



FOOD BUSINESS MANAGEMENT AND REGULATIONS IN INDIA: A COMPREHENSIVE REVIEW OF THE LEGAL FRAMEWORK, COMPLIANCE SYSTEMS, AND EMERGING REGULATORY TRENDS

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Abstract

India's food sector spans informal micro-enterprises, organised manufacturing, modern retail, food service, and rapidly expanding e-commerce and delivery platforms. Managing a food business in India is therefore inseparable from regulatory compliance, risk management, and quality assurance. The primary legal foundation is the Food Safety and Standards Act, 2006 (FSS Act), which consolidated earlier food laws and created the Food Safety and Standards Authority of India (FSSAI) to set science-based standards and regulate the manufacture, storage, distribution, sale, and import of food. This paper synthesises India's food regulatory ecosystem (licensing/registration, product standards, additives, labelling, packaging, imports, non-specified/novel foods, and enforcement) and connects it to practical food business management functions (governance, operations, supply chain, documentation, audits, recalls, and crisis response). It also discusses recent regulatory developments—such as updated compendiums for labelling, packaging, and imports and the move toward stricter scientific substantiation for new food products—highlighting compliance implications for food businesses in 2026 and beyond.

Keywords: FSSAI, Food Safety and Standards Act 2006, FoSCoS, licensing, labelling, packaging, imports, non-specified foods, compliance, quality management, e-commerce food regulation.

1. Introduction

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Food business management is traditionally framed around procurement, production, distribution, marketing, and profitability. In India, these functions operate within a high-stakes regulatory environment where food safety failures can create public health harms, brand collapse, litigation, and criminal liability. The Food Safety and Standards Act, 2006 established a unified national framework and empowered FSSAI to set science-based standards and regulate food business operations across the value chain. Over the last decade, India's food market has changed quickly: packaged food growth, expansion of QSRs, cloud kitchens, cold chains, and large e-commerce grocery and quick-commerce networks. Regulators have responded by strengthening labelling, packaging, import testing rules, and oversight of new food categories.

This paper reviews:

1. India's food regulatory structure under the FSS Act and FSSAI regulations; and
2. The management systems food businesses need to comply efficiently and competitively.

2. Objectives

1. Map India's food regulatory architecture under the FSS Act and key regulations.
2. Explain how regulations translate into operational requirements for food business management.
3. Identify current compliance challenges and emerging regulatory trends (2025–Jan 2026).
4. Propose management and policy recommendations for improved compliance and food safety outcomes.

3. Methodology

This is a doctrinal and policy review based on:

1. Primary legal text: Food Safety and Standards Act, 2006.



2. FSSAI regulations/compendiums: licensing & registration, product standards/additives, labelling & display, packaging, imports, prohibition & restriction of sales (compendium updates).
3. Official implementation platforms: FoSCoS (licensing/registration and compliance services).
4. Recent regulatory developments reported in major business media (for trend context).

4. Regulatory Architecture for Food Businesses in India

4.1 The Food Safety and Standards Act, 2006: Scope and Governance

The FSS Act consolidates food laws and sets a single framework for regulating food manufacture, storage, distribution, sale, and imports to ensure “safe and wholesome” food.

It created **FSSAI**, mandated to frame regulations laying down standards/guidelines and supporting enforcement functions through national coordination.

4.2 Regulatory Instruments Under FSSAI

FSSAI operationalises the Act through regulations and notified standards, commonly organised as:

1. Licensing/Registration of Food Businesses (2011)
2. Food Product Standards and Food Additives (2011) + periodic amendments
3. Labelling and Display (2020) with updated compendium versions
4. Packaging (2018) with updated compendiums and amendments
5. Import Regulations (2017) with recent compendium updates and amendments
6. Procedures for approval of non-specified foods/ingredients (2017)

5. Core Compliance Areas and What They Mean for Food Business Management

5.1 Licensing and Registration: Entry Compliance and Operational Control

Under the Licensing & Registration Regulations, food businesses must obtain appropriate registration or licence depending on scale and nature of activity



(manufacturing, storage, transport, retail, catering, import). FoSCoS is FSSAI's digital platform used for licence/registration workflows and related services.

Management implication: licensing becomes a “base layer” for:

1. facility approval and layout decisions,
2. supplier onboarding,
3. product portfolio planning (what can/cannot be made under which category),
4. compliance documentation (FSMS plans, hygiene protocols, records).

5.2 Product Standards and Additives: Designing Compliant Products

The Food Product Standards and Food Additives Regulations specify standards for food categories and permitted additives; FSSAI issues periodic amendments.

Management implication: product development must include:

1. regulatory screening of ingredients/additives,
2. shelf-life validation,
3. change control (any reformulation triggers re-verification of compliance),
4. vendor qualification (ingredient specs must match standards).

5.3 Labelling and Display: Consumer Information, Claims, and Legal Risk

The Labelling and Display Regulations govern mandatory label declarations on pre-packaged food and display of essential information at food premises. FSSAI has also adopted an approach where amendments take effect on an annual compliance date (reported as July 1 in official communications/news summaries).

Management implication: labelling is not “graphic design”; it is a legal instrument.

Businesses need:

1. label governance (approval workflows, version control),
2. claim substantiation files (nutrition/health claims),
3. internal audits of packaging artwork before print,
4. distributor and retailer training to prevent mis display and over-claiming.

5.4 Packaging Regulations: Food Contact Safety and Sustainability Pressures

Packaging regulations specify requirements for food contact materials and safe packaging practices, and are periodically updated via compendiums/amendments.



Management implication: procurement must enforce:

1. vendor compliance certificates,
2. migration/food contact safety testing (where applicable),
3. traceability of packaging batches,
4. compatibility checks with product type (acidic, fatty, hot-fill, etc.).

5.5 Imports: Licensing, Sampling, Testing, and Documentation

Import rules require import licensing and set procedures for inspection, sampling, and compliance checks (including packaging and labelling compliance) before clearance.

FSSAI issued updated import compendiums and notifications/amendments in 2025 (including matters related to method of analysis and signing authority).

Management implication: importers need an import compliance “playbook”:

1. pre-shipment document checklists,
2. label adaptation to Indian requirements,
3. lab/testing timelines integrated into supply planning,
4. contingency planning for detention/non-compliance.

5.6 Non-Specified Foods / Novel Foods: Prior Approval Logic

For products not standardised in existing regulations, FSSAI notified procedures for prior approval of non-specified foods and food ingredients.

Management implication: innovation management must incorporate:

1. regulatory pathway assessment early in R&D,
2. dossier building (safety, composition, intended use),
3. clear controls over marketing claims and consumer communication.

5.7 Enforcement and Oversight: Inspections, Testing, and Platform Economy Challenges

Enforcement involves inspections and compliance actions across food operators.

Recent parliamentary-reported enforcement actions on e-commerce-related storage facilities underline regulatory scrutiny in platform-driven supply chains.

Management implication: e-commerce/quick-commerce businesses must manage compliance beyond “front-end” brands—dark stores, third-party warehouses, last-mile cold chain, and returns handling become regulated risk points.



6. Food Business Management Systems for Regulatory Compliance

6.1 Food Safety Management System (FSMS) as an Operating Model

An effective FSMS typically includes:

1. hazard analysis and preventive controls,
2. sanitation SOPs, pest control, allergen controls, water quality management,
3. calibration, traceability, and batch record systems,
4. internal audits and corrective/preventive action (CAPA).

Even when not framed explicitly as HACCP/ISO in every context, the managerial logic is the same: reduce variability, detect risk early, and document control.

6.2 Compliance Documentation and Digital Governance

Best practice governance:

1. a single “source of truth” repository for licences, label approvals, specs, test reports, and supplier certificates;
2. change control (ingredients, labels, suppliers, packaging);
3. periodic regulatory horizon scanning using FSSAI “what’s new” pages/compendiums.

6.3 Recall and Crisis Management

Even without a crisis, businesses should pre-build:

1. recall decision trees (risk classification),
2. distributor communication templates,
3. batch trace-back drills,
4. spokesperson protocols and consumer grievance response systems.

7. Emerging Trends and Regulatory Directions (Relevance for 2026)

7.1 More Science-Heavy Scrutiny for New Food Products

Business media reports indicate that from **January 1, 2026**, FSSAI will tighten requirements for new food products, requiring companies to substantiate claims with scientific evidence.

Implication: R&D, marketing, and regulatory teams must collaborate; “claims files” and evidence dossiers become standard, not optional.



7.2 Front-of-Pack Labelling Policy Momentum

Reports indicate ongoing policy/legal pressure for stronger front-of-pack labelling rules.

Implication: companies should prepare for potential label format shifts and nutrient profiling-based warnings by building flexible packaging pipelines and scenario plans.

7.3 Organic Food Regulation Revisions

FSSAI has reportedly initiated efforts to revamp organic food regulations via a dedicated committee.

Implication: organic brands should strengthen traceability, certification governance, and claim substantiation.

8. Key Challenges in India's Food Business Compliance

1. **Compliance capacity gaps** among small and informal operators (documentation, hygiene infrastructure, training).
2. **Label/claim complexity** and frequent updates—risk of unintentional non-compliance.
3. **Supply chain fragmentation** (multiple vendors, outsourced manufacturing, dark stores).
4. **Testing and documentation delays** impacting speed-to-market, especially for imports and novel foods.
5. **Rapid innovation** (functional foods, supplements, new processing aids) outpacing internal regulatory readiness.

9. Recommendations

9.1 For Food Businesses

1. Establish a **Regulatory Affairs + FSMS “single command”** function reporting to top management.
2. Implement **label governance** (legal checklist, claims substantiation, version control, annual compliance calendar).



3. Use **supplier quality agreements** (ingredient specs, food contact packaging compliance, change notification clauses).
4. Build **evidence dossiers** for innovations and claims—especially in light of the 2026 “scientific evidence” direction.
5. Conduct quarterly internal audits and mock recalls; integrate grievance insights into CAPA.

9.2 For Regulators and Policy Ecosystem

1. Strengthen capacity-building for MSME food operators (templates, simplified toolkits, training).
2. Improve regulatory predictability by publishing clearer implementation calendars and transition guidance (compendium/versioning helps).
3. Expand lab/testing throughput and harmonise methods to reduce delays in compliance and imports.

10. Conclusion

Food business success in India increasingly depends on the ability to integrate regulation into everyday management—product design, procurement, manufacturing, distribution, and marketing. The FSS Act, 2006 and FSSAI’s expanding suite of regulations create a robust safety framework, but also require disciplined compliance systems: licensing hygiene, standards conformity, label governance, packaging safety, import readiness, and innovation approvals for non-specified foods.

With stricter scrutiny for new products and ongoing labelling reforms, the compliance frontier in 2026 will be shaped by scientific substantiation, supply-chain transparency, and rapid regulatory responsiveness.

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