



Tea associations looking to meet FSSAI on stapled tea bags ban

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E-Paper

Tea associations are seeking a meeting with the Food Safety and Standards Authority of India (FSSAI) to discuss the food regulator's move to ban the use of stapler pins in tea bags effective June 30, multiple sources familiar with the matter told CNBC-TV18 on Tuesday.

FSSAI, last week, issued a notification seeking a ban on the use of pins in tea bags by the food business operators (FBOs). The regulator has asked the FBOs to discontinue manufacture, storage, distribution, sale and import of stapled tea bags by June 30.

The food regulator decided to ban the stapler pins in tea bags last year as it poses potential hazard to consumers since any loose staple pin consumed inadvertently with tea may cause a serious health hazard.

Following the development, the tea associations raised the issue of costs involved in transition from staple machines to staple-less machines but the FSSAI ruled out the possibility of "blanket extension". Now the Tea Packers Association of India and the Federation of Tea Traders Association of India are seeking a joint consultation with the FSSAI to discuss their concerns. In order to move to a staple-free manufacturing process, companies would need to replace existing machines with new hi-tech ones.

"The cost of replacing these machines is extremely high as these would need to be imported from global manufacturers," said Parag Desai, vice chairman of Tea Packers Association of India. Some industry representatives estimate manufacturing costs to go up by at least 30-40 percent. "The new regulation increases machine and over-head costs by 5-7 times. A staple-free machine (entry level) costs Rs 3-5 crore, while a staple machine (2nd hand) is easily available for Rs 40-60 lakh. Further, the running and operation costs of these machines are higher since we need skilled labours and senior technicians to run it. However, we are hoping to control these costs (to a certain extent) through efficiencies of scale," said Sumit Shah, ED, Madhu Jayanti International. Industry participants are also of the view that the FSSAI should grant an extension to the deadline to allow manufactures to comply with the new regulations.

"We are aware of the regulation and have, as an industry, plans to move our tea bags to non-stapled, in a phased manner," said an HUL spokesperson. Tata Global Beverages has already embarked on the changeover but is in the process of estimating cost structures.

"Tata Global Beverages is committed to high standards of safety and quality. The process of changeover is well underway and around 40 percent of our tea bags are already staple free. We have a clear phase out plan for stapled tea bags and have recommended a reasonable time frame for full changeover as new machines have to be imported and they have a high supply lead time with limited suppliers globally. We are in the process of working out cost implications for the changeover."