



## JSA Newsletter

### Food and Consumer

March to May 2025

In the past 3 (three) months, India has introduced several key regulatory changes in the food and consumer sectors aimed at strengthening food safety, labeling transparency, and consumer awareness. The Food Safety and Standards Authority of India (“**FSSAI**”) proposed amendments to the vegan food regulations, mandating clearer certification and production protocols. Draft Food Safety and Standards (Vegan Foods) Amendment Regulations, 2025, dated March 3, 2025, proposed the certificate to be issued by the recognised authority of the exporting country for products applied for vegan logo endorsement as per Food Safety and Standards (Vegan Foods) Regulations, 2022.

Under the *Pradhan Mantri Kisan Sampada Yojana* (“**PMKSY**”), the Government of India, the Ministry of Food Processing Industries (“**MoFPI**”)<sup>1</sup> is developing laboratories to ensure compliance with global standards, support exports, and improve the overall quality of food products. 100 (hundred) new National Accreditation Board for Testing and Calibration Laboratories (“**NABL**”) - accredited food testing laboratories are aimed to be established across India in the financial year 2025-26, contributing to higher income for farmers and job creation, particularly for skilled technical personnel. These labs play a crucial role in meeting the requirements of major regulatory bodies such as FSSAI, the Export Inspection Council of India, the Agricultural and Processed Food Products Export Development Authority, and international agencies like the United States Food and Drug Administration and European Union regulations.

Further, to ensure food safety, the FSSAI, in the month of March 2025, directed<sup>2</sup> all States and Union Territories, to step up surveillance on dairy analogues<sup>3</sup> throughout the month, keeping in view the ongoing festive season. This proactive measure aimed to prevent food adulteration and mislabeling during the period of increased demand. Further, all state authorities were directed to conduct rigorous testing and label examinations to ensure compliance with regulations and prevent consumer deception.

National Agriculture Market is pan-Indian electronic trading portal which facilitates the small and marginal farmers. It creates a consolidated national market for agri-products. As on February 28, 2025, 4392 (four thousand three hundred and ninety-two) Farmer Producer Organisation have been on-boarded on electronic National Agriculture Market Platform (“**e-NAM**”) platform. For a detailed analysis on e-NAM platform, please refer to the [JSA Newsletter of March 17, 2025](#).

Considering logistics challenges in promotion of inter-state and inter-mandi trade under e-NAM, the Ministry of Agriculture & Farmers Welfare, *vide* PIB release dated March 18, 2025, has decided to upgrade e-NAM platform as e-NAM 2.0, which will facilitate the onboarding of various logistic service providers. The objective of this initiative is to overcome logistic gaps and enable faster trade, reduced wastage and better farmer incomes. Further, the existing e-NAM platform will be upgraded to make it more efficient, robust, user-friendly, inclusive, scalable and open-network

<sup>1</sup> According to the Press Information Bureau (“**PIB**”) release dated March 22, 2025. Release ID: 2114057.

<sup>2</sup> Press Release of FSSAI dated March 11, 2025.

<sup>3</sup> As per Food Safety and Standards (Food Products Standards and Food Additives) Regulations, 2011 - dairy analogues are products where non-milk constituents replace milk components partially or entirely but resemble milk or milk products in appearance, texture, and functionality.

compliant. The main features of e-NAM 2.0 would be bank account validation, electronic know your customer features using Aadhaar and onboarding of assaying, logistics and other value-added service providers.

To explore more effective solutions to tackle the consumer concerns regarding dark patterns, a high-level stakeholder meeting on May 28, 2025, was held which included all major e-commerce platforms, working in food, travel, cosmetics, pharmacy, retail, clothing and electronics sectors. The Ministry of Consumer Affairs, Food and Public Distribution (**"MoCAFPD"**) has taken several significant steps to combat dark patterns and have issued comprehensive guidelines on the prevention of dark patterns on November 30, 2023 recognising 13 (thirteen) prominent dark patterns in e-commerce including - false urgency, basket sneaking, confirm shaming, forced action, subscription trap, interface interference, bait and switch, drip pricing, disguised advertisement, nagging, trick question, Software as a Service (SaaS) billing, and rogue malwares. Dark patterns are deceptive user interface designs that mislead or manipulate consumers into making unintended choices, and are typically viewed as unfair trade practice. It remains to be seen how and to what extent business models for e-commerce evolve in tandem with any regulatory clamp down on at least some of these revenue acceleration mechanisms.

Further, through a press release dated May 28, 2025, The FSSAI stressed the need for states and union territories to actively support and implement anti-obesity initiative crucial initiative in a big way, recognising its potential to significantly curb excessive sugar consumption among school-going children and foster healthier dietary habits from a young age.

This edition of the JSA Foods and Consumer Newsletter highlights recent (March 2025 to May 2025) regulatory developments focused on consumer protection and the food businesses in India.

## **Scheme for extending financial assistance to co-operative sugar mills**

With the objective to boost the ethanol production capacity, MoCAFPD, *vide* notification dated March 6, 2025, notified a scheme for Cooperative Sugar Mills (**"CSMs"**) under modified Ethanol Interest Subvention Scheme (**"Scheme"**). This Scheme proposed for conversion of existing sugarcane-based feedstock ethanol plants into multi-feedstock-based plants to use grains like maize and Damaged Food Grains (**"DFG"**). Under the Scheme, a new assistance window has been introduced exclusively for CSMs. The support is aimed at helping them convert their existing sugarcane-based ethanol plants into multi-feedstock units capable of processing grains such as maize and DFG. To qualify, mills must already operate an ethanol plant with valid Consent to Operate and a license from the Petroleum and Explosives Safety Organization.

The Central Government will provide an interest subvention at 6% per annum or 50% of the interest rate (whichever is lower) charged by eligible banks/financial institutions for 5 (five) years, including a 1 (one) year moratorium against the loans availed by project proponents, for converting distilleries to multi-feedstock plants. This benefit applies only to loans sanctioned and disbursed for projects approved in principle by the Department of Food and Public Distribution (**"DFPD"**). Interest subvention is available exclusively to CSMs that supply at least 75% of the ethanol produced from the converted distillation capacity into multi-feed plants to oil marketing companies for blending with petrol. The Scheme will not be applicable to those CSMs, which have availed benefits under any other scheme of Central Government for the same project.

## **Quality control orders for ethylene dichloride, vinyl chloride monomer and polycarbonate**

The Ministry of Chemicals and Fertilizers, through separate notifications on March 11, 2025, amended the quality control orders for ethylene dichloride, vinyl chloride monomer, and polycarbonate, extending their implementation date to September 12, 2025 (*previously it was March 12, 2025*). These amendments, made under the Bureau of Indian Standards (**"BIS"**) Act, 2016, aim to ensure compliance with BIS standards and safeguard public interest by strengthening product quality.

## **Clarification on testing standards for in-shell nuts**

FSSAI through an office order dated March 13, 2025, has clarified that in-shell nuts (like almonds) must be tested by notified food testing laboratories against the standards prescribed for dry fruits and nuts under sub-regulation 2.3.47(5) of the Food Safety and Standards (Food Products Standards and Food Additives) Regulations, 2011. This clarification aims to eliminate ambiguity among stakeholders and ensure consistent application of standards. Some uptick in activity and engagement of companies in the food testing business could be expected as a result.

## **Frequently asked questions on scheme guidelines of creation/expansion of food processing and preservation capacities**

MoFPI, *vide* circular dated March 18, 2025, has issued answers to the frequently asked questions in relation to the queries raised by the stakeholders on scheme guidelines of creation/expansion of food processing and preservation capacities.

Please [click here](#) to read more.

## **Food Safety and Standards (Packaging) First Amendment Regulations, 2025**

FSSAI *vide* notification dated March 28, 2025, has amended the Food Safety and Standards (Packaging) Regulations, 2018, to permit the use of products made of recycled polyethylene terephthalate for packaging, storing, carrying or dispensing of food products, subject to compliance with notified standards and guidelines (*previously products made of recycled plastics including carry bags was not to be used for packaging, storing, carrying or dispensing articles of food under Regulation 4 (plastic materials intended to come in contact with food products)*).

## **Use of chloramphenicol and nitrofurans is prohibited in food-producing animals**

The Ministry of Health and Family Welfare (“**MoHFW**”), *vide* notification dated March 12, 2025, has prohibited the import, manufacture, sale and distribution of chloramphenicol as well as nitrofurans and its formulations drugs, for use in any food producing animal rearing system, with immediate effect, to protect public health by preventing potential health risks associated with these drugs and their residues in the food chain. Further, it was determined that the use of drug formulations containing chloramphenicol or nitrofurans in food-producing animals poses a risk and that safer alternatives are available.

Subsequently, on April 2, 2025, the MoHFW directed all the State/UT drugs controllers to sensitise their inspectorate staff to keep strict vigil on manufacture, sale and distribution of chloramphenicol and its formulations as well as nitrofurans and its formulations, to prevent use in any food producing animal rearing system and to take necessary action under the provisions of the Drugs and Cosmetics Act 1940 and the rules thereunder.

While both chloramphenicol and nitrofurans are cost effective options as antibiotic and anti-microbial, and the latter even doubling in some cases as growth enhancers, there are human health risks associated. For context, both of these got prohibited for animal feed use in the USA a few decades back. Dairy and meat producers (a segment that has seen traction in recent years, especially because of quick commerce), would have to pivot to alternate options.

## **Reclassification of point related to ‘food grade packaging material’ as ‘critical to food safety’ under inspection checklist**

Considering the critical role of food grade packaging material in ensuring food safety, FSSAI, *vide* circular dated April 3, 2025, has decided to reclassify the point related to food packaging material as critical in the inspection checklist related to general manufacturing, milk and milk product processing, meat processing, fish and fish products processing and catering. The packaging material used must be food grade, in sound condition and must have a certificate of conformity issued by an NABL accredited laboratory against the Food Safety and Standard (Packaging) Regulations, 2018 (*previously the criteria for packaging materials was, that they must be of food grade and in sound condition*). The revised scoring is 4 (four) (*previously the scoring was 2*) for all items.

## **Jute packaging mandates**

The Ministry of Textiles, *vide* notification dated April 22, 2025, has directed that the commodities such as foodgrains (including rice, paddy and wheat) and sugar must be packed in jute packaging material for supply or distribution. From April 22, 2025, till June 30, 2025, 100% of the total produced foodgrains and 20% of the total produced sugar are required to be packed in jute packaging material manufactured in India from raw jute produced in India. The following may be kept out of the purview of reservation under the Jute Packaging Materials (Compulsory Use in Packing Commodities) Act, 1987, such as:

1. sugar fortified with vitamins;
2. packaging for export of commodities;
3. small consumer packs of ten kilograms and below for foodgrains and twenty-five kilograms and below for sugar;
4. bulk packaging of more than 100 kg (one hundred kilograms); and
5. sugar packed for export but which could not be exported based on an assessment and recommendation by the DFPD.

The DFPD must communicate in advance the month-wise projection of required quantity of jute bags for packing of foodgrains and in case of any shortage or disruption in supply of new jute packaging material or in other contingency or exigency, the Ministry of Textiles may, in consultation with the prescribed committees, relax these provisions up to a maximum of 30% (foodgrains are @100% and sugar is @20%, therefore, 30% of 100% and 30% of 20%, respectively). The jute mills benefitting from the above arrangements are required to implement the relevant provisions of labour laws and regulations on the subject to the satisfaction of the State Governments concerned and must certify prompt payment to jute farmers and balers on production of raw jute.

## **Operational guidelines for creation of infrastructure for agro processing clusters**

To provide integrated and complete preservation infrastructure facilities from farm gate to the consumer, the MoFPI, has issued a circular dated April 25, 2025, to update the previous operational guidelines of the Scheme for Creation of Infrastructure ("**Infrastructure Scheme**") for agro processing clusters under the PMKSY. The Infrastructure Scheme aims to create modern infrastructure for food processing closer to production areas and to provide effective linkages by linking groups of producers/ farmers to food processors and markets through well-equipped supply chain. It is implemented in the areas of horticulture/agriculture production identified through a mapping exercise. These clusters aim to reduce the loss of surplus produce and add value to the horticultural/agricultural produce which will result in increase of income of the farmers and create employment at the local level.

A plan that has been in the build for 3 (three) years, it presents an opportunity for players in the agri-business, food processing tech, as well as supply chain and logistics management companies.

## **FSSAI empowers consumers to report misleading claims on food products**

Empowering the consumers, the FSSAI, through a press release dated April 30, 2025, has introduced a new digital utility that enables consumers to directly report misleading claims made on food product labels. Consumers can now lodge complaints regarding misleading or false claims displayed on packaged food items through the 'Food Safety Connect' mobile application or via 'Food Safety Compliance System' ("FoSCoS"). The new reporting mechanism strengthens ground-level vigilance by encouraging consumers to act as the eyes and ears of the food safety authority. FSSAI encourages all citizens to actively participate in this initiative to ensure honesty in food labelling and contribute to building a healthier and well-informed India.

## Recognition of National Food and Feed Reference Laboratory

The FSSAI recognises the National Food and Feed Reference Laboratory ("NFFRL"), Kathmandu, Nepal, for the analysis of food samples under the Food Safety and Standards Regulations, 2011, till the period of approved by NABL. The analysis certificates issued by NFFRL will be accepted in India dealing with food imports. The food products included are - juice, jam, jelly, pickles, candies, ginger, fresh fruits, fresh vegetables and instant noodles.

## Depot Darpan portal and mobile application

Launched by the MoCAFPD on May 20, 2025, the Depot Darpan Portal ("DDP") and mobile application aim to create a seamless digital monitoring ecosystem which will include closed-circuit television (CCTV) surveillance and internet of things (IoT) sensors, monitoring key parameters such as carbon dioxide levels, phosphine levels, fire hazards, humidity, unauthorised entry and temperature of the food grain storage/warehouse.

The DDP mobile app is designed to offer easy and real time track of the performance of a registered warehouse to the supervisory officials these reports may facilitate to improve infrastructure and efficiency of warehouses. At present, the focus is on warehouses that are owned by Food Corporation of India, Central Warehousing Corporation (being central government) along with warehouses hired by the MoCAFPD from states and from private parties.

## Streamlining the regulatory framework for the sugar sector

MoCAFPD through a notification dated May 1, 2025, has issued the Sugar (Control) Order, 2025, replacing the Sugar (Control) Order, 1966, and the Sugar Price (Control) Order, 2018. The new framework modernises and consolidates regulations governing the sugar sector. It introduces clear classifications for various types of sugar and related products, updates quality standards, and provides a structured approach to the categorisation of molasses. Significantly, the order enhances the regulatory powers of the Central Government, including control over production, diversion, sale, and storage of sugar, as well as the use of sugar-based feedstock for ethanol and other products. This is expected to bring greater transparency, standardisation, and oversight across the sugar supply chain.

## Mandatory submission of closure report on expiry of FSSAI license/registration

As a part of efforts to strengthen regulatory compliance, transparency and traceability in the licensing framework, the FSSAI, through order dated May 16, 2025, has directed all Food Business Operators ("FBOs"), whose FSSAI license/registration has been expired during financial year 2024-25, to mandatorily submit a closure report.

This report must confirm that no food business activity is being conducted at the respective premises on the expired FSSAI license/registration number or else, food businesses must confirm whether new license/registration has been obtained. FBOs are also required to provide specific reasons for non-renewal of the FSSAI License. Further, for all future cases, when FSSAI license/registration gets expired, the FBO is directed to submit the reasons for closure of business/non-renewal of license/registration, through the FoSCoS portal. Further, operating a food business on expired FSSAI license/registration is a violation of Section 31 of the Food Safety and Standards Act, 2006, that attracts



a penalty of INR 10,00,000 (Indian Rupees ten lakh). Therefore, FBOs must maintain a valid email ID registered with the FoSCoS portal, to receive the 'notice for closure of food business' in case of expiry of FSSAI license/registration. The order also prescribes the procedure to be followed by the FBOs for filing the reasons of non-renewal of license/registration on the FoSCoS portal.

## Monitoring the sale of fresh fruits for use of unauthorised or prohibited artificial ripening agents

To accelerate the ripening process and meet growing consumer demand of fruits, especially mangoes, papayas and bananas, some FBOs are resorting to using unauthorised or prohibited chemical agents such as calcium carbide (commonly referred to as '*masala*')/ acetylene gas etc., for artificial ripening. The use of calcium carbide for ripening poses serious health hazards to consumers such as - mouth ulcers, gastric irritation and even cancer due to its carcinogenic properties. The use of '*masala*' as a ripening agent is prohibited under Regulation 2.3.5 of the Food Safety and Standards (Prohibition and Restrictions on Sales) Regulations, 2011.

FSSAI after identifying cases where FBOs were using ethephon solution to artificially ripen bananas and other fruits by dipping them directly into the chemical and have issued a comprehensive guidance dated February 10, 2020, titled 'Guidance note on [Artificial Ripening of Fruits –Ethylene Gas: A Safe Fruit Ripener](#)' ("**SOP Guidelines**"), which clearly states that ethephon may be used as a source for generating ethylene gas only if used in accordance with the prescribed SOP Guidelines. The SOP Guidelines strictly prohibits any direct contact between ethylene (in powder or liquid form) and the fruits/vegetables. The prevalence of other malpractices such as colouring or coating of fruits with synthetic colours or non-permitted wax has also been observed by FSSAI.

Therefore, to curb and check the illegal use of calcium carbide or other non-permitted ripening and unsafe practices followed by certain FBOs, FSSAI, *vide* circular dated May 16, 2025, has directed the commissioner of food safety of all States/Union Territories and all Regional Directors of FSSAI to intensify inspections and maintain strict vigilance over fruit markets/mandis and conduct special enforcement drives within their respective jurisdictions. The special enforcement drives will cover godown where seasonal fruits are stored and are suspected to be using '*masala*' for ripening. The enforcement official may also use strip paper tests to detect the presence of acetylene in godowns or ripening chambers for the artificial ripening of fruits.

Thereafter, on May 18, 2025, the MoHFW through a press release has alerted traders/fruits handlers/FBOs operating ripening chambers to strictly ensure compliance with the prohibition on calcium carbide for artificial ripening of fruits, particularly during the mango season. To help eradicate the extensive use of banned calcium carbide, FSSAI has permitted the use of ethylene gas as a safer alternative for fruit ripening in India through the SOP Guidelines. According to the SOP Guidelines, ethylene gas can be used at concentrations up to 100 ppm (one hundred parts per million) (100 µl/L (one hundred micro liter per liter)), depending upon the crop, variety and maturity.

Subsequently, on May 20, 2025, FSSAI by a press release has urged all States and Union Territories to intensify inspections and carry out special enforcement drives to curb the illegal use of non-permitted fruit ripening agents, as well as colouring and coating of fruits with synthetic colours or non-permitted wax. All FBOs must adhere to the SOP Guidelines to ensure safe and compliant ripening practices. Any violation of these norms will attract strict penal action under the FSS 2006.

## Use of recycled plastics in food packaging

FSSAI, *vide* notification dated May 23, 2025, has issued the guidelines for acceptance of recycled Polyethylene terephthalate ("**PET**") as Food Contact Material ("**FCM-rPET**") ("**FCM Guidelines**"). The FCM Guidelines outlines the definitions, process requirements, acceptance criteria for FCM-rPET resin in FCM, marking and labelling of FCM, documentation, and authorisation procedures for transforming post-consumer PET into FCM-rPET resins suitable for FCM. The FCM Guidelines pertain only to the recycling process/operation of transforming post-consumer PET used

for food applications into FCM-rPET resins suitable for making FCM. Some of the key provisions of the FCM Guidelines are:

1. the FCM Guidelines are only applicable to recycling technology approved by FSSAI and does not apply to production of resins for non-food grade consumer applications;
2. it outlines 4 (four) different process of recycling – ‘Super-Clean Recycling Process’, ‘Melt-in Recycling Process’, ‘Paste-in Recycling Process’ and ‘Chemical Recycling Process’, which are capable of producing recycled PET as FCM, and any 1 (one) of them can be adopted. The recycling process adopted must have a decontamination step capable of removing contaminants to a level of purity suitable for food contact; and
3. the process input will be sourced in accordance with the minimum quality standard on FCM-rPET resin. Input materials must be controlled based on process validation criteria as identified by performance of the challenge test.

## **Discontinuation of the term ‘100%’ on food product labels and related promotional materials**

FSSAI has observed a growing trend in the use of the term ‘100%’ on food, product labels and across various promotional platforms. This terminology is ambiguous, misleading within the current regulatory framework, and is prone to misinterpretation. Consequently, the FSSAI through an advisory dated May 28, 2025, has directed all the FBOs to discontinue the usage of the term ‘100%’ on food product labels packaging, and promotional content.

## **Case Laws**

### **In the absence of privity of contract, a complainant cannot be a ‘consumer’**

The Hon’ble Supreme Court of India (“**Supreme Court**”) has reiterated that a complainant must have privity of contract with the respondent to qualify as a ‘consumer’ under the Consumer Protection Act, 1986 (“**CP Act**”). The Supreme Court also reiterated that the mere presence of an arbitration agreement in a contract would not oust the jurisdiction of a consumer court. This judgment is useful for parties who do not have a contractual relationship with the complainant and are summarily subjected to consumer proceedings. While the judgment has been delivered in the context of the CP Act, its import would equally apply to matters under the Consumer Protection Act, 2019.

For a detailed analysis, please refer to the [JSA Prism of April 4, 2025](#).

### **Delhi High Court holds mandatory service charges by restaurants to be unlawful**

The imposition of service charge by restaurant and hospitality establishments in their invoices to patrons, as an added component over and above the food prices and incurring additional Goods and Services Tax has been a long-standing practice. It is a matter against which there has been plentiful customer dissatisfaction, and in the past the CCPA has issued advisories and guidelines against this in the past. In the present instance, 2 (two) hospitality bodies approached the Delhi High Court with a writ seeking the setting aside of CCPA’s guidelines of 2022. In a speaking order, the Delhi High Court upheld these guidelines, placing the consumer’s interest on a higher pedestal than the practice of mandatory service charge being added by restaurants into invoices. The decision has wide ranging implications for the hospitality industry and strengthens the CCPA’s hand in enforcement of its guidelines.

For a detailed analysis, please refer to the [JSA Prism of April 11, 2025](#).

## Food and Consumer Sector

The food and consumer practice at JSA has vast expertise across the entire value chain, offering guidance on all aspects of operations, from farm to table (for food and beverages), and origin to end use (for consumer space). Our work in this sector covers a wide range of areas, including both domestic and international investments, mergers and acquisitions, initial public offerings, joint ventures, litigation, corporate matters, real estate issues, and technology licensing, among others.

We advise a diverse range of industry participants, such as companies in food and beverage production, processing, and distribution, manufacturers of agrichemicals, agricultural commodity processors, producers of precision farming equipment, as well as banking and financial institutions.

With offices across India, our team delivers a seamless, comprehensive service to clients navigating the growing challenges in the food and beverages sector, such as increasingly complex regulatory requirements, supply chain issues, ESG concerns, and the enforcement and protection of trade secrets and other intellectual property.

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18 Practices and  
41 Ranked Lawyers



7 Ranked Practices,  
21 Ranked Lawyers



14 Practices and  
12 Ranked Lawyers



12 Practices and 50 Ranked  
Lawyers



20 Practices and  
22 Ranked Lawyers



8 Practices and  
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Among Best Overall  
Law Firms in India and  
14 Ranked Practices



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