FSSAI to write to GST Council seeking zero rate on packaged milk products

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The apex food regulatory body in the country has decided to write to the GST Council to seek a review into the rates of packaged milk products to make it zero.

Currently, packaged milk products attract 5% tax rates under the GST regime.

The FSSAI (Food Safety and Standards Authority of India) while analysing the safety parameters of milk and milk products has come across hygiene issues vis-à-vis milk and milk products sold loose.

According to FSSAI, the recent National Milk Safety and Quality Survey report had revealed that only 7% milk samples had contaminants or adulterants that rendered such milk unsafe.

Also, FSSAI has carried out another survey of milk products. In this, the results of 399 samples analysed so far (out of total 1,048) indicate only quality and hygiene concerns in milk products. Major quality concern observed is adulteration with vegetable fats with no concern about presence of heavy metal contaminants. Microbiological concern observed relates to poor hygiene, while no bacterial pathogens have been found. The interim report will soon be published.

In this regard, Pawan Agarwal, CEO, FSSAI, stated that the problem related to hygiene is quite widespread and the presence of coliform in loose milk products was found at many places.

“So we have decided to recommend to GST Council to reduce the tax rates on packaged milk products to zero because there are hygiene, and contamination issues in milk products sold loose, said Agarwal, pointing out, “Also we have come across many products which were sold earlier in packs, now those products are being sold open because of the tax rate.”

He added, “We have to realise how big the problem is. The milk survey conducted by the FSSAI gave us an idea and we can now frame an action plan to regularly monitor the situation.”
Agarwal was briefing the media about the proposed Action Plan for Safe and Quality Milk and Milk Products here.

He informed that to address the unorganised sector which has a major share and to look at raw milk quality, FSSAI would launch a “Verified Milk Vendors Scheme” where milk vendors can voluntarily register through online registration portal and would be provided photo-identity card and properly calibrated lactometer.

Training would be imparted on clean milk practices with periodic sampling and testing of milk. The hot spot areas identified would help stringent enforcement/surveillance activities. Food Safety Mitras will also be given a mandate to facilitate registration of these vendors at a very nominal cost. A dedicated portal will be created to facilitate these actions.

Taking into consideration the results of both the surveys and available testing infrastructure, a 12-point action was made by the FSSAI to ensure safety and quality of milk and milk products in the country. These actions are broadly in three areas, namely – (1) Testing and continued surveillance; (2) Preventive and corrective action for implementation and monitoring; and (3) Consumer engagement.

For testing and continued surveillance and to upgrade testing infrastructure, several rapid testing and high-end precision test equipment have been provided to states/UTs. In addition, FSSAI has notified NABL accredited private and other public food laboratories for primary, regulatory and surveillance testing which can be used by the states/UTs to complement testing by the state laboratories.

As aflatoxin-M1 and antibiotic residues emerged as a major contaminant in milk, various preventive and corrective actions are proposed for the stakeholders in milk sector. There is need for extensive capacity building at primary production levels for following Good Dairy Farming Practices through focussed training programmes in the areas of animal husbandry, animal health and feed and nutrition.

“We also noticed quality issues in milk mostly related to proportion of fat and solids not-fat (SNF) which varies widely by species and depends on breed as well as quality of feed and fodder. This can be improved by proper feeding of cattle and adopting good farm practices,” said Agarwal.

The milk survey had revealed that even processed milk has both quality and safety concerns which is a serious matter. In this regard, FSSAI has developed and released a harmonised Scheme of Testing and Inspection (STI) to be adopted by dairy processing plants for the purpose of monitoring and self-compliance throughout their production chain in order to strengthen their internal controls.

FSSAI also emphasises the dairy plants to undertake fortification of milk with Vitamins A and D which are lost during processing. Since milk is consumed by all population groups, fortification of milk with specified micronutrients is a good strategy to address micronutrient malnutrition.