

## India's Food Safety Challenges

A lot has been written and debated about Maggi (and Nestle) in the recent weeks. There is still little clarity on the nature and veracity of the alleged infractions committed by Nestle, and the remedial measures that the company has to undertake to become fully compliant with FSSAI norms as applicable to the specific product category, and then the action plan of the company to win back their customers' trust in the brand and in the company. Hopefully, the clarity will come in the next few days or at most, a couple of weeks.

However, what this (and some earlier similar controversies of the past such as the reported pesticide contamination in select brands of carbonated beverages in one instance, and occurrence of worms in some chocolate products in another) incidence has shown is that India needs to update and upgrade its own food standards and safety regulatory capabilities without any further delay. A recent IndiaSpend report mentions that India has only 148 food testing laboratories. For a nation of 1.26 billion people, and millions of independent, largely unorganized retail point-of-sale outlets for food products (including grocers, street vendors, restaurants, dhabas, road-side eateries, and mithai shops etc.), it translates to just about 1 lab for about 8.5 million population.

At the same time, the demographic, social, economic, and lifestyle trends are such that India will consume much more food and of the total food consumed, much more diverse and more processed food in the years to come. It may be absolutely right to wish for turning the clock back to an era where everything that we ate came from natural and sustainable farming methods, and freshly cooked inside the home kitchen but the reality of our times is such that the consumers (cutting across income and lifestyle strata) are increasingly more time poor and therefore have a valid reason to actively seek convenience foods that can save them from the time and effort of shopping (for ingredients), processing (of ingredients) and cooking for them. It is also a reality of our times that our palates are becoming more adventurous, again across all socio-economic strata, and no longer do our "own mother's recipes" fully satisfy our cravings for different genres of foods –both from within India and then from global cuisines. Ready-to-eat or ready-to-cook products such as dried and packaged noodles and pasta belong to such new genres of international foods that very successfully meet both the convenience and the palate test for many Indian consumers.

The following chart gives some idea about the current size of India's food market, of which the processed foods and the packaged foods segment is showing double digit growth year after year.

S. No.	Particular	Market Size - 2015 (INR Lac Crore)	% Share
1	<b>Total</b> Food Market	15.5	
2	<b>Processed</b> Food Market	4.9	<i>About 32% of total food market</i>
3	<b>Packaged</b> Food Market	1.8	<i>About 36% of processed food market</i>
4	Packaged <b>Ready To Eat</b> food Market	0.03	2% of packaged food market but poised to grow very rapidly in the coming years

Once the Nestle (Maggi) issue is resolved, and the company made to rectify whatever deficiency, if any, is found in their compliance with FSSAI regulations and guidelines, it is important for the Government of India to take urgent steps to upgrade and strengthen the FSSAI infrastructure to keep up with the rapid increase in the size of processed and packaged food products. FSSAI and the processed / packaged food industry must also work very closely rather than being at loggerheads with each other so that appropriate norms and guidelines are in place, and then ideally supported by voluntary and proactive compliance by the industry, so that another mishap such as that relating to Maggi does not recur.

**Arvind Singhal**

[Arvind.singhal@technopak.com](mailto:Arvind.singhal@technopak.com)