

Cardamom (Licensing and Marketing) Rules, 1987

UNION OF INDIA

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Rule CARDAMOM-LICENSING-AND-MARKETING-RULES-1987 of 1987

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Cardamom (Licensing and Marketing) Rules, 1987Published vide Notification No. G.S.R. 116(E), dated 26.2.1987G.S.R. 116(E). - In exercise of the powers conferred by section 38 of the Spices Board Act, 1986, (10 of 1986) and in supersession of the Cardamom (Licensing and Marketing) Rules, 1977, the Central Government hereby makes the following rules, namely :-

1. Short title and commencement.

(1)These rules may be called the Cardamom (Licensing and Marketing) Rules, 1987.(2)They shall come into force on the date of their publication in the Official Gazette.

2. Definitions.

- In these rules, unless the context otherwise requires :-(a)"Act" means the Spices Board Act, 1986;(aa)["auction" means a system of conducting sale of cardamom through the platform provided and approved by the Spices Board and includes manual auction, e-auction and online auction;] [Inserted by Notification No. G.S.R. 816(E), dated 18.11.2014 (w.e.f 26.2.1987).](b)"auctioneer" means a person engaged in the business of conducting cardamom auctions;(c)"Dealer" means a person engaged in the business of purchasing and selling of cardamom but does not include any auctioneer or exporter ;(d)"Form" means a form appended to these rules ;(e)"Person" means an individual and includes company, firm, society and any other association or body of individuals, whether incorporated or not.(f)["person" means an 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 the Societies Registration Act, 1860 (21 of 1860).] [Substituted by Notification No. G.S.R. 816(E), dated 18.11.2014 (w.e.f 26.2.1987).]

3. Conditions to carry on business in cardamom.

(1) No person shall carry on business as auctioneer or dealer of cardamom except under and in accordance with the terms and conditions of a licence issued under these rules and such other instructions as may be issued, from time to time, by the Board for the development of the cardamom industry. (2) No producer of cardamom shall sell his produce otherwise than through a Licensed auctioneer or to a dealer licensed to purchase cardamom from producers: Provided that the Board may, If it is satisfied that to ensure remunerative returns to growers, it is necessary to route all cardamom through auctions, require producers to sell their produce to the licensed dealers through auctions alone.

4. [Licensing of persons to carry on business of cardamom. [Substituted by Notification No. G.S.R. 816(E), dated 18.11.2014 (w.e.f 26.2.1987).]

(1) Any person desiring to carry on business as auctioneer or dealer in any year may apply in [the specified form, to Spices Board] for a licence: Provided that separate applications shall be necessary where a person desires to be licensed in more than one capacity: Provided further that separate licence shall be necessary for an auctioneer in respect of manual auction for each centre if he desires to conduct auctions in more than one centre. (2) [Every application, for license as auctioneer or dealer for a block period of three years or part thereof, shall be accompanied by a receipt of fee as specified in sub-rule (6). For subsequent block periods, there shall be a revision of fees, as stipulated by Spices Board from time to time, with the approval of the Central Government, for issue, renewal and amendment of license. The fee shall be payable in the form of bank transfer or crossed account payee demand draft drawn in favour of the Spices Board, payable at Ernakulam or Kochi.] [Substituted by Notification No. G.S.R. 215(E), dated 8.3.2018 (w.e.f 26.2.1987).] (3) [Spices Board may, if it is satisfied as to the suitability of the applicant as per sub rules (4) and (5) as applicable, issue license in the specified form, as the case may be.] [Substituted by Notification No. G.S.R. 215(E), dated 8.3.2018 (w.e.f 26.2.1987).] (4) Every applicant for auctioneer licence shall have sufficient storage or godown or collection depots facility to store the cardamom pooled and the facility for cleaning and grading of cardamom. (5) Every applicant for dealer licence shall have sufficient storage or godown facility to store the cardamom. (6) [Every application for issue of license as auctioneer and issue, renewal and amendment of license as dealer shall be accompanied by a fee as under, plus the tax as applicable:-(a) The fee payable for auctioneer license is -(i) manual auction (1) issue: Rs. 15,000/-; (2) amendment: Rs. 5000/-; (ii) e- auction in common e-auction centers established by the Board (1) issue: Rs. 1,00,000/-; (2) amendment: Rs. 5,000/- ; (b) The fee payable for dealer license is -(i) issue or renewal or duplicate : Rs.10,000/-; (ii) amendment: Rs.5,000/- ;]

5. [Renewal of licence. [Substituted by Notification No. G.S.R. 816(E), dated 18.11.2014 (w.e.f 26.2.1987).]

[(1) Any person desiring to renew his license as auctioneer or dealer may submit his application to Spices Board in the specified form, on or before 30th June of the year in which the validity of the

license expires: Provided that the date for submission of application shall be extended, as stipulated by Spices Board from time to time. (2) Spices Board may, if it is satisfied as to the suitability of the applicant, renew the license in the prescribed form as the case may be. (3) The license for e-auction shall not be renewed for the succeeding block period, if the auctioneer fails to transact any business for a continuous period of one year or fails to comply with clause (k) and clause (m) of sub-rule (1) of rule 10.] [Substituted by Notification No. G.S.R. 215(E), dated 8.3.2018 (w.e.f 26.2.1987).] (4) The licence shall not be renewed for succeeding block period of three years, if the dealer fails to transact any business or submit a NIL return during the period of holding a valid licence.]

6. Validity of licence.

- The licence shall normally be valid for a period of three years: Provided that the Board may issue a licence for a shorter period for reasons to be recorded in writing.

7. Suspension or cancellation of licence.

(1) If the Board is satisfied that a licensee has violated any of the conditions of the licence or any provision of the Act or rules made thereunder or in general or specific directions issued by the Board or an authorised officer of the Board or that any person to whom licence has been issued under these rules has obtained such licence by fraud or misrepresentation, it may, without prejudice to any other action which may be taken under any other law, after giving a reasonable opportunity to such licensee of being heard and for reasons to be recorded in writing, suspend or cancel such licence by an order in writing. (2) A copy of the order made under sub-rule (1) shall be communicated to the licensee.

8. Appeal.

(1) Any person aggrieved by an order of the Board refusing to issue or renew a licence or suspending or revoking a licence may, within 60 days from the date of making of such order, appeal to the Central Government. (2) On receipt of the appeal under sub-rule (1), the Central Government shall after giving a reasonable opportunity to the appellant of being heard, pass such order as it may deem fit.

9. Returns to be submitted by licensees.

- Every licensee shall from time to time, maintain and submit such registers and returns as may be required under the conditions on which the licence is issued.

10. [Terms and conditions for issue or renewal of licences. [Inserted by Notification No. G.S.R. 816(E), dated 18.11.2014 (w.e.f 26.2.1987).]

(1) The terms and conditions for issue or renewal of auctioneer licence shall be as under :-(a) 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;(b)for conducting e-auction using the Board's common facility, an auctioneer shall pay a user fee of Rs. 300/- per ton of cardamom sold in an auction plus service tax as applicable. The user fee shall be increased by twenty-five per cent rounded to the nearest Rs.10/- for every succeeding block period;(c)Bank Guarantee shall not be applicable for manual auction;(d>manual auctioneer licence shall not be issued in a State where the Board has established common e-auction centres;(e)the auctioneer shall pay the growers whose cardamom is pooled, the applicable sale value of the cardamom sold in an auction within ten days from the date of the auction. If the auctioneer defaults to make payment as per the terms and conditions of the licence, the Board shall invoke the Bank Guarantee of the auctioneer forthwith for arranging settlement of amount due to growers and take steps for suspension and/or cancellation of the licence;(f)the auctioneer shall provide necessary storage facilities including electronic weighing machine and moisture meters for pooling the cardamom in places convenient to the farmers.(g)the auctioneer shall conduct the auction at a place and on a day and time specified by the Board;(h)the auctioneer shall draw one thousand five hundred grams out of each lot (the quantity of cardamom pooled for auction as desired by the farmer), of cardamom offered for pooling and the quantity of sample drawn shall be recorded in the crop slip issued to the person whose cardamom is pooled. Out of the sample drawn, one hundred grams shall be set aside as purchaser sample and fifty grams shall be put on display at the auction centre. The remaining one thousand three hundred fifty grams shall be used by the auctioneer for distributing as samples during the bidding process of the said lot. The auctioneer shall refund the value of one thousand three hundred fifty grams of cardamom to the growers from the sample drawn. Thereafter, the total amount payable by the auctioneer to the person who pooled the cardamom shall be the sum of the sample refund value and the value for which the lot has been sold in an auction after deducting the eligible one per cent commission on the total amount. No additional charges shall be deducted in the name of wastage, weight loss and charity;(i)the auctioneer shall not charge more than one per cent of the sale price as commission for the services rendered by him;(j)the auctioneer shall not take or accept for himself or on behalf of the purchaser any discount or payment in cash or in kind other than the one per cent. commission due to him. The auctioneer shall ensure that the owner/seller gets value for the entire quantity of cardamom sold in the auction;(k)[the auctioneer shall maintain a register in the specified form and forward a copy of the same to Spices Board within seven days from the date of auction.(l)the auctioneer shall submit an interim report of the auction to Spices Board, on the next day of the auction in the form specified by the Board.](m)every auctioneer shall produce on demand for inspection by any officer of the Board authorised in this behalf by the Chairman, all accounts, registers and other records kept by him in connection with his business as cardamom auctioneer;(n)on transfer of his business to another person, the auctioneer shall intimate the same to the Board and surrender his licence and the transferee shall obtain a fresh licence in accordance with the provisions of these rules;(o)on the death of a licensed auctioneer, the original licence issued to him shall terminate. However, the legal heirs and if there are more than one legal heir of the deceased, any one of them nominated by the others, may apply to the Board for the issue of a fresh licence in accordance with the provisions of these rules;(p)the auctioneer shall in respect of each auction recover payment due from bidders within seven days from the date of the auction and clear the dues to the growers within ten days from the date of auction and non-payment of dues to growers within the period so specified without

any reason to the satisfaction of the Board shall be a violation of the conditions of licence. The information regarding dues to growers and from traders and their respective settlement shall be furnished to the Board in respect of each auction on a monthly basis. The auctioneers shall keep any unclaimed amount due to the growers in a separate account in the Bank and details thereof shall be intimated to the Board in respect of each auction on a monthly basis;(q)the auctioneer shall ensure that the cardamom pooled in an auction is free from any adulteration, contamination and artificial colouring.(2)The terms and conditions for issue or renewal of dealer licence shall be as under :-

(a)The licensed dealer shall purchase cardamom only from registered estate owners/growers or licensed auctioneers;(b)dealer shall not solicit or accept any amount in cash or in kind from cardamom producers or auctioneers, whether by way of discount or commission;(c)[every dealer shall maintain a register in the form specified by Spices Board. [Substituted by Notification No. G.S.R. 215(E), dated 8.3.2018 (w.e.f 26.2.1987).](d)every dealer shall submit a monthly return in the form specified by Spices Board so as to reach the Board on or before the 10th day of the succeeding month.](e)on transfer of his business to another person, the dealer shall intimate the same to the Board and surrender his licence and the transferee shall obtain a fresh licence in accordance with the provisions of these rules;(f)on the death of a licensed dealer, the original licence issued to him shall terminate. However, the legal heirs and if there are more than one legal heir of the deceased, any one of them nominated by the others, may apply to the Board for the issue of a fresh licence in accordance with the provisions of these rules;(g)every dealer shall produce on demand for inspection by any officer of the Board authorised in this behalf by the Chairman, all accounts, registers and other records kept by him in connection with his business as cardamom dealer;(h)the dealers shall pay the auctioneers the value of the cardamom purchased in respect of an auction within seven days from the date of auction. Non-payment of the purchase value within the specified period shall be treated as a violation of the conditions of license.][***] [Omitted 'Form A' by Notification No. G.S.R. 215(E), dated 8.3.2018 (w.e.f 26.2.1987).][***] [Omitted 'Form A1' by Notification No. G.S.R. 215(E), dated 8.3.2018 (w.e.f 26.2.1987).][***] [Omitted 'Form B' by Notification No. G.S.R. 215(E), dated 8.3.2018 (w.e.f 26.2.1987).][***] [Omitted 'Form B1' by Notification No. G.S.R. 215(E), dated 8.3.2018 (w.e.f 26.2.1987).][***] [Omitted 'Form B3' by Notification No. G.S.R. 215(E), dated 8.3.2018 (w.e.f 26.2.1987).][***] [Omitted 'Form C' by Notification No. G.S.R. 215(E), dated 8.3.2018 (w.e.f 26.2.1987).][***] [Omitted 'Form D' by Notification No. G.S.R. 215(E), dated 8.3.2018 (w.e.f 26.2.1987).][***] [Omitted 'Form E' by Notification No. G.S.R. 215(E), dated 8.3.2018 (w.e.f 26.2.1987).][***] [Omitted 'Form F' by Notification No. G.S.R. 215(E), dated 8.3.2018 (w.e.f 26.2.1987).]