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fssai's Biggest Licensing Reform Yet

What every food business needs to know about the 2026 amendments

Perpetual Licences, Higher Thresholds & New Compliance Rules

To improve ease of doing business while strengthening food safety oversight, FSSAI has introduced major amendments to the Food Safety & Standards (Licensing & Registration) Regulations.

Effective: 1 April 2026

Regulatory References

- ***Ministry of Health & Family Welfare, Government of India*** *– Administrative ministry responsible for the implementation of the Food Safety and Standards Act, 2006.*
- ***Food Safety and Standards Authority of India (FSSAI)*** *– Statutory authority responsible for food safety regulation, licensing, and registration of food businesses in India.*
- ***NITI Aayog High-Level Committee on Non-Financial Regulatory Reforms*** *– Recommendations aimed at reducing regulatory burden and improving ease of doing business.*

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Before vs. After

Particulars	Before	After 2026 Amendments
Validity of FSSAI Registration/ Licence	Registrations and licences were valid for **1–5 years** and required periodic renewal.	Registrations and licences now enjoy **perpetual validity** and remain valid unless suspended, cancelled, or surrendered. Annual fees continue to apply.
Basic Registration Threshold	Food businesses with annual turnover **up to ₹12 lakh** were eligible for Basic Registration.	Threshold increased to **₹1.5 crore**
State Licence	Applicable to businesses with turnover **above ₹12 lakh up to ₹30 crore.**	Applicable to businesses with turnover **above ₹1.5 crore up to ₹50 crore.**
Central Licence	Required for businesses with turnover **above ₹30 crore.**	Required only where annual turnover **exceeds ₹50 crore.**
Street Food Vendors	**Separate FSSAI registration** was required even if registered under the Street Vendors Act, leading to dual compliance.	Vendors registered under the **Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act,2014 are deemed registered** under the FSS Act. Separate registration is no longer required, though food hygiene requirements continue to apply.
Inspection Framework	Inspections largely followed a **routine compliance-based approach.**	Introduction of a **risk-based inspection and food safety audit framework**, enabling regulatory resources to focus on higher-risk food businesses.

What does this mean for food businesses?

1. Reduced Compliance Burden

- The abolition of periodic licence renewals eliminates repetitive paperwork and administrative delays.
- Food Business Operators (FBOs) now only need to ensure timely payment of the prescribed annual fee and continued compliance with food safety requirements.
- Existing FBOs can migrate to new thresholds through the FoSCoS portal without any modification fee, and their licence number will remain unchanged.

2. Significant relief for MSMEs and Start-ups

By increasing the registration threshold from ₹12 lakh to ₹1.5 crore and the State licence threshold to ₹50 crore, thousands of small and medium food businesses will now operate under a simpler compliance regime.

3. Formalisation of Street Food Businesses

The deemed registration provision removes duplicate compliance requirements for street vendors already registered under the Street Vendors Act, encouraging greater formalisation while maintaining hygiene and food safety standards.

4. Smarter Regulation

The introduction of risk-based inspections represents a shift from blanket regulatory oversight to targeted supervision, allowing regulators to focus enforcement efforts on businesses that pose higher food safety risks.

5. Digital-First Compliance

The reforms are supported by **FSSAI's FoSCoS* portal and the National Single Window System (NSWS)**, enabling a more streamlined and digital-first compliance experience for food businesses.

**Food Safety Compliance System*

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Illustrated

A small food manufacturer with annual turnover of ₹1 crore previously had to obtain and periodically renew an FSSAI licence, manage renewal deadlines, and navigate multiple regulatory touchpoints.

Before

❌ FSSAI registrations and licences valid for only 1–5 years
❌ Periodic renewals and administrative burden
❌ Basic Registration threshold capped at ₹12 lakh turnover
❌ Routine inspections regardless of risk profile

After the FSSAI 2026 Reforms

✅ Perpetual validity of registrations and licences (subject to annual fees and ongoing compliance)
✅ Registration threshold increased to ₹1.5 crore
✅ Risk-based inspections and audits
✅ Reduced procedural burden with greater focus on continuous compliance

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