

WORKING PROCEDURE FOR PROGRAMS UNDER EXPORT DEVELOPMENT AND PROMOTION FOR FY 2022-23

Objective

The scheme is targeted for implementation among registered spices exporters, institutions etc with a view to develop the export of spices from India. Under the scheme assistance is provided to the stakeholders under two major components (i) Export Development(Infrastructure Development Scheme) and (ii) Export Promotion(Trade Promotion). The Export Development component aims at supporting development of Infrastructure for enhancing the facilities for processing and value addition of spices and establishing systems for quality and safety compliance.

The Export Promotion component includes programmes for promoting export such as Product Development & Research, Promotion of Indian Spice Brands, Participation in International meetings/seminars/trainings, Package Development etc.

The schemes under Export Development & Promotion are aimed to facilitate increase in marketability and exports of spices and value added spice products from India, in compliance with the global standards of food safety and quality, with a view to further boost India's position as the global manufacturing & export hub of high end valued added spice products.

Guidelines for implementing various programmes under Export Development and Promotion during the period from 2022-23

General Guidelines

1. Spices Board will invite applications, from exporters for availing assistance, within a stipulated time period, based on the availability of funds. All registered exporters of spices are eligible to apply for assistance under the Export Development & Promotion Schemes.
2. The applicant can submit application along with all the requisite documents to the Spices Board in online mode, through Board's website (www.indianspices.com). If an application is not found to be eligible during preliminary scrutiny, the designated office will revert the application to the exporter for correcting the deficiency / submission of required documents, failing which the entire application and enclosures will be returned to the applicant/rejected. The applicant is wholly responsible for providing all the

information and documents sought as per guidelines of the schemes and to comply with other requirements prescribed by the Board (if any) for availing assistance under the scheme.

3. On receipt of the application and enclosures, complete in all respects, the Designated Office will process the application as per scheme procedure concerned and forward the same to the Head Office. The status of the application can be known by the exporter through the online portal.

4. After receipt of the application at Head Office, the same will be processed as per the scheme guidelines and in principle approval (IPA), as applicable, will be issued to the exporter. Initiation of application processing/ Issuance of IPA does not necessarily indicate approval of the application/release of assistance, unless it is found to be eligible/feasible in all respects during the time of final scrutiny. The decision of Board relating to admissibility of an application/ claim shall be final and submission of application / Issuance of IPA will not provide any right to the applicant to claim financial assistance.

5. It is the responsibility of the applicant to file final claim documents, complete in all respects, well before the expiry of the original or extended period , if any, as per the In-Principle Approval letter/ MoU/Agreement.

6. Release of eligible assistance from Board will be in accordance with the working procedure, terms and conditions of the In Principle Approval letter/ MoU/Agreement etc, as applicable, issued and subsequent physical verifications/ inspections by the Board, if required.

7. Preference will be given to the applicant based on appropriate criteria such as first time applicants, SMEs, FPC/FPO/SPS, focus sectors/region, other criteria fixed by the Spices Board etc., if deemed necessary.

8. In case of SC/ST exporters, FPO exporters and exporters in NE region (including Sikkim & Darjeeling region) and other Himalayan States/ J& K and Ladakh, States notified ITDP areas and Islands (Union Territories of Andaman & Nicobar and Lakshadweep), a higher scale of assistance will be provided.

9. The following exporters shall be deemed to fall under SC/ST category,

a) In case of proprietary concern, proprietor shall be SC/ST

b) In case of partnership firm, the SC/ST partners shall be holding at least 51 % shares in the unit.*

c) In case of private limited companies/Limited Liability Partnership (LLP)/Farmer Producer Companies (FPCs), at least 51% shares shall be held by SC/ST directors/promoters. *

* The partner/director/promoter should hold at least 51% share in the unit for the preceding one year of application for financial assistance and the holdings of SC/ST partner/promoter/director shall remain at a minimum of 51% for a subsequent period of at least two years of reimbursement of the financial assistance. In this regard, an undertaking has to be submitted by the applicant, before release of payment.

10. In the case of exporters who have the provision to refund the GST amount, the Board will not consider the GST component while providing the assistance.

11. In the case of schemes which involve purchase of equipment, quotation/proforma invoice/ bills shall be obtained preferably from, Original Equipment Manufacturer (OEM) or their authorized distributors/ dealers of the equipment.

12. The quotations should clearly show the address, GSTN, TIN and PAN, product description with detailed specification, validity date and item/ unit wise cost and total amount.

13. The exporter shall submit online quarterly export returns to the Board regularly, even if the exports are NIL in a particular quarter.

14. The Board reserves the right to get the projects appraised/evaluated by an agency, institution, committee etc. In case the project is not found viable, the application shall not be considered. The grant of In-Principle Approval shall be based on eligible items and activities only and any expenditure on ineligible items and activity shall not be considered.

15. In the case of schemes which require fulfilment of export obligation, the exporter shall furnish Bank Guarantee to the Board equivalent to 110% of the assistance, before release of the payment. Also, some schemes (Product Development & Research, etc) which do not require fulfilment of Export Obligation, shall also require submission of Bank Guarantee, equivalent to 110% of the assistance, before release of the payment.

16. If there is any change in ownership/management of the company, it shall be the responsibility of the exporter to get the same incorporated in the Certificate of Registration as Exporter of Spices (CRES) issued by the Board.

17. Exporter should submit declaration stating that no financial assistance has been availed from any Central/ State agency for the particular scheme applied for. If application is also submitted to any other Central/ State agency, then details of the same should be intimated to Spices Board.

18. The Budgetary allocation to Spices Board is decided by the Department of Commerce and the actual allocation may vary from estimates. Disbursement of assistance under the scheme is subject to actual budget allocation by the Government and availability of the funds.

19. Spices Board shall add /modify / delete the conditions stipulated in the Working Procedure, from time to time.

20. Processing fee including GST will be applicable for availing assistance under the schemes as given in the table below. The processing fee shall be deducted at the time of release of funds to the applicant. The processing fee deducted by Board shall form part of assistance.

Sl No	Scheme	Processing fee
1	Adoption of Hi-Tech/Technology Upgradation.	5% of the total eligible assistance for general category.
2	Setting up/ upgradation of in-house labs.	
3	Product Research & Development.	
4	Assistance to exporters for installing primary processing equipments for spices.	
5	Assistance for implementation of food safety and quality assurance mechanisms / certifications.	1% of the total eligible assistance for general category.
6	Assistance to exporters for Rapid Food Testing Devices and Kits.	
7	Assistance for exporters for sending business samples abroad.	
8	Packaging Development & Bar coding.	
9	Promotion of Indian Spice Brand (Brand Promotion Scheme).	
10	Participation in International Fairs / meetings/ seminars/ Trainings.	

***No fee shall be applicable for SC / ST exporters, FPO exporters, exporters from NE region (including Sikkim & Darjeeling region) & other Himalayan states / J&K and Ladakh, State Notified ITDP areas and Islands (Union Territories of Andaman & Nicobar and Lakshadweep)*

21. The applicability of assistance under the programs are given in the table below,

Sl No	Schemes	Applicability of assistance
1	Adoption of Hi-Tech/Technology Upgradation.	The assistance under the scheme will be considered only once during the entire plan period(till 2025-26), irrespective of the amount of assistance. (multiple devices can be included in a single application)
2	Setting up/ upgradation of in-house labs.	The assistance under the scheme will be considered only once during the entire plan period(till 2025-26), irrespective of the amount of assistance. (multiple devices can be included in a single application)
3	Assistance to exporters for installing primary processing equipments for spices.	The total ceiling of assistance under the scheme shall be applicable for the entire plan period(till 2025-26).Only one application per financial year shall be considered, provided the exporter has not exceeded the ceiling. (multiple devices can be included in a single application)

4	Assistance to exporters for Rapid Food Testing Devices and Kits.	The total ceiling of assistance under the scheme shall be applicable for the entire plan period(2021-22 to 2025-26).Only one application per financial year shall be considered, provided the exporter has not exceeded the ceiling. (multiple devices can be included in a single application)
5	Assistance for implementation of food safety and quality assurance mechanisms / certifications.	The total ceiling of assistance under the scheme shall be applicable for the entire plan period(2021-22 to 2025-26).Only one application per financial year shall be considered, provided the exporter has not exceeded the ceiling. (multiple certifications /renewals are eligible under the scheme)
6	Promotion of Indian Spice Brand (Brand Promotion Scheme).	Assistance under the scheme will be considered for only one project/proposal during the entire plan period(2021-22 to 2025-26).Also there should be no currently running projects.
7	Product Research & Development.	In the case of exporters,assistance under the scheme will be considered for only one project/proposal during

		the entire plan period(2021-22 to 2025-26).
8	Assistance for exporters for sending business samples abroad.	The ceiling of assistance is on financial year basis. The application has to be submitted on quarterly basis.
9	Participation in International Fairs / meetings/ seminars/ Trainings.	The ceiling of assistance is on financial year basis. (multiple fairs can be considered in a financial year). The assistance for all components shall be provided for a maximum of three years during the plan period(2021-22 to 2025-26).
10	Packaging Development & Bar coding.	The ceiling of assistance is on financial year basis.
11	Reimbursement of fees for Certificate of Registration as Exporter of Spices	One time during the entire plan period(2021-22 to 2025-26)

Programs

1. Infrastructure Development:

1A)Adoption of Hi- Tech/Technology Upgradation. & 1B)Setting up/ upgradation of in-house labs.

The Board aims at assisting exporters for setting up facilities for processing and value addition of spices, adoption of Hi-Tech in Spice Processing, Technology and Process Upgradation, etc. by providing assistance of 33% of the cost of machinery/equipments & accessories subject to a maximum of Rs.1.00 crore per exporter for general category .

&

75% of the cost of machinery/equipments & accessories subject to a maximum of Rs.1.50 crore for SC/ST exporters, FPO exporters and exporters in NE region (including Sikkim & Darjeeling region) and other Himalayan States/ J&K and Ladakh, States notified ITDP areas and Islands (Union Territories of Andaman & Nicobar and Lakshadweep).

Under the Setting up/ upgradation of in-house labs scheme, the assistance is 33% of the cost of quality evaluation equipments & accessories subject to a maximum of Rs.1.00 crore per exporter for general category.

&

75% of the cost of quality evaluation equipments & accessories subject to a maximum of Rs.1.50 crore for SC/ST exporters, FPO exporters and exporters in NE region (including Sikkim & Darjeeling region) and other Himalayan States/J&K and Ladakh, States notified ITDP areas and Islands (Union Territories of Andaman & Nicobar and Lakshadweep).

In both the above schemes, the assistance will be limited to the cost of machinery / equipments /electrical items related /connected to equipments, ancillary installations, supporting facilities/ items such as control panel, laying electrical cables, etc and installation / erection charges.

Application for assistance

Eligible exporters may apply to the Spices Board with the following:

1. Application in the prescribed form(online).
2. Detailed Project Report (DPR) with flow chart relating to processing activities of the unit appraised by financial institution/ Chartered Engineer or any other competent technical organization.
3. Copy of self-attested document to prove the title of the land in which the unit is established/possession certificate issued by concerned authority.
4. List of equipments proposed to be installed/set up indicating Make and the Cost along with the list of equipments already available in the unit.
5. Copies of quotations for machinery/equipments from a minimum two parties (except for established suppliers).
6. Last year balance sheet of the company certified by the chartered accountant, as applicable.

All payments made by the applicant with regard to the setting up of plant & machinery/instruments, after the date of receipt of application by Spices Board only will be considered.

All payments shall be made by crossed cheque/demand draft/bank transfer/other digital modes of payment, which should be reflected in the bank statement. However, payment by cash upto Rs.20,000/- for petty expenditure connected with the project can be considered.

On receipt of the application, DPR and other supporting documents, the feasibility of the project will be evaluated by the committee constituted by the Secretary Spices Board. If the project is found feasible on evaluation, the Board will issue in principle approval letter to the applicant. The applicant shall complete the project within the time specified by the Spices Board and submit the following documents:

1. Completion report
2. Copies of bills/vouchers / receipts (self attested)
3. Expenditure statement duly certified by the Chartered Accountant
4. Bank statement detailing payments released for the approved components of the project or copies of demand drafts relating to the payment effected for the project.
5. Any other relevant document/detail, required by the Spices Board

On receipt of the completion report and supporting documents from the applicant, the Spices Board will arrange for inspection of the unit by a team of officers to assess the eligible project components to be considered for assistance under the scheme.

Based on the recommendation of the inspection team and subject to availability of funds, the Board will issue a sanction letter specifying the eligible amount of assistance to the exporter. The amount of assistance will be disbursed after executing an agreement with the Spices Board and submission of the Bank Guarantee.

Export Obligation for availing assistance

The beneficiaries are required to fulfill export obligation by exporting spices and spice products worth FIVE times of the amount of assistance availed from the Spices Board over and above their average export performance during the immediate past three years, within a period of FIVE years from the date of completion of the project in the case of general category.

For SC/ST exporters, FPO exporters and exporters in NE region (including Sikkim & Darjeeling region) and other Himalayan States/J& K and Ladakh, States notified ITDP areas and Islands (Union Territories of Andaman & Nicobar and Lakshadweep), the export obligation will be THREE times of the amount of assistance, to be fulfilled in FIVE years from the date of completion of the project.

For discharging the export obligation, the export effected directly by the beneficiary as well as the supplies made by the beneficiary to other exporters for export will be considered.

Till the export obligation is fulfilled, the beneficiary has to maintain a bank guarantee (BG) equivalent to 110% of the assistance released. The BG amount may be revised annually based on the fulfilment of export obligation. In case of non-fulfilment of export obligation, the BG will be invoked proportionate to the unfulfilled EO with interest at 10% of the unfulfilled EO.

The bank guarantee will be released on submission of the proof of fulfilment of the required export obligation.

1C) Assistance To Exporters For Installing Primary Processing Equipments For Spices.

The Board aims to assist the exporters by providing assistance to the tune of 33 % of the cost of machinery for the primary processing like cleaning, grading, sorting, slicing, cutting, crushing, grinding, packing, etc. for spices subject to a maximum of Rs. 10 lakhs for general category exporters.

&

75% of the cost of equipments & accessories subject to maximum of Rs.15 lakhs for SC/ST exporters and FPO exporters.

Documents to be submitted :

- a) Application in the prescribed form
- b) Project synopsis
- c) List of equipments proposed to be established
- d) Copies of quotations for machineries / equipments from manufacturers / suppliers.
- e) Copy of self-attested document to establish the possession of the land in which the unit is established.
- f) Copy of SC / ST Certificate (for SC / ST beneficiaries / groups)

All payments made by the applicant with regard to the setting up of plant & machinery/instruments, after the date of receipt of application by Spices Board only will be considered.

All payments shall be made by crossed cheque/demand draft/bank transfer/other digital modes of payment, which should be reflected in the bank statement. However, payment by cash upto Rs.20,000/- for petty expenditure connected with the project can be considered.

On receipt of the application and other supporting documents, the feasibility of the project will be evaluated by the committee constituted by the Secretary, Spices Board. If the project is found feasible on evaluation, the Board will issue go-ahead letter to the applicant so as to complete the project within the time specified by the Board and submit the following documents:

1. Completion report
2. Copies of bills/vouchers / receipts (self attested)
3. Expenditure statement duly certified by the Chartered Accountant
4. Bank statement detailing payments released for the approved components of the project or copies of demand drafts relating to the payment effected for the project.
5. Any other relevant document/detail, required by the Board

On receipt of the completion report and supporting documents from the applicant, the Board will arrange for inspection of the unit by a team of officers to assess the eligible project components to be considered for assistance under the scheme.

Based on the recommendation of the inspection team and subject to availability of funds, the Board will issue a sanction letter specifying the eligible amount of assistance to the exporter. The amount of assistance will be disbursed after executing an agreement with the Spices Board.

No export obligation and bank guarantee is prescribed under the scheme.

1D) Assistance to exporters for Rapid Food Testing Devices and Kits.

Rapid Food Testing Devices and Kits are now available to test intrinsic properties, physical parameters, toxins, contaminants residues etc. The scheme aims at encouraging the exporters, to install the rapid testing devices and kits to undertake testing of raw materials as well as processed products, across

various stages of the supply chain, which will help to monitor the intrinsic parameters, quality and safety aspects etc.

Assistance under the scheme will be 33 % of the cost of Rapid quality & safety testing device and kits subject to a maximum of Rs. 10.00 lakhs for general category.

&

75% of the cost of the Rapid quality & safety testing device and kits subject to a maximum of Rs.15 lakhs for SC/ST exporters, FPO exporters and exporters in NE region (including Sikkim & Darjeeling region) and other Himalayan States/ J&K and Ladakh, State notified ITDP areas and Islands (Union Territories of Andaman & Nicobar and Lakshadweep).

Devices/ Kits which are used to test colour & heat value, chemical constituents, intrinsic parameters, ash, moisture, toxins, contaminants, residues etc., will qualify for assistance under the scheme. The assistance will be limited to items which form an integral part of the device/kit and are included at the initial purchase stage. Accessories/consumables which are required during the operational stage of the device/ kit will not be eligible for calculating the eligible assistance.

Documents to be submitted:

- a) Application in the prescribed form.
- b) List of devices and kits proposed to be installed.
- c) Copies of quotations for devices and kits from the suppliers along with technical brochure/details.

All payments made by the applicant with regard to the installation of the devices and kits, after the date of receipt of application by Spices Board only will be considered.

All payments shall be made by crossed cheque/demand draft/bank transfer/other digital modes of payment, which should be reflected in the bank statement. However, payment by cash upto Rs.20,000/- for petty expenditure connected with the project can be considered.

On receipt of the application and other supporting documents, the proposal will be evaluated by the committee constituted by the Secretary, Spices Board. If the proposal is found feasible/ satisfactory an in principle approval letter will be issued to the applicant. The applicant shall complete the installation within

the time specified by the Spices Board and submit the installation report along with the following documents:

1. Installation report
2. Copies of bills/vouchers / receipts (self-attested).
3. Expenditure statement duly certified by the Chartered Accountant.
4. Bank statement detailing payments released to the supplier.
5. Other documents/details, if required by the Spices Board.

On receipt of the installation report and supporting documents from the applicant, the Spices Board may arrange for an inspection to verify the facility / records completion of the work and to compute the eligible assistance under the scheme. Based on the inspection report and agreement executed by the beneficiary, the Spices Board will release the eligible assistance. No export obligation and bank guarantee are prescribed under the scheme.

1E) Assistance for implementation of food safety and quality assurance mechanisms/ certifications.

Under this scheme, cost of accreditation/certification of processing units, in house laboratories etc of the exporter under ISO/ HACCP/ FSSC 22000/ NPOP etc (including KOSHER, HALAL, GMP, SQF, BRC etc) by recognised agencies, Certification by authorized agencies of importing countries / Foreign buyer Verification Program (FBVP) etc will be considered.

The assistance under the scheme would be 33% of the cost of certification subject to a maximum of Rs.5.00 lakh for general category exporter.

&

75% of the cost of certification subject to a maximum of Rs.7.50 lakhs for SC/ST exporters, FPO exporters and exporters in NE region (including Sikkim & Darjeeling region) & other Himalayan States/J&K and Ladakh, States notified ITDP areas and Islands (Union Territories of Andaman & Nicobar and Lakshadweep).

Documents to be submitted:

- a) Application in the prescribed format
- b) Quotation / Estimate received from Certification Body/ Agency
- c) Profile of the Certification Body along with documents to ascertain competency
- d) Copy of the work order issued to the certifying agency (as & when issued)

On receipt of the application and supporting documents, the Spices Board will issue in-principle approval letter to the applicant so as to complete the certification within the time specified by the Spices Board. On completion, the firm shall submit to the Spices Board a copy of the certificate along with Invoice and proof of payment made to the certification body. No export obligation and bank guarantee are prescribed under the scheme.

(2) Trade Promotion

2A) Promotion of Indian Spice Brands Abroad

A considerable portion of spices from India is exported in bulk form and is subjected to stiff international competition from low-cost economies of South East Asia, Africa and the Far East. India being a hub for spice processing, the spice sector needs to evolve to be better, stronger and more adaptable than our competitors. The scheme aims to assist exporters in penetration of Indian brands in overseas markets with clear mark of traceability and food safety. The assistance will be in the form of interest free loan covering 100% of slotting/listing fee and promotion measures including the cost of product development subject to a maximum of Rs. 1.00 crore per exporter in the period.

All registered exporters of spices who have registered their brand names with the Board are eligible to avail the benefits under the scheme. An exporter can avail the assistance for promoting the approved brand in export destinations for a period of three years. Exports of spices in all forms in institutional packs upto 25 kg and consumer packs of spices in all forms upto 5 kg will qualify for availing the assistance.

The exporter has to submit an application in the prescribed format, with comprehensive proposal covering details of the market promotion to be undertaken, along with annual cost break up in each segment/market separately.

Assistance will be given for developing appropriate product, packaging and compliance of statutory requirements in force in the target markets including traceability details & bar coding and implementing promotional measures / activities (including road shows, cooking demonstrations, social media campaigns / hotel / restaurant chains, slotting /listing fee or any such activity that is essential to meet the changing international market dynamics and that helps in building the brand image.)

The exporter shall present the proposal before the committee constituted by the Secretary, Spices Board for evaluation and approval. The total approved amount for the programme will be released in three instalments in proportion to the proposed expenditure for the approved activity at the beginning of each year, after evaluation and review by the committee.

Payment shall be in Indian currency only and foreign exchange requirement, if any, has to be met by the exporter. The release of payment shall be based on an agreement on stamp paper executed with the Board as well as on submission of a bank guarantee, in the prescribed format on stamp paper of applicable value, for 110% (including interest) of the loan amount released. The BG is to be renewed well before the date of expiry and enhanced as and when required/further instalments of loan are sanctioned /released.

By the end of every year the exporter has to give a detailed account of the activities undertaken along with a progress report. Also, statement that the loan has been fully utilized for the sanctioned purpose should be submitted at the end of each year along with expenditure statement, supporting documentary evidence for the expenditure incurred/committed for the next phase, export statistics for the specified brands etc. In the absence of proper documentary evidence and satisfactory report, Board shall reduce the instalments or discontinue the assistance.

The repayment of the loan shall be in three equal annual instalments commencing from the fourth year and end in the sixth year from the date of receipt of the loan by the exporter.

An Export Obligation (EO) of five times of the amount availed shall be fulfilled within a period of seven years from drawing the first instalment of the loan.

In the event of default in repayment or non-fulfilment of export obligation, the Board reserves the right to invoke the Bank guarantee submitted by the exporter and recover the entire outstanding loan amount with interest in case of default in repayment and proportionate invoking in case of non-fulfilment of EO.

2B) Product Research & Development (For Registered Exporters/ Institutions).

Spices are known to have medicinal, cosmetic, nutritional and health values. A vast body of traditional knowledge about such uses is available in the country. However, sufficient documented evidence / validation studies do not exist to establish the acclaimed properties of spice / spice extracts / spice mixes. The

absence of documentation / validation prevents the marketability of such products. It is felt that if the required documentation/ validation is generated on the basis of scientifically conducted trials and clinical evaluation, products can be formulated with very high value addition and these products can be marketed and patented (if required) in the established markets as alternative medicines, functional foods, nutraceuticals, immunity booster etc with a higher level of value addition. Also, there is also scope for deriving new end uses and applications from the spices produced within the country. There is also scope for deriving new end uses and applications from the spices produced within the country.

Clinical and other trials to document and to establish the known properties of spices in traditional medicinal forms and development of new products based on the properties of spices are very expensive, though they hold immense potential in export. It is proposed to encourage national R&D Institutions and exporters having the required facilities to undertake product research & development studies based on the nutraceutical, medicinal, cosmeceutical properties etc of spices including clinical studies, if required and evolve new products targeting export markets.

The assistance under the scheme will be 50% of the cost of product research and development subject to a maximum of Rs.25.00 lakh & Rs.1.00 crore, if clinical trials and patenting are involved. Also, for Central/State Universities, R&D and other institutions of the Govt., assistance will be upto 100% of the cost of the project subject to a maximum of Rs.25 lakh & Rs.1.00 crore, if clinical trials and patenting are involved.

The major areas for assistance are:

- a) Utilization of the services of national or international research institutes for developing new spice products/applications or for establishing traditional/intrinsic values and non-traditional values.
- b) In house research and product development programmes by exporters of spices.
- c) Cost of installing critical equipments that are essential to carry out product development and research.
- d) Clinical trials to establish and validate therapeutic properties of spices.

e) Patenting and product registration in consuming countries.(Such patents shall be co-owned by Spices Board)

Eligible exporters/research institutions/universities may submit the application to the Board along with project report and research experience profile of the personnel/scientists involved (Principle Investigator and Co Investigator) in the project, to the Board's Head office in the prescribed format for obtaining 'in-principle' approval for the proposal.

Spices Board will examine the application and if the proposal is found satisfactory after technical evaluation, 'in-principle' approval will be accorded for the proposal, on merit, after which a Memorandum of Understanding (MoU) will be executed between Spices Board & the applicant, so as to proceed with the project.

The financial assistance will be released in three instalments, as given below, unless the MoU/agreement executed in this behalf provide otherwise;

1.The first instalment of 30% of the project cost (excluding the cost of equipments, if any) and the cost of equipments/ instruments required during the period, will be released on signing the MoU to begin the research work.

2. The second instalment of 30% of the project cost (excluding the cost of equipments) and cost of equipments/ instruments required during the period will be released after significant progress is made in the proposed research work and on submission of progress report and expenditure statement supported by self attested bills and vouchers.

3. Balance amount as third and final instalment after satisfactory completion of the research work and submission of final & completion report with detailed presentation before the Board's officials.

4. If the project involves the development of new/innovative products, adequate number of the final products shall be provided to the Board.

5. In case of exporters and non govt institutions, the assistance will be released on production of Bank guarantee equivalent to 110% of the first and second instalment, before release of the respective instalments of assistance amount. On satisfactory completion of the project and submission of final report, the BGs will be released.

The beneficiary shall produce all necessary documents that may be called for by the Board specific to the project in addition to the following documents:

- a) Final report of the product research & development
- b) Original of bills and proof of payments made in the course of completion of the project.
- c) Expenditure statement duly certified by Chartered Accountant.
- d) Samples of products developed (as applicable)
- e) Copies of documents to establish the claimed properties of the products (as applicable)
- f) Documentary evidence for patenting the product (as applicable)
- g) Copies of Research Publications made in connection with the project (as applicable)
- h) Other documents/ details as per the MoU/agreement or required by the Board

The eligible assistance, at each stage, will be released to the beneficiary on verification of the documents and the terms and conditions of the MoU/agreement executed with the Board. No export obligation is prescribed for availing assistance for product research and development.

2C) Assistance for exporters for sending business samples abroad.

Export contracts of spices and spice products in general are concluded based on samples provided to the buyers. Exporters are required to send samples to their customers abroad for approval and also to match the samples of the buyers. Considering the higher cost of couriering samples and number of samples required to be couriered for a contract, it is proposed to support exporters to offset the cost of courier charges for sending samples abroad.

The assistance will be provided as reimbursement to Merchant exporters with annual turnover, not more than Rs. 250 crores during FY 2020-21 and MSME exporters @ 50 % of the cost of courier charges subject to a maximum of Rs.1.50 lakh for general category.

&

75% of the courier charges subject to a maximum of Rs. 2.25 lakhs for SC/ST exporters, FPO exporters and exporters in NE region (including Sikkim & Darjeeling region) and other Himalayan States/ J& K and Ladakh, States notified ITDP areas and Islands (Union Territories of Andaman & Nicobar and Lakshadweep).

The claims for Reimbursement of courier charges will be entertained only on a quarterly basis before the last day of succeeding month. Bills submitted after last date of succeeding month will not be considered, if there is no valid reason for the delay in submission. However, the bills relating to the last quarter of the financial year should reach latest by 1st March and the bills for the month of March can be included in the first quarter of next financial year.

The application shall include original of the courier waybill, Invoice, proof of eligibility (for merchant & MSME exporters such as balance sheet, MSME registration etc), Proof of Delivery(POD), proof of payment for the samples sent by courier etc.

The weight of the sample of one item shall not exceed one kg in the case of Spice oils & oleoresins and 10 kgs for other spices and spice products.No export obligation is prescribed for availing Reimbursement of Courier charges.

2D) Participation in International fairs/meetings/ seminars/ Trainings.

International trade fairs and exhibitions abroad are ideal opportunities for the exporters to introduce/present their strengths before the global buyers and sustain the market share. The program aims at motivating the exporters to participate in the international trade fairs and exhibitions abroad for promoting exports. The Board proposes to support exporters in setting up their own stalls in international fairs to showcase their capabilities and capacities in export of spices.

The assistance will be 50% of the cost of air fare subject to a maximum of Rs.1.50 lakhs & 50 % of the cost of stall rent subject to a maximum of Rs 5.00 lakhs for general category.

&

75 % of the cost of air fare subject to a maximum of Rs.2.25 lakhs & 75 % of the cost of stall rent, subject to a maximum of Rs 7.50 lakh as cost of stall rent for SC/ST exporters, FPO exporters and exporters in NE region (including Sikkim & Darjeeling region) and other Himalayan States/ J& K and Ladakh, States notified ITDP areas and Islands (Union Territories of Andaman & Nicobar and Lakshadweep).

In the case of participation in meetings/ seminars, the assistance under the scheme will be extended for attending the meetings/seminars, conducted by ASTA,ESA,IOSTA,IPC,CODEX etc and other international bodies, provided that

the participation has been as per the invitation from the respective organisations/organizers.

The assistance under the scheme will be applicable only to the regular Director / Partner/ Proprietor of the company and not admissible to a foreign national. Also, the airfare shall be applicable only for economy excursion class.

Application indicating the proposed activity in the prescribed form should be submitted to the Spices Board at least 15 days prior to the commencement of the programme to accord in principle approval to proceed with the activity.

Immediately after completion of the activity but positively within 90 days of his/her return to India, the beneficiary shall submit their claim to the Board, with Brief report about the activity participated and achievement made, along with the following documents, so as to avail the eligible assistance from the Board.

- a) Brief report about the activity participated with and achievement made
- b) Video/Photograph as proof for attending the fair / availing stall and legible copy of visitor/exhibitor pass.
- c) Legible photocopy of passport highlighting the entries about departure from and arrival in India and also countries visited or documentary evidence such as hotel bills, boarding pass etc.
- d) Copy of air ticket used during the journey.
- e) Proof of payment for airfare (bills/receipts)
- f) Self certified copies of receipt, bank advise etc., evidencing payment made towards participation by hiring stall.
- g) Other documents as required by the Board.

2E) Packaging development, Bar Coding, QR code, EPC / RFID.

There is a felt need to improve the existing packaging and develop modern packaging for increased shelf life, reduction in storage space and better presentation of Indian spices in markets abroad. The Board aims to assist all registered exporters who have registered their brand names with the Spices Board, to improve the existing packaging and develop modern packaging to increase shelf life, reduce storage space and for better presentation of Indian spices in the markets abroad. Under the program, activities such as packaging development, Bar coding, QR code, EPC / RFID etc will be considered, as per the emerging needs of the market.

The assistance will be 50% of the cost of the packaging development/bar coding/QR Code/EPC/RFID/ Traceability subject to a maximum of Rs.1.50 lakh for general category exporters.

&

75% of the cost as assistance subject to a maximum of Rs.2.25 lakhs for SC/ST exporters, FPO exporters and exporters in NE region (including Sikkim & Darjeeling region) and other Himalayan States/ J& K and Ladakh, States notified ITDP areas and Islands (Union Territories of Andaman & Nicobar and Lakshadweep).

The exporters those who already have a brand, but have not registered their brand names with the Board, shall submit the brand registration application also, along with the scheme application.

The exporter has to submit dummy print of the design along with contents and quotations for cost of design, photography, art work, cylinders and cost of bar coding/ QR code/EPC/RFID/ Traceability, etc. Cost of taking dummy packing and testing charges are also considered under the scheme subject to the ceiling/assistance prescribed under the scheme.

On receipt of application, the Board will issue in principle approval to the exporter. After completion of the activity, the exporter shall submit the following documents to the Board:

1. Two sets of filled final packs developed under the scheme
2. Copies of bills, vouchers and receipts (self-attested)
3. Proof of payment of the expenditure

On receipt of the claims for the activity, the Board will consider releasing the eligible assistance to the exporter.

No export obligation is prescribed for availing assistance for the above activities/components.

2F) Reimbursement of fees for Certificate of Registration as Exporter of Spices

Certificate of Registration as Exporter of Spices (CRES) is mandatory for export of spices from the country. In order to encourage the entrepreneurs in NE region (including Sikkim & Darjeeling region) & other Himalayan states/ J&K and Ladakh, State Notified ITDP areas and Islands (Union Territories of

Andaman & Nicobar and Lakshadweep) and SC/ST exporters and FPOs across the country, to undertake export business in spices, it is proposed to reimburse part of CRES fee.

Under the scheme reimbursement of 75% of the registration charges of CRES (excluding GST) subject to a maximum of Rs.11,250/- will be provided to the registered exporters in NE region (including Sikkim & Darjeeling region) & other Himalayan states/ J&K and Ladakh, State Notified ITDP areas and Islands (Union Territories of Andaman & Nicobar and Lakshadweep) and SC/ST exporters and FPO across the country.

The applicant has to submit the application along with the proof of category/eligibility and details of CRES for availing assistance under the scheme.

Documents/Materials Required For The Registration Of Brand Name With Spices Board

The exporters who wishes to register their brand with Spices Board shall submit the application in prescribed format along with the documents as specified below, directly to Spices Board Head Office, Kochi

1.Application in the prescribed form

2.Test report and tested packs from IIP – for this you have to send 15 Nos. of empty packs (including flexible pouches, cartons with inner poly bag, metal conditions, plastic jars and glass bottles) to any of the offices of Indian Institute of Packaging with a request to forward the report and tested packs directly to Spices Board.

Or

Trade mark registration details of the particular brand.

3.Two sets of empty sample packets and one set filled packets of each brand of all the products and all unit weights.

4.English/Hindi translation of the description printed on the packs if any, language other than English/Hindi is printed on the packs.

5. No objection certificate from the manufacturer exporter if the exporter is using a Brand already registered by the manufacturer exporter.

For any modification in colour, size, printing & design of the pack already registered with the Board, the exporter should submit fresh application along with all other documents mentioned above for consideration.
