



SPICES BOARD

(Ministry of Commerce & Industry Govt. of India)
Sugandha Bhavan
N.H.By-pass
P.B.No. 2277
Palarivattom P.O.
Kochi - 682 025, India

स्पाइसेस बोर्ड

(वाणिज्य एवं उद्योग मंत्रालय, भारत सरकार)
सुगन्ध भवन
एन.एच.बाईपास
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पालारिवट्टम पी.ओ.
कोच्ची - 682 025, भारत

No. SB/MKT/CAL/NSWS/03/2026-2029/1031

Date: 23.10.2026

PUBLIC NOTICE

Sub: Fresh and Renewal Applications for Cardamom Auctioneer Licences for the Block Period 2026–2029 through the National Single Window System (NSWS) – Commencement of Online Application Submission – reg.

Ref: 1. Notice No. SB/MKT/CAL/NSWS/03/2026-2029/1473 dated 15.07.2026
2. Corrigendum No. No. SB/MKT/CAL/NSWS/03/2026-2029/610, dated 07.08.2026.

In cancellation of the notice and corrigendum issued vide references 1 & 2 above, applications are invited from all interested persons*, that the **National Single Window System (NSWS) portal is now operational and open** for the grant of licences and renewal of existing licences for conducting **Manual and Electronic (e-auction) cardamom auctions** for the block period 2026–2029 ending on **31st August 2029**.

All eligible applicants intending to obtain a Cardamom Auctioneer Licence are requested to submit their applications through the NSWS portal.

Applicants shall follow the instructions below while submitting their applications:

- 1. Fresh Applicants:** Firms and individuals applying for a Cardamom Auctioneer Licence for the first time shall select the application category as **“Fresh”** in the NSWS portal and furnish all the requisite details and documents.
- 2. Existing Licence Holders Applying for Renewal:** Existing licence holders seeking renewal of their licences shall also select the application category as **“Fresh”** in the NSWS portal. They shall enter their **existing licence number and the date of issue of the existing licence** in the appropriate fields provided in the application.
- 3. Compliance with Requirements:** All applicants shall ensure that their applications are complete and accompanied by all prescribed documents, declarations and undertakings, as specified in **Annexures I, II, III and IV**.

This notice is issued for further necessary action by all interested persons*

(Hindi version follows)

Encl: as above.

Director (Mktg)

**individual or a firm, company, multi-state Co-operative societies registered under the Multi-state Co-operative Societies Act 2002 (39 of 2002) or a charitable society registered under Societies Registration Act, 1860 (21 of 1860).*

Guidelines for the issue of Auctioneer Licence

The following are the Guidelines for the issue of Auctioneer Licence in accordance with the Cardamom (Licensing & Marketing) Rules 1987 and subsequent amendments till date.

1. Experience Requirement for New Auctioneers

As per applicable rules and guidelines, the applicants shall possess a minimum of five (5) years of relevant experience in one or more of the following domains, of which , minimum three (3) year experience in cardamom marketing/trading activities is mandatory.

- Cardamom auction operations or functioning as an authorised cardamom dealer under the Spices Board with a satisfactory track record of transactions on the Board's auction platform;
- Cardamom trade, processing, or export, including handling, grading, or marketing of cardamom or other spices;
- Agri-commodity trading, auctioning, or commission agency operations in regulated markets (including APMC markets or other recognised agri-marketing systems);
- Operations in the spices sector or agri-food value chain involving procurement, aggregation, grading, storage, logistics, or distribution of agricultural commodities;
- Experience in managing electronic auction platforms, commodity trading systems, or similar market facilitation mechanisms in the agricultural or allied sectors;
- Any other relevant experience in agri-commodity marketing, auction systems, or value chain operations, as may be considered appropriate by the Spices Board.

2. Eligibility: Applicants seeking an auctioneer licence shall be duly registered legal entities under the applicable laws in India. Eligible entities include:

- Any Individuals/ Proprietorship.
- Companies incorporated under the Companies Act, 2013 or the erstwhile Companies Act, 1956;
- Partnership firms and Limited Liability Partnerships registered under the Indian Partnership Act, 1932 or the Limited Liability Partnership Act, 2008;
- Co-operative Societies and Multi-State Co-operative Societies registered under the Multi-State Co-operative Societies Act, 2002 or other applicable State Co-operative Acts;
- Societies registered under the Societies Registration Act, 1860; and
- Farmer Producer Organisations (FPOs) / Farmer Producer Companies (FPCs) incorporated under the Companies Act, 1956 or registered under applicable co-operative laws.
- or any other legally recognised entity permitted by the Spices Board

All such entities must possess valid registration, statutory compliance, and legal capacity to undertake auctioneering activities.

The applicant shall possess valid PAN, GST registration wherever applicable, and other statutory registrations required for carrying out auction operations. Applicants shall disclose details of group entities, related concerns, and beneficial ownership structure, wherever applicable.

In the case of FPOs, FPCs, and Co-operative entities functioning as auctioneers, their primary role shall be to pool and auction the produce of their registered members. Pooling of cardamom from non-members may be permitted only in accordance with specific conditions and guidelines issued by the Spices Board from time to time.

3. Financial Strength & Stability

Applicants shall submit audited financial statements for the last three (3) financial years, duly certified by a Chartered Accountant, comprising:

- Balance Sheet
- Profit and Loss Account
- Cash Flow Statement
- Notes to Accounts
- Auditor's Report
- Debt Equity Ratio Analysis
- Current ratio analysis

The Spices Board may require the applicant to furnish additional financial and banking documents as per the following details.

- a) Copy of Audited Financial Statements with Notes to Accounts for the Financial Years 2022-23, 2023-24 and 2024-25
- b) Audit report (Last 3 FY)
- c) Bank Certificate / Letter indicating creditworthiness or existing credit facilities
- d) Provisional Financial Statement for 2025-26
- e) Bank Statements for the period April 2025 to March 2026 (Soft Copy to be submitted to Spices Board Separately via email)
- f) Copies of sanctioned OD/CC facilities
- g) Latest Drawing Power Statement
- h) Cash flow statement for the last three financial years for entities other than companies
- i) Tax Audit Report-Form 3CA, 3CD or form 3CB-3CD whichever is applicable
- j) Declaration of details of contingent liabilities and guarantees to be self certified
- k) Details of related party loans and advances with related party relationship
- l) Age-wise Debtors Statement for the financial year 2025-26 to be certified by CA
(Ageing format: Below 30 days, 30-60 days, 60-90 days, Above 90 days)

4. Financial Evaluation Criteria

The financial capability of the applicant shall be assessed based on the following parameters:

- Profitability: Demonstrated ability to generate profits over the assessment period. Isolated losses may be examined with justification; however, consistent losses may render the applicant unsuitable.
- Net Worth: The applicant shall have a positive net worth. However, positive net worth alone may not be treated as sufficient for qualification.
- Liquidity Position: The applicant shall demonstrate adequate liquidity to meet short-term obligations and operational requirements of auction activities.
- Leverage (Debt Position): The applicant's debt-equity position and overall borrowing levels shall be examined to assess financial prudence and risk exposure.
- Working Capital Adequacy: The applicant shall possess sufficient working capital to support procurement handling, auction operations, and settlement cycles.

The financial statements shall be evaluated holistically with reference to profitability, liquidity, leverage, and solvency. The decision of the Spices Board shall be based on an overall assessment of financial soundness and operational viability, and not on any single parameter in isolation. The Spices

Board reserves the right to seek additional financial information, including bank statements, credit facilities, or certification from financial institutions, to assess the financial capability of the applicant.

5. Bank Guarantee Requirement

Without prejudice to the provisions of the Cardamom (Licensing and Marketing) Rules, 1987, every auctioneer shall submit and maintain a minimum Bank Guarantee (BG) in favour of the Spices Board throughout the validity period of the licence.

As per Rule 10.1(a) of the Cardamom (Licensing and Marketing) Rules, 1987, as amended in 2018, for e-auction, the applicant shall provide a security deposit in the form of a Bank Guarantee equivalent to the average auction sale value of cardamom in one auction during the immediate preceding block period of three years, for the block period for which the applicant desires to obtain the auctioneer licence.

For the block period 2026–2029, it is observed that the average auction sale value of cardamom in one auction during the immediate preceding block period is ₹11.52 crore. Accordingly, every **new applicant shall maintain a minimum BG of ₹11.52 crore during the said block period.** Notwithstanding the minimum Bank Guarantee requirement prescribed above, the operational exposure and auction time allocation of an auctioneer shall be linked to the quantum of Bank Guarantee maintained by the licensee.

For renewal of auctioneer licence, the BG amount will be determined based on their average auction sale value of cardamom in one auction during the immediate preceding block period of three years.

In cases where an auctioneer maintains a Bank Guarantee lower than the prescribed amount of **₹11.52 Cr.**, the auction time allocation and permissible transaction exposure shall be restricted proportionately to the Bank Guarantee maintained. Accordingly, auctioneers furnishing a Bank Guarantee of less than ₹6 crore shall be allotted proportionately reduced auction time, transaction limits and operational exposure as may be determined by the Spices Board from time to time. For illustration, an auctioneer maintaining a Bank Guarantee of ₹3 crore may be allotted an auction session of one hour, subject to such modifications and operational conditions as may be prescribed by the Spices Board.

The decision of the Spices Board regarding determination of auction time allocation, transaction exposure limits and the corresponding Bank Guarantee requirement shall be final and binding on all licensees.

If the auctioneer wishes to conduct evening auction, a separate BG as prescribed by the Board has to be furnished.

In addition to the above minimum statutory requirement, and as part of a risk-based regulatory framework, the quantum of BG to be maintained by an auctioneer shall be linked to the permissible transaction exposure and maximum permitted daily transaction limit assigned by the Spices Board from time to time.

The permissible transaction limit shall be contingent upon the maintenance of the prescribed BG at all times during the validity of the licence.

The Spices Board reserves the right to revise the BG requirement, prescribe additional safeguards, impose operational conditions, or modify transaction limits from time to time based on regulatory requirements, market conditions, risk assessment, and operational considerations.

The Auctioneer shall assess and maintain, at all times, an adequate Bank Guarantee commensurate with the anticipated volume and value of cardamom likely to be received, pooled, and offered for auction, particularly during peak arrival seasons. The Auctioneer shall be solely responsible for ensuring that the Bank Guarantee maintained is sufficient to cover the transaction exposure arising from the pooled stock. In the event that the value of cardamom offered for auction exceeds the permissible transaction exposure linked to the Bank Guarantee maintained by the Auctioneer, the Spices Board's auction platform/system may restrict or reject further auction transactions until adequate Bank Guarantee coverage is available. Any delay, inconvenience, accumulation of stock, or inability to auction pooled cardamom arising on account of inadequate Bank Guarantee shall be the sole responsibility of the Auctioneer, and no liability in this regard shall devolve upon the Spices Board.

6. Infrastructure Requirements

Applicants seeking an auctioneer licence shall establish and maintain adequate infrastructure for efficient, transparent, and hygienic handling of cardamom, as per applicable rules and guidelines issued by the Spices Board from time to time.

a. Main godown / Godown

- The applicant shall have access to a Main godown with a **minimum storage capacity of 75 metric tonnes (MT)** for handling cardamom arrivals.
- The godown shall be suitable for scientific storage, pooling, and grading, and shall comply with applicable safety, hygiene, and quality standards.
- **A minimum of 10 trained personnel** shall be deployed at the Main godown for handling operations, including receipt, storage, grading, and dispatch during peak season and minimum 8 person during lean season.
- The applicant shall maintain adequate fire safety arrangements, insurance coverage, security measures, and hygienic facilities in the storage and pooling centres.
- The Main Godown shall be equipped with a **Computer System, Printer, Internet Connectivity, and such hardware and software facilities as may be prescribed by the Spices Board** for implementation of online pooling, traceability systems, crop receipt generation, electronic record maintenance, and other digital interventions.
- The Main Godown shall be provided with a **CCTV Surveillance System covering all critical operational areas**, including receipt, pooling, grading, storage, sampling, packing, and dispatch points.
- CCTV recordings shall be maintained in retrievable form for a minimum period of **three (3) months** and shall be made available for inspection, verification, copying, or audit by authorized officers of the Spices Board whenever required.
- The applicant shall ensure that all cardamom lots handled through the Main Godown are properly identified, recorded, and managed in accordance with the traceability and batch identification procedures prescribed by the Spices Board.

b. Pooling and Collection Centres

- The applicant shall establish not less than three (3) pooling/collection centres in notified cardamom-growing or trading areas.
- Each pooling centre shall have a minimum storage capacity of 5 MT to handle daily arrivals.
- Each centre shall be adequately staffed with at least three (3) personnel to ensure smooth operations.

- All pooling centres shall maintain hygienic conditions, proper ventilation, and basic infrastructure for safe handling and temporary storage of produce.
- The applicant shall maintain adequate fire safety arrangements, insurance coverage, security measures, and hygienic facilities in the storage and pooling centres.
- Every Pooling/Collection Centre shall be equipped with a **Computer System, Printer, Internet Connectivity, and such other digital infrastructure as may be prescribed by the Spices Board** for implementation of online pooling, traceability systems, crop receipt generation, electronic documentation, and related activities.
- A **CCTV Surveillance System** shall be installed and maintained at every Pooling/Collection Centre covering all operational areas including receipt, pooling, weighing, storage, packing, and dispatch points.
- CCTV recordings shall be preserved for a minimum period of **three (3) months** and shall be made available to authorized officers of the Spices Board for inspection, verification, audit, or investigation whenever required.
- All pooled cardamom shall be stored only in **polythene-lined bags jute bags or poly propylene bags, or such approved packaging materials as may be prescribed by the Spices Board** to protect the produce from moisture contamination and deterioration.
- Each Pooling/Collection Centre shall maintain adequate **bag stitching/sealing machines** and necessary packing materials to ensure that pooled cardamom is packed, sealed, and secured immediately after pooling.
- The auctioneer shall ensure proper identification and tagging of all pooled lots and shall comply with the traceability requirements prescribed by the Spices Board, including allocation of batch numbers, bag identification numbers, grower identification, and such other traceability measures as may be introduced from time to time.
- The auctioneer and the personnel employed in the Main Godown and Pooling/Collection Centres shall undergo such training programmes, capacity-building programmes, and certification requirements as may be conducted or prescribed by the Spices Board for implementation of online pooling systems, traceability mechanisms, digital record management, and other regulatory initiatives.
- The auction companies should ensure that the cardamom pooled in an auction is free from adulteration, contamination and artificial colouring.

d. Equipment and Operational Facilities

- The applicant shall provide and maintain:
- Electronic weighing machines of appropriate capacity and accuracy;
- Moisture meters for quality assessment;
- Machinery, if available for contamination free pooling (Physical/chemical/biological contamination- safe handling of spices to ensure quality and safety)
- All equipment shall be calibrated, functional, and compliant with applicable standards, including legal metrology requirements wherever applicable.
- Electronic weighing machines, moisture meters, and other equipment shall possess valid calibration certificates wherever applicable.
- The applicant shall maintain suitable IT systems and software infrastructure for pooling, auction related operations, transaction monitoring, and settlement tracking.

The above infrastructure shall be owned, leased, or otherwise legally accessible to the applicant and shall be subject to inspection, verification, and approval by the Spices Board prior to grant of licence and at any time during its validity. The lease period of the infrastructure should be covered for the entire licence period.

The Spices Board reserves the right to prescribe additional infrastructure requirements or modify the above norms based on operational needs, market conditions, and technological advancements.

7. Manpower Requirement

- a) Applicants shall have and maintain adequate, trained, experienced, and competent manpower to ensure the smooth, continuous, transparent, and efficient conduct of auction operations and related activities.
- b) The applicant shall deploy sufficient personnel to independently conduct:
 - a) Morning auction sessions; and
 - b) Evening dealer auction sessions, wherever permitted or introduced by the Spices Board.
- c) The manpower deployed shall be capable of handling all operational functions including receipt of produce, pooling, storage, lot preparation, grading coordination, sampling, auction execution, documentation, crop receipt generation, traceability compliance, digital record maintenance, payment processing, and post-auction activities.
- d) The applicant shall ensure the availability of adequate supervisory, technical, and operational staff at the Main Godown and all Pooling/Collection Centres to prevent disruption of auction activities during peak and lean seasons.
- e) The applicant, auction supervisors, auction staff, and other personnel engaged in auction-related activities shall undergo such training programmes, refresher courses, capacity-building programmes, workshops, and certification requirements as may be conducted or prescribed by the Spices Board from time to time.
- f) The applicant shall ensure that its personnel are adequately trained in:
 - Auction procedures and regulatory requirements;
 - Online auction operations;
 - Online pooling systems;
 - Traceability and batch identification procedures;
 - Digital documentation and record management;
 - Quality and grading requirements;
 - Grower registration and verification procedures; and
 - Any other system or procedure introduced by the Spices Board.
- g) The applicant shall nominate authorized personnel for participation in training programmes conducted by the Spices Board and shall ensure timely implementation of the operational instructions and procedures communicated during such programmes.
- h) Failure to maintain adequate trained manpower or failure to participate in mandatory training programmes conducted by the Spices Board may be treated as a deficiency in operational capability and may attract such regulatory action as deemed fit by the Spices Board.
- i) The applicant shall comply with all applicable labour and employment laws, including registration under the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, and any other applicable labour welfare legislation, wherever required under the relevant statutory provisions.
- j) The applicant shall maintain proper records relating to employment, attendance, wages, statutory contributions, training, and deployment of personnel and shall produce the same for inspection by authorized officers of the Spices Board whenever required.
- k) The auctioneer shall ensure continuity of operations by maintaining adequate backup personnel and operational arrangements so that auction activities are not disrupted on account of staff shortages, leave, resignation, illness, or other contingencies.

8. Operational Capability

Applicants shall demonstrate the operational capability to conduct auction activities in a reliable, timely, and uninterrupted manner.

- The applicant shall have the ability to:

- Conduct auctions on a regular and continuous basis;
- Ensure timely settlement of payments to sellers within the stipulated period prescribed under the Cardamom (Licensing and Marketing) Rules, 1987 (presently within 10 days or such period as may be prescribed from time to time).
- standard operating procedure for seller payment settlement;
- proposed settlement timelines;
- contingency arrangements in the event of buyer default or market disruption;
- internal control mechanisms;
- grievance escalation mechanism;
- and operational continuity measures.
- The applicant shall submit an Operational Plan detailing:
 - Auction scheduling and frequency;
 - Manpower deployment;
 - Infrastructure utilisation;
 - Payment and settlement mechanisms;
 - Contingency arrangements to ensure continuity of operations.

Failure to maintain adequate manpower or to ensure timely conduct of auctions and settlement of payments may result in appropriate action including suspension of auction operations, reduction of transaction limits, or such other action as deemed appropriate by the Spices Board after providing an opportunity of being heard.

9. Renewal of Auctioneer Licence

Renewal of an auctioneer licence shall be subject to satisfactory performance and continued compliance with the provisions of the Cardamom (Licensing and Marketing) Rules, 1987 and the conditions of licence prescribed by the Spices Board.

An applicant seeking renewal shall demonstrate the following:

- **Continuity of Operations:** The auctioneer shall have conducted auction operations on a regular and continuous basis during the validity period of the licence.
- **Payment Compliance:** The auctioneer shall not have defaulted in payments to growers/sellers and shall have adhered to the prescribed settlement timelines.
- **Regulatory Compliance:** The auctioneer shall have submitted all required returns, reports, and records to the Spices Board within the stipulated time and shall have complied with all directions and guidelines issued from time to time.
- **Operational and Financial Discipline:** The auctioneer shall have maintained required infrastructure, manpower, Bank Guarantee, and financial discipline as prescribed under the licence conditions.
- **Complaint and Conduct Assessment:** The Spices Board may also take into consideration the nature, frequency, and gravity of complaints, if any, received against the auctioneer from growers, dealers, or other stakeholders during the validity period of the licence. Complaints involving payment defaults, unfair trade practices, violation of auction procedures, misconduct, regulatory non-compliance, or any act affecting the integrity and orderly conduct of auction operations may be examined by the Board based on available records, reports, and findings.

The Board may also consider historical settlement performance, instances of delayed payment, financial discipline, and operational compliance while considering renewal.

10. Grounds for Non-Renewal

The licence may not be renewed if:

- The auctioneer has not conducted auction business in a regular or continuous manner without valid justification;

- There has been any default in payment to growers or violation of settlement timelines;
- There is non-compliance with licence conditions, including failure to maintain infrastructure, manpower, or Bank Guarantee requirements;
- Required returns, records, or information have not been submitted, or false/incomplete information has been furnished;
- Any violations, malpractice, or adverse findings have been established during the licence period.
- Serious complaints, persistent non-compliance, operational irregularities, unfair trade practices, or conduct prejudicial to the interests of growers, dealers, or the orderly functioning of the auction system have been established based on records, reports, enquiry findings, or other materials available with the Spices Board;
- Provided that, before rejecting renewal on the above grounds, the auctioneer shall be given an opportunity of being heard in accordance with the principles of natural justice and the provisions of the Cardamom (Licensing and Marketing) Rules, 1987.

11. Disqualification Criteria (Auctioneer Licence)

An applicant shall be deemed ineligible for grant or renewal of an auctioneer licence under the Cardamom (Licensing and Marketing) Rules, 1987 if any of the following conditions are met after providing an opportunity of being heard.

a. Criminal and Fraud Background: The applicant, or in case of an entity, any of its promoters, partners, directors, or key managerial persons, has been convicted by a court of law for any offence involving fraud, misrepresentation, moral turpitude, financial irregularity, or offences under any economic or commercial laws.

b. Blacklisting / Debarment: The applicant has been blacklisted, debarred, or prohibited from participating in any auction, trading, or commercial activity by the Spices Board or any Government Department / Statutory Authority.

c. Licence Violations: The applicant has previously held an auctioneer or dealer licence under CLMR, 1987 and such licence has been suspended, cancelled, or not renewed due to violation of licence conditions, malpractice, cartelisation, or misconduct.

d. Financial Unsoundness: The applicant is declared insolvent, bankrupt, or is under liquidation / winding up proceedings, or is classified as a wilful defaulter or non-performing asset (NPA) by any financial institution.

e. Pending Serious Proceedings: The applicant is currently facing investigation or prosecution by any enforcement or regulatory agency (including but not limited to tax authorities, economic offences wings, or anti-corruption agencies) for serious financial or economic offences.

f. Conflict of Interest: The applicant has direct or indirect interests that may materially affect the fairness and transparency of auction operations, including undisclosed relationships with traders, dealers, or other auctioneers that could lead to cartelisation or price manipulation.

g. Misrepresentation / Suppression of Facts: The applicant has furnished false information, misrepresented facts, or suppressed material information in the application or in any prior dealings with the Spices Board : **Non-Compliance with Statutory Requirements**
The applicant fails to comply with applicable statutory requirements, including registration, tax compliance, or mandatory filings under relevant laws.

h. Non-Adherence to Board Guidelines: The applicant does not comply with the guidelines, directions, or operational requirements issued by the Spices Board from time to time, including those relating to transparency, record maintenance, and auction procedures.

i. Payment Settlement Obligations and Enforcement Measures: The auctioneer shall ensure timely payment to growers/sellers and dealers within the settlement period prescribed by the Spices Board from time to time. In cases of delay or default in payment, the Spices Board may issue directions to the concerned auctioneer for rectification within the stipulated time. Failure to comply with such directions may result in invocation of the Bank Guarantee, wholly or partly, in accordance with the licence conditions and the provisions of the Cardamom (Licensing and Marketing) Rules, 1987. Repeated instances of payment default, delay in settlement, or repeated invocation of Bank Guarantee shall be treated as serious non-compliance. In such cases, the Spices Board may, after providing an opportunity of being heard and following due process, take appropriate action including suspension, non-renewal, cancellation of licence, disqualification, or blacklisting, depending upon the nature and gravity of the violation.

12. Declaration and Undertaking

Every applicant shall submit a self-declaration along with the application, duly signed by the authorised signatory, confirming that:

- There is no conflict of interest, including any direct or indirect ownership, control, or association with any other licensed auctioneer or any entity engaged in private or unregulated auction/trading activities;
- Neither the applicant nor its promoters, partners, directors, key managerial personnel, or beneficial owners are involved in any unauthorised, parallel, or unregulated auction or trading mechanism;
- The applicant complies with all applicable statutory, financial, taxation, and regulatory requirements, and shall continue to do so during the validity of the licence;
- All information furnished in the application and supporting documents is true, complete, and not misleading, and no material facts have been suppressed.

The applicant further declares that:

- farmer/seller funds shall not be diverted for unrelated business purposes;
- separate books/accounts relating to auction operations shall be maintained;
- there are no wilful default proceedings against the applicant;
- the applicant consents to financial verification or audit by the Spices Board or authorised agencies.

13. Verification and Enforcement

The Spices Board reserves the right to:

- verify the ownership structure, shareholding pattern, beneficial ownership, and management control of the applicant/licensee;
- examine financial records, bank transactions, auction data, and accounting systems to ensure compliance;
- seek additional documents, information, or clarifications at any stage of application, grant, or during the validity of the Licence;
- conduct inspection, audit, or investigation, either directly or through authorised agencies;
- Spices Board may take appropriate action in case of misrepresentation, suppression of facts, or violation of Licence conditions, after providing an opportunity of being heard.

Terms And Conditions Of Licence (Post -Licence Stage)

1. The Board has established e-auction centers for Small cardamom at Puttady, Kerala and Bodinayakanur, Tamil Nadu. Licence for e-auction will be issued only to conduct e-auction at these centers.
2. Manual auction centre for small cardamom can be established anywhere in India other than in the States of Kerala and Tamil Nadu. No Manual auctioneer Licence will be issued in a State where the Board has established common e-auction centers.
3. Separate Licence shall be necessary for an auctioneer in respect of manual auction for each centre if he desires to conduct in more than one centre.
4. It is the responsibility of the Auctioneer to set up the facility for conducting manual auction as per applicable rules and guidelines.

5. Exclusivity of Auction Operations

- The auctioneer, including its promoters, partners, directors, and key managerial personnel, shall not engage in, promote, or be associated with any parallel, unregulated, or private auction arrangements, trading platforms, or similar mechanisms that may conflict with or undermine the regulated auction system of the Spices Board.
- All auction operations shall be conducted strictly within the authorised framework prescribed by the Spices Board.
- The applicant shall ensure that its business activities remain aligned exclusively with the regulated auction mechanism, and shall not undertake any activity that may result in:
 - Conflict of interest;
 - Distortion of price discovery;
 - Circumvention or dilution of the prescribed auction procedures.
- A declaration to this effect shall be furnished along with the application. Any change in ownership shall be intimated to the Board immediately, or within such time as may be specified by the Board.

6. Integrity of Financial Transactions

All Licensed auctioneers shall ensure integrity, transparency, and traceability in all financial transactions relating to auction operations.

(a) Mode of Transactions

- All payments and receipts arising out of auction activities, including buyer payments, seller settlements, commissions, and other charges, shall be conducted only through traceable banking channels (such as NEFT/RTGS/IMPS or other approved electronic modes).
- **“Cash transactions shall not be permitted in respect of auction operations.”**

(b) Accounting and Record Maintenance

- The auctioneer shall maintain complete, accurate, and up-to-date books of accounts for all auction-related transactions.
- All transactions shall be:
 - properly recorded in the books of accounts;
 - supported by verifiable documentation (invoices, auction records, payment confirmations, settlement statements, etc.); and
 - capable of being reconciled with bank statements and auction records.
- Records shall be maintained in a manner that ensures auditability and traceability of each transaction.

(c) Statutory and Regulatory Compliance

- The auctioneer shall comply with all applicable laws relating to financial reporting, taxation, and regulatory requirements, including maintenance of prescribed registers, filings, and returns.
- The auctioneer shall also comply with the provisions of the Cardamom (Licensing and Marketing) Rules, 1987 and all directions issued by the Spices Board from time to time.

(d) Transparency and Verification

- The auctioneer shall ensure that all transactions are bona fide, properly documented, and free from manipulation or misreporting.
- All records shall be made available for inspection, audit, or verification by the Spices Board or any authorised agency as and when required.

(e) Data Retention

- All financial and transaction records shall be retained for a minimum period as prescribed under applicable laws or as specified by the Spices Board, and shall be produced upon request.

(f) Consequences of Non-Compliance

Any violation, including non-traceable transactions, improper accounting, suppression of records, or non-compliance with statutory requirements, shall be treated as a breach of Licence conditions and may result in suspension, cancellation, non-renewal of Licence, forfeiture of Bank Guarantee, and such other action as deemed appropriate by the Spices Board after providing an opportunity of being heard.

(g) Prohibition of Adjustment / Netting of Auction Transactions

- All auction transactions shall be settled on a gross basis.
- Buyers shall remit the full value of purchases for each auction, and sellers shall receive payment for the full value of their sales, strictly through traceable banking channels.
- Adjustment, netting, or set-off of amounts payable and receivable between purchase and sale transactions—whether within the same auction session, across sessions, or through related parties—shall not be permitted.
- In particular, where a participant both purchases and sells lots through the same auctioneer, the following shall apply:
 - The participant shall make full payment for the lots purchased; and
 - The auctioneer shall independently make full payment to the seller for the lots sold, in accordance with prescribed settlement timelines under the Cardamom (Licensing and Marketing) Rules, 1987.
- Issuance of adjustment bills, net settlement statements, or offset accounting entries in lieu of actual fund flow is strictly prohibited.

(h) Segregation and Audit Trail

- The auctioneer shall maintain distinct and verifiable records for:
 - buyer-wise collections; and
 - seller-wise payments;

ensuring a clear one-to-one linkage between auction lots, invoices, receipts, and bank transactions.

- Each transaction shall be independently identifiable, traceable, and reconcilable in the books of accounts and bank statements.

(i) Enforcement

Any practice of adjustment, netting, or suppression of actual transaction value shall be treated as a serious violation of Licence conditions and may result in suspension of auction operations, cancellation or non-renewal of Licence, forfeiture of Bank Guarantee, and such other action as deemed appropriate by the Spices Board after providing an opportunity of being heard.

(j) Authenticity of Auction Transaction Data and Bidder Identification

For the block period 2026–2029 onwards, the system-generated auction data recorded in the e-auction platform of the Spices Board immediately upon completion of the auction shall be treated as the final and authentic record of auction transactions for all regulatory, settlement, monitoring, and verification purposes.

The auctioneer shall ensure that the details relating to bidders, traders, lot purchases, prices, and transaction particulars recorded in the system-generated auction report are accurate and correspond to the actual bidder participating in the auction at the time of bidding. No alteration, substitution, modification, or reassignment of bidder/trader details recorded in the system-generated auction data shall be permitted subsequently through physical records, declarations, Form-C submissions, settlement statements, or any other manual or offline documentation, except with the prior approval of the Spices Board and supported by valid documentary evidence and recorded reasons.

The auctioneer shall be responsible for ensuring secure and authorised usage of bidder login credentials and auction access systems during auction operations. Sharing, misuse, unauthorised access, or continuation of bidding through another participant's login/session resulting in incorrect bidder identification shall not be permitted.

Any discrepancy between the system-generated auction data and subsequently submitted physical records or declarations, including change of bidder identity, trader name, purchaser details, or transaction particulars without authorisation of the Spices Board, shall be treated as a serious violation of licence conditions and may attract regulatory action under the Cardamom (Licensing and Marketing) Rules, 1987 and the conditions of licence.

7. Post-Licence Undertaking (Affidavit)

Upon grant of Licence, the Licensee shall submit a notarised affidavit on non-judicial stamp paper (of value as prescribed) affirming that:

- the Licensee shall abide by all provisions of the Cardamom (Licensing and Marketing) Rules, 1987, these Guidelines, and all directions issued by the Spices Board from time to time;
- the Licensee shall maintain continuous compliance with all eligibility conditions, operational requirements, and financial discipline prescribed;
- the Licensee shall not engage in any activity that results in conflict of interest, violation of auction procedures, or undermines the integrity of the regulated auction system;
- any breach of the above undertaking shall render the licensee liable for penal action, including suspension, cancellation, non-renewal of licence, forfeiture of Bank Guarantee, and such other action as deemed appropriate by the Spices Board after providing an opportunity of being heard.

8. Fee for Issue of Auctioneer Licence: Fee for issue of Auctioneer Licence (Plus applicable GST as per Government norms)

Manual Auction / E-auction	Issue / Renewal / Amendment	Fee (Rs.)	GST (18%) Rs.	Total (Rs.)
Manual Auction Licence	Issue / Renewal	15,000/-	2,700/-	17,700/-
	Amendment	5,000/-	900/-	5,900/-
E-Auction Licence	Issue / Renewal	1,00,000/-	18,000/-	1,18,000/-
	Amendment	5,000/-	900/-	5,900

The application fee once paid shall be **non-refundable** under any circumstances, including rejection or withdrawal of application.

9 . User Fee:For conducting e-auction using Board's common facility, an auctioneer has to pay a user fee of Rs.750/- per ton of cardamom sold in an auction plus GST@ 18%, as revised by the Board from time to time.

10.Payment Obligations:

- The auctioneer shall pay the growers, whose cardamom is pooled, the applicable sale value of the cardamom sold in an auction within 10 working days from the date of auction. If the auctioneer defaults to make payment as per applicable rules and guidelines, the Board will be entitled to invoke the Bank Guarantee and use the proceeds for arranging settlement of amount due to growers and to initiate steps for suspension and/ or cancellation of the Licence after providing an opportunity of being heard.
- In the case of manual auction, if the auctioneer defaults to make payment as per applicable rules and guidelines, the Board will initiate steps against the Auctioneer including suspension and/or cancellation of the Licence after providing an opportunity of being heard.

11. Conduct of Auction:

The auctioneer shall conduct the auction at a place and on a day and time specified by the Board. If the auctioneer wishes to cancel / is not able to conduct an auction as scheduled by the Board, the same shall be informed to the Board promptly in writing with valid reasons to the satisfaction of the Board. Any cancellation/non conduct of the auction shall be only with the prior approval of the Board.

12. Sample Handling and Refund

The auctioneer shall draw samples from each lot of cardamom offered for pooling in accordance with the procedure prescribed by the Spices Board from time to time. The quantity of sample drawn shall be recorded in the Crop Slip issued to the person pooling the cardamom.

Out of the total sample quantity drawn, 100 grams shall be retained as purchaser sample and 50 grams shall be kept for display at the auction centre. The balance quantity of 2850 grams may be utilised by the auctioneer for distribution as bidding samples in connection with the auction of the said lot.

Accordingly, the total amount payable by the auctioneer to the person pooling the cardamom shall comprise:

- (i) the sale value realised for the auctioned lot; and
- (ii) the refund value corresponding to 2850 grams of cardamom utilised for sampling purposes, after deduction of 1% commission and applicable GST @ 18% on such commission, as permissible under the Cardamom (Licensing and Marketing) Rules, 1987 and the directions issued by the Spices Board from time to time.

As the e-auction system is cloud-based and auction operations are conducted simultaneously at the e-auction centres at Bodinayakanur and Puttady, samples may be collected and handled in the manner prescribed by the Spices Board for facilitating auction operations at both centres.

13. Additional Auction Provisions:

- No additional charges other than one percent commission plus applicable GST can be deducted from the person who pooled the cardamom in any name be it wastage, weight loss, charity etc. If an auctioneer is found to have collected any additional charges other than the one percent commission, action will be initiated by the Board including suspension /cancellation of Licence.
- The auctioneer shall ensure that the cardamom pooled in an auction is free from any adulteration, contamination and artificial colouring, hence measures should be taken to

undertake cleaning and quality checks during pooling to ensure foreign matter remains within permissible limits before the lots are listed for auction.

- The Board is conducting Special e-auction for tested cardamom with prescribed lot numbers once in a month along with normal auction. The auctioneers who are willing to conduct special e-auction shall inform the Board accordingly and conduct the special e-auction as per applicable rules and guidelines issued by the Spices Board.
- The Auctioneer shall adhere to the terms and conditions / instructions of the Board issued from time to time for smooth and efficient conduct of cardamom auction.

14. Evening Dealer Auction – Eligibility and Operational Conditions

The conduct of evening auctions exclusively for dealer lots shall be permitted only to those auctioneers who are duly licensed by the Spices Board for conducting regular (day) auction operations. No separate invitation for applications shall be issued for conducting evening dealer auctions, and eligibility for such auctions shall be restricted to existing licensed auctioneers. The option to participate in the conduct of evening dealer auctions shall be exercised by the applicant at the time of submission of the application for grant or renewal of auctioneer licence. The auctioneer may, at its discretion, choose to opt for or refrain from conducting evening auctions. Separate Bank Guarantee shall be required for conducting evening dealer auctions. The minimum value of cardamom to be pooled for auction shall be linked to the Bank Guarantee maintained by the auctioneer, as follows:

- For regular (day) auction: No minimum limit fixed
- For evening auction: 15 MT
- The minimum BG limit for the conduct of the evening auction is ₹.5 Crore.

The Auctioneer shall assess and maintain, at all times, an adequate Bank Guarantee commensurate with the anticipated volume and value of cardamom likely to be received, pooled, and offered for auction, particularly during peak arrival seasons. The Auctioneer shall be solely responsible for ensuring that the Bank Guarantee maintained is sufficient to cover the transaction exposure arising from the pooled stock. In the event that the value of cardamom offered for auction exceeds the permissible transaction exposure linked to the Bank Guarantee maintained by the Auctioneer, the Spices Board's auction platform/system may restrict or reject further auction transactions until adequate Bank Guarantee coverage is available. Any delay, inconvenience, accumulation of stock, or inability to auction pooled cardamom arising on account of inadequate Bank Guarantee shall be the sole responsibility of the Auctioneer, and no liability in this regard shall devolve upon the Spices Board.

The auctioneer shall ensure adherence to the above thresholds and operational requirements, failing which the Spices Board may take appropriate action including restriction of auction operations, reduction of transaction limits, or such other action as deemed appropriate, after providing an opportunity of being heard.

15. Sub Leasing: Any kind of sub-leasing of the licences or authorising any other person to conduct the licensed auction shall not be permitted under any circumstances.

16. In case of any inconsistency between these Guidelines and the Cardamom (Licensing and Marketing) Rules, 1987, the provisions of the Rules shall prevail.

17. Non-compliance with these Terms and Conditions shall constitute violation of licence conditions under the Cardamom (Licensing and Marketing) Rules, 1987.

DOCUMENTS FOR CARDAMOM AUCTIONEER LICENCE**1. Basic Documents**

- a. Copy of PAN Card of the Entity
- b. UDYAM/MSME Registration Certificate, if applicable
- c. Copy of ESI Registration
- d. Copy of PF Registration
- e. Cardamom Auctioneer/ Dealer Licence
- f. Bank account details of auctioneer from which auction transactions are carried out

2. Statutory Compliance

- a. GST Certificate with additional place of business added for godown and pooling centres
- b. Copy of latest GST Returns (GSTR 1, GSTR 3B and GSTR 2B) for the Months of April 2026 to June 2026.
- c. Copy of GST Annual Returns- (GST 9 and 9C- for the last three FY)

3. Financial Documents

- a. Copy of Audited Financial Statements with Notes to Accounts for the Financial Years 2022-23, 2023-24 and 2024-25
- b. Bank Certificate / Letter indicating creditworthiness or existing credit facilities
- c. Provisional Financial Statement for 2025-26
- d. Bank Statements for the period April 2025 to March 2026 (Soft Copy to be submitted to Spices Board Separately via email)
- e. Copies of sanctioned OD/CC facilities- issued by Bank
- f. Latest Drawing Power Statement issued by bank
- g. Cash flow statement for the last three financial years for entities other than companies
- h. Tax Audit Report-Form 3CA, 3CD or form 3CB-3CD whichever is applicable
- i. Declaration of details of contingent liabilities and guarantees to be self certified
- j. Details of related party loans and advances with related party relationship
- k. Age-wise Debtors Statement for the financial year 2025-26 to be certified by CA
(Ageing format: Below 30 days, 30-60 days, 60-90 days, Above 90 days)
- l. Income Tax computation Statements- Last three financial years
- m. Acknowledgement of IT returns (Last three financial years)

4. Infrastructure Documents

- a. Copy of the Licence issued by the Local Administration for conducting the Cardamom Trade- To be renewed and Submitted to Spices Board every year
- b. Rental / Lease Agreement of Godown / Pooling depots in the case of Rented / Leased Buildings. If it is owned, a copy of the latest Building Tax Receipt- The validity of the lease agreement should be for a period of three years covering the Block period 2026-29- (At the time of submission in the NSW portal, the lease agreement and property tax receipt of lesser should also be merged and upload together as a single document)
- c. Details of Main godown / Godown (minimum 75 MT capacity)
- d. Details of Pooling Centres/Collection centres (minimum 3 centres with storage capacity 5T)
- e. Proof of ownership / lease documents for all infrastructure facilities (the validity should be covering the block period 2026 to 2029)
- f. Geo-tagged photographs of warehouse and pooling centres
- g. Fire and Safety Compliance certificate for the main godown and pooling centres
- h. Insurance details for main godown, and pooling centres
- i. Details of equipment (electronic weighing machines, moisture meters, pooling machines, grading machines etc.)
- j. Calibration Certificates for weighing machine/moisture meters
- k. Security arrangement details for storage facilities
- l. IT infrastructure /software details for auction& settlement tracking
- m. FSSAI licence for godown and pooling centres (Validity covering for the Block period 2026-29)

5. Operational Capability

- a. Proof of relevant experience in cardamom trade/Auction (minimum three years/ SBL licence) / agri-commodity business (documents supporting minimum 5 years experience requirement)
- b. Details of manpower deployed (number and category of staff)

6. Risk & Settlement Compliance

- a. Bank Guarantee readiness letter issued by the bank
- b. Declaration regarding absence of insolvency proceedings
- c. Declaration regarding no wilful default classification
- d. Details of insurance coverage against operational risks

7. Declaration & Undertakings

- a. Self-Declaration and Undertaking (as per prescribed format)
- b. Declaration regarding Conflict of Interest
- c. Declaration regarding non-involvement in private / unregulated auction activities
- d. Declaration regarding compliance with financial transaction integrity (no netting / adjustment)
- e. Declaration regarding litigation / pending cases (if any)
- f. Declaration that farmer funds shall not be diverted for unrelated business purposes
- g. Consent for independent financial verification by the Spices Board.
- h. Declaration that auction transactions will be carried out only from the Bank account details submitted to Spices Board

8. Entity-Specific Documents

A. Companies:

1. Copy of Certificate of Incorporation
2. Copy of Memorandum and Articles of Association
3. Copy of self-declaration that none of the directors of the Company are disqualified to act as Director as on date of application (as per prescribed format)
4. List of Directors with DIN, PAN, and KYC Details (Aadhaar)
5. Details of charges created with ROC
6. Latest annual return (MGT7 form)

B. Partnership:

1. Copy of Partnership Firm Registration Certificate
2. Copy of Partnership Deed
3. List of Partners with PAN and KYC (Aadhaar)

C. Multi-State Co-operative Societies / Societies:

1. Copy of Registration Certificate
2. Copy of Bye Laws
3. List of Managing Committee / Office Bearers

D. For all the firms mentioned above,

1. Latest share holding Pattern
2. Board / Society/ Partnership -Resolution authorising licence application and nomination of the authorized signatory
3. List of Beneficial Owners (if applicable)

**DECLARATION AND UNDERTAKING BY APPLICANT FOR GRANT/RENEWAL OF
AUCTIONEER LICENCE**

(To be submitted on the letterhead of the applicant and signed by the authorised signatory)

To,

The Secretary,

Spices Board, Kochi.

1. Applicant Details

- Name of the Entity: _____
- Legal Status (Company/LLP/Partnership/Co-op/FPO etc.): _____
- Registered Address: _____
- CIN/Registration No.: _____
- PAN: _____
- GSTIN: _____

2. Declaration

I/We, _____, authorised signatory of the above-mentioned entity, do hereby solemnly affirm and declare as follows:

A. General Compliance

1. That the applicant has applied for grant/renewal of Auctioneer Licence under the Cardamom (Licensing and Marketing) Rules, 1987 and guidelines issued by the Spices Board from time to time.
2. That all information furnished in the application and supporting documents is **true, correct, complete, and not misleading**, and no material fact has been concealed or suppressed.
3. That the applicant shall comply with all provisions of the Cardamom (Licensing and Marketing) Rules, 1987 and all directions issued by the Spices Board from time to time.

B. Financial Integrity

4. That all auction-related transactions shall be carried out **only through traceable banking channels (bank account details submitted to Spices Board)**, and no cash transactions shall be undertaken.
5. That the applicant shall maintain **proper books of accounts, audit trails, and verifiable documentation** for all auction transactions.
6. That the applicant shall ensure **timely settlement of payments to growers/sellers** within the prescribed period (presently 10 days or as amended from time to time).

7. That there is no contingent liabilities and guarantees.
8. The applicant has not been classified as a wilful defaulter.

C. Prohibition of Adjustment / Netting

9. That the applicant shall **not undertake any adjustment, netting, or set-off** of purchase and sale transactions.

10. That all transactions shall be settled on a **gross basis**, with full payment for purchases and independent payment for sales.

D. Conflict of Interest

11. That neither the applicant nor its promoters/partners/directors/key managerial personnel has any **direct or indirect interest, ownership, or control in any other licensed auctioneer entity**.

12. That the applicant is **not engaged in, associated with, or promoting any private, parallel, or unregulated auction/trading platform**.

13. That any change in ownership, shareholding, or control shall be **immediately intimated to the Spices Board**.

E. Operational Compliance

14. That the applicant has adequate infrastructure, manpower, and operational capability as prescribed by the Spices Board.

15. That the applicant shall conduct auctions strictly in accordance with the procedures, schedule, and directions issued by the Spices Board.

F. Legal & Regulatory Compliance

16. That the applicant is **not blacklisted or debarred** by any Government Department or statutory authority.

17. That the applicant and its key persons have **not been convicted** for any offence involving fraud, financial irregularity, or moral turpitude.

18. That there are **no pending serious proceedings** relating to financial or economic offences (if any, details shall be disclosed separately).

G. Undertaking

19. That the applicant agrees to furnish and maintain the prescribed **Bank Guarantee** at all times during the validity of the licence.

20. That the applicant shall submit a **notarised affidavit** upon grant of licence confirming compliance with all conditions.

21. That the applicant agrees to **submit clarifications/documents within the stipulated time (15 days)** if any query is raised by the Spices Board/NSWS portal, failing which the application may be rejected.

22. That the applicant agrees that the **application fee is non-refundable** under any circumstances.

H. Consequences of Violation

23. That the applicant understands and accepts that any **misrepresentation, suppression of facts, or violation of licence conditions** shall result in action including:

- Rejection of application
- Suspension or cancellation of licence
- Non-renewal of licence
- Forfeiture of Bank Guarantee
- Blacklisting/debarment

after providing an opportunity of being heard.

I. Verification

I/We hereby declare that the contents of this declaration are true and correct to the best of my/our knowledge and belief.

Place: _____

Date: _____

Signature of Authorised Signatory

Name: _____

Designation: _____

Seal of the Organisation

List of Directors / Partners / Key Managerial Personnel

Sl. No.	Name	Designation	DIN/PAN	Contact Details
1				
2				
3				

Note:

- This declaration shall be signed by the authorised signatory and uploaded along with the application.
- Any false declaration shall render the applicant liable for rejection and further action as per rules.
