

# Maggi controversy: Millions of Indians face danger of lead poisoning

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Having been lucky enough to eat fresh, home-cooked food for most of my life, I've never taken to Maggi noodles, which is why the accusations against Nestlé's top Indian brand made no personal impact on me. Packs of instant noodles examined by a Calcutta lab at the instance of the Uttar Pradesh Food Safety and Drug Administration apparently exceeded permissible levels of lead and contained monosodium glutamate unmentioned in the ingredients' list. It seems to me the case is another instance of bureaucratic overreach. To begin with, the scare-mongering about monosodium glutamate is bereft of evidence, as this article in the New Scientist makes clear. (The piece also covers gluten "allergies", for good measure.)

Lead is a different matter. It's extremely dangerous, even fatal if ingested in large enough quantities. The permissible limit in this type of Indian food is 2.5 parts per million and the examined batch of Maggi noodles is said to have had seven times that much. Nestlé's own studies provided contradictory figures, which is hardly surprising. While I don't trust Nestlé, I trust India's food inspectors and government labs even less. Why go after trace quantities of lead in noodles when our air and water are poisonous, and noise levels orders of magnitude above the recommended maximum? How many food stalls, or even restaurants, in India would remain

open if they had to adhere to prescribed hygiene standards? And how many have been shut down by the food safety chaps?

## The foreign hand

The Nestlé case is like jailing a man for fixing a grille on the windows of his home (which happens to be an illegal act), while allowing his neighbors to construct unauthorized high rises. Companies like Johnson & Johnson, Pepsi, Cadbury, and Nestlé, all targeted in the past for sidestepping safety, appear to be held to a more exacting norm than Indian firms, and certainly cottage industries. Such double standards would make sense if our immune systems could tell multinational products from swadeshi ones, but unfortunately, they have yet to evolve that sensitivity.

The controversy around Maggi noodles, under scrutiny for high content of lead and mono-sodium glutamate or MSG (a taste enhancer), has led to a sharp correction in Nestlé India shares. Four states - Delhi, Gujarat, J&K and Uttarakhand - have banned Maggi for varying periods; many others have announced tests of Maggi noodles. Since May 28, Nestlé shares are down nearly 15 per cent from Rs 7,038.65 to Rs 6,010.80. The selloff has wiped out nearly Rs 10,000 crore from Nestlé's market capitalization. On Thursday, Nestlé shares dropped below Rs 6,000 for the first time since December 2014.

Maggi is a big revenue gener-



ator for Nestlé India, which reported a net profit of Rs 1,185 crore on sales of Rs 9,800 crore in 2014 calendar year. Maggi contributes around 22-25 per cent to Nestlé's top line and 30 per cent to the company's profitability, according to Kotak Institutional Equities.

A number of brokerages have started downgrading the stock. Barclays, which has a "underweight" call on Nestlé, on Thursday cut the target price on Nestlé shares from Rs 5,593 to Rs 5,149 citing high valuations. ICICI Direct, which has a "hold" rating on Nestlé, cut its target price by 12.5 per cent to Rs 6,039. The brokerage expects sales from prepared dishes segment to take a beating in the next few quarters; Nestlé will have to increase its advertising and promotional spend significantly to neutralize the impact of this controversy, it added.

"Nestlé's brand equity has taken a hit in the wake of this controversy as Maggi noodles are largely considered a staple snack for children,"

ICICI Direct said. Interesting, Maggi was adjudged the most powerful brand in India by WPP Milward Brown, according to Nestlé's 2014 annual report. Kotak Institutional Equities also cut its target price on Nestlé from Rs 6,200 to Rs 5,800. The brokerage has a "reduce" rating in the stock. "We believe this event should make investors question the 'quality premium' attached to the company... A slip-up on safety aspects (if true) and poor PR management of the event raise valid questions on the premium," Kotak said. Phillip Capital downgraded Nestlé to "sell" with a target price of Rs 5,110. "If the allegations prove to be true, Nestlé will face a hefty penalty, complete erosion of brand value, and considerable loss of market share in instant noodles," it said.

"These are short-term issues. You bet on the ability of Nestlé to resolve the issue," he added. Nestlé, which has maintained that its tests show Maggi noodles is "safe to eat", also found some support on Twitter

from the investor community.

## Shiv-Sena supports celebrities under trouble!!!

Actors Madhuri Dixit, Amitabh Bachchan and Preity Zinta could land in trouble if advertisements for Maggi noodles featuring them are found to be misleading, says the consumer affairs ministry. Maggi brand ambassadors, including Bollywood star Madhuri Dixit, were "warned of action" by the government if their advertisements for Nestlé's popular noodle product were found to be misleading. However, Amitabh Bachchan has been quoted in a report as saying that he has not received any notice from the government over endorsing Maggi noodles. He says that he will fully cooperate with the law and adds that he had stopped endorsing the instant noodles' brand two years ago. According to reports, the Bihar court has ordered the police to lodge an FIR against Bollywood actors Amitabh Bachchan, Madhuri Dixit and Preity Zinta, who are the brand ambassadors of Nestlé India, following a complaint filed by a lawyer alleging that he fell ill after eating Maggi. Reportedly, the court has ordered the police to file an FIR against the actors under various sections of IPC (Indian Penal Code) that includes IPC 420 for cheating consumers. Also included are Section 270 for malignant act likely to spread infection of disease dangerous to life and Section 273 for sale of nox-

## What rules govern "instant noodles" (such as Maggi) under FSSAI?

According to Food Safety and Standards Rules, 2011, MSG, a "flavor enhancer", should not be added to food for infants below 12 months. MSG is not permitted in over 50 items, including "Pastas and noodles (only dried products)", but is allowed in the seasoning used for noodles and pastas. Under Food Safety and Standards (Contaminants, Toxins and Residues) Regulations, 2011, permissible levels of lead range from 0.2 parts per million in infant milk substitute and infant foods to 10 ppm in categories like baking powder, tea, dehydrated onions, dried herbs and spices flavorings. For instant noodles included in the "foods not specified category", the permitted level of lead is 2.5 ppm. Instant noodles like Maggi are identified under food category code 6.4.3, which includes "pre-cooked pastas and noodles and like products" that are "pre-gelatinized, heated and dried prior to sale". These categories of food are governed by Codex international standard 249, standards of food safety recognized by WHO. The masala used in these noodles is identified in code 12.2, which includes herbs, spices, masalas, seasonings, and condiments (e.g., seasoning for instant noodles), where the use is "intended to enhance the aroma and taste of food", according to FSSAI regulations.

ious food or drink. However, while being slapped with a legal case seems inevitable for the stars, they have also found support in a political party. According to a PTI report, Shiv Sena came out in support of actors and celebrities who have endorsed Maggi, the Nestlé India product which has been hit by allegations of hazardous contents. "The issue and reports about Nestlé are very disturbing for parents and consumers at large. A million questions are now arising like why quality control was not done till now. The lethargy of earlier governments has been an eye-opener," said Neelam Gorhe, Sena MLC and spokesperson. However, she had a different view

as far as the involvement of celebrities was concerned. She added, "Taking legal actions against actors seems taking it too far. Brand ambassadors, models and actors need to be more informed and careful while endorsing any product because people believe that they are people's well-wishers... But action against actors is an exaggeration of real facts and will divert the focus from the issue of safe and healthy food manufacturing," Gorhe said. Shiv Sena leaders are not the only ones supporting celebs. A lot of Tweepsters have taken to the micro blogging site to extend their support to the celebs who endorsed Maggi.

## UPA & NDA are the sides of a coin

Tripura Chief Minister Manik Sarkar said public and democratic forces have to unite for a militant struggle if they really want to see 'Achhe Din', for the UPA and the NDA are the sides of a same coin. Often referred as the 'poorest chief minister' of the country, Sarkar impressed the party workers and common men here with his humbleness and ease on one hand while on the other, he severely criticized the Modi government for its so called neo liberal economic policies.

"They have opened doors and windows for the foreign investors to invade in the insurance, banking, railways, higher education, health, defense sectors, what else could be termed as Burey Din?, he claimed. "The BJP government is for the money lenders, black marketers, exploiters, monopoly and corporate houses and not for the poor people.

BJP started from the junction where the Congress had stopped and the party which promised to confront the vices of the UP-led government has made life miserable for the common after being voted to power" Sarkar said while addressing a massive public rally held at the collectorate here on Thursday. The rally was organized by the Communist

## 'No Modi Model, Follow Tripura'

Pointing out the efforts done in his home state, the Chief Minister said "Tripura despite being one of the poorest and backward states in the country, stands on the first place in terms of granting forest rights to its tribal inhabitants. "We have given pottas to 1 lakh 20 thousand families, demarcated and even erected pillars on their land at the government expenses without any funds from the center" Sarkar roared. "In the coming 3-4 years, we will provide housing rights to every family in the state irrespective of caste, creed and religion" the comrade announced proudly. "They have been crying around about Modi model but Tripura has set a precedent in the country that all the other state governments should follow" he added.

## BJP dividing country on the name of religion

Hitting hard on the BJP government for its non tolerance and Hinduism agenda, Tripura CM said "To divert the attention of the common from the burning issues, the BJP is misguiding the people and dividing them on the name of religion. BJP is the political outfit of the RSS and their leader Mohan Bhagwat's principle is that whoever do not follow or adhere to the Hindu culture and tradition would not be allowed to reside in India" Sarkar alleged. "What sort of communal approach is this which is purely against secular and democratic values of Indian constitution? He questioned. Pointing out towards a dangerous trend which he claimed to hamper the national integrity of nation Sarkar said some ministers and parliamentarians of the BJP have been passing obnoxious comments to incite communal disharmony and the Prime Minister have been consciously keeping mum thus further inciting the communal forces to divide the country.

Party of India (M), Udaipur division on their long standing demands for forest rights for the tribal population and housing rights for the slum dwellers. People had gathered in large number from far and wide villages to participate in the rally to hear the comrade speak.

"Prices of essential commodities are spiraling, more than 11 thousand farmers committed suicides, more than 40 lakh positions are lying vacant in public sectors and they have done nothing is past year to address these burning issues", Sarkar asserted. Hitting hard on Rajasthan state and central government policies, Sarkar said the BJP govt is trying to amend labour laws to shield the interests of monopoly houses and Rajasthan's Chief Minister Vasundhara Rajee paved way to the trend which is very dangerous. "If Rajee is really keen to improve the condition of the tribals and the slum dwellers, why does she not demand from the BJP government in center to increase funds for the housing, education and health schemes, that the later has cut sized tremendously? Why doesn't she give the forest rights to the tribal inmates sleeping under the banyan trees for years?" Sarkar said.

## World class training centre CCOE in Jodhpur, Rajasthan

**Jaipur:** Cairn India, credited for India's biggest on-land oil discovery in Rajasthan and also for World's longest continuously insulated pipeline, has furthered its CSR footprint in a significant manner. With an aim to build capacity among the youth in the region and link them with employment, Cairn India has established the first-of-its-kind Cairn Centre of Excellence (CCoE) in Jodhpur, Rajasthan. The centre aims for the skills development of the community and providing linkage to employment.

A Memorandum of Understanding (MoU) was signed in presence of HChief Minister of Rajasthan Smt. Vasundhara Rajee, MD RSLDC Shri Gaurav Goyal, Cairn India's CEO Mayank Ashar and TUV's CEO and MD Thomas Fuhrmann. The MoU was signed among the Rajasthan Skills & Livelihoods



Development Corporation (RSLDC), Cairn India Limited and TUV Rheinland India Pvt Ltd. Chief Minister Vasundhara Rajee expressed delight over signing of the MoU. Praising the CSR activities of Cairn India in Rajasthan, she expressed hope that the Cairn Centre of Excellence will prove itself as an ideal example of mutual partnership for skill development among local youth.

As per the MoU, RSLDC will make available services/schemes to the youth

trained at the CCOE. It shall also provide financial support as per Government's guidelines to students. TUV shall endeavor to provide training to the youth and Cairn India will monitor the training activities. The vision is to develop a state-of-the-art, best-in-class centre that is positioned well above existing offerings in the realm of vocational training. Students trained at the CCOE will be able to find linkages to employment opportunities within and outside the country.

Cairn India, part of the

"The petroleum production from the mineral rich land of Rajasthan started by Cairn India in 2009, has contributed significantly in our country's energy security. I am confident that with the Cairn Centre of Excellence, we shall strengthen the skill development and employability of local youth."

— Mayank Ashar, MD & CEO, Cairn India

Vedanta Group, has been playing a significant role in increasing and improving the employability of local people through skill development and trainings at the Enterprise Center based in Barmer—both through development of local businesses and helping in providing employment outside the influence of Cairn India. By far the Enterprise Centre has been extensively used as a means to train more than 15,000 local and other unskilled workers in construction safety skills.



## "Education through the Lens."

**Udaipur :** Ryan International School, Udaipur, participated in Beyond Breaking News (BBN) a TV news presentation and production course in Mumbai.

The media initiative of the Ryan International Group of Institutions, impart formal training to young student journalist (age group 11 to 21). Five students aged 12 years from Ryan International School, Udaipur, Aarvi Alawat, Tanvi Kumawat, Priyanshu Minaria, Hitharth Pamecha and

Chinmay Danawat went under the hands on Training in fully equipped studios (having a multi camera set-up, chroma key facilities, professional lights, teleprompter etc) at the Ryan International School, Malad (W) and Chembur in Mumbai.

"Education through the Lens"-the vision of the Chairman Dr. A.F. Pinto- Ryan Group of Institutions, is taking wing as it equips the students with the skills for another career option.

## Biggest Achievement - Corruption free Governance

**Udaipur :** External affairs minister Sushma Swaraj said claimed that on the contrary to the UPA 2 rule that had been full of scams, ours biggest achievement have been that of a corruption free governance.

"We worked on the principles of auction not discretion and hence where the earlier government had landed the state's exchequer into losses, we earned profits from comparatively smaller number of auctions in merely a year" Swaraj said while speaking to the media here on Monday. The minister was here on a day's visit to address a public meeting to share the achievement of the Modi government upon completion of its first year. "

None of our ministers have been so far alleged of any scam because transparency and speedy procedure have been our modus operandi, corruption charges only arise when government hides the



allocation of resources. But we have did away with the discretionary system and adopted auction methodology to ensure fair practice" Sushma said. UPA 2 govt had suffered 1.86 thousand crore loss by the allocation of 229 mines while on the contrary merely by auctioning 10 mines, we earned a whopping revenue of 2.5 lakh crore rupees, the minister said. She also claimed that spectrum auction also fetch the BJP government a

profit of 1 lakh 10 thousand crore rupees whereas it had been a disaster for the earlier government.

Claiming it to be a government of poors, the minister said that Prime Minister Jan Dhan scheme, Suraksha Bima Yojna and Jeevan Jyoti insurance scheme has specially ensured security for the poorest of the poor people of the country while with the newly introduced Atal Pension scheme ensures pension to non government employee households which would benefit common public at large.

"Earlier farmers were benefitted of the crop insurance scheme only if the losses exceeded 50 percent but responding to the peasant's misery in Rajasthan, we have amended the scheme and now those farmers who suffer 33 percent of losses would too benefit, further the compensation has been increased one and a half times" Swaraj said.

## Rahul's PR agency based on negativity

**Udaipur :** Hitting hard on the Nitish-Lalu alliance in the upcoming Bihar elections, BJP spokesman Shahnawaj Hussain said that sequels are becoming hits these days. Lalu Prasad Yadav created 'Jungle Raj' first and believing that the sequel too would make a hit, now the 'Lalu-Nitish' jodi has set off to make Jungle Raj-2. "Nitish doomed whoever he had sided with, from George Fernandez to Digvijay Singh but with Jharkhand's victory, BJP is all set to win elections in alliance with the LJP and RLSP in Bihar" he claimed while addressing the media here on Wednesday during his two days visit in the city. Responding to Rahul Gandhi's comments on Modi government, Hussain said "Rahul took a long break of 56 days and after his return from Bangkok holiday, he has hired a PR agency which has its foundation on negative thoughts and that's what have been reason



for his inability to speak out anything positive since".

The party spokesman said Congress has no issue to scream against the government and so Rahul is doing everything in his capacity to search for an issue. "They slept when they were in power and now the ousted Congress is suddenly reminded of Ambedkar Sb and other great men. It would have been much better had Indira, Rajiv and Sonia Gandhi thought about

this years back" Shahnawaz asserted. "The number of Modi's spectacles is such that he can only see 'Indians' in each person, the PM cannot differentiate between Hindu, Muslim or Christians. BJP is committed for development and our mission is to bring all the back liners into the front line" the leader said. On being asked about the frequent tussle at the Indo-Pak borders, the spokesman said "earlier Pakistan upheld white flag after India retaliated attacks, but now the Pak army is forced to buy white sheets to cover their soldiers. Not only our hearts, but even bullets are big and we return 10 against their one shot". On being asked for the governments stand on the Ram Mandir issue, Hussain said "BJP sticks to it stand however the matter is in court, either we wait for the court orders or unless some amicable settlement takes place avoiding a Hindu-Muslim controversy".