



February 2005

FOOD LABELLING REQUIREMENTS IN INDIA

ISSUE

Canadian agri-food exporters need to be aware of India's food labelling requirements when attempting to enter the market in India. This document contains information on the nature of the current regulatory framework in India as well as references to more detailed information sources.

DESCRIPTION

In an effort to comply with World Trade Organization (WTO) standards, India removed all import-licensing restrictions effective April 1, 2001. However, the Indian government has since continued to discourage imports in a number of product types, including agri-food, through the implementation of tariff and non-tariff barriers. In particular, India employs a strict set of labelling rules and standards for pre-packaged food products that can deter exporters from entering the market due to the time, effort and cost required in meeting them.

Although India's enormous population size (nearly 1.1 billion people in 2004) makes it an attractive market for food manufacturers and suppliers, the majority of the population does not have the necessary purchasing power to accommodate a large percentage of foreign foodstuffs. In addition, religious and cultural practices in India often encourage traditional diets based on local (commonly vegetarian) cuisine. When combined with some of the cumbersome import regulations, these factors can make it difficult and expensive for Canadian companies to enter the Indian marketplace, unless they have planned properly and have had access to updated information.

Canadian companies must balance these considerations alongside the potential for future growth in India as the economy strengthens and the number of possible consumers expands. DSP Merrill Lynch is forecasting that 22% of Indian households (44 million households) will be capable of purchasing imported foods by 2007, up considerably from less than 7% in 1997.

In 2002, India imported more than \$5.7-billion worth of agri-food exports. Top imported products in the Indian market that year included palm oil (\$1.4 billion), soybean oil (\$571 million), cotton (\$427 million), leguminous vegetables (\$396 million) and cashew nuts (\$354 million).

During the first eight months of 2004, Canadian exports to India totalled nearly \$60 million, of which 84% comprised dried peas.

IMPACT ON CANADIAN COMPANIES

Presently, food products imported into India must be labelled in accordance with the Prevention of Food Adulteration Act (PFA), 1954 (and the PFA Rules, 1955). Imports are also subject to regulations designed for the domestic industry under the Standards of Weights and Measures Rules, 1976 (Packaged Commodities). Food product labels, on which at least one of the languages used is English or Hindi in Devnagari script, must exhibit:

- the net weight or volume of the product, in standard units;
- the month and year of packing;
- the “best before” date (expiration date)¹;
- the maximum retail price (MRP) of the product to be sold, incorporating all taxes, freight transport charges, commissions and, in addition, all charges toward advertising, delivery, packing and forwarding;
- a detailed list of ingredients;
- the name, trade name and description of the product;
- a clear declaration if the food is designed for a specific group (such as children, seniors, nursing mothers, or diabetics);
- a mark indicating whether the product has vegetarian or non-vegetarian content:
 - for vegetarian products, a green coloured-in circle inside a green outlined square, and
 - for non-vegetarian products (including eggs and animal by-product gelatin), the mark is a reddish-brown coloured-in circle inside a reddish-brown outlined square;
- the name and complete address of the manufacturer and the importer;
- a clear indication of whether the product contains added colours, flavours, non-permitted colours, chemicals, agents;
- an irradiation logo and licence number if the food is irradiated;
- the country of origin; and
- the distinctive batch, lot or code number.

The requirement for listing a maximum retail price poses particular challenges to prospective exporters, due in part to the complexities of the Indian taxation system (local taxes vary from state to state and the final destination may not be known at the time of importation). In addition, the established final price also dictates the level of taxation to be levied against the product and it is frequently used by retailers as a standard selling price².

Labels must be affixed before customs clearance and may appear in any of the following formats::

- printed on a label affixed to the product;
- printed on a wrapper containing the product;
- printed on the package itself; or
- printed on a card or tape attached firmly to the package.

¹ Note: All imported packaged food products must have at least 60% of their product shelf life remaining in order to enter the Indian market.

² In most cases, retailers will not offer imported products at prices lower than the listed MRP.

At this time there are no requirements for nutritional information to appear on labelling. Moreover, while food products that make health claims are not required to provide documentation substantiating their claims, manufacturers should be able to do so upon request or if challenged in a court of law.

In order to have a successful export experience in India, Canadian companies need to be fully aware of all import procedures and regulations that may apply to their products. It is strongly advised that Canadian exporters confirm all requirements with their prospective customers or partners prior to shipping.

Canadian companies seeking additional clarification on market-access issues in India should register with the Virtual Trade Commissioner (see below) and contact the appropriate Trade Commissioner.



CONTACTS

Canadian Contacts

Canadian High Commission in India

7/8 Shantipath, Chanakyapuri
New Delhi, India 110 021
Contact: Ashwani Nanda, Trade Commissioner (Agri-Food)
Tel.: (91-11) 5178-2000
Fax: (91-11) 5178-2041
E-mail: ashwani.nanda@international.gc.ca
Internet: <http://www.india.gc.ca>

Canadian Government Trade Office in Bangalore
103 Prestige Meridian 1
1st Floor, Rear Wing
29 M.G. Road
Bangalore, Karnataka, India 560 001
Contact: Vittal Nath, Trade Commissioner (Agri-Food)
Tel.: (91-80) 559-9418 or 558-1116
Fax: (91-80) 559-9424
E-mail: maple@blr.vsnl.net.in

Consulate General of Canada in Chandigarh
SCO No. 54-6, Sector 17-A
Chandigarh, India 160 017
Contact: Gurbans Sobti, Trade Commissioner (Agri-Food)
Tel.: (91-172) 716-020-4
Fax: (91-172) 716-025
E-mail: gurbans.sobti@international.gc.ca

Consulate General of Canada in Mumbai
41/42 Maker Chambers VI, 4th Floor
Jamnalal Bajaj Marg, Nariman Point
Mumbai, Maharashtra, India 400 021
Contact: Apurva Mehta, Trade Commissioner (Agri-Food)
Tel.: (91-22) 2287-6027
Fax: (91-22) 2287-5514
E-mail: apurva.mehta@international.gc.ca

Agriculture and Agri-Food Canada

930 Carling Ave.
Ottawa, ON K1A 0C5
Contact: Lidija Lebar, Senior Policy Advisor
Tel.: (613) 694-2432
Fax: (613) 759-7506
E-mail: lebarl@agr.gc.ca
Internet: <http://www.agr.gc.ca>

Canadian Commercial Corporation (CCC)

50 O'Connor St., 11th Floor
Ottawa, ON K1A 0S6
Tel.: (800) 748-8191 or (613) 996-0034
Fax: (613) 995-2121
E-mail: info@ccc.ca
Internet: <http://www.ccc.ca>

Canadian Food Inspection Agency (CFIA)

59 Camelot Dr.
Nepean, ON K1A 0Y9
Tel.: (613) 225-2342
Fax: (613) 228-6653
E-mail: cfiamaster@em.agr.ca
Internet: <http://www.inspection.gc.ca>

Export Development Corporation (EDC)

151 O'Connor St.
Ottawa, ON K1A 1K3
Tel.: (613) 598-2500
Fax: (613) 237-2690
E-mail: export@edc4.edc.ca
Internet: <http://www.edc.ca>

Health Canada

International Affairs Directorate
Brooke Claxton Building, Room 814A
Postal Locator 0908A, Tunney's Pasture
Ottawa, ON K1A 0K9
Tel.: (613) 941-3136
Fax: (613) 952-7414
Internet: <http://www.hc-sc.gc.ca>



Canadian Contacts (continued)

International Trade Canada (ITCan)

125 Sussex Dr.
Ottawa, ON K1A 0G2
Internet: <http://www.itcan-cican.gc.ca>

Authentication and Service of Documents (JLAC)

Tel.: (613) 992-6602
Fax: (613) 992-2467

Market Research Centre (TMR)

Contact: Sean McLean, Senior International Market Analyst (Agri-Food)
Tel.: (613) 996-0688
Fax: (613) 943-1103
E-mail: sean.mclean@international.gc.ca
Internet: <http://www.infoexport.gc.ca>

Market Support Division (TMM)

Contact: Clément Côté, Trade Commissioner (Agri-Food)
Tel.: (800) 267-8376 or (613) 995-1773
Fax: (613) 943-8820
E-mail: clement.cote@international.gc.ca

South Asia Division (PSA)

Contact: Richard Dubuc, Trade Commissioner (Agri-Food)
Tel.: (613) 944-1653
Fax: (613) 995-5897
E-mail: richard.dubuc@international.gc.ca

Indian Contacts

High Commission of India in Canada

10 Springfield Rd.
Ottawa, ON K1M 1C9
Tel.: (613) 744-3751
Fax: (613) 744-0913
E-mail: hicomind@sprint.ca
Internet: <http://www.docuweb.ca/India>

Consulate General of India–Toronto

1835 Yonge St., 4th Floor
Toronto, ON M4S 1X8
Tel.: (416) 960-0751
Fax: (416) 960-9812
Internet: <http://www.cgitoronto.ca>

Consulate General of India–Vancouver

325 Howe St., 2nd Floor
Vancouver, BC V6C 1Z7
Tel.: (604) 662-8811
Fax: (604) 682-2471
Internet: <http://www.cgivancouver.com>

Indian Council of Agricultural Research (ICAR)

Krishi Bhawan
Dr. Rajendra Prasad Road
New Delhi, India 110 001
Tel.: (91-11) 2338-2629
Fax: (91-11) 2338-7293
E-mail: sm@icar.delhi.nic.in
Internet: <http://www.icar.org.in>

Ministry of Agriculture

Krishi Bhawan
Dr. Rajendra Prasad Road
New Delhi, India 110 001
Tel.: (91-11) 2332-5265
Fax: (91-11) 2338-6004

Department of Agricultural Research and Education

Tel.: (91-11) 2338-2651
Fax: (91-11) 2338-6004 or -7293
Internet: <http://dare.nic.in>

Ministry of Commerce and Industry

Directorate General of Foreign Trade
Udyog Bhavan
New Delhi, India 110 011
Tel.: (91-11) 2301-1777
Fax: (91-11) 2301-8613
Internet: <http://dgft.delhi.nic.in>

Ministry of Consumer Affairs, Food and Public Distribution

Department of Consumer Affairs
Additional Secretary (Weights and Measures)
Krishi Bhavan, Maulana Azad Road
New Delhi, India 110 001
Tel.: (91-11) 2338-3027
Fax: (91-11) 2338-6575
E-mail: asca@fca.delhi.nic.in
Internet: http://fcamin.nic.in/wm_ind.htm



Indian Contacts (continued)

Ministry of Food Processing Industries

Panchsheel Bhawan
August Kranti Marg
New Delhi, India 110 049
Tel.: (91-11) 2649 2475
Fax: (91-11) 2694 3228
E-mail: kkv@mofpi.delhi.nic.in
Internet: <http://www.mofpi.nic.in>

Ministry of Health and Family Welfare

Department of Health
Nirman Bhavan
Maulana Azad Road
New Delhi, India 110 001
Joint Secretary, Prevention of Food Adulteration Act
Tel.: (91-11) 2338-3027
Fax: (91-11) 2338-6575
E-mail: dghs@nb.nic.in
Internet: <http://www.mohfw.nic.in>



FOR FURTHER MARKET INFORMATION

To find more general information on the agri-food and beverages industry in India, refer to the following documents located on the Trade Commissioner Service's Web site at <http://www.infoexport.gc.ca>:

- "Alcoholic Beverages - Report - India," 2004/09/07;
- "Duties on Alcoholic Beverages (Union Budget 2003-04) - India," 2004/01/01;
- "Duties on Edible Oils (Union Budget 2003-04) - India," 2004/01/01;
- "Duties on Food Products (Union Budget 2003-04) - India," 2004/01/01;
- "Confectionery Market - Report - India," 2004/09/07;
- "Edible Oil and Oilseeds - Profile - India," 2004/10/12;
- "Pulses - Brief - India," 2003/08/01; and
- "Wine Industry - Profile - India," 2003/07/01.

In addition, visit the Web site of the Agri-food Trade Service of Agriculture and Agri-Food Canada (<http://ats.agr.ca>) for more information, including general agri-food trade statistics.

The full texts of India's Standards of Weight and Measures Rules and the PFA are available at:

- http://fcamin.nic.in/wm_ind.htm (Standards of Weights and Measures Rules, 1976) and
- <http://mohfw.nic.in/pfa.htm> (The Prevention of Food Adulteration Act of 1954 and Rules of 1955).

Virtual Trade Commissioner

The Virtual Trade Commissioner (vTC) is an on-line service offered by the Trade Commissioner Service of International Trade Canada. Through a personalized and password-protected Web page, vTC-registered Canadian exporters will receive timely and relevant information on contacts and business opportunities in targeted foreign markets. The vTC offers registered users direct on-line access to market information, including market reports, business news, events and business leads related to the companies' industry sectors and markets of interest. Users can request services on line from a trade commissioner responsible for the industry sector in their target markets. They will also automatically receive new information as it becomes available. Canadian exporters can register for a Virtual Trade Commissioner at <http://www.infoexport.gc.ca>.



BIBLIOGRAPHY

- Agriculture and Agri-Food Canada. Agri-Food Trade Service. "India at a Glance." July 27, 2004. Accessed from http://ats.agr.ca/stats/india_e.pdf on December 10, 2004.
- European Union. Director General Trade of the European Commission. Market Access Sectoral and Trade Barriers Database. "India - Non-tariff Barriers." June 16, 2003. Accessed from <http://mkaccdb.eu.int/cgi-bin/stb/mkstb.pl#nontarbarr> on November 16, 2004.
- International Trade Canada. "Import Regulations - India (2002 -2007)." March 2004. Accessed from <http://pubinfoexport:8845/PubInfoExport/emp/DisplayDocument.jsp?did=42157> on November 3, 2004.
- India. Ministry of Health and Family Welfare. "The Prevention of Food Adulteration Rules, 1955." Accessed from <http://mohfw.nic.in/pfarules.pdf> on November 5, 2004.
- India. Prime Minister's Council on Trade and Industry. "Report on Food & Agro Industries Management Policy." Accessed from <http://indiainage.nic.in/pmCouncils/reports/food> on November 5, 2004.
- India. Ministry of Consumer Affairs, Food and Public Distribution. Department of Consumer Affairs. "The Standards of Weights and Measures Rules, 1977." Accessed from http://fcamin.nic.in/wm_ind.htm on November 5, 2004.
- India. Ministry of Health and Family Welfare. Department of Health. "The Prevention of Food Adulteration Act of 1954 and Rules of 1955." Accessed from <http://mohfw.nic.in/pfa.htm> on November 5, 2004.
- United States. Department of Agriculture. Foreign Agricultural Service. "India - Food and Agricultural Import Regulations and Standards - Country Report." July 29, 2004. Accessed from <http://www.fas.usda.gov> on November 16, 2004.
- . "India - Exporter Guide - Annual - 2004." September 30, 2004. Accessed from <http://www.fas.usda.gov> on November 5, 2004.
- . "India - Agricultural Situation - Weekly Highlights & Hot Bites, #39 - 2004." October 8, 2004. Accessed from <http://www.fas.usda.gov> on November 5, 2004.
- World Trade Atlas. "Canada - Total Exports to India." December 2004.

Report prepared by:

Sean McLean, Senior International Market Analyst
Market Research Centre (TMR) / Trade and Economic Analysis Division (TEAD)
International Trade Canada / Agriculture and Agri-Food Canada
Ottawa, Ontario



The Government of Canada has prepared this report based on primary and secondary sources of information. Readers should take note that the Government of Canada does not guarantee the accuracy of any of the information contained in this report, nor does it necessarily endorse the organizations listed herein. Readers should independently verify the accuracy and reliability of the information.