (2) It shall extend to the whole of India.
- (3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint, and different dates may be appointed for different provisions of this Act and any reference in any such provision to the commencement of this Act shall be construed as a reference to the commencement of that provision.

Definitions

2. In this Act, unless the context otherwise requires:—
 - (a) “advisories” means non-binding standards and guidance issued by the Board for promotion and development of the spices industry;
 - (b) “Spice farm” means any area administered as one unit which contains land planted primarily with plants of a spice, and includes estates which contains land planted with plants of cardamom;
 - (c) “Board” means the Spices Promotion and Development Board established under section 13 of this Act;
 - (d) “Chairperson” means the Chairperson of the Board appointed under clause (a) of sub-section (1) of section 14 of this Act;
 - (e) “Chief Executive Officer” means the Chief Executive Officer of the Board appointed under sub-clause (i) of clause (f) of sub-section (1) of section 14 of this Act;
 - (f) “Chief Financial Officer” means the Chief Financial Officer of the Board appointed under sub-clause (ii) of clause (f) of sub-section (2) of section 14 of this Act;
 - (g) “Notified spices” means the spices mentioned in Schedule II of this Act:

Provided that the Central Government may, if it is satisfied that it is necessary or expedient in public interest to do so, add any other spice to the Schedule or omit any spice therefrom by notification in the Official Gazette;

- (h) “directions” or “guidelines” means binding, mandatory instructions issued by the Board;
- (i) “executive officers” means the executive members appointed under clause (f) of sub-section (1) of section 14 and the officers of the Board appointed under section 20.
- (j) “export” means taking out of India by land, sea, or air;
- (k) “exporter” means any person who is engaged in the export of any spice in any form, including processed or manufactured spices;
- (l) “Fund” means the Spices Promotion and Development Fund constituted under section 22 of this Act;
- (m) “grower” means the owner of a spice farm, and includes any agent of such owner, and a mortgagee, lessee or any other person in actual possession of such spice farm;
- (n) “import” means bringing into India by land, sea, or air;
- (o) “India” means the territory of India;
- (p) “large grower” means any grower who is not a small grower;
- (q) “member” means a member of the Board appointed under section 14 of this Act, including the Chairperson and Chief Executive Officer;
- (r) “person engaged in the business of any notified spice” means an individual and includes a company, firm, society and any other association or body of individuals, whether incorporated or not, which undertakes activities related to purchasing and selling any notified spice, including dealers of such spices and auctioneers, but does not include the grower of any such spice;
- (s) “prescribed” means prescribed by rules made under this Act;
- (t) “small grower” means a grower of a spice whose spice farm does not exceed such hectares in area as the Board may declare by notification in the Official Gazette;
- (u) “spices” means the spices mentioned in Schedule I of this Act:

Provided that the Central Government may, if satisfied that it is necessary or expedient in the public interest to do so, by notification in the Official Gazette, add any other spice to the Schedule or omit any spice therefrom;
- (v) “spices industry” means the industry engaged in trade and commerce in, and the production, supply and distribution of, any spice, and includes any notified spice;
- (w) “specified” means specified by regulations made by the board under this Act.

CHAPTER II

PROMOTION AND DEVELOPMENT

PART I PROMOTIONS SCHEMES AND QUALITY ENHANCEMENT

Objectives

3. The Central Government and the Board, as the case may be, while exercising its powers, discharging its functions, or undertaking any other activity under this Act shall be guided by the following objectives, namely:—

- (a) developing and promoting the export of spices, including marketing of Indian spices, spice products and brands in the international market;
- (b) promoting and regulating the quality and safety of spices, especially for export, including development of standards and certification of quality and safety;
- (c) promoting and furthering the interests of growers, exporters and other stakeholders involved in the spices industry, and particularly, the growers of any notified spice;
- (d) promoting the production of any notified spice;
- (e) promoting export-oriented production of spices including organic cultivation of spices for exports;
- (f) promoting co-operative efforts among growers of spices, particularly the growers of any notified spice;
- (g) providing support and assistance, including financial assistance, to small growers of notified spices;
- (h) providing support and assistance for post-harvest improvement of spices including processing, value addition, quality and safety compliance and packaging of spices;
- (i) promoting the sale and consumption of spices, including through e-commerce platform;
- (j) encouraging fair and remunerative prices for growers of spices, particularly the growers of notified spices, through such mechanisms as deemed necessary, including auctions of all kinds;
- (k) promoting good agricultural, manufacturing and hygiene practices in the spice industry, especially in the interest of promotion of export;
- (l) promoting interventions aimed at aligning the practices in the Indian spices industry with global best practices and adoption of the best technologies available;
- (m) enhancing the capacity of stakeholders to promote sustainability in spices sector in economic, social, and environmental terms;
- (n) safeguarding the interests of the workers in spice farms, and particularly, any notified spice;
- (o) increasing awareness among the general public about the spices industry in India;
- (p) undertaking, assisting or encouraging scientific, technological and economic research to support the spices industry, especially in respect of notified spices, and including quality and food safety aspects
- (q) collecting, analysing, and disseminating economic, scientific and technical data, information, statistics and studies related to spices industry;

	<p>(r) promoting development of innovative or novel spice products including spice-based nutraceuticals, health supplements and such similar products; and</p> <p>(s) encouraging and adopting the best available technologies and minimizing the use of hazardous chemicals.</p>
Measures, activities, promotion schemes etc. by Board	4. In order to achieve the objectives enlisted section 3, and in exercise of its general powers and functions under section 21, the Board shall undertake such measures and activities as it may deem fit, including promotion and incentive schemes, seminars, workshops, accreditation programmes and certification of quality and safety compliance, research activities and other similar programmes.
Issuance of directions and advisories by the Board	<p>5. In order to achieve the objectives enlisted in section 3, and in exercise of its general powers and functions under section 21, the Board may issue directions or advisories to growers, exporters, persons engaged in the business of notified spices, and such other persons in the spices industry, or any class thereof, as it may deem fit:</p> <p>Provided that every direction issued shall be complied with by such person in the spices industry to whom such direction has been issued.</p>
Principle of proportionality	<p>6. (1) Where the Board specifies any regulations under section 32 or issues any directions under section 5, it shall ensure that such regulations or directions are accessible, reasonable, and proportionate to the objectives, enlisted under section 3.</p> <p><i>Explanation.</i>— Nothing in this sub-section shall apply to any action taken by the Board in furtherance of a direction issued by the Central Government under section 29.</p> <p>(2) No measures or activities undertaken under section 4, or directions and advisories issued under section 5, or regulations specified under section 32 shall be called into question in any court only on the ground that such measures or activities, or directions and advisories, or regulations, as the case may be, are not in accordance with this section or section 3.</p>
PART II – COMPLIANCES	
Registration of persons engaged in the business of notified spices	<p>7. (1) Every person engaged in the business of notified spices, or a class thereof, may be liable to obtain a certificate of registration issued by the Board, as may be specified, in such form and manner, subject to such conditions and the payment of such fee, and with effect from such date as may be specified:</p> <p>Provided that the Central Government may by notification in the Official Gazette exempt such persons or class of persons from the provisions of this sub-section.</p> <p>(2) A certificate of registration shall be issued or rejected after due verification in such manner and within such period as may be specified.</p>

	<p>(3) The certificate of registration shall be deemed to have been issued after the expiry of the period specified in sub-section (2) if no deficiency has been communicated to the applicant within that period.</p> <p>(4) A certificate of registration issued or deemed to have been issued to a person engaged in the business of notified spices under this section shall remain valid for a period of:</p> <p>(a) [•] years,</p> <p>(b) or such period higher than [•] years, as may be specified by the Board from the date on which it was issued or deemed to be issued, except when it is cancelled or suspended under section 10.</p>
Registration of exporters	<p>8. (1) Every exporter shall be liable to obtain a certificate of registration issued by the Board in such form and manner, subject to such conditions and the payment of such fee, and with effect from such date as may be specified:</p> <p style="padding-left: 40px;">Provided that the Central Government may by notification in the Official Gazette exempt such persons or class of persons from the provisions of this sub-section.</p> <p>(2) A certificate of registration shall be issued or rejected after due verification in such manner and within such period as may be specified.</p> <p>(3) The certificate of registration shall be deemed to have been issued after the expiry of the period specified in sub-section (2) if no deficiency has been communicated to the applicant within that period.</p> <p>(4) A certificate of registration issued or deemed to have been issued under this section, shall remain valid for a period of:</p> <p>(a) [•] years,</p> <p>(b) or such period higher than [•] years, as may be specified by the Board from the date on which it was issued or deemed to be issued, except when it is cancelled or suspended under section 10.</p>
Submission of returns and maintenance of accounts	<p>9. Every person liable to be registered under section 7 and section 8 shall submit to the Board such returns at such times in such form and containing such particulars as may be specified:</p> <p style="padding-left: 40px;">Provided that the Central Government may by notification in the Official Gazette exempt such persons or class of persons from the provisions of this section.</p>
Inspection and penalties	<p>10. (1) Where the Chief Executive Officer has reason to believe that any person:—</p> <p>(a) has contravened any direction issued to such person under section 5;</p> <p>(b) liable to be registered under section 7 or section 8 has failed to obtain registration or has obtained registration through fraud or misrepresentation;</p> <p>(c) liable to submit returns under section 9 has failed to submit such returns or has submitted false returns; or</p> <p>(d) contravened any other provision of the Act,</p> <p>the Chief Executive Officer may authorise an executive officer of the Board by an order in writing in such manner and subject to such conditions as may be specified, to conduct an inspection.</p>

	<p>(2) In the course of such inspection, such executive officer may, subject to such conditions as may be specified:</p> <ul style="list-style-type: none"> (a) enter any place or premises where any activities related to the spices industry are undertaken; (b) require the production of any books, registers, records or other articles or papers kept therein; and (c) ask for any related information. <p>(3) Upon completion of the inspection, such executive officer shall submit to the Chief Executive Officer a report containing:-</p> <ul style="list-style-type: none"> (a) recommendations on whether there is a contravention of the provisions of this Act; (b) in cases where there is found to be a contravention of the provisions of this Act recommendations on the:- <ul style="list-style-type: none"> (i) imposition of a penalty under sub-section (4) if such executive officer deems fit; (ii) suspension or cancellation of registration under section 7 or section 8, as the case may be, if such executive officer deems fit; (c) such other particulars as may be specified. <p>(4) Upon receipt of the report referred to in sub-section (3), after considering the recommendations provided therein, the Chief Executive Officer shall pass an order as may be deemed fit in such form, manner, and subject to such conditions as may be specified:-</p> <ul style="list-style-type: none"> (a) closing the matter forthwith; (b) imposing a civil penalty; (c) suspending or cancelling of registration under section 7 or section 8, as the case may be; or (d) both (b) and (c): <p style="padding-left: 40px;">Provided the amount of penalty imposed under this sub-section, if not paid, may be recovered as if it were an arrear of land revenue:</p> <p style="padding-left: 40px;">Provided further no order of suspension or cancellation of registration shall be passed under this sub-section unless the person concerned has been given a reasonable opportunity of being heard in respect of the grounds of such suspension or cancellation.</p>
Executive officers to be public servants.	11. All executive officers, when acting or purporting to act in pursuance of section 10, shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code (Act No. 45 of 1860).
Appeal	<p>12. (1) Any person aggrieved by an order of the Board passed under the provisions of sub-section (4) of section 10 may, within such period of the passing of the order, prefer an appeal to the Central Government, on payment of such fee, in such form and manner and subject to such other conditions, as may be prescribed,</p> <p>(2) The Central Government may confirm, modify, or reverse the order appealed against.</p> <p>(3) Subject only to such decision of the Central Government, the order of the Board shall be final and shall not be called in question in any court.</p>

	<p>(4) Before disposing of an appeal under sub-section (2), the parties shall be given a reasonable opportunity of being heard.</p>
<p style="text-align: center;">CHAPTER III SPICES BOARD</p>	
<p>Establishment and incorporation of the Board</p>	<p>13. (1) Notwithstanding anything contained in section 36, the body corporate by the name of “Spices Board” constituted under sub-section (1) of section 3 and incorporated under sub-section (2) of section 3 of the Spices Board Act (Act No. 10 of 1986), shall be the Spices Board for the purposes of this Act.</p> <p>(2) The Board shall be a body corporate by the name aforesaid having perpetual succession and a common seal with power to acquire, hold and dispose of property, both movable and immovable, and to contract, and shall by the said name sue and be sued.</p>
<p>Composition of the Board</p>	<p>14. (1) The Board shall consist of the following members, not exceeding [•]:—</p> <p>(a) a Chairperson to be appointed by the Central Government;</p> <p>(b) [•] Members of Parliament, of whom [•] shall be nominated by the House of the People and [•] by the Council of States;</p> <p>(c) [•] members to be nominated by the Central Government from such Ministries of the Central Government as it may deem fit;</p> <p>(d) [•] members to be appointed by the Central Government from among persons who are in its opinion capable of representing the interests of the following, having regard to their experience in the spices industry:—</p> <p style="padding-left: 40px;">(i) [•] members to represent large growers and small growers;</p> <p style="padding-left: 40px;">(ii) [•] members to represent the exporters;</p> <p style="padding-left: 40px;">(iii) [•] members to represent major spice producing States; and</p> <p style="padding-left: 40px;">(iv) such other interests as in the opinion of the Central Government ought to be represented on the Board.</p> <p>(e) [•] members, [•] to be appointed by the Central to represent: - (i) NITI Aayog, New Delhi; (ii) the Indian Institute of Packaging, Mumbai (iii) the Central Food Technological and Research Institute, Mysore; and (iv) Indian Institute of Spices Research, Calicut; (v) National Research Centre on Seed Spices, Ajmer; and (vi) Indian Institute of Foreign Trade, New Delhi; and</p> <p>(f) the following full-time executive members to be appointed by the Central Government: -</p> <p style="padding-left: 40px;">(i) a Chief Executive Officer, who shall be Member-Secretary of the Board;</p> <p style="padding-left: 40px;">(ii) a Chief Financial Officer; and</p> <p>(2) The manner of filling vacancies among the members of the Board shall be such as may be prescribed.</p>

Qualifications for appointment	15. The Chairperson and members of the Board shall be persons of ability and integrity having experience and knowledge of at least [•] years in matters relating to the spices industry, governance, law, development, economics, finance, management, public affairs or administration.
Term of office & other conditions of service of Chairperson and other members	<p>16. (1) The term of office of, salaries, remuneration or other allowances payable to, and the other terms and conditions of service of, the Chairperson and the other members of the Board shall be such as may be prescribed.</p> <p>(2) The office of member of the Board shall not disqualify its holder for being chosen as or for being a member of either House of Parliament.</p> <p>(3) Any officer of the Central Government when deputed by that Government to the Board shall have the right to attend meetings of the Board and take part in the proceedings thereof but and shall be entitled to vote.</p>
Chairperson	<p>17. (1) The Chairperson shall preside over the meetings of the Board, and without prejudice to any provision of this Act, exercise and discharge such other powers and functions of the Board as may be prescribed.</p> <p>(2) In the absence of the Chairperson in a meeting, the Board may elect any member who is present to preside over such meeting.</p>
Chief Executive Officer	<p>18. (1) There shall be a Chief Executive Officer of the Board, who shall have administrative control over the officers and other employees of the Board, and shall exercise such other powers and perform such duties as may be prescribed.</p> <p>(2) Notwithstanding anything contained in this section, the Board may delegate to the Chief Executive Officer, subject to such conditions and such manner as may be prescribed, such of its powers and functions as it may deem necessary.</p>
Vacancies, etc., not to invalidate proceedings of the Board	19. No act or proceeding of the Board shall be invalid merely by reason of:— (a) any vacancy in, or any defect in the constitution of, the Board; (b) any defect in the appointment of a person as Chairperson or member of the Board; or (c) any irregularity in the procedure of the Board not affecting the merits of the case.
Committees, directors, officers, agents, and staff	<p>20. (1) The Board may constitute such advisory or executive committees, appoint such directors, officers and agents, and employ such staff as it deems necessary for the efficient discharge of its functions under this Act.</p> <p>(2) The method of recruitment and the terms and conditions of service of any directors, officers, and agents appointed, and any staff employed, as the case may be, shall be such as may be specified.</p>
General powers & functions of the Board	21. (1) The Board shall be responsible for the promotion and development of the Indian spices industry, especially for export promotion of spices and regulation of quality and safety of spices for exports

(2) Without prejudice to the generality of sub-section (1), the powers and functions of the Board shall include:—

- (a) taking such steps and implementing such schemes, programmes and projects as it deems necessary in order to achieve its objectives enlisted under section 3 of this Act;
- (b) monitoring and propagating data and other information regarding the demand for and marketability of spices in India and in the foreign market;
- (c) supplying scientific and technical advice aimed at improving the production, manufacture, supply, and distribution of spices;
- (d) undertaking, assisting, or encouraging scientific, technological, and economic research for the benefit of the spices industry;
- (e) collecting statistics from such stakeholders in the spices industry;
- (f) promoting human resource training and skill development in line with the needs of spices industry;
- (g) taking steps to ensure quality and safety standards for spices are maintained for export;
- (h) providing training, financial assistance or other assistance in improving production, processing, replantation, and extension of growing areas of any notified spice, as well as testing and fixing grade standards thereof;
- (i) promoting the consumption of any spice and marketing any spice by providing facilities and services and levying fee for such facilities and services as may be specified;
- (j) collaborating and cooperating with other departments of Central or State Governments on all matters related to the promotion and development of the spices industry;
- (k) collaborating and cooperating with national, international and inter-governmental scientific, regulatory and economic bodies dealing with spices for the benefit of the spices industry;
- (l) subscribing to the share capital of or entering into any arrangement or other arrangements (whether by way of partnership, joint venture, or any other manner) with any other body corporate for the purpose of promoting the development of the spices industry or for promotion and marketing of spices in India or in the foreign market;
- (m) advising the Central Government on all matters relating to the promotion and development of the spices industry, including but not limited to the import and export of spices;
- (n) advising the Central Government with regard to participation in any International Conference, trade promotion events or scheme relating to the spices industry;
- (o) offering consultation and advisory services aimed at improving the manufacturing, processing, value addition, marketing, and export promotion of spices;
- (p) implementing programmes for quality and safety compliance of spices and certification of manufacturing and export facilities to assure quality and safety of spices in for exports; and levying fee for such programmes and services
- (q) providing warehousing and other facilities abroad for export promotion of spices;
- (r) facilitating fair and remunerative prices for growers of spices, particularly notified spices, through such mechanisms as deemed necessary, including

	<p>auctions , subject to such terms and conditions and such fees as may be specified; and</p> <p>(s) any other actions in the interest of spices industry.</p>
<p style="text-align: center;">CHAPTER IV FINANCE, ACCOUNTS & AUDIT</p>	
Spices Promotion and Development Fund	<p>22. (1) The Board shall maintain a Fund to be called the Spices Promotion and Development Fund.</p> <p>(2) The following shall be credited to the Spices Promotion and Development Fund:–</p> <ul style="list-style-type: none"> (a) all sums transferred to, or vested in the Board; (b) any grants and loans made to the Board by the Central Government; (c) all fees levied and collected in respect of certificates of registration issued and any other fees or charges collected under this Act or any rules and regulations made thereunder; (d) all sums received by the Board from such other sources as may be decided upon by the Central Government; and (e) all assets transferred from the erstwhile Spices Board Fund under the Spices Board Act, 1942 (Act No. 10 of 1986). <p>(3) The fund shall be applied:–</p> <ul style="list-style-type: none"> (a) to meet the salary, remuneration, allowances and other service benefits of the executive officers as applicable; (b) to meet the expenses relating to such measures as the Board may undertake under this Act from time to time in order to achieve the objectives enlisted in section 3, and in exercise of its general powers and functions under section 21; (c) to meet the other administrative expenses of the Board and any other expenses authorised by or under this Act; (d) to repay loans; and (e) to settle any liabilities arising out of legal proceedings.
Power to borrow	<p>23. The Board may, from time to time, with the previous sanction of the Central Government and under such conditions as may be prescribed, borrow any sum required for any of the purposes for which it is authorized to expend under this Act, from:–</p> <ul style="list-style-type: none"> (a) any bank or other financial institution by taking loan; or (b) the public by issue of bonds or debentures or any such instrument in the form and manner approved by the Central Government.
Budget	<p>24. The Board shall prepare in such form and manner, at such time, and at such intervals, as may be prescribed, its budget, showing the estimated receipts and expenditure of the Board and forward the same to the Central Government.</p>
Accounts and audit	<p>25. The accounts of the Board shall be maintained and audited in such manner as may, in consultation with the Comptroller and Auditor-General of India, be prescribed and the Board shall furnish to the Central Government before such date, as may be prescribed, its audited copy of accounts together with the auditors' report thereon.</p>
Annual report	<p>26. (1) The Board shall prepare, in such form and manner and at such time each financial year, as may be prescribed, its annual report, giving a full account of its activities during the</p>

	<p>previous financial year, and submit a copy thereof to the Central Government.</p> <p>(2) The annual report prepared under sub-section (1) shall contain:-</p> <ul style="list-style-type: none"> (a) a description of all the activities of the Board for the previous year; (b) the plan of the Board for the upcoming year; and (c) such other details as may be provided under any law for the time being in force.
Annual report and auditor's report to be laid before Parliament	27. The Central Government shall cause the auditor's report under section 25 and the annual report under section 26 to be laid, as soon as may be after they are received, before each House of Parliament.
CHAPTER V MISCELLANEOUS	
Power of Central Government to supersede the Board	<p>28.(1) If at any time the Central Government is of the opinion that:-</p> <ul style="list-style-type: none"> (a) on account of grave emergency, the Board is unable to discharge the functions, duties and powers imposed on it by or under the provisions of this Act; or (b) the Board has persistently made default in complying with any direction issued by the Central Government under this Act, in achieving the objectives enlisted in section 3, or in exercising its general powers and functions under section 21, and as a result of such default the financial position of the Board or the administration of the Board has deteriorated; or (c) circumstances exist which render it necessary in the public interest so to do, <p>the Central Government may, by notification in the Official Gazette, supersede the Board for such period, not exceeding six months, as may be mentioned in that notification.</p> <p>(2) Upon the publication of a notification under sub-section (1) superseding the Board:-</p> <ul style="list-style-type: none"> (a) all the members shall, as from the date of supersession vacate their offices as such; and (b) the general powers and functions which may, by or under the provisions of this Act, be exercised or discharged by or on behalf of the Board, shall until the Board, is under sub-section (3), be exercised and discharged by such person or persons as the Central Government may direct; and (c) all property owned or controlled by the Board shall, until the Board is reconstituted under sub-section (3), vest in the Central Government. <p>(3) On the expiration of the period of supersession mentioned in the notification issued under sub-section (1), the Central Government may reconstitute the Board by a fresh appointment and in such case any person or persons who vacated their offices under clause (a) of sub-section (2), shall not be deemed disqualified for appointment:</p> <p style="padding-left: 40px;">Provided that the Central Government may, at any time, before the expiration of the period of supersession, take action under this sub-section.</p> <p>(4) The Central Government shall cause a notification issued under sub-section (1) and a full report of any action taken under this section and the circumstances leading to such action to be laid before each House of Parliament at the earliest.</p>
Power of Central	29. Without prejudice to the foregoing provisions of this Act, the Board, in discharge of its

Government to issue directions	<p>general powers and functions under this Act, shall be bound by such directions as the Central Government may give in writing to it from time to time:</p> <p>Provided that the Board shall, as far as practicable, be given an opportunity to express its views before any direction is given under this sub-section.</p>
Protection of action taken in good faith	<p>30. No suit, prosecution or other legal proceedings shall lie against the Central Government, the Board, or any officer, member, or employee thereof for anything which is done or intended to be done in good faith under this Act or the rules or regulations made, or standards notified thereunder.</p>
Power to make rules	<p>31. (1) The Central Government may, by notification in the Official Gazette, make rules to carry out the provisions of this Act.</p> <p>(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—</p> <ol style="list-style-type: none"> a) the form and the manner of, and the conditions to be met and fee to be paid for, prefer an appeal to the Central Government under sub-section (1) of section 12; b) the manner of filling of vacancies among the members of the Board under sub-section (2) of section 14; c) the procedure to be followed at meetings of the Board and at committees thereof for the conduct of business, and the number of members which shall form a quorum at any meeting; d) the holding of a minimum number of meetings of the Board every year; e) the term of office of, salaries, remuneration, or other allowances payable to, and the other terms and conditions of service of, the Chairperson and other members of the Board under sub-section (1) section 16; f) the other powers and functions of the Board which shall be discharged by the Chairperson under sub-section (1) of section 17; g) the other powers and duties of the Chief Executive Officer under sub-section (1) and (2) of section 18; h) the conditions to be met for borrowing any sum under section 23; i) the form and the manner of, the time at which and the intervals for the preparation of a Budget under section 24; j) the form and the manner in which the accounts of the Board shall be audited and the date before which the audited copy of the accounts may be furnished to the Central Government under section 25; k) the form and the manner, and the time at which, the annual report shall be prepared under section 26; and l) Any other matter which is to be, or may be, prescribed or in respect of which provision is to be, or may be, made by rules.
Power to make regulations	<p>32. (1) Subject to the provisions to section 3, and with the approval of the Central Government, the Board may by notification in the Official Gazette make such regulations consistent with this Act and any rules made thereunder to carry out its functions under this Act.</p> <p>(2) In particular, and without prejudice to the generality to the foregoing, such regulations may provide for all or any of the following matters, namely:—</p>

	<ul style="list-style-type: none"> (a) the form and the manner of, the conditions to be met and fee to be paid for, and the date of effect of certificate of, registration under sub-section (1) of section 7; (b) the manner of verification of an application to obtain certificate of registration and the period within which such certificate shall be issued or rejected under sub-section (2) of section 7; (c) the period of validity of a certificate of registration under sub-section (4) of section 7; (d) the form and the manner of, the conditions to be met and fee to be paid for, and the date of effect of certificate of, registration under sub-section (1) of section 8; (e) the manner of verification of an application to obtain certificate of registration and the period within which such certificate shall be issued or rejected under sub-section (2) of section 8; (f) the period of validity of a certificate of registration under sub-section (4) of section 8; (g) the form and the manner of, the particulars to be contained and the times at which returns shall be submitted under section 9; (h) the conditions subject to which the Chief Executive Officer may authorise an executive officer of the Board to conduct an inspection by an order in writing under sub-section (1) of section 10; (i) conditions subject to and manner in which inspection is to be conducted under sub-section (2) of section 10; (j) the particulars to be contained in the report to be submitted by an executive officer upon completion of investigation under sub-section (3) of section 10; (k) the form, manner, and conditions subject to which the Board shall pass an order under sub-section (4) of section 10; (l) the method of recruitment and the terms and conditions of service of any directors, officers, and agents appointed, and any staff employed under sub-section (2) of section 20; (m) the fee or other charges for providing marketing facilities and services services under clause (i) and (r) of sub-section (2) of section 21; and (n) any other matter which is to be, or may be, specified or in respect of which provision is to be, or may be, made by regulations.
Rules & Regulations to be laid before Parliament	<p>33. Every rule and every regulation made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or regulation or both Houses agree that the rule or regulation should not be made, the rule or regulation shall thereafter have effect only in such modified form or be of no effect, as the case may be; so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or regulation.</p>
Power to remove difficulties	<p>34. (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act as may appear to be necessary for removing the difficulty:</p>

	<p>Provided that no such order shall be made under this section after the expiry of three years from the commencement of this Act.</p> <p>(2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.</p>
Transitional provisions	<p>35. (1) Notwithstanding anything contained in section 36, on and from the date of commencement of this Act:—</p> <p>(a) any reference to the Spices Board in any contract or other instrument shall be deemed to be a reference to the Board;</p> <p>(b) all property, movable and immovable, of or belonging to the Spices Board shall be deemed to be that of the Board;</p> <p>(c) all rights and liabilities of the Spices Board shall be deemed to be that of the Board;</p> <p>(d) all suits and other legal proceedings instituted by or against Spices Board, immediately before the commencement of this Act, shall be deemed to have been instituted by or against the Board; and</p> <p>(e) the existing committees, directors, officers, agents and staff of the Spices Board shall be deemed to be the committees, directors, officers, agents and staff constituted, appointed, or employed, as the case may be, under section 20.</p> <p>(f) Every employee holding any office under the Spices Board immediately before the commencement of this act shall on such commencement hold his office or service under the Board with the same rights and privileges as to pay, allowances, pension, gratuity, conditions of service and other matters as would have been admissible to him if there had been no such vesting (and if any such provision is not available, he/she shall be regulated in accordance with such rules and regulations for the time being applicable to officers and employees of the Central Government of the corresponding grades or status), and shall continue to do so unless and until his employment under the Board is duly terminated or until his privileges as to pay, allowances, pension, gratuity, conditions of service and other matters are duly altered by the Board.</p> <p><i>Explanation.</i>— For the purpose of this sub-section, the expression “Spices Board” shall mean the body corporate by the name of Spices Board constituted under sub-section (1) of section 3 and incorporated under sub-section (2) of section 3 of the Spices Board Act (Act No. 10 of 1986).</p> <p>(2) On and from the date of commencement of this Act, any person liable to be registered under section 7 and section 8 who has a valid registration or license by whatever name called, under the Spices Board Act (Act No. 10 of 1986), shall be deemed to be registered under section 7 and section 8 of this Act, and shall be deemed to remain so registered till the registration or license as the case may be, remains valid under the Spices Board Act (Act No. 10 of 1986).</p>
Repeal & Savings	<p>36. (1) The Spices Board Act, 1986 (No. 10 of 1986) is hereby repealed.</p> <p>(2) Notwithstanding such repeal, anything done or any action taken under the provisions of the said Act shall, in so far as such thing or action is not inconsistent with the provisions of this Act, be deemed to have been done or taken under the provisions of this Act as if the said provisions were in force when such thing was done or such action was taken and shall</p>

	<p>continue in force accordingly until superseded by anything done or any action taken under this Act.</p> <p>(3) Notwithstanding such repeal, anything done or any action taken under section 9 of the Spices Board Act 1987 (No. 10 of 1986) by any state government shall continue to remain in force.</p> <p>(3) The mention of particular matters in sub-section (2) shall not be held to prejudice or affect the general application of section 6 of the General Clauses Act, 1897 (No. 10 of 1897) with regard to the effect of repeal.</p>
Declaration as to expediency of Union control	37. It is hereby declared that it is expedient in the public interest that the Union should take under its control the industry in respect the notified spices under Schedule II.

Schedule I [see Section 2(t)]	<ol style="list-style-type: none"> 1. All-Spice 2. Aniseed 3. Asafoetida 4. Basil 5. Bay leaf 6. Bishopsweed 7. Cambodge 8. Caper 9. Caraway 10. Cardamom 11. Cassia 12. Celery 13. Chilly 14. Cinnamon 15. Clove 16. Coriander 17. Cumin 18. Curry leaf 19. Dill 20. Fennel 21. Fenugreek 22. Garlic 23. Ginger 24. Greater Galanga 25. Horse-raddish 26. Hyssop 27. Juniper berry 28. Kokam 29. Lovage 30. Mace 31. Marjoram 32. Mint
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	<p>33. Mustard 34. Nutmeg 35. Oregano 36. Parsley 37. Pepper 38. Pepper long 39. Pomegranate seed 40. Poppy Seed 41. Rosemary 42. Saffron 43. Sage 44. Savory 45. Star Anise 46. Sweet flag 47. Tamarind 48. Tarragon 49. Tejpat 50. Thyme 51. Turmeric 52. Vanilla</p> <p>In any form including curry powders, spice oils, oleoresins and other mixtures where spice content is predominant.</p>
Schedule II [see Section 2(f)]	<p>1. Cardamom – Refers the fruit of cardamom plant and includes green cardamom, bleached cardamom, bleachable white cardamom, sundried cardamom, cardamom seeds, powdered cardamom and oil extracted from cardamom, and cardamom plant refers to Elettaria cardamom maton, ammomum subulatum Roxb.</p>