

F. No. F-13014/16/2025-FTL (E-331828)
Government of India
Ministry of Food Processing Industries
Panchsheel Bhawan, August Kranti Marg
New Delhi-110049

Dated the 22nd December, 2025

Subject: Frequently Asked Questions (FAQs) in relation to the queries raised by the prospective applicants during Pre-Bid meeting held on 02.12.2025 and received through emails on Scheme Guidelines dated 12.11.2025 of Food Safety & Quality Assurance Infrastructure (FSQAI) Scheme-Setting-up of Food Testing Labs.-reg.

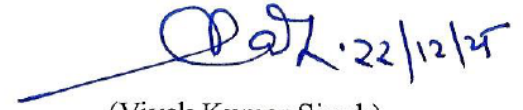
Reference is invited to the queries raised by the prospective applicants during pre-bid meeting held on 02.12.2025 and received through emails on Scheme Guidelines dated 12.11.2025 of Food Safety & Quality Assurance Infrastructure (FSQAI) Scheme-Setting-up of Food Testing Labs.

2. The queries have been examined by this Ministry in consonance with the Scheme Guidelines dated 12.11.2025 of Food Safety & Quality Assurance Infrastructure (FSQAI)-Setting-up of Food Testing Labs and clarifications against the same are provided in the form of FAQs.

This issues with the approval of the Competent Authority.

Encl: as above.

Yours sincerely,



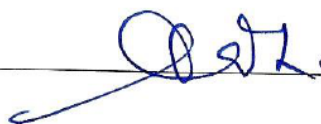
(Vivek Kumar Singh)
Deputy Secretary

Frequently Asked Questions (FAQs) in relation to the queries raised by the prospective applicants during Pre-Bid meeting on 02.12.2025 and received through emails on Scheme Guidelines dated 12.11.2025 of Food Safety & Quality Assurance Infrastructure (FSQAI)- Setting-up of Food Testing Labs.

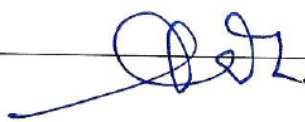
S.No	Queries raised by the prospective applicants during Pre-bid meeting held on 02.12.2025 and received through emails	Clarification
1.	Whether expenditure incurred after the date of issue of EoI and before the date of approval of the project shall be considered for subsidy disbursement?	Yes, the expenditure shall be considered as per para 5(d) of the guidelines dated 12.11.2025. Accordingly, para 11.A(i) is modified as follows : <i>“Certificate as per Annexure-VI indicating that at least 50% of the equity and 50% of the term loan has been spent on the project after the date of issue of EoI by the Ministry. Expenditure equivalent to 1st installment of subsidy must have been incurred by the entity before submission of documents for release of 1st installment.”</i>
2.	What cost norms will be applied for determining the Eligible Project Cost for equipment, one-time procurement of CRMs, and LIMS?	The applicable cost norms for equipment, one-time procurement of Certified Reference Materials (CRMs), and Laboratory Information Management System (LIMS) shall be as per the cost norms. These norms will be used for calculating the Eligible Project Cost under the scheme.
3.	What is the pattern of assistance available under the scheme for NABL registration fee, one time procurement of Certified Reference Materials (CRMs), and Laboratory Information Management System (LIMS)?	I. Certified Reference Materials (CRMs): Eligible for one time support up to 50% of the cost in General Areas and 70% in Difficult Areas, including SC/ST applicants, as per cost norms. II. NABL Registration Fee: Eligible for 100% financial support. III. Laboratory Information Management System (LIMS): Eligible for 100% financial support as per cost norms. All these components are included within the subsidy ceiling of ₹5 crore as prescribed in para 5 of guidelines dated 12.11.2025.
4.	If a company/organisation/entity/ firm or group of companies has a food production unit(s) and seeks to sets up a commercial food-testing lab (not in-house lab) at separate location or location other than their production unit, then will it be eligible for availing grant/subsidy under this scheme.	Yes. The entity will be eligible provided that the proposed laboratory is set up as a commercial food-testing facility open to public, and the laboratory complies with all conditions prescribed under the Guidelines of FSQAI Scheme dated 12.11.2025.



5.	If the lab is being set up under a multi-story building and has obtained license under Shop Act from the concerned Local Body/ Govt. Office, where there is no provision of obtaining CLU, then will it be considered equivalent to CLU, may please be clarified.	Compliance with local land-use rules is mandatory. If the State/UT laws do not require a Change of Land Use (CLU) for commercial activities in a multi-story building, then a valid Shop & Establishment registration, Trade License, or any similar permission issued by the local authority will be accepted as proof that the laboratory can operate at that location. This is acceptable only if the activity of running a food-testing laboratory is allowed under the applicable building bylaws, zoning regulations, or municipal rules, and there is no separate requirement for CLU under State/UT laws. Notification or Order issued by State Government or Local Authority in this regard need to be uploaded.
6.	In some states there is no provision of CLU for setting up food industry on Agricultural land and for establishing food testing or any other lab like pathology lab, just a NOC from local body is sufficient, then in this case how the condition of CLU shall be complied. Please clarify.	The applicant shall be considered compliant with the CLU requirement if the NOC or equivalent permission issued by the concerned local authority explicitly allows the proposed activity, and there is no statutory requirement under the State/UT laws to obtain a separate CLU. The NOC/permission will be treated as a valid document confirming that the proposed land use is permissible. Such NOC/permissions will be accepted as sufficient compliance, subject to the condition that the activity of operating a commercial food-testing laboratory is legally permissible on the said land as per prevailing State/UT regulations. Notification as per provision 1.1 of the scoring sheet (Appendix A) of the Guidelines dated 12.11.2025 need to be uploaded in support.
7.	There is no dedicated NIC code for Food Testing Laboratories under MSME (Udyam) registration. Since only a general category for "Technical Testing and Analysis" exists, is it difficult or not possible for food testing labs to register as MSMEs?	It is clarified that MSME (Udyam) registration is based on the nature of activity, and not on the availability of a separate NIC code for every specific service. Although a dedicated NIC code for "Food Testing Laboratory" is not provided, food testing activities are fully covered under NIC Code 712 – Technical Testing and Analysis. This NIC category includes chemical, biological, and material testing services, and is therefore appropriate for all food testing laboratories. Hence, food testing labs can register under MSME using NIC 712, and the absence of a separate code does not restrict or prevent registration.
8.	In case of any entity – new registered firm which has been established recently having no business legacy/ background, how the net worth will be calculated	As per para 1.1 of Annexure-XI of the Scheme Guidelines dated 12.11.2025.



9.	The guidelines state that a project will be considered women-led if a woman promoter holds at least 51% equity in the applicant entity. However, the guidelines do not specify whether any additional or higher subsidy is available for women-led enterprises. Please clarify whether the applicable subsidy for such projects will be 70% or 50%.	Women-led projects are eligible for 3 additional marks under the evaluation criteria specified in Appendix-A of the Guidelines dated 12.11.2025. However, the pattern and rate of financial assistance for all applicants—including women-led entities—shall be governed solely by Para 5 of the Guidelines dated 12.11.2025. No separate or enhanced subsidy rate has been prescribed for women-led entities under the scheme.
10.	Whether two different legal entities having common directors—holding less than 50% combined stake—are eligible to submit two separate applications under the scheme, provided both entities operate independently.	The scheme guidelines categorically limit participation to one application per applicant entity. Further, two separate legal entities that share common directors, promoters, or partners are treated as belonging to the same promoter group. In such cases, the second proposal is considered a “duplicate application”, even if the entities are legally distinct. Accordingly, applications from two entities with common directors are not permitted. An applicant-entity (including any entity with cross-holding, common promoters, partners, or directors) must not submit a second proposal, and only one application from the entire promoter group will be considered.
11.	Whether a single legal entity can apply for multiple laboratory projects at different locations, within the scheme’s prescribed funding cap of up to ₹5 crore per project. Kindly confirm if there is any overall cap per applicant under the scheme.	As per para 2(ii) of the guidelines dated 12.11.2025, only one application from one applicant will be considered.
12.	If an entity is already operating in the food testing lab in an adjoining area or at another place, and now intends to establish a new testing laboratory, will it be eligible under the scheme?	A legal entity will be eligible to claim the laboratory as a separate project only if the proposed unit is established in a distinct, independent premises where the entire testing workflow—right from sample receipt to sample preparation, analysis, documentation, and report generation—is carried out separately from the existing facility. The new laboratory must function as a fully independent unit with its own infrastructure, equipment, and operational systems, and must obtain a separate NABL accreditation for the new scope.



13.	<p>Acceptability of Interim Financial Statements Whether interim financial statements (provisional balance sheet/CA-certified statements) are acceptable for evaluation of net worth and financial eligibility, if audited financials for the most recent financial year are not yet available.</p>	<p>As per the Guidelines Provisional Balance Sheet shall not be considered. Only latest annual audited Balance Sheet shall be considered. Further, for newly formed companies, the following documents submitted with MCA may be furnished if audited financials for the most recent financial year are not yet available</p> <ul style="list-style-type: none"> • SPICe+ (Part B): For initial incorporation, setting up authorized/paid-up capital. • SH-7: For altering the Authorized Capital (increase/decrease). <p>For newly formed Limited Liability Partnerships (LLPs), following documents may be submitted.</p> <ul style="list-style-type: none"> • Form FiLLiP filed with MCA at the time of incorporation, indicating partners' contribution and details of designated partners. • LLP Form 3 (Information with regard to LLP Agreement), as filed with MCA, indicating agreed capital contribution of partners and profit-sharing ratio. • LLP Form 4, wherever applicable, for changes in partners/designated partners or their contribution.
14.	<p>For the requirement stating that women must hold 51% stake: Is this percentage to be considered on the basis of net worth or shareholding?</p>	<p>The 51% criterion applies to shareholding, not net worth for all the entities. The 51% stake will be defined by shareholding/ownership/capital contribution in the applicable entity. Shareholding pattern in the equity structure determines women led status.</p>

