FSSAI to amend licensing norms, reclassify food businesses on the basis of turnover to align with GST

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New Delhi: Food safety authority FSSAI on Tuesday 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 1 July, 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.