



FSSAI to reclassify food businesses to align with GST

Under the GST regime, implemented from July 1, 2017, businesses with an annual turnover of over Rs 20 lakh are required to pay GST.

PTI@moneycontrol.com

Food safety authority FSSAI today said it will reclassify food businesses on the basis of turnover to align with the goods and services tax (GST).

Under the GST regime, implemented from July 1, 2017, businesses with an annual turnover of over Rs 20 lakh are required to pay GST.

"We are in the process of amending the licensing and registration norms. Under this, we are going to reclassify the kind of food businesses (KoB) on the basis of turnover to align with GST and MSME norms," Food and Safety Standards Authority (FSSAI) CEO Pawan Kumar Agarwal told reporters.

Accordingly, the number of KoBs will be reduced from the current 17 to 8. For instance, a category of food businesses whose annual turnover is Rs 12 lakh will be increased to Rs 20 lakh, he added.

Alongside, FSSAI is developing an e-system to monitor if food businesses are complying with safety norms. The compliance monitoring system will be ready in the next 2-3 months. "A track record of each food business will help while issuing fresh

FSSAI In News

licence for new products. Right now, we don't have a proper record at one place," he added.

While issuing licence, the regulator will also see if the company has complied with labelling norms and product standards, among others, Agarwal said.

"These parameters will also be attached while issuing licence," he said.

To promote hygiene in restaurants and hotels, FSSAI has prepared a framework and awaiting provisions to be in place to hire a third party agency to conduct the rating, he said. "We are ready with the framework. But who will do the rating? Globally, it is done by the regulatory staff. Since our staff is limited, we are exploring a third party agency," he said.

To begin with, states will be asked to do the hygiene rating in select cities. "As we gain confidence, we will make it compulsory," he added.

Agarwal said the regulator is focusing on self-compliance of food safety norms, for which the businesses are being trained to ensure there is at least one trained food safety advisor/officer in each business.

So far, 800-odd training programmes have been conducted covering 18,000 personnel. "As we create the capacity, we are going to make it mandatory in phased manner in the next 1-2 years," he added.