

applied to import orange juice concentrate (at 65% duty) for use in food processing. The application was denied because the concentrate, in bulk, was determined to be a consumer product.

The export of meat products is subject to pre-shipment inspection. Various certificates must be obtained depending on whether the meat is chilled, frozen or canned. Consignments of fruit products intended for export are also subject to pre-shipment inspections. However, recognized Export Houses, Trading Houses and Star Trading Houses are exempted from this inspection. Recently the government exempted some food/fruit products from compulsory pre-shipment inspections, provided that the exporter has a legal letter from the overseas buyer stating that an official Indian agency pre-shipment inspection is not required.

## FOOD LAWS AND REGULATIONS

Two main Government organizations deal with standardization and certification systems in food processing: The Bureau of Indian Standards (BIS) develops and certifies food processing and packaging standards; The Directorate of Marketing and Inspection (DMI) looks after the standards of raw agricultural produce. New food processing projects are encouraged to use EEC or USDA standards. Manufacturers complying with voluntary standards set by BIS or DMI can display the "ISI" and/or "Agmark Standard" labels on their products.

Compulsory legislation that investors should be aware of are listed below. Contravention can lead to fines and/or imprisonment.

- Prevention of Food Adulteration Act;
- Essential Commodities Act which includes:
  - *The Fruit Products Order* which regulates the processed fruit and vegetable sectors;
  - *Solvent Extracted Oils, De-oiled Meal and Edible Flour Control Order*;
  - *Vegetable Products Control Order*;
  - *Meat Products Control Order*;
  - *Milk and Milk Product Order*;
  - *Standards on Weights and Measures (Packaged Commodities) Rules*;
- Export (Quality Control and Inspection) Act;
- Agricultural Produce (Grading and Marking) Act.

## TIPS FOR DOING BUSINESS IN INDIA

An understanding and appreciation of a country's cultural and business practices are as important as a sound market entry strategy. This is especially true of India, which for many entrepreneurs remains a market both mysterious and exotic. Here are a few tips for Canadians wishing to do business in India. For further insights, consult the booklet *Working with an Indian Partner: A*