



Industry Report on

Food & Grocery Retailing and Food Processing

7th August 2025

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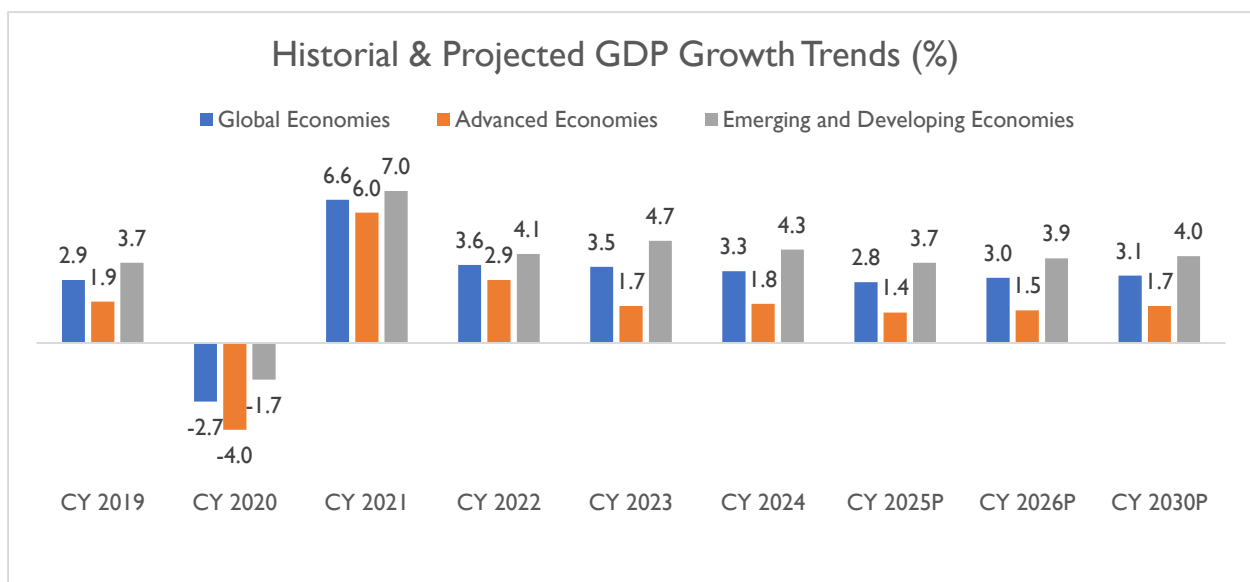
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Global Economic Overview

The global economy, which recorded GDP growth at 3.3% in CY 2024, is expected to show resilience at 2.8% in CY 2025. This marks the slowest expansion since 2020 and reflects a 0.5%-point downgrade from January 2025 forecast. Moreover, the projection for CY 2026 has also reduced to 3.0%. This slowdown is majorly attributed due to numerous factors such as high inflation in many economies despite central bank effort to curb inflation, continuing energy market volatility driven by geopolitical tensions particularly in Ukraine and Middle East, and the re-election of Donald Trump as US President extended uncertainty around the trade policies as well as overall global economic growth. High inflation and rising borrowing costs affected the private consumption on one hand while fiscal consolidation impacted the government consumption on the other hand. As a result, global GDP growth is estimated to moderation by 2.8% in CY 2025 as compared to 3.3% in CY 2024.

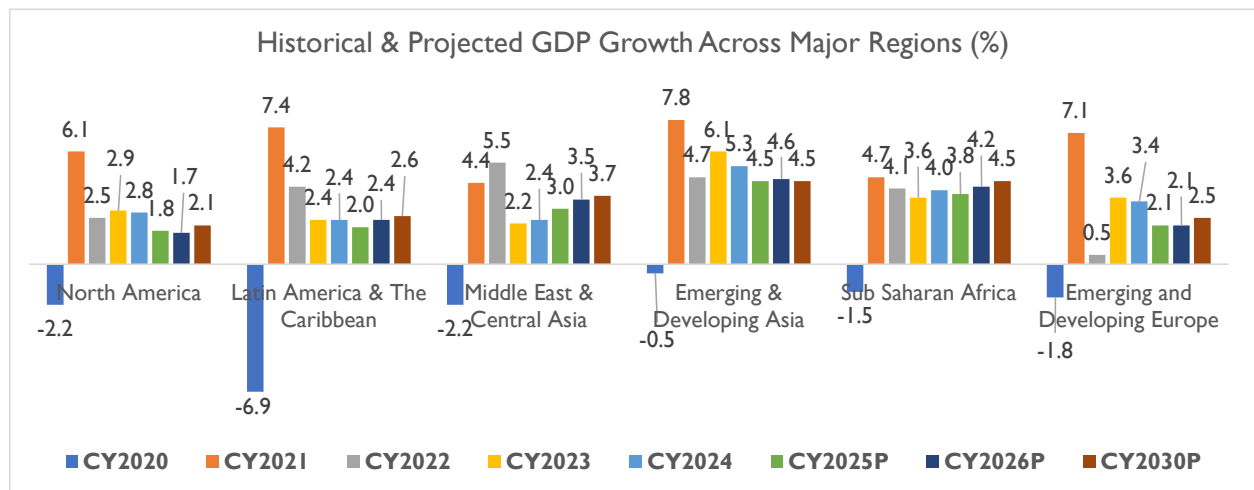


Source – IMF Global GDP Forecast Release April 2025

Note: Advanced Economies and Emerging & Developing Economies are as per the classification of the World Economic Outlook (WEO). This classification is not based on strict criteria, economic or otherwise, and it has evolved over time. It comprises of 40 countries under the Advanced Economies including the G7 (the United States, Japan, Germany, France, Italy, the United Kingdom, and Canada) and selected countries from the Euro Zone (Germany, Italy, France etc.). The group of emerging market and developing economies (156) includes all those that are not classified as Advanced Economies (India, China, Brazil, Malaysia etc.)

Historical and Projected GDP Growth

GDP growth across major regions exhibited a mixed trend between 2022-23, with GDP growth in many regions including North America, Emerging and Developing Asia, and Emerging and Developing Europe slowing further in 2024. In 2025, GDP growth rate in Emerging and Developing Asia (India, China, Indonesia, Malaysia, etc.) is expected to moderate further to 4.5% from 5.3% in the previous year, while in the North America, it is expected to moderate to 1.8% in CY 2025 from 2.8% in CY 2024.



Source-IMF World Economic Outlook April 2025 update.

Except Middle East & Central Asia, all other regions like Emerging and Developing Asia, Emerging and Developing Europe, Latin America & The Caribbean, Sub Saharan Africa and North America, are expected to record a moderation in GDP growth rate in CY 2025 as compared to CY 2024. Further, growth in the United States is expected to come down at 2.71% in CY 2025 from 2.80% in CY 2024 due to lagged effects of monetary policy tightening, gradual fiscal tightening, and a softening in labour markets slowing aggregate demand.

Global Economic Outlook

The global economy is navigating a period of exceptional uncertainty. Policy shifts, particularly those reshaping trade, have alarmed financial markets and bruised business sentiment. The U.S.'s reciprocal tariffs, which represent additional costs for businesses from almost all countries with which the U.S. trades, charge trade partners an import duty at a discounted rate of approximately half the rate that the trade partner currently imposes on the U.S. According to U.S. President Donald Trump, reciprocal tariffs, ranging from 10% to 50%, are meant to address trade barriers limiting U.S. exports. The *effective* tariff rate includes other tariffs imposed at an earlier date and cumulatively may now be higher than duties charged on U.S. imports. It is unclear whether the reciprocal tariffs represent a negotiating tool, and may therefore be temporary, or form part of broader long-term protectionist measures and industrial strategy.

Responses to reciprocal tariffs have been varied, with some economies promising swift countermeasures. More than 50 markets have sought negotiations with the US. While Malaysia is seeking a united response across ASEAN, the Chinese Mainland has retaliated with duties on all imports from the U.S., declaring it will "fight to the end". In early April, the U.S. confirmed the most aggressive steps yet, with a cumulative 145% tariff on some products imported from the Chinese Mainland. Brazil has readied itself by passing a bill allowing for retaliation, Australia has ruled out retaliatory levies, and the EU remains open to negotiation while preparing a package of countermeasures.

Tariffs and their unpredictable application have weighed on consumer and business sentiment, sunk global stock markets, raised recession risks, and made a global slowdown more likely. Our latest Global Business Optimism Insights report for indicates a further decline in business optimism as firms continue to grapple with trade-related policy uncertainty and its broader economic implications. Export-driven sectors reported sharp declines in optimism. Financial risk perceptions remain elevated as businesses contend with high borrowing costs and persistent inflation expectations. More broadly, the uncertainty is reflected in delayed capital expenditure and a pullback in hiring.

Tariffs have begun to exert pressure on central banks by contributing to inflationary pressures and increasing financial market volatility. Central banks are adjusting forward guidance and policy frameworks and may begin to consider the likelihood of softer growth being a bigger priority than high inflation by starting to cut interest rates to support economies. For businesses, this uncertainty translates into unpredictable cost structures, fluctuating credit availability, and the management of operational costs through diversified supply networks.

The latest Dun & Bradstreet Global Business Optimism Insights report reveals a further decline in business optimism, though at a more moderate pace than in the prior quarter, as businesses continued to grapple with trade-related policy uncertainty and its broader economic implications. Export-driven sectors such as automotives, electricals, and metals saw sharp declines in optimism, particularly in the U.S., Mexico, South Korea, and Japan, where rising tariffs and shifting trade policies have fueled cost pressures and demand volatility. Financial risk perceptions remain elevated.

India Macroeconomic Analysis

India emerged as one of the fastest growth economies amongst the leading advanced economies and emerging economies. In CY 2024, even amidst geopolitical uncertainties, particularly those affecting global energy and commodity markets, India continues to remain one of the fastest growing economies in the world and is expected to grow by 6.2% in CY 2025 and 6.3% in 2026.

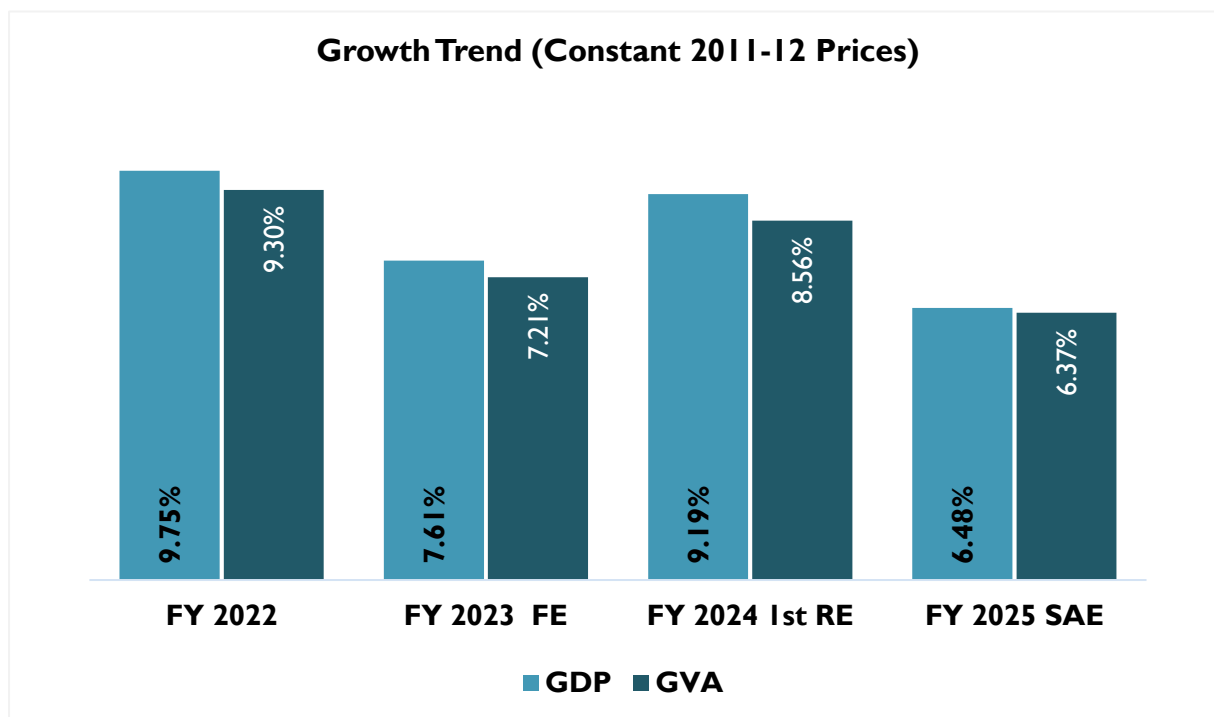
Country	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026 P	CY 2030 P
India	-5.8%	9.7%	7.6%	9.2%	6.5%	6.2%	6.3%	6.5%
China	2.3%	8.6%	3.1%	5.4%	5.0%	4.0%	4.0%	3.4%
United States	-2.2%	6.1%	2.5%	2.9%	2.8%	1.8%	1.7%	2.1%
Japan	-4.2%	2.7%	0.9%	1.5%	0.1%	0.6%	0.6%	0.5%
United Kingdom	-10.3%	8.6%	4.8%	0.4%	1.1%	1.1%	1.4%	1.4%
Russia	-2.7%	5.9%	-1.4%	4.1%	4.1%	1.5%	0.9%	1.2%

Source: World Economic Outlook, April 2025

The Government stepped spending on infrastructure projects to boost the economic growth had a positive impact on economic growth. The capital expenditure of the central government increased by average 26.52% during FY 2023-FY 2024 which slowed to 7.27% in FY 2025 which is expected to translate in moderating GDP growth of 6.5% in 2024. In the Union Budget 2025-2026, the government announced INR 11.21 billion capex on infrastructure (10.12% higher than previous year revised estimates) coupled with INR 1.5 trillion in interest-free loans to states. This has provided much-needed confidence to the private sector, and in turn, expected to attract the private investment.

Historical GDP and GVA Growth trend

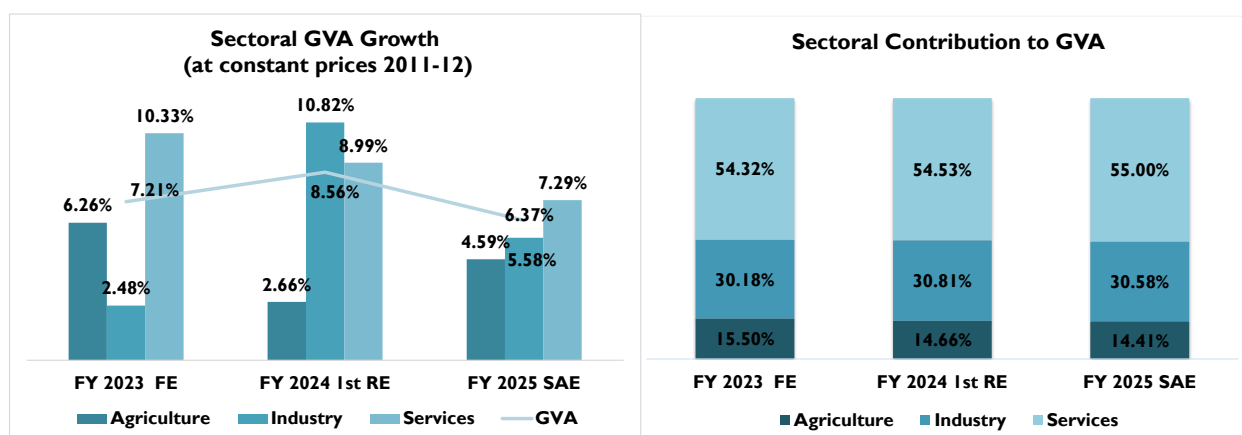
As per the latest estimates, India's GDP at constant prices is estimated to grow to INR 187.95 trillion in FY 2025 (Second Revised Estimates) with the real GDP growth rates estimated to be 6.48% for FY 2025. Similarly, real Gross Value Added (GVA) growth stood is estimated to have moderated to 6.37% in FY 2025. Even amidst global economic uncertainties, India's economy exhibited resilience supported by robust consumption and government spending.



Source: Ministry of Statistics & Programme Implementation (MOSPI), National Account Statistics: FY2025.

FE is Final Estimates, RE is Revised Estimate and SAE is Second Revised Estimates

Sectoral Contribution to GVA and annual growth trend



Source: Ministry of Statistics & Programme Implementation (MOSPI)

FE is Final Estimates, RE is Revised Estimate and SAE is Second Revised Estimates

Sectoral analysis of GVA reveals that the industrial sector experienced a moderation in FY 2025, recording a 5.58% y-o-y growth against 10.82% year-on-year growth in FY 2024. Within the industrial sector, growth moderated across sub sector with mining, manufacturing, and construction activities growing by 2.76%, 4.29%, and 8.64% respectively in FY 2025, compared to 3.21%, 12.30%, and 10.41% in FY 2024. Growth in the utilities sector too moderated to 6.03% in FY 2025 from 8.64% in the previous year. The industrial sector's contribution to GVA moderated marginally from 30.81% in FY 2024 to 30.58% in FY 2025.

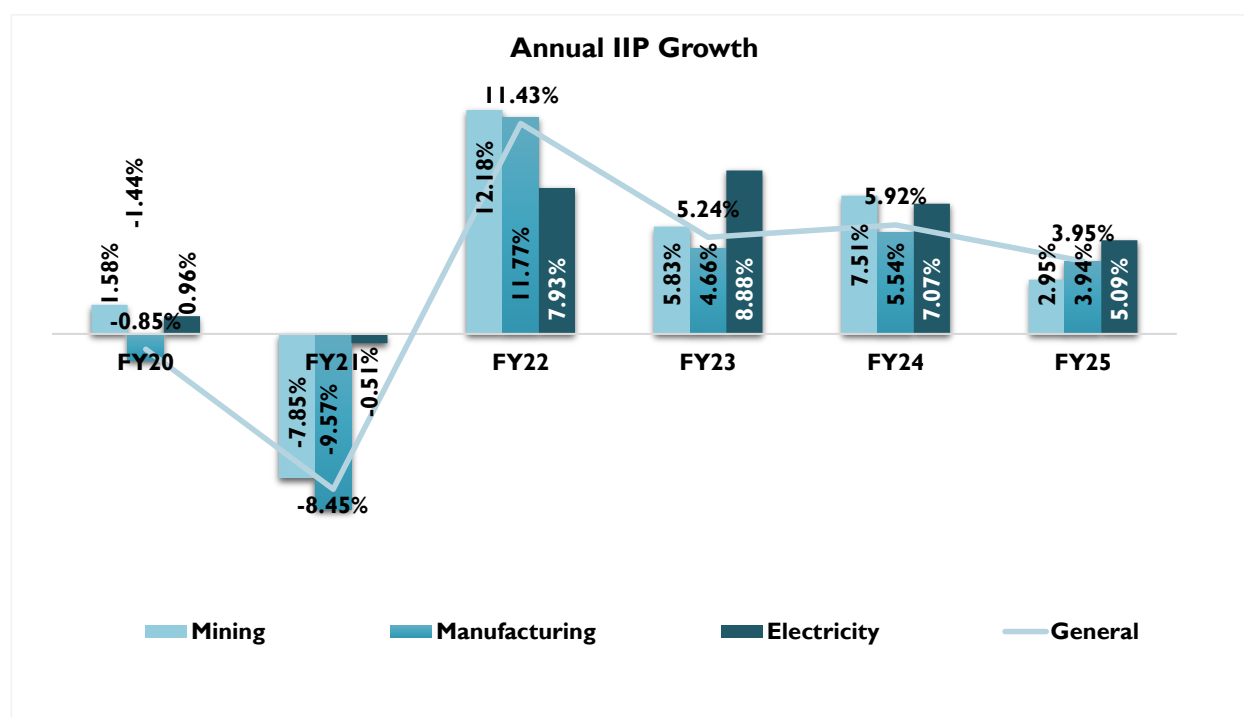
The services sector continued to be the main driver of economic growth, although its pace moderated. It expanded by 7.29% in FY 2025 from 8.99% in FY 2024. The services sector retained its position as the largest

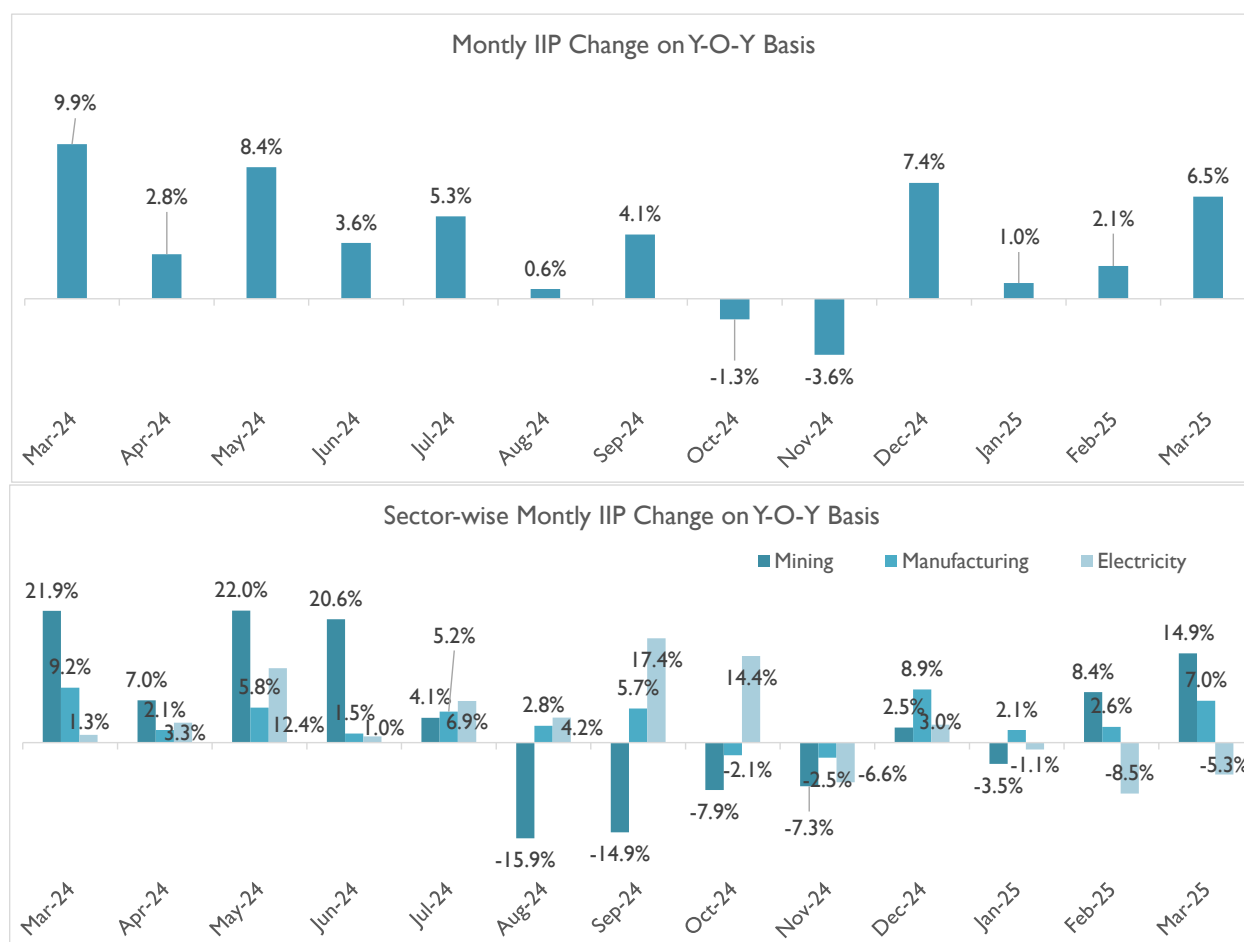
contributor to GVA, rising from 54.32% in FY 2023 to 54.53% in FY 2024, with a further increase to 55.00% in FY 2025.

The agriculture sector saw an acceleration, with growth increasing from 2.66% in FY 2024 to 4.59% in FY 2025. However, its contribution to GVA declined marginally from 14.66% in FY 2024 to 14.41% in FY 2025. Overall, Gross Value Added (GVA) growth moderated to 6.37% in FY 2025 from 8.56% in FY 2024

Annual & Monthly IIP Growth

Industrial sector performance as measured by IIP index exhibited moderation in FY 2025, recording a 3.95% y-o-y growth against 5.92% increase in the previous year. The manufacturing index showed moderation and grew by 3.94% in FY 2025 against 5.54% in FY 2024. Mining sector index too moderated and exhibited a growth of 2.95% in FY 2025 against 7.51% in the previous years while the Electricity sector Index, also witnessed moderation of 5.09% in FY 2024 against 7.07% in the previous year.



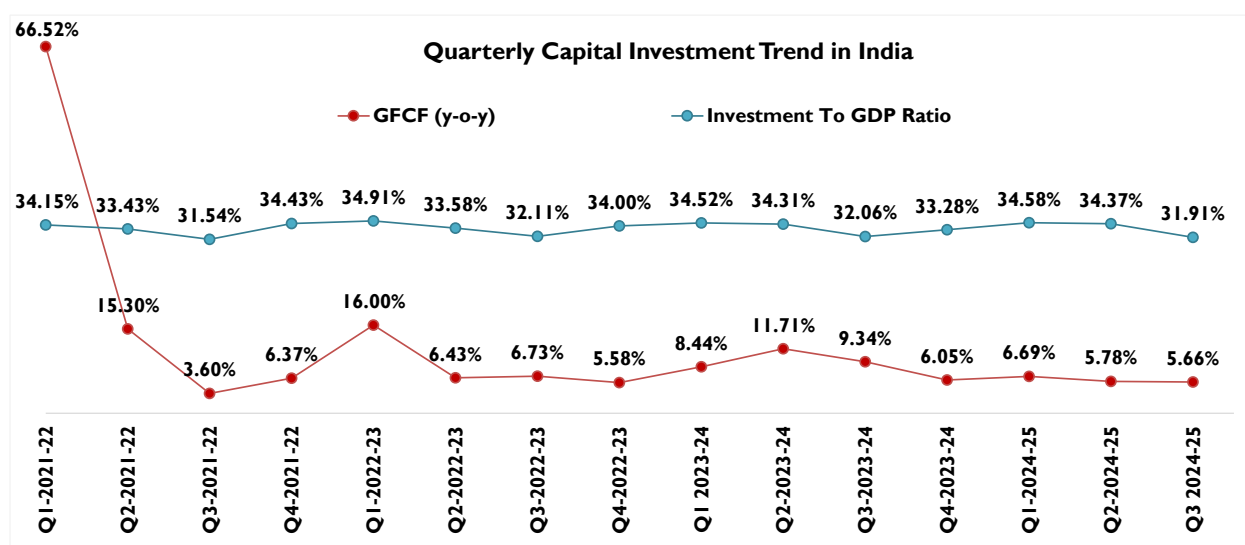
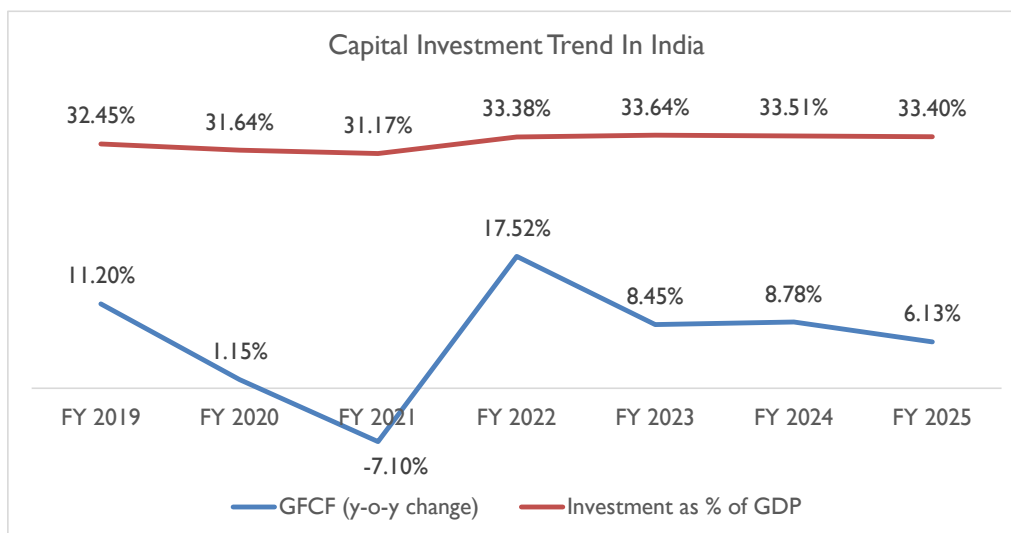


Source: Ministry of Statistics & Programme Implementation (MOSPI)

Overall month IIP index growth grew by 6.5% in March 2025 against 2.1% growth in the February 2025. Both manufacturing and mining index witnessed an improvement in March 2025 over the previous month as well as against January 2025 while electricity Index improved considerably but remained in negative growth trajectory.

Annual and Quarterly: Investment & Consumption Scenario

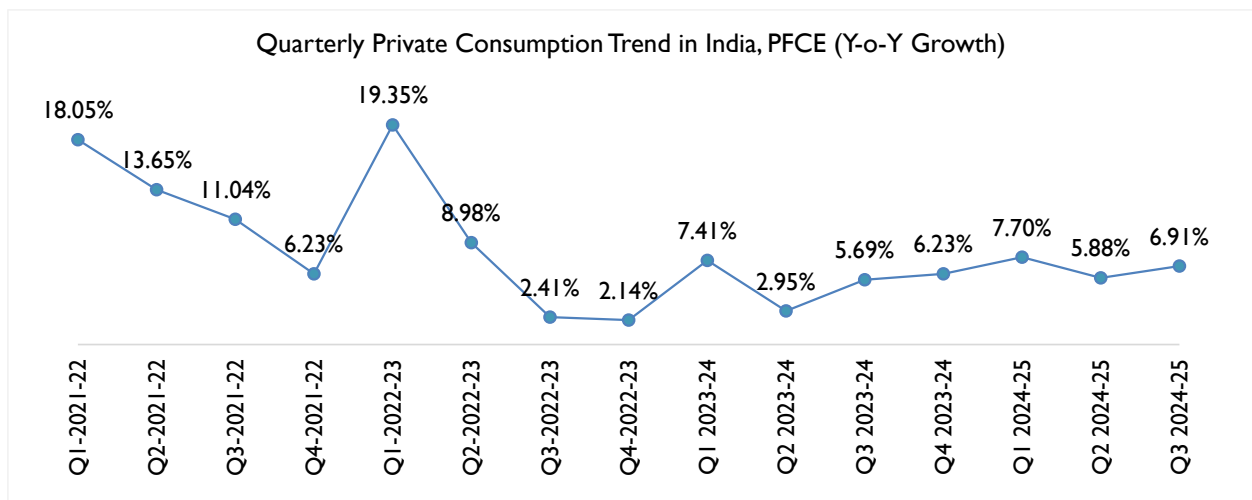
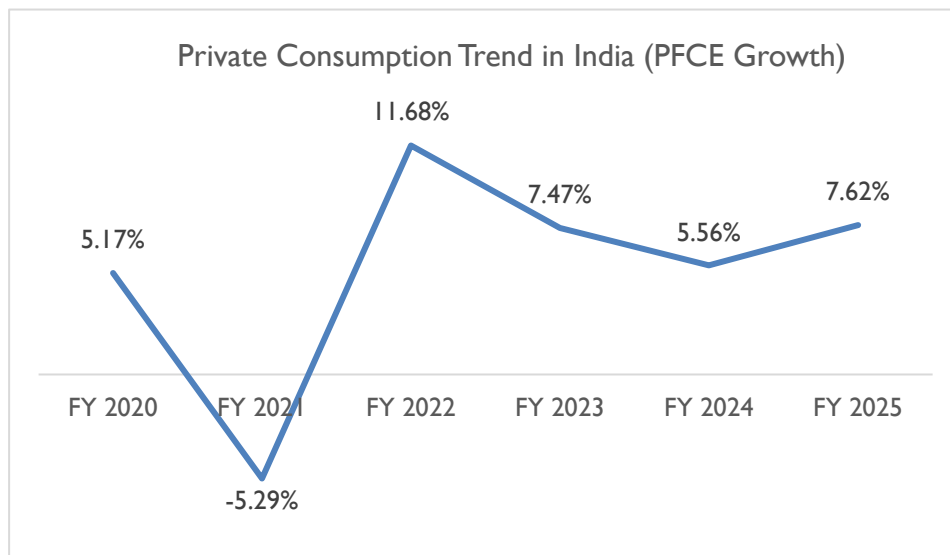
Other major indicators such as Gross fixed capital formation (GFCF), a measure of investments, has shown fluctuation during FY 2025 as it registered 6.13% year-on-year growth against 8.78% yearly growth in FY 2024, taking the GFCF to GDP ratio measured to 33.40%.



Source: Ministry of Statistics & Programme Implementation (MOSPI)

On quarterly basis, GFCF exhibited a fluctuating trend in quarterly growth over the previous year same quarter. In FY 2024, the growth rate moderated to 6.05% in March quarter against the previous two quarter as government went slow on capital spending amidst the 2024 general election while it observed an improvement in Q1 FY 2025 by growing at 6.69% against 6.05% in the previous quarter and moderated in the subsequent two quarter. On yearly basis, the growth rate remained lower compared to the same quarter in the previous year during FY 2025. The GFCF to GDP ratio measured 31.91% in Q3 FY 2025.

Private Consumption Scenario



Sources: MOSPI

Private Final Expenditure (PFCE) a realistic proxy to gauge household spending, observed growth in FY 2025 as compared to FY 2024. However, quarterly data indicated some improvement in the current fiscal as the growth rate improved over the corresponding period in the last fiscal.

Inflation Scenario

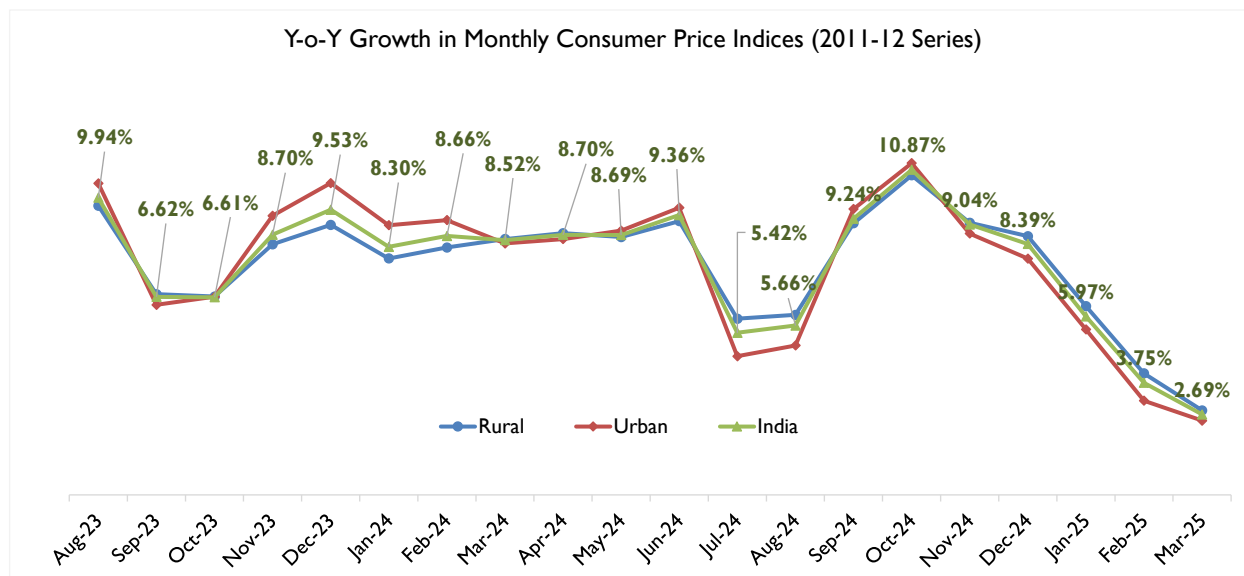
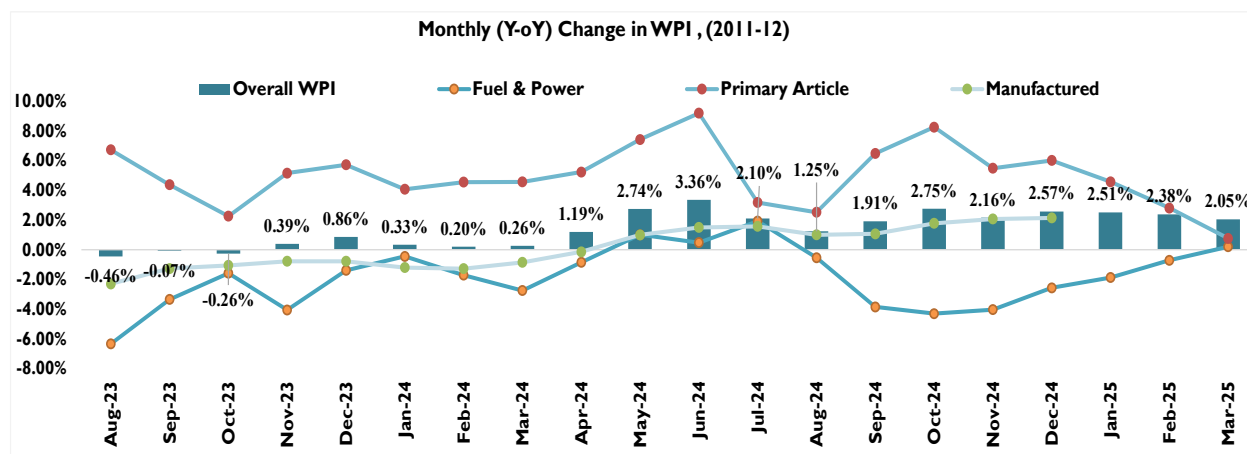
The inflation rate based on India's Wholesale Price Index (WPI) exhibited significant fluctuations across different sectors from August 2023 to March 2025. The annual rate of inflation based on all India Wholesale Price Index (WPI) number is 2.05% (provisional) for the month of March 2025 (over March 2024). Positive rate of inflation in March 2025 is primarily due to increase in prices of manufacture of food products, other manufacturing, food articles, electricity and manufacture of textiles etc.

By March 2025, Primary Articles (Weight 22.62%), The index for this major group decreased by 1.07% to 184.6 (provisional) in March 2025 from 186.6 (provisional) for the month of February 2025. Price of crude petroleum & natural gas (-2.42%), non-food articles (-2.40%) and food articles (-0.72%) decreased in March

2025 as compared to February 2025. The price of minerals (0.31%) increased in March 2025 as compared to February 2025.

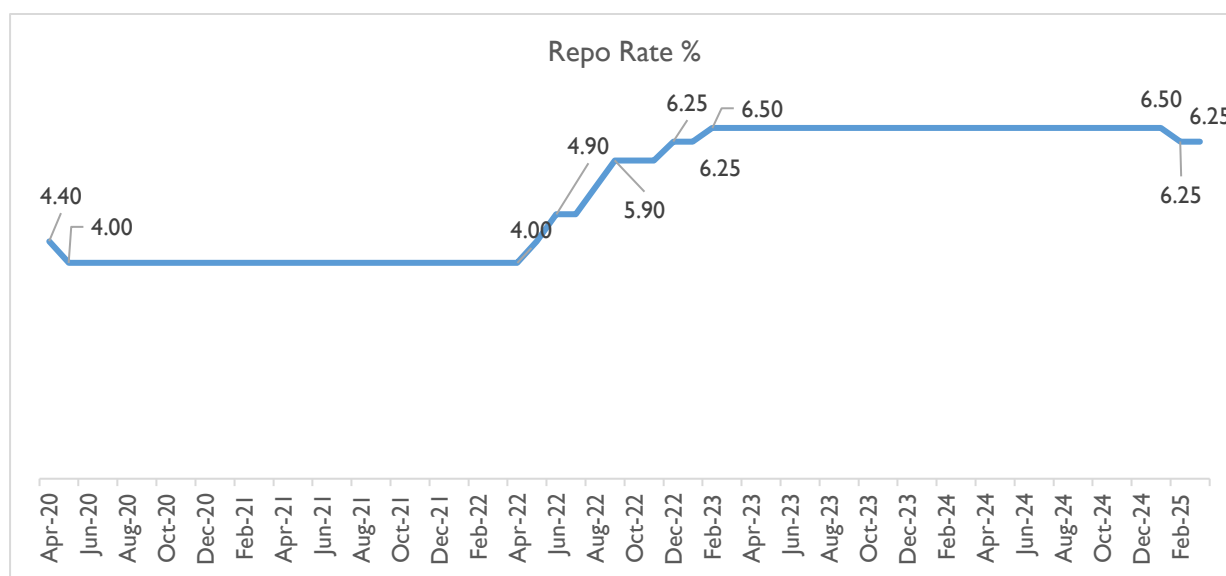
Moreover, power & fuel, the index for this this major group decreased by 0.91% to 152.4 (provisional) in March 2025 from 153.8 (provisional) for the month of February 2025. Price of electricity (-2.31%) and mineral oils (-0.70%) decreased in March 2025 as compared to February 2025. The price of coal remained same as in the previous month.

Furthermore, Manufactured Products (Weight 64.23%), the index for this major group increased by 0.42% to 144.4 (Provisional) in March 2025 from 143.8 (Provisional) for the month of February 2025. Out of the 22 NIC two-digit groups for manufactured products, 16 groups witnessed an increase in prices, 5 groups witnessed a decrease in prices and 1 group witnessed no change in prices. Some of the important groups that showed month-over-month increase in prices were manufacture of basic metals; food products; other transport equipment; other manufacturing and machinery and equipment etc. Some of the groups that witnessed a decrease in prices were manufacture of textiles; chemicals and chemical products; computer, electronic and optical products; printing and reproduction of recorded media and furniture etc in March 2025 as compared to February 2025.



Source: MOSPI, Office of Economic Advisor

Retail inflation rate (as measured by the Consumer Price Index) in India showed notable fluctuations between August 2023 and March 2025. Overall, the national CPI inflation rate moderated to 2.69% by March 2025, indicating a gradual easing of inflationary pressures across both rural and urban areas. Rural CPI inflation peaked at 9.67% in August 2023, declining to 2.82 % in March 2025. Urban CPI inflation followed a similar trend, rising to 10.42% in August 2023 and then dropping to 2.48% in March 2025. CPI measured above 6.00% tolerance limit of the central bank since July 2023. As a part of an anti-inflationary measure, the RBI has hiked the repo rate by 250 bps since May 2022 and 8 Feb 2023 while it held the rate steady at 6.50 % till January 2025. In February, RBI reduced the repo rate for the first time in the last 5 year by 25 basis point to 6.25% from 6.50% previously.



Sources: CMIE Economic Outlook

Growth Outlook

The Union Budget 2025-26 has laid the foundation for sustained growth by balancing demand stimulation, investment promotion and inclusive development. Inflation level is reaching within the central bank's target; the RBI may pursue further monetary easing that will support growth. The medium-term outlook is bright, fueled by the emphasis on physical and digital infrastructure spending. With a focus on stimulating demand, driving investment and ensuring inclusive development, the budget introduces measures such as tax relief, increased infrastructure spending and incentives for manufacturing and clean energy. These initiatives aim to accelerate growth while maintaining fiscal discipline, reinforcing India's long-term economic resilience. The expansion of tax relief i.e zero tax liability for individuals earning up to INR 12 lacs annually under the new tax regime is expected to strengthen household finances and, consequently, boost consumption.

The external sector remains resilient, and key external vulnerability indicators continue to improve. However, tariff-related uncertainty is likely to weigh on exports and investment, prompting us to cut our FY26 GDP growth forecast to 6.3%.

Statistics Summary of Verticals Covered

Retail Industry in India		
Market Size		CAGR
CY 2025	USD 1300 Bn	
CY 2033P	USD 2000 Bn	5.64%
Organised Retail Market in India		
Market Size		CAGR
CY 2024	USD 186 Bn	
CY 2033P	USD 267 Bn	4.13%
Indian Bakery and Snacks		
Market Size		CAGR
CY 2024	INR 129.58 billion	
CY 2030P	INR 242.56 billion	11.01%
Product Segment: Spices		
Spice Production in India		CAGR
FY 2019	10.1 Mn tons	
FY 2025	12 Mn tons	5.00%
Product Segment: Milled Products (Wheat)		
Production of Wheat in India		CAGR
FY 2019	104 Mn Tons	
FY 2025	117 Mn Tons	2.00%
Production of Milled Wheat Products: Wheat Flour		CAGR
FY 2019	1485 thousand Tons	
FY 2024	1285 thousand Tons	-2.85%
Production of Milled Wheat Products: Wheat Bran		CAGR
FY 2019	784 thousand Tons	
FY 2024	842 thousand Tons	1.44%
Indian Food Processing Industry		
Groundnut / Peanut		
Production of Groundnut in India		CAGR
FY 2021	10.24 Mn Tons	
FY 2025	11.90 Mn Tons	3.80%
Fruit Pulp		
Production of Fruits in India		CAGR
FY 2020	102.0 Mn Tons	
FY 2025	113.2 Mn Tons	2.10%
Mango Pulp		
Production of Mango in India		
FY 2021	20.4 Mn Tons	

FY 2025	22.7 Mn Tons	2.70%
Production of mango pulp in India		
FY 2019	358.4 thousand Tons	
FY 2024	372.3 thousand Tons	0.76%
Food & Grocery Retailing Market in India		
Market Size		CAGR
CY 2025	USD 850 Bn	
CY 2030	USD 1000 Bn	3.29%

The Indian retail market valued at INR 1,260 billion in CY 2024, is expected to witness sustained growth, with its size projected to rise to USD 1,300 billion in CY 2025 and further to USD 2,000 billion by CY 2033, translating into a CAGR of 5.27% between CY 2024-33. Within this, the organized retail segment is anticipated to expand at a CAGR of 4.13%, growing from USD 186 billion in CY 2024 to USD 267 billion in CY 2033.

In the product category landscape, India's bakery and snacks segment is experiencing strong momentum, with the market expected to grow at an 11.01% CAGR, increasing from INR 129.58 billion in CY 2024 to INR 242.56 billion by CY 2030.

The spice segment has shown robust agricultural output, with total spice production in India growing from 10.1 million tons in FY 2019 to 12 million tons in FY 2025, registering a CAGR of 5.00%. Conversely, in the milled wheat products category, wheat production grew modestly at a 2.00% CAGR, from 104 million tons in FY 2019 to 117 million tons in FY 2025. Among its processed derivatives, wheat bran showed marginal growth of 1.44% CAGR, whereas wheat flour production declined at a CAGR of -2.85% during the same period.

In the broader food processing industry, groundnut production increased at a 3.80% CAGR, rising from 10.24 million tons in FY 2021 to 11.90 million tons in FY 2025. Similarly, fruit production climbed from 102.0 million tons in FY 2020 to 113.2 million tons in FY 2025, posting a CAGR of 2.10%. The mango segment registered slightly better performance, with fresh mango output growing at 2.70% CAGR, and mango pulp production seeing a minimal rise from 358.4 thousand tons in FY 2019 to 372.3 thousand tons in FY 2024, at a CAGR of 0.76%.

Lastly, India's food and grocery retailing market is projected to grow steadily from USD 850 billion in CY 2025 to USD 1000 billion by CY 2030, delivering a CAGR of 3.29%.

Retail Industry in India

An Overview

The Indian retail sector is experiencing a significant transformation owing to a range of shifting socio-economic factors, increasing digital and new age technology influence along with a rapidly transforming consumer landscape. Over the year, India has evolved as a thriving consumer-driven economy, making it the

4th largest retail market globally after US, China, and Japan and has thus become one of the most attractive markets for global retailer to expand their footprints in India. The country ranked 1st in Kearney's Global Retail Development Index (GRDI) in 2024 which features 30 key retail markets in developing countries while in Kearney FDI Confidence Index 2024, it ranked 18 and 4th amongst the emerging countries after China UAE and Saudi Arabia.¹

Retail Sector Contribution and Major Highlight²:

- At present the retail sector in India accounts for over 10% of the country's GDP³.
- The sector contributes 8% of the workforce (35+ Mn). The sector is expected to create 25 Mn new jobs by 2030.
- The market size of the Indian retail sector reached USD 1,300 Bn in the year CY 2025 and it is expected to reach USD 1,890 billion by 2030 and USD 2,000 billion by 2033 growing at 5.27% CAGR between CY 2024-33
- Food & Grocery, Apparel & footwear, and consumer electronics are the largest retail segments, constituting 63%, 9% and 7% respectively of the retail market.
- The share of organized retail in the total retail industry is currently estimated at 12%-15%.
- The Indian e-commerce industry was estimated to be worth over USD 70 Bn in Gross Merchandise Value in 2022 and is expected to cross USD 350 Bn mark by 2030, growing at a CAGR of 32% between 2022-30.

For analysis purpose, the Indian retail industry is primarily segmented in *organized* and *unorganized*; based on key product segment it is segmented into *consumer non-durable goods* such as food & grocery and *consumer durable goods* such as Clothing & Footwear, Personal Care product, and Consumer Electronics etc. The industry is also segment based on distribution channel that include *brick and mortar* (B&M) and online (e-commerce). The B&M segment include many formats such as independent convenience store, drug stores, and health & beauty stores, in the unorganized segment as well as hypermarkets, supermarkets etc. and specialized independent store that operate in shopping Centre or mall space under the modern retail format in the organized retail.

Current Scenario and Historical growth review in the past two year

The Indian retail industry is a key driver of the Indian economy, and its contribution is significant in terms of value and its share in country's total workforce. It contributed around 10% to the country's total GDP and employs around 8% of the total workforce⁴. The sector is growing at a brisk pace fuelled by the rapid

¹ [The 2024 Kearney Foreign Direct Investment Confidence Index®: Continued optimism in the face of instability | Kearney](#)

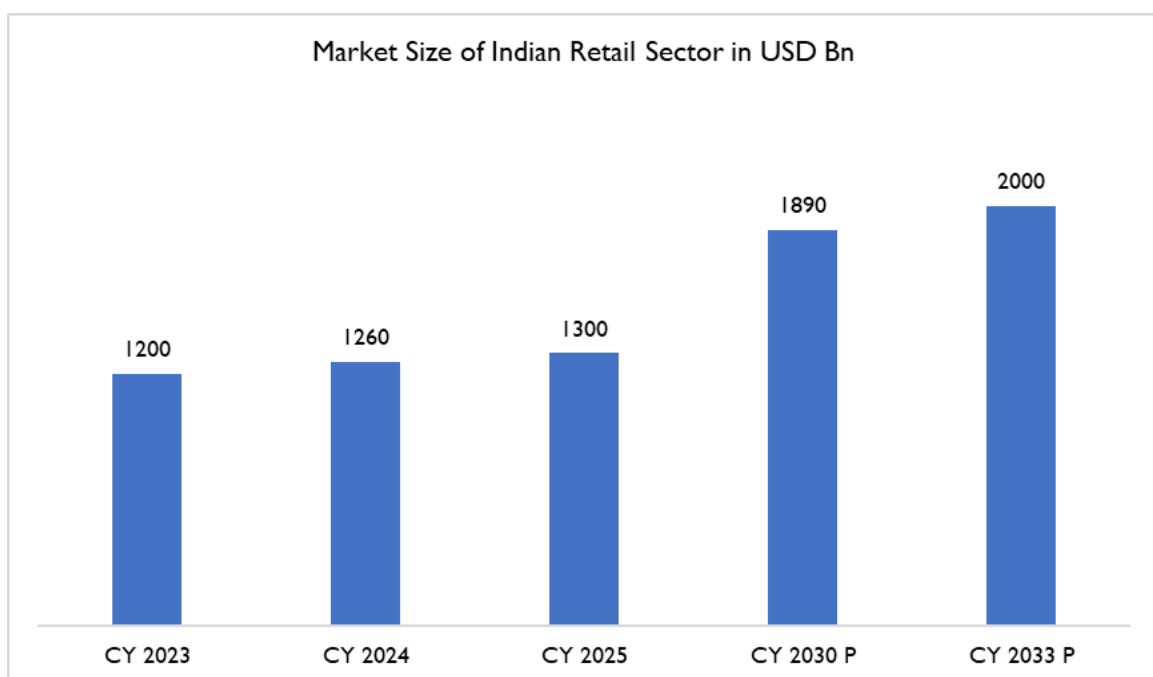
² Invest India

³ This data is sourced from multiple industry reports, articles such as Retailers Association of India, Invest India as retail segment has contributed around 10% to country's total GDP consistently over past 2-3 years.

⁴ This data is sourced from multiple industry reports, articles such as Retailers Association of India, Invest India as retail segment has contributed around 10% to country's total GDP consistently over past 2-3 years.

urbanization, a growing middle class, steady increase in national wages and disposable incomes, and expanding consumer spending. Furthermore, the government steady efforts to improve India's ease of doing business and to strengthen the overall digital ecosystem have facilitated the entry of foreign investors in India which today have better access to the connected rural consumers than before.

The Indian retail sector, valued at USD 1,260 billion in 2024, is expected to grow steadily, reaching USD 1,300 billion by 2025 and further expanding to USD 1,890 billion by 2030 and USD 2,000 billion by 2033. This translates to a robust CAGR of approximately 7% during the 2024-2030 period, driven by rising consumer demand, urbanization, and increasing penetration of organized retail formats. Post 2030, the growth is projected to moderate, with the sector anticipated to reach USD 2,000 billion by 2033, marking a CAGR of around 2% over 2030-2033. This growth trajectory underscores the sector's resilience and long-term potential amid evolving consumption patterns.



Source: Industry Sources, D&B Research estimates

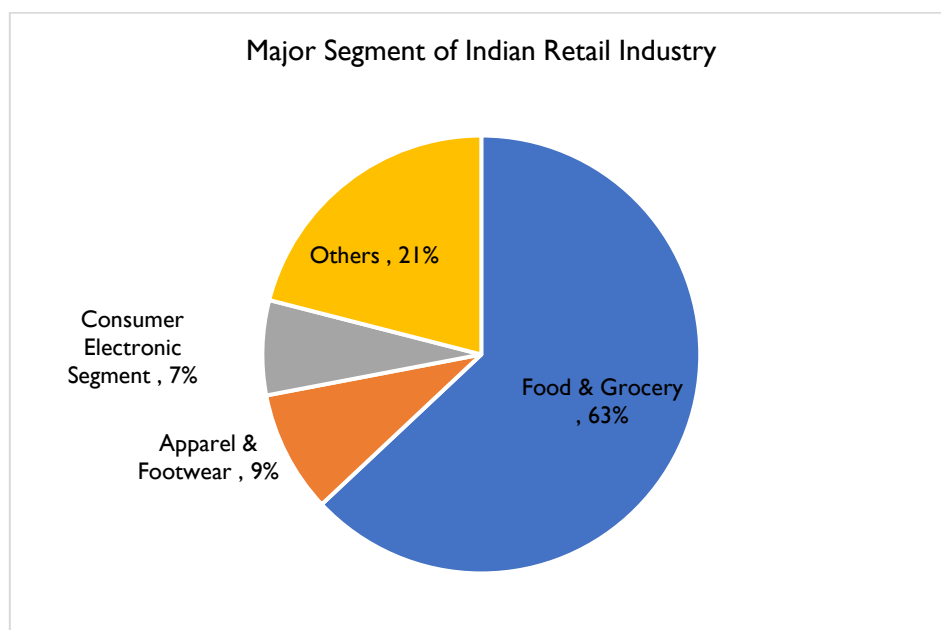
The Indian retail sector experienced a significant disruption in 2020 due to the COVID-19 pandemic. The nationwide lockdown severely impacted consumer spending, leading to a decline in both essential and non-essential goods. This was driven by factors such as reduced disposable income, subdued consumer sentiment, and economic uncertainty.

However, the sector witnessed a strong recovery in the following years. The revival of e-commerce activities during the unlock phases, coupled with pent-up demand, contributed to a gradual resurgence. The government's swift response, including widespread vaccination drives and containment measures, played a crucial role in restoring normalcy.

The organized retail sector demonstrated remarkable resilience, with the Retailers Association of India (RAI) reporting a significant growth of 34% in FY2022-23.⁵ This surpassed pre-pandemic sales figures, indicating a strong recovery and a positive outlook for the sector.

Major Market Segmentation

The retail industry comprises of various segments like - Food & Grocery, Jewellery, Apparel, Furniture, Pharmacy, Consumer Electronics and Durables, Beauty & Personal care, Footwear, and others. Amongst all, the food & Grocery is the largest segment of retail sector comprising of 63% share in the total retail industry followed by apparel and footwear, and consumer electronics segments those accounts for 9%, and 7% share, respectively.



Sources: Invest India Presentation ⁶

⁵ RAI is yet to announce growth rate for organized retail sector for FY 2024

⁶ Estimated based on FY23 pattern given by Invest India. FY24 pattern is yet to be released.

Indian Food & Grocery Retail

India's food retail market has undergone a significant transformation over the past decade and is projected to reach approximately USD 850 billion by 2025⁷. This growth has been propelled by rising per capita income, rapid urbanization, the emergence of dual-income households, and the expansion of modern trade channels such as cash-and-carry formats and e-commerce platforms. The country supports a vast distribution network with over 12 million grocery stores and more than one million wholesalers and distributors, catering to the needs of retail, food processing, and food service sectors. Consumer preferences are also evolving, with growing interest in health and wellness products, including organic, vegan, sugar-free, gluten-free, and immunity-boosting items. Simultaneously, there is a rising demand for premium, hygienically packaged, and convenient food options, such as ready-to-cook and ready-to-eat products, reflecting a shift toward quality, safety, and convenience in Indian food consumption habits.

The country's demographic dividend coupled with the higher investment and the favourable regulatory framework are expected to continue fuelling the food and grocery growth in India which is projected to grow 10% CAGR between 2022-2030. The increasing consumption of processed foods, rising demand of quality goods and services, premiumization trends and wider access to rural market will continue to push the Indian food and grocery retail market.

Over the past decade, this sector has undergone rapid expansion and modernization, driven by various factors such as technological advancements, changing consumer preferences, and increasing disposable incomes. In terms of retail formats, India boasts a diverse ecosystem that includes supermarkets, hypermarkets, grocery shops, convenience stores, and specialty shops. These formats cater to a wide range of consumer needs and preferences, offering both convenience and variety. While some retail outlets are part of larger networks, others operate independently, showcasing the *coexistence of traditional kirana shops alongside modern organized retail chains*.

This blend of traditional and modern retail formats reflects the dynamic nature of India's retail sector, where innovation and tradition converge to meet the evolving demands of consumers. The emergence of organized retail complements the longstanding presence of kirana shops, creating a competitive retail landscape that continues to drive growth and innovation across the industry.

Food & Grocery sector falls under the broader FMCG sector, which also include personal care as well as household care products.

Food & Grocery Sector in India: Classifications

Segments	Products
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⁷ USDA

Food and Beverages	Carbonated and Non-carbonated Drinks, Alcoholic Beverages, Dairy products, Confectionery, Meat, Poultry and Seafood, food additives, salts, edible oils, fats, and all processed and packaged foods.
Personal Care	Soap, Cosmetics, Female hygiene products etc.
Household Care	Disinfectants, Toiletries etc.

Food & Grocery sector falls under the broader FMCG sector which is often segmented based on the pricing of the products. These products are divided into low priced, medium priced and premium/ high priced segments. Low priced segment is driven by volume and price sensitive nature while high / premium priced segment is characterized by a price insensitive and brand conscious nature.

The FMCG sector is characterized by strong presence of global MNCs, intense competition between organized players, well established supply chain & distribution networks. During the last decade the FMCG players increased and improved their distribution channels and improved supply chain to enhance the availability of products across the country, especially to the rural region. This contributed to the growth of FMCG sector in India. The sector is primarily fragmented in nature with the presence of global players such as Nestle, Palmolive-Colgate Company, Johnson & Johnson, and P&G; and domestic players such as Hindustan Unilever Limited, Patanjali Ayurveda, Dabur, ITC, and Britannia, amongst others. Overall, the availability of raw materials, cheaper labour costs, and huge consumer base gives India a competitive advantage.

Growth of Food & Grocery Retail in Tier 2 and Tier 3 cities

The Indian retail industry has undergone a remarkable evolution since the liberalization of the economy in 1991, marked by significant developments in organized retail. While various retail models have emerged, "value retail" continues to hold allure for consumers, especially in the grocery segment, which constitutes nearly 63% of the country's retail consumption⁸.

Initially all supermarkets were concentrated in metropolitan areas due to higher population density, greater purchasing power, and the presence of infrastructure and amenities conducive to large-scale retail operations. However, supermarkets recognized the potential for growth beyond metros and leveraged their strengths in offering a modern shopping experience, diverse product range, and competitive pricing to attract consumers. Thus, supermarkets successfully expanded their footprint to smaller towns and cities, reflecting a strategic response to market dynamics and consumer demand.

The growth of supermarkets into tier 2 and tier 3 cities was facilitated by several factors. Firstly, improving infrastructure and connectivity made it feasible for supermarkets to establish a presence in these locations. Secondly, the rising purchasing power and aspirations of consumers in smaller cities drove demand for a modern retail experience, including well-stocked shelves, organized layouts, and a variety of products.

⁸ This refers to 63% of the current retail market size.

The impact of the COVID-19 pandemic further accelerated the growth of supermarkets and organized retail, with consumers prioritizing hygiene, safety, and convenience. This shift in consumer behaviour led to increased footfall and sales in supermarkets, particularly in smaller towns and cities where organized retail was gaining traction.

Within India's organized grocery retail landscape, intense competition prevails, as major players vie for consumer attention through enticing offers and promotions. These market leaders are focused on delivering a distinctive shopping experience characterized by well-stocked shelves, meticulously organized spaces with ample lighting, and a diverse array of products strategically displayed to entice and encourage consumer purchases.

The number of Organised Food & Grocery Retailers in India increased at a CAGR of 4.6% between FY 2017 – FY 2023. During 2020, some retailers shut down due to the severe impact of Covid-19 on businesses. However, since then, there have been continuous increases in number of retailers in the F&G segment in India, with 2022 observing an increase of nearly 10% over the previous year. This growth continued in 2023 with a further increase of 4.6%.

Policy support, such as the 100% FDI allowance in food retail for domestically produced products, also encouraged investment and expansion in the retail sector, including supermarkets. This policy framework facilitated market entry and growth opportunities in tier 2 and tier 3 cities, contributing to the overall expansion of supermarkets across India.

Further, as employment opportunities improve, agricultural advancements occur, and the rural workforce returns, rural areas are projected to see an increase in consumption levels, referred to as volume growth, presenting significant untapped potential for growth in the Indian retail sector, prompting major retail players to invest heavily in this burgeoning market.

Organised Vs Unorganised retail in India and Growth trend in organized retail in India

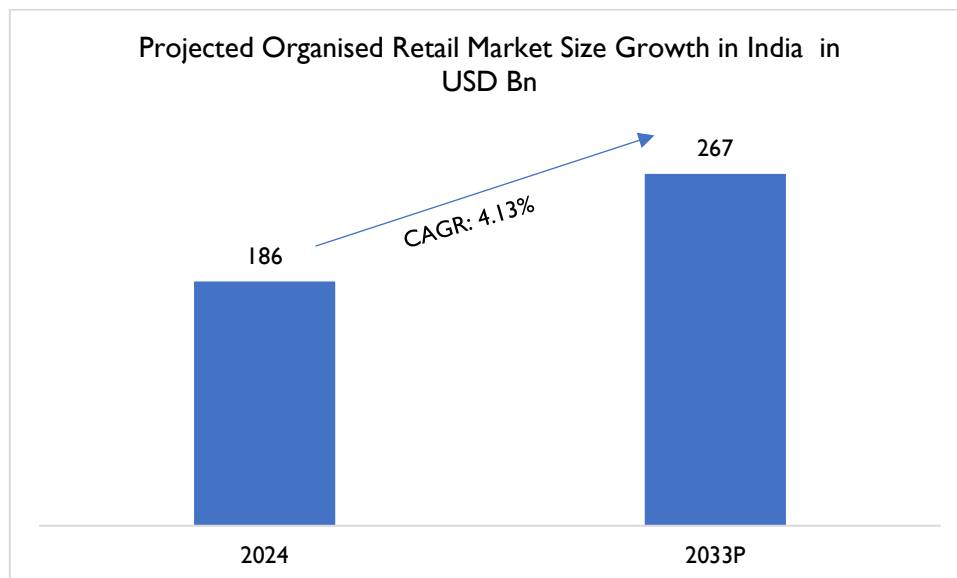
Currently⁹, the traditional and unorganized retail segment is still the dominant one in the country accounting for nearly 85-88% share while organized retail account for the balance share. The unorganized retail sector includes local kirana stores, owner-operated general stores, convenience stores etc. The unorganized retailing is a highly fragmented segment with per unit space relatively low. However, this segment is too experiencing a significant transformation after the digitization push.

On the other hand, the organized retailers include corporate backed hyper markets / super markets and privately owned large retail businesses which operate with modern retailing format both in offline and online mode. The major factors supporting and accelerating the growth of the organized sector are increasing levels of internet penetration, digital maturity, and developing infrastructure to back online transactions.

⁹ Referring to FY24

The organized retail is gaining ground at a brisk pace in India where a balance is emerging across shopping format that include hypermarkets, supermarket, and other large retail format like specialty store. Major retail chains are expanding their presence beyond metros and Tier-I cities to tier-2, tier-3 cities and even in tier-4 cities owing to lower rental rates and operating costs. This is translating in to overall increase in nation's consumer power and benefitting the growth of organised retail in India.

The organised retailing segment is estimated to be valued at USD 186 Bn in 2024 and is projected to grow to USD 267 Bn by 2033.



Source: Dun & Bradstreet Desk Research

Malls are the largest format of organized retail available today. Since it is equipped with presence of dedicated multi-level parking, multi-brand retail outlet and exclusive retail outlet, hypermarket/supermarket, large food courts, restaurants, entertainment zone and many more, it precisely offers multiple convenience to consumer all under common roof. Beyond their retail offerings, malls and high streets provide safe and secure environments for social interaction and quality time with loved ones.

On demand side, today's consumers seek a more engaging retail experience, prioritizing personalized service, interactive displays, and innovative approaches that go beyond the simple product transaction. Thus, the evolving customer preferences for a safe, contactless, and sophisticated technology enable shopping experience is driving the growth of experiential retail, where the shopping experience is equally important to product sale. Beside above, underlying factor such as rapid urbanization, increasing disposable income, transforming lifestyle, increasing consumerism and supportive regulatory environment are few additional prominent factors that are propelling the growth of organized retail in India. As per, Deloitte India and the Shopping Centre Association of India (SCAI), malls and shopping centres play is projected to grow at 17% CAGR from 2022 to 2028, outpacing the overall growth of the retail industry.

On supply side, the retailers are paying greater attention to this noticeable shift in consumer preferences and thus making increasing investment to offer a wide range of services and improved shopping experiences to

them. Owning or renting a space in a shopping mall may help retailer with better positioning and reach amongst a diversified consumer segment. Access to Hi-tech surveillance and security; elevators, parking, and other common areas; and lesser maintenance fees, are other added advantage that may help businesses with reduced operational cost and improved operational efficiency.

Organized Retail Leasing Space Growth in India

India remains one of the most promising destinations for retail investment, with the organized retail sector experiencing record-breaking leasing activity. As per Cushman & Wakefield, leasing in Tier-I cities reached 6.4 million sq. ft. in 2024, driven largely by Bengaluru, Hyderabad, and Delhi-NCR, which together accounted for 58% of the total absorption. The momentum carried into early 2025, with Q1 alone seeing 2.4 million sq. ft. of leasing, a significant 55% year-on-year jump. High streets dominated preference, contributing nearly two-thirds of this activity, while malls accounted for the rest. Among segments, fashion and apparel led the charge with a 37% share, followed by entertainment (14%), food & beverage (12%), luxury (9%), and consumer electronics (6%). While early 2025 saw limited new mall supply, nearly 9 million sq. ft. of Grade-A space is expected to enter the market this year, with recently completed malls already absorbing strong leasing demand, highlighting continued strength in physical retail.

This growth is occurring alongside the rapid expansion of e-commerce, which is reshaping consumer behaviour across India. The country is projected to reach 400 million unique online shoppers by 2027, up from 312 million in 2022. Quick commerce has notably disrupted traditional shopping patterns in urban areas, with e-grocery commanding two-thirds of online grocery orders and contributing USD 6–7 billion in GMV in 2024. Meanwhile, digital payments have surged, with UPI now handling over INR 15 trillion in monthly transactions, underscoring deep digital penetration. The direct-to-consumer (D2C) model has also gained momentum, accounting for around 15% of total e-commerce sales and growing at a rapid 40% annually.

Despite the digital boom, organized retail is far from losing ground. Instead, it is embracing transformation through an omnichannel strategy, elevated in-store experiences, and a stronger focus on food, entertainment, and premium offerings. This hybrid evolution reflects India's unique consumer dynamics, where both physical and digital retail are poised to grow in tandem.

Major Advantages of E-commerce

Disintermediation: E-commerce has reduced the role of intermediaries. Using online platforms, manufacturers can now directly sell their product to end users, bypassing the traditional retail chain. Disintermediation has brought several benefits to buyers & sellers. It helps sellers in eliminating operation & infrastructure cost of selling through channels while buyers can make hassle-free purchases at comparatively lesser prices due to disintermediation.

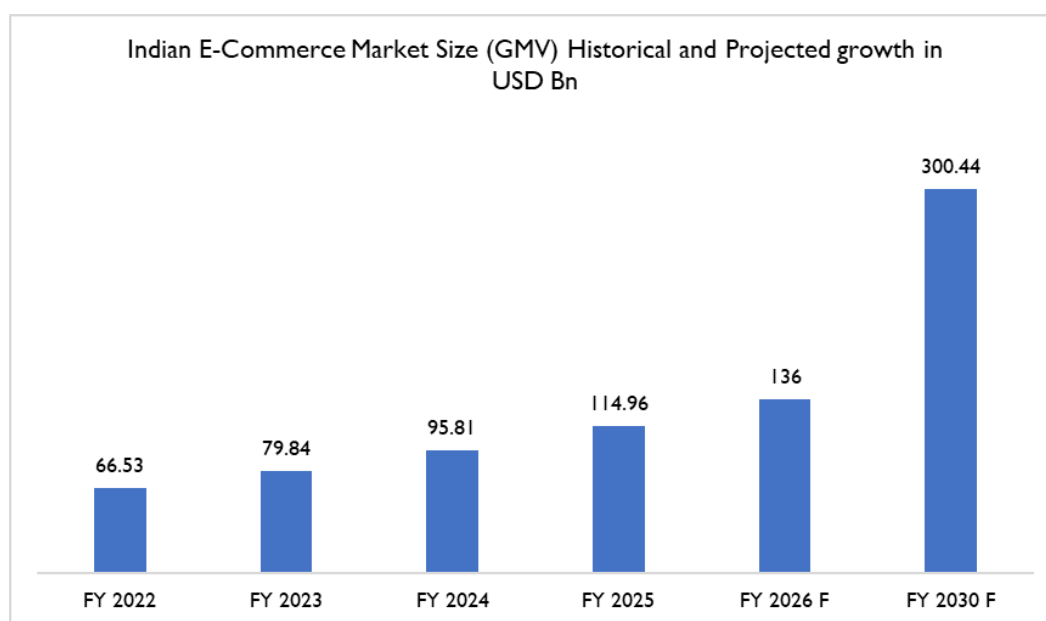
Greater Convenience & Wider Reach: Convenience is one of the most important advantages of e-commerce industry. Millennial population's changing perspective towards "Anytime / Anywhere" is pushing the e-commerce sales in India. E-commerce's round-the-clock accessibility broadens the customer base to

encompass a vast majority of internet users, geographically transcending traditional limitations. Furthermore, advertisement & promotions on online platform allows e-commerce portal to have better & wider reach from even global customers.

Access to diverse inventory & Easy Product Comparison: A wider range of choices in all categories such as electronics, apparels, footwear, books, food & groceries, etc. is available at a single website. Moreover, better inventory management and cataloguing of product on online portal attract customer's attention and even leads to impulsive buying too. Use of e-commerce platform is not just restricted to buying or selling activities, but it also has unique business offering that provides for information gathering, product/services comparison in terms of pricing, product review, customer rating, availability etc. All these factors have transformed customer's preferences towards e-commerce industry.

Improved Efficiency: As the orders are processed digitally, buying efficiency is improved for stakeholder in the value chain including manufacturers, distributors, wholesalers, and retailers. Large scale procurement/sale, information sharing is possible just at a click of button which is time saving and more transparent in nature as comparatively less human interaction is involved. Furthermore, technology advancement (e.g., mobile apps), varied facilities (i.e., payment platforms, transport options, etc.), paperless & cashless transactions, artificial intelligence and a host of other new innovations are being brought about to deal with rapidly changing business needs.

Driven by the rising internet penetration, smartphone usage, and rapid adoption of digital payments, the Indian e-commerce market has seen robust expansion over recent years. The industry has grown from USD 66.53 billion in FY 2022 to an estimated USD 114.96 billion in FY 2025, registering a healthy CAGR of approximately 20% over the period. This upward trajectory is expected to continue, with the market projected to reach USD 300.44 billion by FY 2030, reflecting a CAGR of 16.9% between FY 2025 and FY 2030.



Sources: International Trade Administration, Industry Sources, D&B Estimates

Innovation and customization to align with changing customers expectation and dynamic operating environment has supported the growth of e-commerce in diversified business segment including *retail*. The Indian retail sector has been evolving steadily, both in terms of *format* and *platform*, paving the way for modern retail format which gives unique shopping experience to the customer. The noticeable surge in internet users, conducive ICT infrastructure, increasing time poverty¹⁰, convenience of online purchase and exciting discounts running throughout the year, have pushed the e-commerce penetration in the retail sector. Furthermore, efficient customer servicing policies offered by retailers such as cash on delivery, good replacement policy, etc are other factors that have boosted the trust and comfort of customers opting for online shopping. Further, the growth of logistics & reverse logistic to ensure speedy & safe delivery even for precious and delicate items is aiding growth of online retail in India.

The Covid-19 pandemic brought some long-lasting changes in consumer landscape to which retail sector is still adjusting. It has altered their preferences and transformed the purchasing behaviour of consumers such as how they consume, shop, use technology etc. Major emerging changes that have accelerated after Covid are listed below:

Omni-channel strategies	Experiential shopping	Micro-retailing-	Technology and Digital Adoption
<ul style="list-style-type: none"> •Retailers must be present at all touchpoint (both offline and online) where customer want to be served 	<ul style="list-style-type: none"> •Despite growing e-retailing, the Indian customer's in-store experience plays a decisive role in the final product purchase. For this reason, retailers are must keep quality of service tailored in the physical store. 	<ul style="list-style-type: none"> •During pandemic, the need for "convenience retail" grew substantially encouraging the concept of micro retailing with hyper local store so that retailers are as close to the customer as possible 	<ul style="list-style-type: none"> •Retail sector has been a major proponent digital push in India. It is pushing innovative technology tools right from inventory planning and supply chain to POS, delivery and digital payment app,

E-commerce's share in India's overall retail landscape is accelerating, as retailers increasingly leverage digital platforms not just for selling, but also for building brand visibility and consumer engagement. Traditional brick-and-mortar brands are intensifying efforts to expand their online presence through D2C (Direct-to-Consumer) channels, while simultaneously partnering with leading marketplaces such as Amazon, Flipkart, Myntra, Snapdeal, and others.

Additionally, M-commerce (mobile commerce) is driving growth as e-commerce players launch and upgrade mobile apps to boost user engagement. The wave of digital adoption has also reached India's vast network of Kirana stores, which are being digitally integrated into the retail value chain through collaborations with

¹⁰ Increasing Time poverty refers to the shortage of time amongst the working group segment which holds significant share in total potential customer segment.

platforms like Blinkit, BB Now, Swiggy Instamart, and Dunzo. These partnerships are reshaping the consumer experience, offering doorstep delivery and transforming India's grocery ecosystem.

Based on various industry estimates, Dun & Bradstreet expects the Indian e-grocery market to valued at USD 9.68 billion in 2024, is projected to grow to USD 50.3 billion by 2030, recording an impressive ~31.6% CAGR, making it one of the fastest-growing sub-segments in Indian e-commerce.

Overall, the Indian e-commerce industry is evolving into a dynamic, omni-channel retail ecosystem, driven by both consumer demand for convenience and businesses' strategic digital pivots.

Impact of Inflation on Food Products and Retail Dynamics

Effect of Inflation on Food Products

Inflation significantly affects the food sector, influencing prices, consumer behavior, and overall market dynamics. The impact varies across different segments, such as essential staples, processed foods, and premium products.

- **Rising Input Costs:** Inflation increases the cost of raw materials like grains, vegetables, and dairy products. Factors such as fuel price hikes, supply chain disruptions, and global commodity market volatility contribute to cost inflation. This rise in production and transportation costs is often passed on to consumers, leading to higher retail prices.
- **Food Price Increases:** As of October 2024, food inflation reached 10.87%, marking a 15-month high. Key contributors include substantial price hikes in:
 - Vegetables: Prices surged 42.18%, driven by adverse weather conditions affecting supply chains.
 - Fruits: Prices increased by 8.43%, reflecting similar supply challenges.
- **Price Sensitivity and Shifting Consumption Patterns:** Consumers become more price-sensitive during inflationary periods, leading to changes in buying habits:
 - Staples vs. Premium Products: Demand for essential staples like rice, wheat, and vegetables remains relatively stable, while sales of premium or discretionary food products (like organic and specialty foods) may decline.
 - Brand Switching: Consumers may shift from branded products to private labels or cheaper alternatives.
- **Impact on Producers and Suppliers:** Small and medium-sized food producers face increased financial strain due to higher production costs. Large manufacturers might have more capacity to absorb costs, but smaller players may struggle with reduced margins.
- **Food Security Concerns:** Inflation can exacerbate food insecurity, particularly in developing economies where a significant portion of household income is spent on food. Governments may need to intervene through subsidies or price controls to stabilize the market.

Impact of E-commerce and Quick Commerce on Offline Sales

The rise of e-commerce and quick commerce has transformed consumer shopping behavior, particularly during periods of economic uncertainty. These digital channels offer convenience, competitive pricing, and a wide array of choices, posing both challenges and opportunities for traditional offline retailers.

- **Convenience and Speed Advantage**

- Quick Commerce: Quick commerce (Q-commerce), with its promise of ultra-fast delivery (within 10-30 minutes), has become particularly popular in urban areas. This model appeals to consumers seeking immediate gratification, especially groceries, essential food items, and personal care products.
- Impact on Offline Retail: Traditional brick-and-mortar stores face reduced foot traffic as consumers increasingly opt for online platforms that provide home delivery and attractive deals.

- **Competitive Pricing and Promotions**

- E-commerce platforms leverage data analytics to offer personalized discounts and dynamic pricing strategies. During inflation, consumers are more inclined to hunt for the best deals online, affecting offline sales.
- Loyalty Programs: Online platforms often have robust loyalty programs and cashback offers, which can divert customers from physical stores.

- **Changing Consumer Expectations**

- Omnichannel Experience: Consumers now expect seamless shopping experiences across both online and offline platforms. Offline retailers must adapt by integrating digital technologies (like QR codes, digital payments, and inventory tracking) to remain competitive.
- In-Store Experience: Physical stores are focusing on enhancing the in-store experience through personalized services, in-store events, and exclusive products that are not available online.

- **Inventory and Supply Chain Management**

E-commerce platforms typically maintain extensive inventories and employ advanced supply chain technologies. Offline retailers face challenges in competing with this efficiency, particularly during inflation when maintaining stock at competitive prices becomes difficult.

- **Impact on Local Kirana Stores**

Quick commerce has directly impacted local Kirana stores. While many consumers still rely on these stores for small, everyday purchases, digital players like Zepto, Swiggy Instamart, and Blinkit are capturing a growing share of this market. However, some Kirana stores are collaborating with e-commerce platforms (like Amazon Local Shops) to stay relevant.

Inflation creates a complex environment for food products, affecting pricing, consumer choices, and market stability. The sharp rise in food prices, particularly in vegetables and fruits, highlights the sector's vulnerability to external factors like adverse weather. Simultaneously, the rapid growth of e-commerce and quick commerce reshapes retail dynamics, presenting both challenges and opportunities for offline stores. Adapting

to these changes requires a strategic approach that focuses on innovation, customer experience, and digital integration to remain competitive in an evolving market.

Key Growth Driver

Below mentioned are the major underlying factor that are likely to propel the growth of Organized and e-retailing and overall Retail Sector in India:

Urbanization

India, boasting a staggering population exceeding 1.46 billion in 2025, represents about 17.2% of the world's total inhabitants, with a consistent 1.39% annual growth rate over the past 25 years. Furthermore, according to the Handbook of Urban Statistics 2022, India's urban population continues its rapid growth trajectory. As of mid-2025, an estimated 542.7 million people, or approximately 37.1% of India's population, reside in urban areas. This urbanisation rate has increased from 36.0% in 2023 to 36.9% in 2024 and 37.1% in 2025, with a steady annual growth of about 2.3%. Looking ahead, projections based on UN and national estimates indicate that by 2030, over 40% of India's population, around 607 million people, are likely to live in urban areas. By 2035, this figure is expected to rise further to approximately 675 million, representing an urban share of about 42.8%. These trends underline the swift pace of urbanisation in India and signal significant implications for infrastructure planning, urban governance, and future socio-economic policies.

As the country experiences rapid urban growth, with more people migrating from rural to urban areas, there is a fundamental shift in consumer behaviour and preferences. Urban dwellers typically lead fast-paced lifestyles characterized by hectic work schedules and limited time for traditional shopping practices. This demographic segment values convenience, efficiency, and a seamless shopping experience.

Economic Growth	•Excluding the Pandemic years (FY2020-21), India's GDP is growing at 7-7.5% rate annually since FY 2014 favouring growth in consumption and investment demand.
Income Growth	•The country's Per capita income has increased from INR 68,572 in FY 2014 to INR 106,744 in FY 2024 (PE).
Access To Large Market	•With over 1.42 Bn population, India emerged as the world most populous country in April' 23. India's population is projected to reach 1.54 Bn by 2032.
Demographics Advantage	•More than two-thirds of its population or 68% comprises people between the ages of 15 and 64 while with a median age of 31 by 2030, India will remain one of the youngest nations in the world.
Urbanisation	•The share of Urban population to total population in India grew from 27.8% to 31% between 2001-2011 and is further estimated to grow to 41.7% by 2030.
Per Capita Consumption	•Rural per capita consumption to grow 4.3 times by 2030, compared to 3.5 times in urban India
Rising Consumerism	•India's consumption expenditure to grow from USD 1.5 trillion in 2021 to USD 6 Trillion by 2030 backed by the 370 Mn aspirational consumer age between 0-25 who will have grown up in India which have relatively better digital reach than before.
Increasing Millennial Population	•By 2030, India will have nearly 90 Mn new households headed by millennials
Affluent and Elite to drive spending	•India's affluent population and elite population is expected to grow by 2.1 X and 2.3X between 2019-2030
Digital Economy Growth	•India's digital economy is expected to reach USD 1 Tn by 2030 from USD 90 Bn
Internet User Growth	•India has second largest Internet users base which reached 944 Mn as on 30th Sep 2024.
Increase in Digital Payment	•Digital payments gross transaction value is expected to grow from USD 0.6 Tn in 2022 to USD 3.1 Tn (2030)
Government Initiatives	•Digital India, Demonetization, GST reform, FDI relaxation, Aadhaar, UPI and changes in MSME definition to include wholesale and retail trader favour the retail sector growth

Organized retail stores cater precisely to these urban consumer needs by offering a modern and structured shopping environment. These stores are strategically located in urban centres, making them easily accessible to a large population base. Additionally, organized retail outlets leverage their scale and operational efficiencies to stock a wide range of products, from daily essentials to specialty items, thereby providing consumers with a one-stop destination for their shopping needs.

Changing consumer preferences

Changing consumer preferences play a crucial role in driving the demand for organized food and grocery retail stores in India. One of the key aspects of these changing preferences is the shift towards cleanliness, hygiene, and well-organized shopping environments. Organized retail stores excel in this aspect by maintaining high standards of cleanliness, ensuring neat and tidy aisles, and providing a pleasant ambiance for shopping.

This focus on cleanliness is particularly important in the current global context, where health and safety considerations have become paramount.

Additionally, Organized retail stores are designed to optimize space, display products attractively, and provide clear signage for easy navigation. This organized layout enhances the overall shopping experience, making it more convenient and enjoyable for consumers. Moreover, organized stores often categorize products logically, making it easier for shoppers to find what they need quickly.

Furthermore, the availability of a wide range of products under one roof is another aspect of changing consumer preferences driving demand for organized retail. Consumers today value convenience and efficiency in their shopping trips. Organized stores fulfil this need by offering a diverse selection of products, including branded and premium options, thus saving consumers time and effort in visiting multiple stores for their shopping needs.

Increase in disposable income.

Higher disposable incomes among consumers in India have a significant impact on the demand for organized retail shops and supermarkets. As people's incomes rise, they have more money available for discretionary spending, including on groceries and other retail items. This increase in disposable income enables consumers to afford the convenience and premium offerings often found in organized retail outlets.

With higher incomes, consumers place greater value on time-saving benefits and convenience. Organized retail shops and supermarkets offer a wide range of products under one roof, saving customers the time and effort of visiting multiple stores. Additionally, these outlets often provide services like home delivery, online ordering, and loyalty programs, further enhancing convenience for busy consumers.

Quality Assurance

Quality assurance is a crucial factor that drives demand for organized retail shops and supermarkets in India. Consumers are increasingly concerned about the authenticity, safety, and overall quality of products they purchase. Organized retail outlets play an important role in meeting these expectations by implementing robust quality control measures throughout their supply chains.

One key aspect of quality assurance is the sourcing of products from reputable suppliers and brands. Organized retail shops and supermarkets often have partnerships with well-known manufacturers and distributors, ensuring that the products they offer are genuine, of high quality, and compliant with industry standards and regulations. This gives consumers confidence in the products they buy and reduces the risk of purchasing counterfeit or substandard items.

Furthermore, organized retailers invest in maintaining the freshness and integrity of perishable goods such as fruits, vegetables, dairy products, and meats. They adhere to strict storage, handling, and refrigeration standards to preserve the quality and nutritional value of these items. This focus on freshness and quality sets

organized retail apart from traditional unorganized stores, attracting discerning consumers who prioritize product quality.

In addition to product quality, organized retail outlets also prioritize customer service and satisfaction. They often have well-trained staff who can provide information about products, assist with inquiries or issues, and ensure a pleasant shopping experience. This emphasis on customer-centric services enhances the overall perceived quality of the retail outlet and encourages repeat business from satisfied customers.

Growing demand from Tier 2 and Tier 3 cities

The growing demand from tier 2 and tier 3 cities is a significant driver of the increased popularity and demand for organized retail shops and supermarkets in India. Tier 2 and tier 3 cities are experiencing rapid urbanization, economic growth, and improvements in infrastructure, leading to changes in consumer behaviour and preferences.

One key factor contributing to the demand from these cities is the rising middle-class population with increasing disposable incomes. As incomes rise in tier 2 and tier 3 cities, consumers have more purchasing power and a growing appetite for branded products, convenience, and a modern shopping experience. Organized retail outlets are well-positioned to meet these evolving consumer needs by offering a wide range of branded products, superior quality, and convenient services under one roof.

Moreover, the expansion of organized retail chains into tier 2 and tier 3 cities has bridged the gap between urban and rural shopping experiences. Consumers in these cities now have access to a diverse range of products, including FMCG goods, electronics, apparel, and household items, which were previously limited to larger cities or urban areas. This accessibility and availability of products contribute significantly to the growing demand for organized retail in tier 2 and tier 3 cities.

Additionally, the presence of organized retail outlets brings modern retail practices, such as digital payments, loyalty programs, and online shopping options, to tier 2 and tier 3 cities, enhancing the overall shopping experience for consumers. This adoption of modern retail practices aligns with the preferences of younger demographics in these cities, who are tech-savvy and value convenience and efficiency in their shopping journeys.

Regulatory Scenario

Key Initiatives & Policy Changes

- **Reforms to attract Foreign Direct Investment (FDI):** The Government of India has introduced reforms to attract Foreign Direct Investment (FDI) in the retail industry. Recent policy changes allow.
 - 100% FDI under the automatic route for:
 - Cash & carry wholesale trading.
 - E-commerce (B2B & marketplace for B2C)
- **Cashless Payments:** The Government's efforts to promote cashless payments are expected to facilitate modern/online retail.
- **Priority Sector Status:** Retail has been accorded the status of a priority sector by the government in the National Skill Development Mission. Retailers Association of India is the nodal agency for training the manpower. This would make available the required trained manpower for the growth of the sector.
- **Model Shops and Establishments Bill 2016:** Introduced by the Centre, one of the provisions of this bill allows retailers to operate 24-hour, which is expected to provide a boost to the retail market, especially in the metros.
- **Abolishment of the Foreign Investment Promotion Board:** Following the abolishment of the Foreign Investment Promotion Board in 2017, the FDI clearance process has become convenient for investors. The move removes an extra layer of procedures, making the overall process more efficient. FDI proposals are now transferred to concerned individual ministries, which decide on their clearance.
- **Open Network for Digital Commerce (ONDC):** This government initiative aims to create an open e-commerce ecosystem, promoting a level playing field for all sellers and reducing dependence on large online marketplaces. The ONDC is expected to empower small and medium businesses (SMBs) to participate effectively in online retail, fostering greater competition and consumer choice.
- **Government Initiatives:** Schemes like "Pradhan Mantri Gramin Digital Stores" are being launched to establish rural e-commerce points facilitated by local kirana shops. These initiatives aim to bridge the digital divide and provide rural consumers with access to a wider range of products and services.

Regulatory Landscape in Maharashtra

The Maharashtra Retail Trade Policy, 2016: aimed to bolster the state's position as a retail leader within India.

Objectives:

- **Strengthen Leadership:** The policy aimed to solidify Maharashtra's position as a frontrunner in the national retail sector.

- **Attract Investment:** It was intended to incentivize investments in the retail sector, particularly in underdeveloped regions of the state.
- **Boost Employment:** Job creation across the retail sector was a primary focus.
- **Empowerment & Skill Development:** The policy envisioned skilling and empowering youth to participate effectively in retail trade.
- **Support for Unorganized Sector:** The policy aimed to strengthen existing unorganized small retailers to help them compete with the organized sector.

Key Initiatives:

- **Relaxations under the Shops and Establishment Act:** The policy proposed simplified registration processes and reduced regulatory burdens for small and medium retailers with less than nine employees.
- **Online Registration:** It aimed to introduce online registration facilities for various licenses and approvals, streamlining the process for businesses.
- **Relaxation from APMC regulations:** This provision (potentially repealed) exempted retailers from certain regulations of the Agricultural Produce Market Committee (APMC), allowing them to potentially source produce directly from farmers, reducing costs and inefficiencies.
- **Single Window Clearance:** The policy advocated for a centralized system for obtaining clearances and permits, potentially saving time and resources for retailers.
- **Focus on Training & Skill Development:** Initiatives to equip the workforce with relevant retail skills were envisioned.

Potential Impact:

- **Increased Investment & Growth:** The policy could have spurred investments in retail infrastructure and expansion, particularly in underdeveloped areas.
- **Job Creation:** Streamlined regulations and a more vibrant retail sector could have led to more job opportunities.
- **Empowering Small Retailers:** Reduced compliance burdens and potential benefits like direct sourcing from farmers could have strengthened the position of unorganized small retailers.
- **Improved Consumer Choice & Convenience:** A more robust retail sector could benefit consumers with a wider range of options and potentially lower prices.

Threat & Challenges

- **Unorganized Markets:** The predominance of unorganized retail in India, lacking standard processes and scalability, poses a significant challenge to large retailers. Small and medium-sized outlets continue to attract customers due to their accessibility and personalized services.

- **High Supply Chain Costs:** A fragmented supply chain, compounded by the involvement of middlemen, escalates costs for organized retailers. This affects their pricing competitiveness, especially when local stores offer similar products at lower prices.
- **Maintenance Expenses:** Organized retail incurs high operational costs, including rent, utilities, and salaries for large teams, which smaller retailers manage more efficiently. This cost disparity can impact profitability.
- **Consumer Mindset:** Indian consumers exhibit strong loyalty toward neighbourhood stores, which offer a sense of trust and familiarity. Changing these ingrained preferences requires sustained engagement and superior value delivery.
- **Lack of Personalization:** While small retailers excel in offering personalized recommendations, larger retail formats often lack this human touch, diminishing their appeal to customers who value customized shopping experiences.
- **Technological Adaptation:** The rise of e-commerce has transformed retail, and brands need to adopt a strong digital presence to remain competitive. Integrating technology in production processes, inventory management, and digital marketing is essential, but smaller brands may lack the resources for such investments. Moreover, the fast-evolving tech landscape requires ongoing innovation, pushing companies to continuously invest in new tools, from customer analytics to augmented reality experiences, to keep up with consumer expectations.

Despite these challenges, the Indian retail sector holds immense potential for growth, driven by technological adoption, evolving consumer behaviour, and government support. Addressing these hurdles will be key to sustaining growth and fostering a balanced ecosystem that benefits both organized and unorganized retail players.

Competitive Landscape

The Indian retailing space particularly FMCG is a captivating blend of tradition and transformation, where established giants like kirana stores face off against the rising tide of modern trade and innovative e-commerce players. Currently, traditional stores like kirana shops, with over 11.5 million outlets account for a whopping 80-85% of FMCG sales. These small, family-run businesses offer a convenient and familiar shopping experience for many consumers. They are known for their local presence, credit facilities, and personalized customer service. However, limitations in product variety, space constraints, and outdated inventory management remain challenges.

While traditional retail holds a strong position, modern retail formats like supermarkets, hypermarkets, and e-commerce platforms are rapidly growing. They offer a wider product range, a more organized shopping experience, and attractive promotions. Major players include Reliance Fresh, More Retail, Avenue Supermarkets (DMart), Max Hypermarket (Spar), Spenser's retail, and Star Bazaar, to name a few. This segment is expected to capture 30-35% of the market share within the next 3-5 years. This growth is driven by:

- Focus on Pricing: Modern retailers leverage economies of scale to offer competitive pricing, attracting budget-conscious customers.
- Wider Selection: They provide a wider range of brands and merchandise, catering to diverse consumer preferences.
- Convenience: Strategic locations and online shopping options offer greater convenience for customers.

E-commerce while still a smaller player, online retail is witnessing significant growth, especially in urban areas. Players like Amazon, Flipkart, and BigBasket are offering convenience, competitive pricing, and faster deliveries. E-commerce disrupts the landscape by offering a wider product variety than both traditional and modern trade, often at lower prices. However, challenges like logistics costs and the inability to cater to the immediate needs of consumers remain.

Direct-to-Consumer (D2C) Brands are bypassing traditional channels and selling directly to consumers through their websites and social media platforms. This trend is driven by the growing preference for niche and personalized products. D2C brands can offer more competitive pricing by eliminating middlemen, but building brand awareness and reaching a wider customer base can be a challenge.

The Indian FMCG retail space has undergone a significant transformation:

- Rise of Modern Trade: Modern retailers are offering a compelling alternative, attracting consumers with a wider variety of products and a more pleasant shopping experience.
- Tech Integration: Both traditional and modern players embrace technology. This includes digital payments, loyalty programs, and data analytics to improve inventory management and customer targeting.

- E-commerce Boom: Increasing internet penetration and smartphone usage fueling the growth of online FMCG sales.

Several factors are shaping the competitive landscape in the Indian FMCG retail space:



The Indian FMCG retail space promises continued growth. Retailers who can successfully adapt to the evolving needs of consumers, leverage technology effectively, and build robust supply chains will emerge as leaders. The future is likely to be dominated by an omnichannel approach, where consumers seamlessly switch between online and offline channels for their FMCG purchases. Retailers who can offer a unified and convenient shopping experience across all channels will be best positioned to thrive in this dynamic market.

Profiling of key players

D-Mart



Company Profile

- DMart, operated by Avenue Supermarts Limited, is a prominent supermarket chain in India, recognized for its focus on value pricing and private label brands.
- Founded in 2002 by Radhakishan Damani
- Headquarters: Mumbai, Maharashtra
- Publicly Traded: Listed on the National Stock Exchange and Bombay Stock Exchange in March 2017

Business Model

- DMart thrives on a value-driven strategy. They offer everyday essentials at competitive prices through a combination of:
 - ✓ **Negotiating bulk deals:** This allows them to offer lower prices to customers.
 - ✓ **Private label brands:** DMart offers its own brands alongside national ones, providing a budget-friendly alternative with good quality.
 - ✓ **Focusing on essentials:** By stocking essential household items, they ensure consistent customer demand.

Store Presence

- **Nationally:** As of December 2023, DMart boasts a vast network of 341 stores across 12 states and union territories in India, catering to a diverse customer base
- **E-commerce:** DMart Ready launched in December 2016, allowing customers to order groceries and household products online in select locations

Strengths

- Strong brand recognition and reputation for value pricing
- Efficient supply chain management
- Large customer base
- Focus on private label brands

Reliance Retail



Company Profile

- Reliance Retail, a subsidiary of Reliance Industries Limited, is the undisputed leader in the Indian retail landscape.
- Founded in 2006
- Headquarters: Mumbai, Maharashtra
- Publicly Unlisted: Currently a subsidiary of Reliance Industries, a publicly traded company.

Business Model

- Reliance Retail thrives on a multi-pronged strategy to dominate the Indian retail market:
 - ✓ Widespread Reach: They offer value and convenience through a massive network of stores with different formats catering to various needs.
 - ✓ Strong Foundation: Reliance leverages its parent company's resources for efficient supply chain management and product availability.
 - ✓ Budget-Friendly Options: Private label brands alongside national ones provide customers with a variety of choices at competitive prices.
 - ✓ Digital Integration: JioMart complements their physical stores by offering online shopping options.

Store Presence

- Widespread Network: As of 2023, Reliance Retail boasts a massive network of over 18,000 stores across 7,000 towns and cities in India.
- Multiple Formats: Reliance Retail operates a variety of retail formats to cater to different needs, including:
 - ✓ Neighborhood stores (Reliance Fresh)
 - ✓ Supermarkets (Reliance Smart)
 - ✓ Hypermarkets (Reliance Hypermarket)
 - ✓ Wholesale cash-and-carry stores (Reliance Market)
 - ✓ Electronics stores (Reliance Digital)
 - ✓ Fashion and lifestyle stores (Reliance Trends, Reliance JioMart)

Strengths

- Widespread presence across various formats
- Strong brand recognition
- Efficient supply chain
- Integration with Reliance ecosystem (including Jio)

Spencer Retail



Company Profile

- Spencer's Retail Limited is a prominent player in India's retail sector, operating across various formats.
- Founded in 1899
- Headquarters: Kolkata, West Bengal
- Publicly Traded: Listed on the National Stock Exchange and Bombay Stock Exchange

Business Model

- ✓ **Focus on Value:** Spencer's strives to offer competitive prices on a range of products, attracting budget-conscious customers.
- ✓ **Private Label Brands:** They offer their own private label brands alongside national and international brands, providing customers with more affordable options.
- ✓ **Online Presence:** Spencer's operates an online grocery shopping platform (Spencer's Online) in select locations, allowing customers to order groceries for home delivery.

Store Formats

- **Multi-format Approach:** Spencer's operates a variety of retail formats to cater to different customer needs and spending capacities. These formats include:
- ✓ **Department Stores:** Large stores offering a wide selection of products, including groceries, apparel, homeware, electronics, and personal care items.
- ✓ **Supermarkets:** Smaller stores focusing primarily on groceries, fresh produce, and household essentials.
- ✓ **Hypermarkets:** Large-format stores combining supermarket offerings with a wider variety of non-food items like clothing, electronics, and furniture. (Limited Presence)
- **Geographic Reach:** Spencer's has a presence in over 35 cities across India, with a concentration in major metros and Tier-I cities.

Strengths

- Established brand presence in India
- Multi-format approach catering to diverse customer segments
- Strong focus on food and FMCG products
- Private label brands for budget-conscious shoppers

More Retail



Company Profile

- More Retail Private Limited, formerly known as Aditya Birla Retail Limited, is a prominent player in India's food and grocery retail sector.
- Founded in 2007 with the acquisition of Trinethra Super Retail
- Headquarters: Mumbai, Maharashtra
- Parent Company: RKN Retail Private Limited
- Acquisition: Acquired by Samara Capital and Amazon in 2019

Business Model

- Predominantly Food & Grocery: More Retail focuses primarily on groceries, fresh produce, and daily essentials.
- Multiple Formats: Operates supermarkets and hypermarkets catering to different customer needs:
 - ✓ More Supermarkets: Smaller stores located in residential areas, offering a convenient selection of daily necessities.
 - ✓ More Hypermarkets: Larger stores in commercial areas, providing a wider variety of groceries, household items, and personal care products.
- Private Labels: Offers private label brands alongside national and international brands, catering to budget-conscious customers.

Store Presence

- More Retail has a network of 878 Supermarkets in 30 cities and 42 Hypermarkets in 12 cities across India, for a total of over 900 stores as of 2022, with a concentration in South India.
- Omnichannel Strategy: Launched an online grocery shopping platform (More Online) to complement their physical stores.

Strengths

- Strong Brand Recognition: Especially in South India, where it has established a loyal customer base.
- Multiple Formats: Caters to diverse customer needs through supermarkets and hypermarkets.
- Focus on Quality & Service: Strives to provide high-quality products and a pleasant shopping experience

Big Bazaar, once a dominant player in India's hypermarket space, has undergone significant changes in recent years. Founded in 2001 by the Future Group, Big Bazaar became synonymous with the hypermarket format in India. At its peak, Big Bazaar boasted over 300 stores across the country, offering a wide variety of groceries, apparel, consumer durables, and electronics under one roof catering to budget-conscious and value-seeking customers, Big Bazaar offered competitive prices and loyalty programs.

Future Group faced financial difficulties in recent years. In February 2022, Reliance Retail acquired the majority of Future Group's retail assets, including Big Bazaar. The future of Big Bazaar stores remains uncertain. Some stores have been rebranded as Reliance's "Smart Bazaar" format, while others continue to operate under the Big Bazaar name for now. Reliance Retail hasn't officially confirmed the future of all Big Bazaar stores.

While Reliance Retail and DMart, are the undisputed big two in India's organized FMCG retail sector, several other players contribute to the diverse retail landscape. Supermarkets like More Retail, Spencers, Star Bazaar, Hypercity are prominent contenders, offering a one-stop-shop experience for groceries, household items, and more. These retailers focus on a curated product selection, often including well-known national and international brands, alongside private label options to cater to budget-conscious customers.

Competitive Landscape in Food & Grocery Retail Sector

In India's organized grocery retail landscape, intense competition prevails among major players, each striving to capture consumer attention and loyalty through enticing offers and promotions. The market is divided between modern grocery retailers and traditional grocery retailers, each with its unique strategies and market positioning.

Unorganised / Traditional Grocery Retailers: While traditional grocery retailers still hold a substantial market share, their growth rate has been more modest, with a CAGR of 0.5% between 2017 and 2023. These retailers include neighbourhood kirana stores, small grocery shops, and local markets. While they cater to specific consumer segments seeking proximity and personalized service, they face challenges in competing with modern retailers' extensive product offerings and enhanced shopping experiences.

Organised / Modern Grocery Retailers: These retailers, including supermarket chains and hypermarkets, have seen significant growth in recent years. They focus on providing a distinctive shopping experience characterized by well-stocked shelves, organized layouts with ample lighting, and a diverse array of products strategically displayed to attract and encourage consumer purchases. The modern grocery retail segment has experienced a CAGR of 4.6% between 2017 and 2023, showcasing strong market expansion and consumer preference for the convenience and variety offered by these outlets.

Competition within the organised segment

- Modern retailers differentiate themselves by offering a wide range of products, including fresh produce, packaged goods, gourmet items, and household essentials. They constantly update their product mix to align with changing consumer preferences and market trends.
- Price competitiveness is fierce, with retailers employing promotional strategies, discounts, loyalty programs, and bundle offers to attract price-conscious consumers. Modern retailers often leverage economies of scale and supply chain efficiencies to offer competitive pricing while maintaining quality standards.
- Additionally, retailers focus on providing a seamless omnichannel experience, integrating online platforms with physical stores for convenient shopping options such as click-and-collect or home delivery services. Personalization plays a crucial role, with retailers leveraging data analytics to understand customer behaviour and offer personalized promotions, recommendations, and loyalty programs.

- Store ambiance and layout are also significant, with a focus on creating inviting and well-organized spaces that enhance the overall shopping experience. Furthermore, sustainability initiatives, ethical sourcing practices, and community engagement efforts contribute to building a positive brand image and attracting environmentally conscious and socially responsible consumers.

Key players presence in the organised F&G retail segment

Store Name	No. of Stores in MMR	No. of Stores PAN India
D-Mart	33	415
Reliance SMART	15	NA
Reliance Fresh	10	2700
Reliance SMART Bazaar, previously Big Bazaar	14	244
Star Bazaar	10	48
Hypercity	4	20
Nature's Basket	19	34
Spencer's Retail	NA	120
More Retail Supermarket	2	920
Patel Retail	43	43

Source: D&B Research, Industry Sources, Note: The store count of supermarkets (both pan India and region – MMR) was compiled basis information available in the public domain. D&B have relied on website of respective companies, as well as other public information to compile this. However, D&B has not conducted any primary survey / physical checks to verify the store presence. The data captured here is basis information on public domain.

Growth Outlook in Retail Sector

The resumption in retail activity – as the spread of pandemic was brought under control – have helped in reviving the sale of various consumer product. With restrictions being lifting, demand for all consumer products witnessed revival as pent-up demand kicked. However, inflationary pressures impacted post-pandemic spending recovery in FY 2023 but the same is expected to bounce back as inflation exhibited some moderation in FY 2024 and support the overall retail industry growth in FY 2024.

In long term, harnessing the advantage of a large and diverse population base, India is steadily evolving as a consumer driven economy where such large population base of 1.43 Bn is hard to ignore by global and

domestic retailers. As the country socio-economic transformation continues, India is witnessing an expanding presence of leading international and consumer retail brand making their way in organized retail segment. These brands are continuously striving for innovations, supported by data-driven insights of consumer preference analysis.

Traditionally, the Indian retail basket has been dominated by essentials like food and groceries. Future growth in this segment hinges on personalization, with retailers leveraging data analytics and prescriptive algorithms to enhance customer experiences. Tailored services such as personalized cart preparation, streamlined checkout processes, and direct delivery of out-of-stock items are crucial for customer retention. Moreover, agility, adaptability, and investment in omnichannel capabilities are imperative for success in the rapidly evolving grocery retail landscape. Retailers must prioritize upskilling, digital infrastructure development, and building robust supply chain networks to thrive, remain competitive, and ensure long-term profitability in the dynamic retail environment.

Additionally, supportive regulatory landscape and several schemes launched by the government to enhance the farm income have made consumer retail product especially FMCG products more affordable and finding increasing penetration in rural sector. In FMCG sector, Government's initiatives to improve supply chain for transportation of perishable commodities, reduce wastages and increase processing level of food products will also help the Food and retail sector to grow.

Going forward, a study by Deloitte indicates a shift towards discretionary spending on categories like apparel, electronics, and personal care products. The retail basket will see an increase in discretionary spending categories. This presents an opportunity for retailers to cater to evolving consumer preferences and introduce new product lines. India's young population (over 65% under 35) is driving a rise in disposable incomes. According to industry report, household spending in India is expected to reach USD 3.6 trillion by 2025. This growing disposable income will translate into increased consumer spending, creating a larger market for the retail sector. Additionally, the expanding middle class will fuel demand for a wider variety of products beyond necessities.

In the light of abovementioned factor, India's retail market overall retail industry is expected to grow to USD 2 trillion by 2033, growing at 5.22% CAGR between 2024-33.

Product Segment: Spices

Overview

India continues to strengthen its position as the global hub for spice production, contributing approximately 42% of global spice output and producing over 109 varieties of spices. This vast diversity, combined with traditional farming knowledge and favourable agro-climatic conditions, makes India not just the largest producer, but also the leading exporter of spices. The country exports around 225 types of spices and spice products to more than 180 countries, underlining its global relevance. While spices are commonly used in cooking for flavouring and preservation, their importance extends beyond the culinary realm into pharmaceuticals, cosmetics, and aromatics due to their medicinal properties.

Spices are made up of some simplest natural ingredients like flowers, leaves, seeds, roots and bark. It is used in multiple forms - in its raw form (Whole spices), powdered form (grounded spices) as well as extracts that include essential oils and oleoresins.

In FY 2025, spice production in India remained geographically diverse, with distinct states specializing in different spice crops based on agro-climatic advantages. Madhya Pradesh led the country with 3.77 million tonnes, producing a wide variety including garlic, coriander, and fennel seeds. Gujarat followed, known for cumin, fennel, and fenugreek seeds. Andhra Pradesh, Telangana, and Rajasthan were major producers of chillies and turmeric, while Karnataka and Tamil Nadu stood out for high-value spices like pepper, cardamom, and cloves. Eastern states like Odisha and Assam contributed significantly to ginger, turmeric, and coriander production, showcasing the regional diversity and specialization that underpins India's position as a global spice leader.

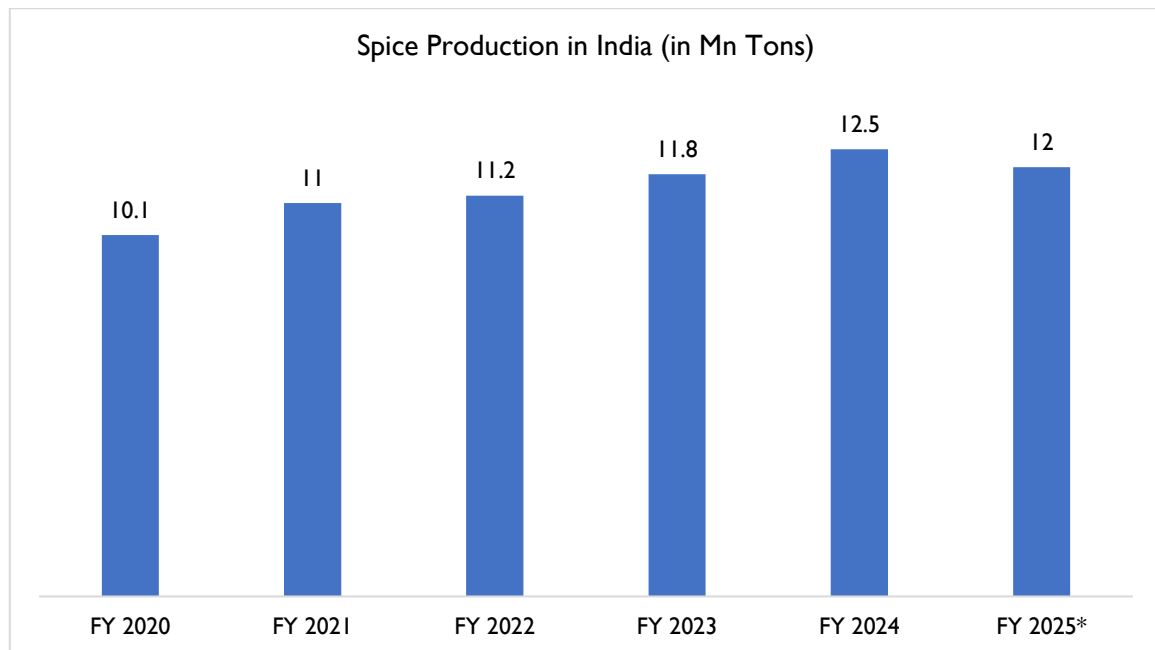
Spice Production in India (FY 2025*)		
State	Production (000 tonnes)	Major Spices Produced
Madhya Pradesh	3,769	Ginger, Turmeric, Coriander seeds, Fennel Seeds, Chilli, Fenugreek seeds, Garlic
Gujarat	1,230	Cumin Seeds, Fennel Seeds, Fenugreek Seed, Garlic, Chilli, Ginger, Turmeric
Andhra Pradesh	1,150	Chilli, Turmeric, Tamarind, Coriander Seed

Rajasthan	1,039	Coriander Seed, Cumin seed, Fennel seed, Fenugreek Seed, Garlic, Chilli
Telangana	862	Chilli, Tamarind, Ginger, Turmeric
Karnataka	772	Pepper, Cardamom, Chilli, Ginger, Nutmeg, Turmeric, Cloves, Tamarind
Maharashtra	496	Chilli, Ginger, Turmeric, Garlic, Tamarind
Odisha	398	Ginger, Chilli, Turmeric, Garlic, Coriander Seed
Assam	394	Chilli, Coriander Seed, Fennel Seed, Garlic
Uttar Pradesh	312	Chilli, Ginger, Turmeric, Coriander Seed, Garlic
Tami Nadu	282	Cardamom, Ginger, Chilli, Turmeric, Garlic

Source: Spices Board of India
*FY 2025 are first advanced estimates

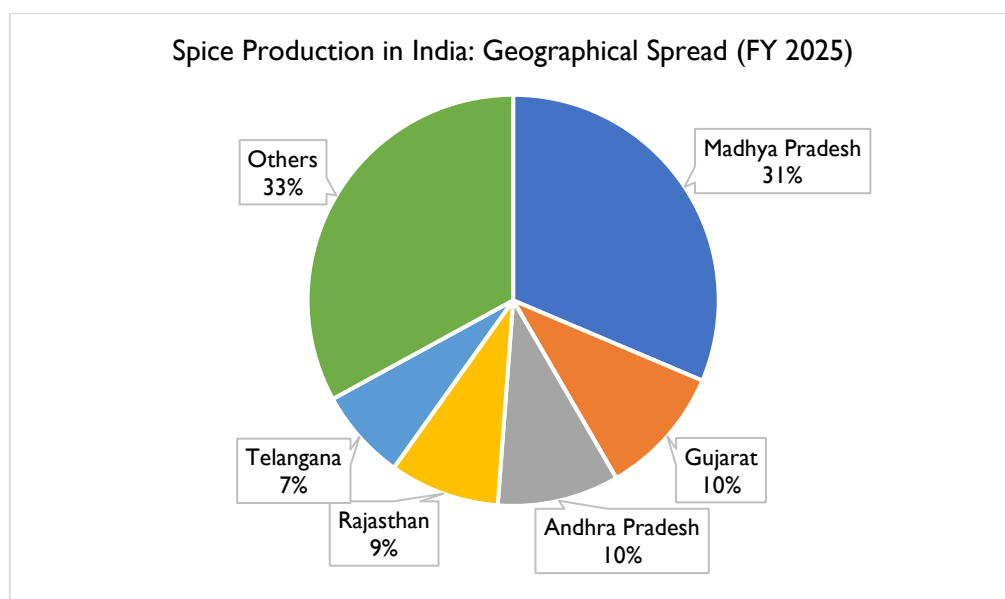
Spice Production in India

India's total spice production has shown a steady upward trajectory, rising from 10.1 million tonnes in FY 2020 to a peak of 12.5 million tonnes in FY 2024. Though initial estimates suggest a marginal decline to 12 million tonnes in FY 2025, the overall trend remains positive, with a CAGR of nearly 5% over the last six years. This growth has been supported by increased demand, improved seed varieties, and expanded cultivated area, which grew at a CAGR of 3%, reaching 4.7 million hectares by FY 2024. The spice sector also plays a critical role in enhancing rural livelihoods and promoting exports.



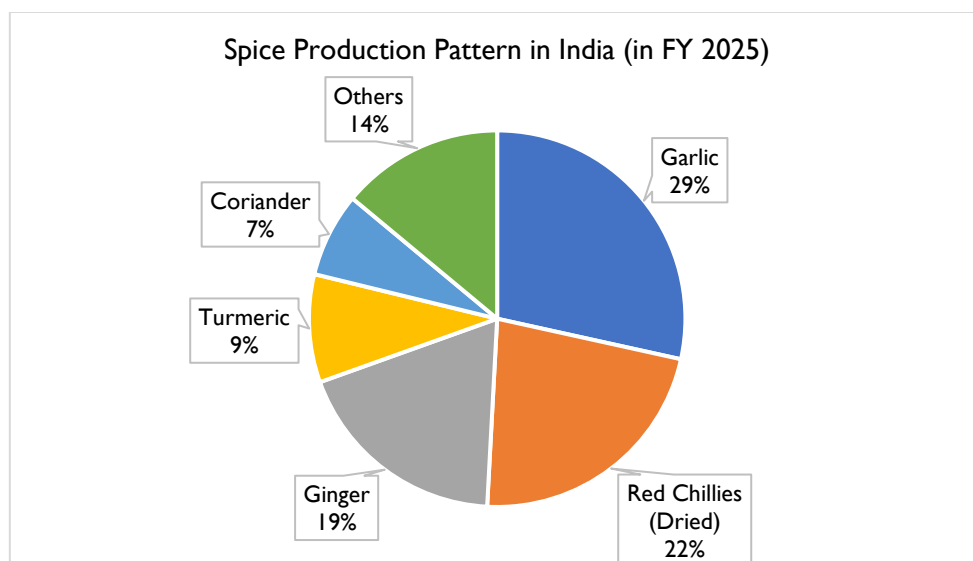
Source: Spices Board of India, FY 2025 * - 1st advance estimate

In FY 2025, spice production in India remains highly concentrated, with five states collectively accounting for nearly 70% of the country's total output. Madhya Pradesh leads the production landscape with 3.77 million tonnes, contributing 31% to the national total, primarily driven by large-scale cultivation of garlic and coriander. Gujarat and Andhra Pradesh follow closely, each contributing 10% to the overall production, while Rajasthan and Telangana add another 9% and 7%, respectively. The remaining 33% of the output comes from other key spice-producing states such as Karnataka, Tamil Nadu, Maharashtra, and West Bengal. This distribution highlights the regional specialization and dominance of certain states, enabled by favourable agro-climatic conditions, targeted cultivation practices, and historical expertise in specific spice varieties.



Source: Spices Board of India

In FY 2025, India's spice production continues to be dominated by four major crops, garlic, red chillies, ginger, and turmeric, which together form the backbone of the country's spice economy. Garlic leads with a production volume of 3.42 million tonnes, accounting for 29% of the total output. Red chillies follow at 2.69 million tonnes, contributing 22%, while ginger and turmeric make up 19% and 9% of the total production, respectively. Coriander also plays a significant role, representing 7% of the output. The remaining 14% is distributed among various other spices. This concentration in a few key crops reflects prevailing domestic consumption preferences as well as strong global demand, especially for dried chillies, turmeric, and ginger, which continue to drive India's position as a global leader in spice exports.



Source: Spices Board of India

Bulk of the spice harvested in India is consumed domestically, given the spice rich cuisine. As per FAOSTAT, per capita spice consumption in India has reached 3.83 Kg in 2021. Per capital consumption volume has been steadily increasing.

The domestic market for spices is estimated to be worth INR 700-750 billion, the bulk of which is concentrated in the unorganized segment. At present the branded spice segment is estimated to account for 30- 40% of the total market. However, the industry is undergoing a transition in favour of the organized segment and is estimated to account for 50% of the total spice market by 2025, with a value contribution of approximately INR 500 billion.

The increasing demand for readymade spice mix, primarily from urban home makers is providing the much-needed push towards the growth of branded spice segment. This growth in branded spices is a positive for the industry, due to the higher profit margins when compared to loosely sold spices. This higher demand for packaged & branded spices is expected to demand the share of organized segment by the end of this decade.

Branded Spice Market in India

Branded spice comprises of both packed whole ground spice as well as spice blends (combination of different spices & herbs). Today, the branded & packaged spice segment is estimated to account for 30-40% of the total spice market in India¹¹. According to World Spice Organisation (WSO)¹², the branded spice market in India is estimated to be worth INR 35,000 Crore.

Although the branded segment comprises of the less than 40% of total spice industry in India, the prominence of the sector is expected to growth in the coming years. The Indian spice industry is undergoing a transition in favour of the organized segment and is estimated to account for nearly half of the total spice market in the next three to four years.

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Recent Developments in Branded Spice Market in India

Blended spices, which is made by a combination of different spices & herbs has become an integral part of Indian cuisine. Although a small part of the overall spice market the packaged blended spice is fast becoming a key ingredient in Indian kitchens. The higher demand is fuelled by factors ranging from convenience, superior packaging (that promises retention of aroma & taste), and expanding consumer palate for different cuisines.

The consumption pattern of blended spice is not uniform but varies with rural and urban markets. Unbranded and loose spice blends accounts for bulk of consumption in rural markets and smaller towns while the penetration of branded & packaged spice blends is comparatively higher in urban markets. Higher receptiveness of urban consumers, together with the trend to switch to packaged food products in urban market is playing a key role in the increasing preference for branded & packaged spice blend in urban markets. In addition, higher awareness level (ability to retain aroma & taste for longer period), ease of access and convenient packaging have also helped increase the popularity of branded & packaged spice blend in urban markets.

The branded spice blend market in India is comprised of a large number of regional players, with the preference of brands shifting from one region to next. Although few national players have entered into the market, the industry is yet to see the emergence of a pan India spice brand. This dominance of regional brand, and shifting preference with region could be attributed to the wide variation in taste preferences. Despite the urbanization that has prompted widespread movement of people and intermingling of cultures, there are distinct food preferences that varies from region to region. Regional brands initially emerged offering a single

¹¹ As per multiple industry sources / insights by industry stakeholders & industry associations

¹² WSO is a not-for-profit organization and technical partner of All India Spice Exporters Forum. WSO is involved in various initiatives to promote sustainable development of spice sector, and works with national & international organizations like Spice Board of India, Indian Institute of Spice Research, Rainforest Alliance, GIZ (Germany), and IDH (The Sustainable Trade Initiative – Netherlands), among others.

/ limited spice blends that are native to that region and build up a leadership position. However soon these brands became association strongly with their native blends and were unable to replicate the same success in spice blends which were not native to the region.

Due to this peculiar market structure, the strategy of national players has been to expand to region markets through acquisition of regional brands. Last couple of years have seen this trend with few pan India brands, and few global brands acquiring regional players to gain foothold in the packaged spice blend market in India. Some of the major deals that has happened in this space include.

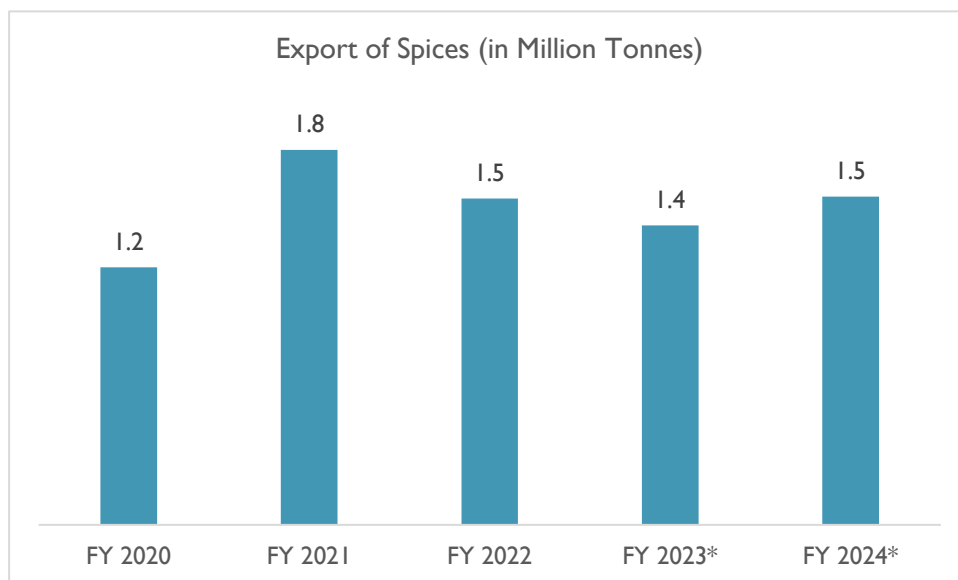
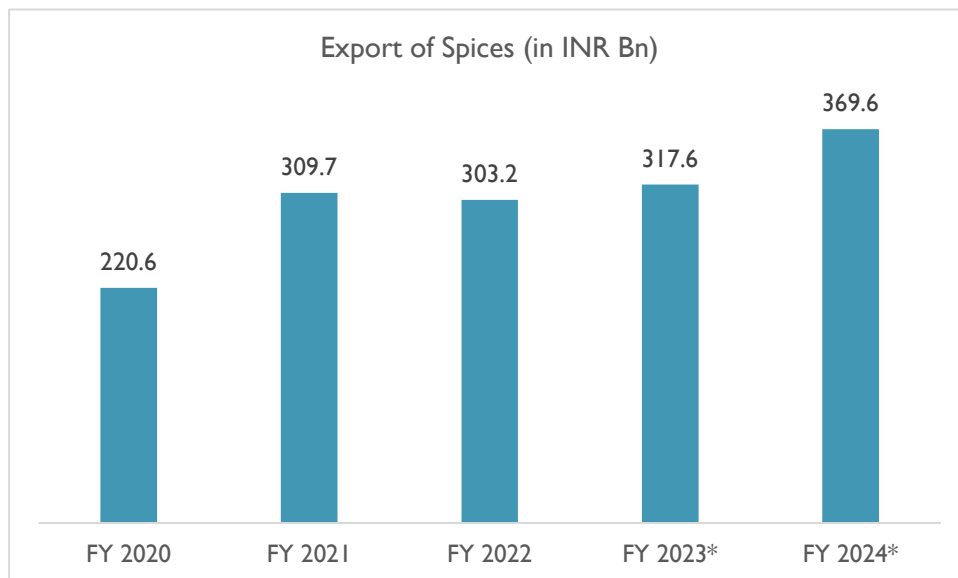
- Acquisition of Badshah Masala by Dabur India Limited in 2022. Dabur acquired 51% stake in Badshah Masala for INR 587.5 Crore. Badshah Masala has a strong brand recall in Western market, especially Gujarat, Maharashtra and Rajasthan. This acquisition gives Dabur an automatic entry into the lucrative blended spice market in Western India.
- Kerala based spice brand Eastern Condiments was acquired by Norwegian company Orkla in 2021. Orkla acquired approximately 68% stake in Eastern condiments for INR 1,356. The Norwegian company executed the deal through its Indian subsidiary MTR Foods. Orkla had acquired MTR in 2007 for approximately INR 450 crore.
- FMCG conglomerate ITC limited acquired Kolkata based Sunrise food in 2020 for INR 2,150 crore.

The above three major acquisition points to the strategy adopted by large players to enter the fast-growing branded spices segment. Given the nature of the branded spice blend industry, inorganic expansion would continue to remain a key strategy.

Export Scenario

Spice Exports from India

India remains the largest exporter of spices globally, with exports valued at INR 369.6 billion in FY 2024. Key spices driving these exports include chilli, cumin, turmeric, coriander, pepper, nutmeg, and spice oils and oleoresins. Over the past few decades, the value of Indian spice exports has grown nearly 15-fold, while volumes have expanded from 47,000 tonnes in 1960-61 to 1.5 million tonnes in FY 2024. Despite fluctuations in recent years, exports rebounded in FY 2024, reflecting strong global demand for Indian spices due to their diverse flavours, culinary applications, and medicinal properties.



Source: Spice Board of India *Provisional for FY 2023 & FY 2024

In FY 2022, spice exports saw a decline, falling to INR 303.2 billion from INR 309.7 billion in FY 2021, with volume shrinking from 1.8 million tonnes to 1.5 million tonnes. This was primarily driven by reduced production and lower quantities of key spices like chilli and cumin. FY 2023 continued the trend, with volume declining further to 1.4 million tonnes, though the export value rose to INR 317.6 billion due to higher domestic prices. The deferred demand in importing nations, exacerbated by economic stress in regions like Europe and the Middle East, contributed to these volume challenges.

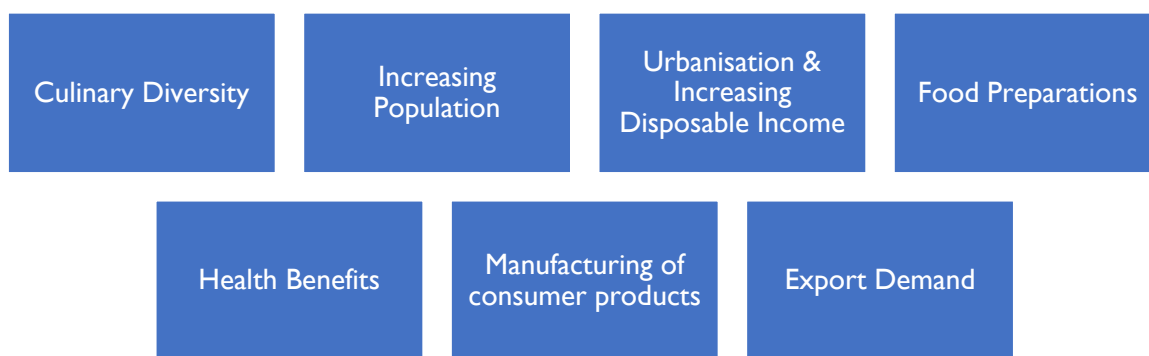
Spice exports in FY 2024 showed signs of recovery, with volumes increasing to 1.5 million tonnes and value climbing to INR 369.6 billion. Chilli, cumin, turmeric, and nutmeg continue to dominate, comprising nearly 65% of total export volume. The increasing global popularity of Indian cuisine, the health benefits associated with spices, and growing demand in major markets like North America, Europe, and the Middle East are key drivers. The government's ambitious target of achieving USD 10 billion (approximately INR 830 billion) in spice exports by FY 2027 will require a compounded annual growth rate of 19.5%, compared to the current

CAGR of 13% between FY 2019 and FY 2023. Strengthening production, ensuring quality standards, and expanding market reach will be crucial to meeting this target.

Demand Drivers

Spices are an integral part of human diet as it enhances flavour, taste and possess medicinal values. Usage as a seasoning in food production is the largest end use of spices in the country. Apart from direct human consumption, spices demand is also increase in non-food application such as nutraceuticals, cosmetics, perfumery, and dyeing application. Demand from medical / healthcare sector could be attributed to its antimicrobial properties. In addition to domestic demand, export demand too supports the overall spice industry growth.

Key factors driving demand for spices are:



Culinary Diversity

As global cuisine continues to evolve, people are increasingly exploring and incorporating diverse flavours and cooking techniques into their meals. This culinary diversity has been facilitated by factors such as travel, migration, and the sharing of recipes through various media platforms. As a result, there is a growing demand for spices that can enhance the authenticity and richness of these global dishes.

Individuals experimenting with Indian, Thai, or Middle Eastern cuisine at home often seek out specific spices like turmeric, cumin, coriander, or sumac to replicate traditional flavours. Similarly, restaurants and food manufacturers are constantly innovating to offer unique flavour profiles that appeal to a broad audience, incorporating spices from around the world into their recipes.

This demand for spices is not limited to specific regions or demographics but is rather a global phenomenon driven by a shared interest in exploring new culinary experiences and embracing cultural diversity. As a result, the spice industry continues to thrive, with producers, distributors, and retailers meeting the growing demand by offering an extensive array of spices from various origins and flavour profiles.

Increasing Population

In India, the demand for spices is strongly tied to its cultural heritage, population growth, and culinary preferences. With its population exceeding 1.428 billion individuals in 2023, India is home to the largest populace, constituting approximately 17.2% of the world's total inhabitants.

As populations increase, so does the need for food, and spices play a crucial role in making meals more flavourful, appealing, and culturally relevant. In India, spices are deeply intertwined with culinary traditions, religious practices, and social gatherings. As a result, the demand for spices tends to rise in parallel with population growth, as people continue to incorporate them into their daily cooking routines.

Spices like cumin, coriander, turmeric, and cardamom are essential ingredients in Indian cooking, adding flavour and authenticity to dishes across the country. This demand is fuelled by a desire to maintain culinary traditions and create delicious meals that reflect regional tastes.

Further, as incomes rise and lifestyles change, there's a shift towards convenient food options, leading to increased demand for spice blends and ready-to-use mixes, especially in urban areas. Additionally, the younger generation's curiosity for global flavours and fusion cuisine contributes to the demand for a diverse range of spices.

Urbanisation & Increasing Disposable Income

India is the third largest economy in the world in terms of purchasing power, next to China and USA. As more people move to urban areas and experience lifestyle changes, there is a notable shift in dietary preferences and culinary habits.

With urbanization comes greater exposure to diverse cuisines and culinary influences. As a result, urban consumers are increasingly seeking out spices to recreate authentic flavours at home, driving up the demand for a variety of spices.

Moreover, the rise in disposable income among urban households further fuels this demand. As people have more money to spend, there is a greater willingness to invest in high-quality ingredients to enhance the taste and appeal of their meals. This propensity to spend on food and beverages is directly correlated with the increase in personal disposable income.

Food Preparations

In Indian cuisine, spices are widely used for seasoning and as flavouring agent in food preparations. Compared to other cuisines the usage of spices in Indian cuisine is relatively high which has made food sector as the largest consumer of spices in the country. Spending on food and beverages in the country is increasing rapidly as per capita income and population base increase. This has benefitted all products and services related to food sector.

Changes in consumption pattern in the country, especially in urban markets too have benefitted food sector. Consequently, demand for spices from households as well as restaurants have gone. With spices being an

integral part of Indian cuisines, large population base and income growth will continue to drive food consumption translating in higher demand for spices in food preparation.

Apart from food, preparation spices and extracts from spices (Essential Oils & Oleoresins) are used in the preparation of processed and packaged foods like canned meat, sauces, bakery and confectionary products, as well as flavouring agent in beverages. Demand for processed and packaged food has increased steadily, driven by changing consumption and consumer profile in urban markets. Higher demand for processed and packaged food has increased the demand for spices and extracts from food product manufacturers.

Health Benefits

The increasing awareness of health benefits associated with spices is a significant factor driving their demand. Spices do not act as only flavour enhancers; they are also valued for their potential positive impact on health and well-being.

Many spices, such as turmeric, ginger, cinnamon, and cloves, contain bioactive compounds with antioxidant properties. These compounds help combat oxidative stress in the body, which is linked to various chronic diseases like heart disease, cancer, and diabetes, thereby being increasingly incorporated into regular diets.

Other spices such as ginger and turmeric are well-known for their anti-inflammatory effects, which can help alleviate symptoms of inflammation-related conditions. These spices are used in both traditional medicine and modern dietary practices.

Additionally, spices are often praised for their role in promoting digestive health. Many spices, such as fennel, coriander, and peppermint, have been traditionally used to aid digestion, alleviate bloating, and relieve gastrointestinal discomfort. This aspect is particularly appealing to consumers seeking natural remedies for digestive issues and looking to improve their gut health.

As the demand for natural and holistic approaches to health and wellness continues to grow, so does the popularity of spices as functional foods. Consumers are increasingly turning to spices not only for their culinary value but also for their potential health-promoting properties. This trend is driving the incorporation of spices into various food and beverage products, including teas, functional beverages, snacks, and supplements, further fuelling the demand for these flavourful and healthful ingredients.

Manufacturing of consumer products

The infusion of spices into a myriad of consumer products, ranging from soap and toothpaste to perfumes, is triggering a surge in the demand for spices in India. The incorporation of spice extracts into personal care items, like soap and toothpaste, is gaining popularity due to the perceived health and wellness benefits associated with certain spices. Consumers are drawn to products that not only offer traditional fragrances but also boast natural and therapeutic qualities, leading to an uptick in the demand for spice-infused formulations.

Similarly, the fragrance industry has witnessed a growing inclination towards incorporating spice extracts in perfumes and scented items. Spices contribute unique and exotic notes, adding depth and character to various fragrances, thereby amplifying their appeal in the market.

As per capita incomes increase, there is a parallel rise in the demand for FMCG products, driving manufacturers to explore innovative formulations that leverage the aromatic and therapeutic properties of spices. This synergy between consumer preferences for diverse, spice-infused products and the expanding FMCG market is playing a pivotal role in propelling the demand for spices and spice extracts in India.

Export Demand

India is the largest producer as well as exporter of spices. Value of spices exported from the country has increased by a CAGR of ~14% during the period FY 2020- FY 2024 to reach INR 369.6 billion. Large variety of spices and a wide production base ensures that Indian would continue its dominance in international spices trade. As international markets increasingly seek out diverse and authentic flavours, Indian spices have emerged as sought-after commodities.

The demand for Indian spices abroad is fuelled by several factors. Firstly, the rich and varied culinary heritage of India, with its aromatic and flavourful spices, has garnered global appreciation. This has led to a consistent demand for spices such as cardamom, cumin, turmeric, and black pepper in kitchens worldwide.

Secondly, the perceived health benefits associated with many Indian spices have amplified their appeal on the international stage. Spices like turmeric, known for its anti-inflammatory properties, and cumin, valued for its digestive benefits, have become staples in health-conscious markets, contributing to sustained export demand.

Additionally, the globalization of food habits has led to a growing interest in international cuisines, further boosting the demand for Indian spices. As chefs and home cooks around the world experiment with diverse flavours, Indian spices play a crucial role in creating authentic dishes.

Growth Forecast

Spices being an integral seasoning and flavouring agent would continue to see constant demand growth from food and beverage sector. With shift in consumption pattern towards processed and packaged foods, consumption of spices from food & beverage sector would continue to increase. India is already a production hub for pharmaceutical products and production volume is only going to strengthen as domestic and export demand for pharmaceutical product increase. In industrial sector, demand from pharmaceutical sector is expected to play a vital role in increasing industrial consumption of spices.

On the export front, India is evidently expected to maintain its dominance as the leading spice exporter in the world. The Indian spices industry envisions to become an international processing hub for supply of high-quality spices to meet the global consumption demand for spices. Various steps have been initiated by Spices Board to enhance India's share in global spice trade. The Government has set a target of increasing its spice

export revenue to USD 10 billion by FY 2027. Given the prominence of exports in Indian spice industry, achieving this target would ensure strong growth in industry revenue.

In addition, the share of branded & packaged spices (mostly ready-to-use spice mix) is expected to witness strong demand in the coming years, on the back of changing consumption patterns. As per WSO, the branded spice market in India is expected to grow from the current size of INR 35,000 crores to nearly INR 50,000 crores over the next three years (by 2027).

Product Segment: Milled Products (Wheat)

Overview

Wheat, a vital grain and dietary staple for much of the world's population, plays a crucial role in global agriculture. Being extensively cultivated and consumed, wheat serves as a key source of nutrition for billions of individuals, contributing significantly to diverse diets worldwide. Its ability to thrive in various climates and its versatility make it an essential component of the agricultural sector.

Traditionally, wheat cultivation in India has been concentrated in the northern region, particularly in the states of Punjab and Haryana Plains. These areas have been highly productive in wheat farming, with India accounting for 12.5% of the world's total wheat production over the past two decades, making it the second-largest wheat-producing country globally.¹³

India consumes a substantial amount of wheat primarily due to its integral role in traditional diets and culinary customs across the country. As a staple food, wheat is deeply embedded in Indian cuisine, forming the basis of various dishes. Its affordability, widespread availability, and extensive cultivation ensure consistent access to this grain for a large portion of the population. Additionally, wheat serves as a vital source of carbohydrates and essential nutrients, particularly in rural areas where it constitutes a significant part of daily meals. Its nutritional value and cultural importance contribute to its widespread consumption throughout India. Wheat is further processed to create Wheat Flour and Wheat Bran.

Production Scenario

India's agricultural output is susceptible to fluctuations in climate patterns. The unusual rise in both maximum and minimum temperatures throughout 2022 adversely affected various crops, fruits, vegetables, and livestock in several states, including Punjab, Haryana, Rajasthan, Jammu & Kashmir, Himachal Pradesh, Uttar Pradesh, Madhya Pradesh, Bihar, and Maharashtra. This heatwave coincided with the critical grain filling and development phase of wheat, leading to symptoms such as grain yellowing and shrivelling, and premature maturation, ultimately causing yield reductions ranging from 15% to 25%.

The production of Wheat in the FY 2025 season reached 117 million tonnes. The by-products of wheat processing, namely Wheat Flour and Wheat Bran, recorded production at 1,285 thousand tonnes and 842 thousand tonnes respectively in FY 2024.

Historical Trend

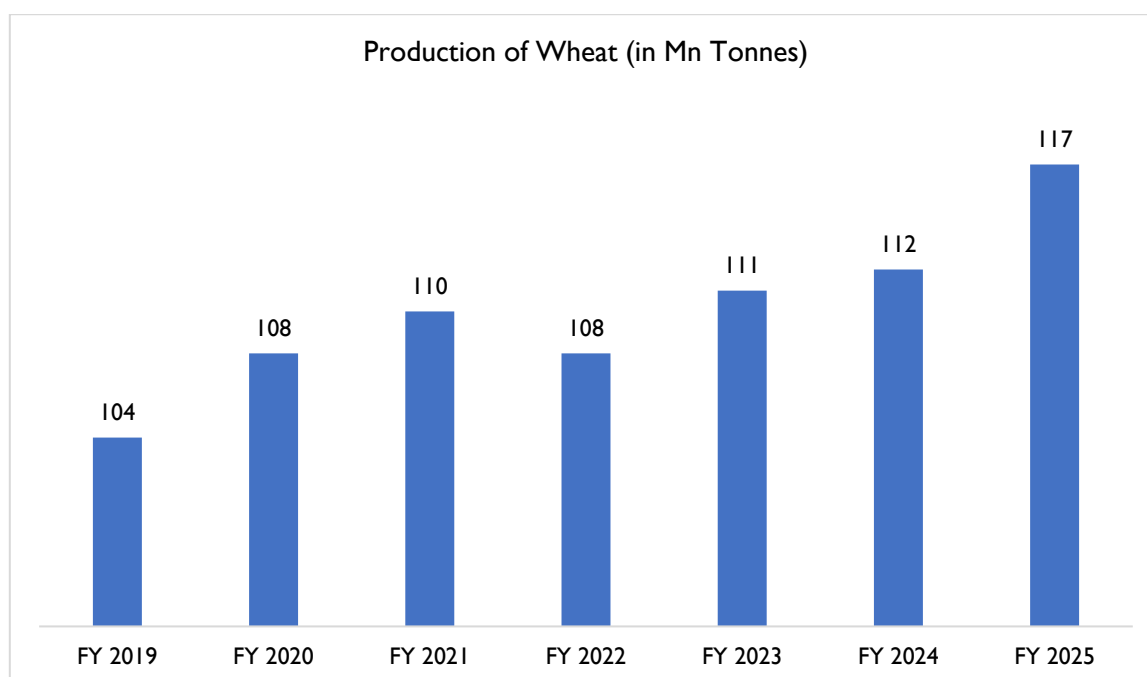
Wheat Production

Over the span of seven fiscal years, from FY 2019 to FY 2025, wheat production in India has shown a generally positive trajectory, rising from 104 million tonnes in FY 2019 to 117 million tonnes as per the third advance

¹³ World Economic Forum

estimates for FY 2025. This reflects a compound annual growth rate (CAGR) of approximately 2.0%, indicating steady progress despite periodic setbacks.

During FY 2019 to FY 2021, production steadily increased, reaching 110 million tonnes. However, FY 2022 saw a decline to 108 million tonnes, largely due to intense heatwaves across key wheat-producing states like Punjab and Haryana, which affected grain quality and yield. This disruption led to concerns about food security and export commitments.



Source: Department of Agriculture, Cooperation & Farmers Welfare

**Data for the year FY 2025 is of the 3rd Advance Estimates.*

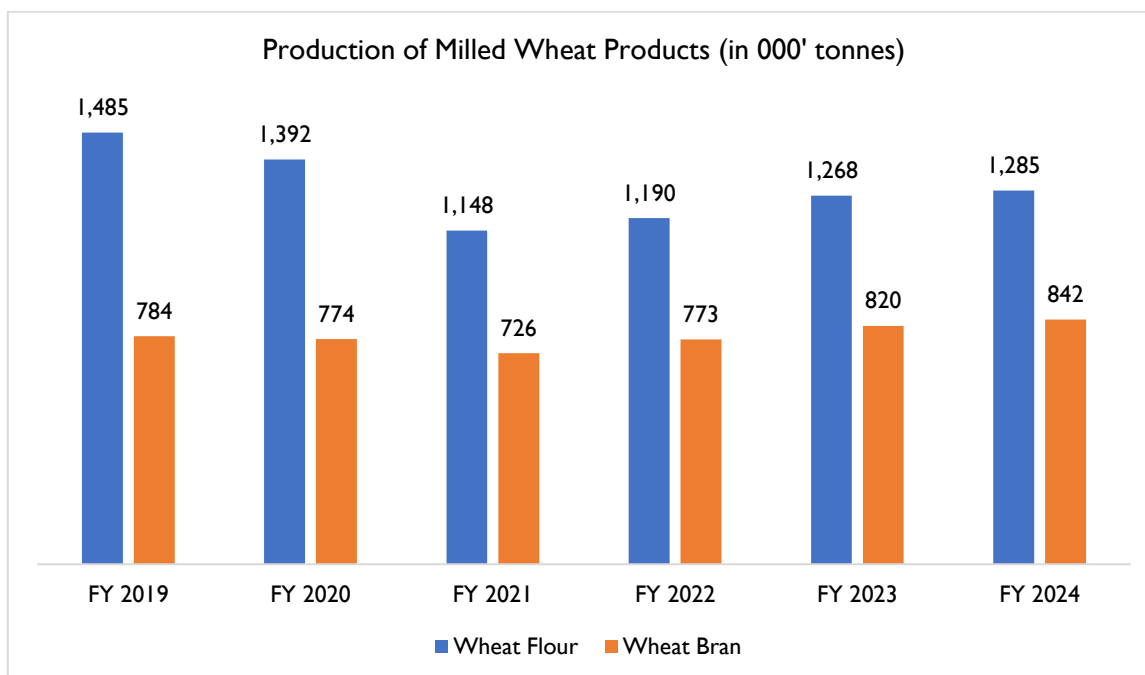
In FY 2023, despite lingering climate challenges, production rebounded slightly to 111 million tonnes, supported by improved farm-level practices and early adoption of climate-resilient seed varieties. Building on this, FY 2024 recorded a moderate increase to 112 million tonnes, indicating a return to normalcy.

Looking ahead, the third advance estimates for FY 2025 peg wheat production at 117 million tonnes—the highest in recent years. This recovery is underpinned by proactive measures such as scaling the adoption of heat-tolerant varieties across nearly 60% of the total wheat-growing area (~32 million hectares), better agronomic planning, and favourable weather conditions during key growing periods. These strategic interventions position India to strengthen its self-reliance and buffer stocks in the face of rising demand and climate uncertainty.

Production of Milled Wheat Products

Wheat flour, rich in essential minerals such as iron, magnesium, and zinc, as well as dietary fibre, is commonly used in various culinary applications.

In FY 2024, the production of wheat flour stood at 1,285 million tonnes, down from 1,485 million tonnes in FY 2019. This downfall is attributed to the overall decrease in the production of wheat due to severe weather conditions. Wheat production in FY 2021 declined by 17.58% and has been slow to recover since. While FY 2022 and FY 2023 showed signs of growth with 3.70% and 6.57% increase in production, the below-par wheat flour production caused by climate disruptions has still not reached FY 2020 levels.



Source: CMIE

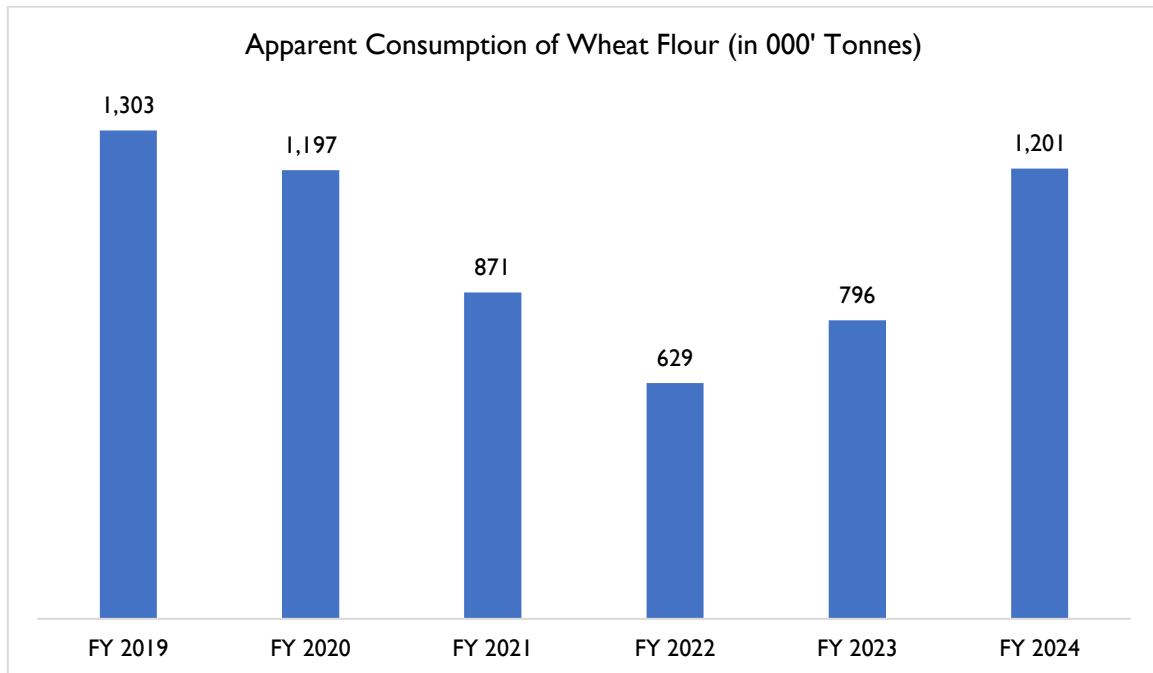
A similar trend was observed in the production of Wheat Bran. This commodity, too, observed a decline of 6.17% in the FY 2021 season. The consecutive years of FY 2022 and FY 2023 showed increases in production by growing at 6.37% and 6.06% annually. However, the overall production of Wheat Bran showed healthy growth between FY 2019 to FY 2023, with production at 820 thousand tonnes in FY 2023, up from 784 thousand tonnes in FY 2019, growing at a CAGR of 1.13% in the given period. In FY 2024, wheat bran production reached 842 thousand tonnes.

Government measures to mitigate future risk from climate disruptions are likely to support the production of Wheat Flour and Wheat bran in the coming years. Efforts to reduce crop failure are underway. This is likely to enable a better yield in the coming years, thereby supporting the production of Wheat and Milled Wheat Products.

Apparent Consumption

Apparent Consumption¹⁴ of Wheat Flour declined from 1,303 thousand tonnes in FY 2019 to 796 thousand tonnes in FY 2023. The major decline was observed in FY 2021 & FY 2022 on the back of increasing exports, by approximately 40% and 103% respectively in the given period, and declined production by nearly 18% in FY 2021, which marginally increased in FY 2022.

The consumption increased in FY 2023, with a decline in exports by approximately 16% due to a government-imposed ban and an increase in production of close to 6% in the same period. This growth trend continued in FY 2024 to reach 1,201 thousand tonnes.



Source: CMIE, D&B Estimates

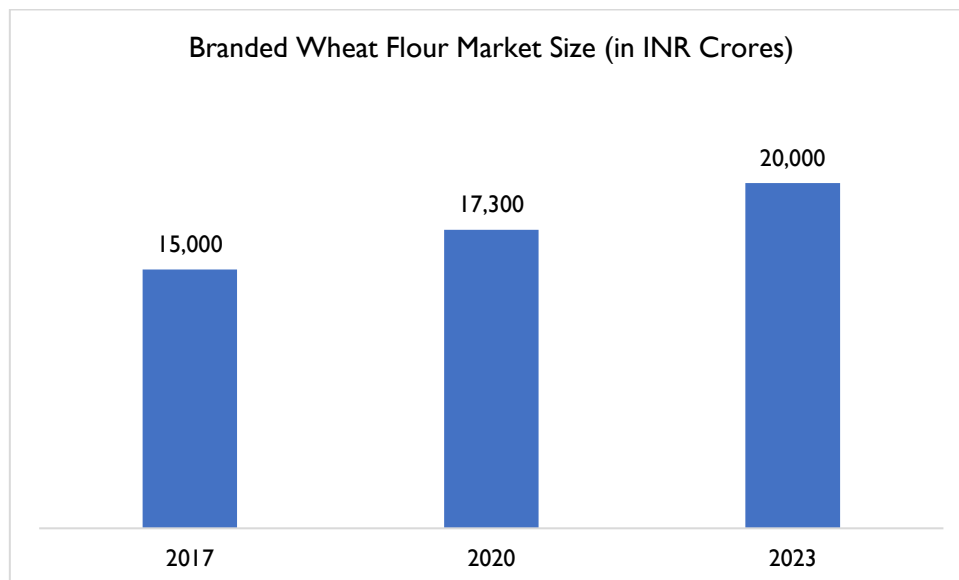
Packaged wheat flour market in India.

Estimated market size of packaged wheat flour market in India

Traditionally, India has been a market where consumers predominantly purchased open wheat flour from local mills rather than opting for packaged and branded varieties. However, in recent years, there has been a notable shift in consumer preferences towards packaged wheat flour. With a large population and a growing middle class, there is a rising demand for packaged wheat flour as it offers convenience, consistency, and longer shelf life compared to traditional flour milling. Moreover, the penetration of organized retail chains and e-commerce platforms has further fuelled the market's expansion by enhancing distribution channels and reaching consumers in remote areas.

¹⁴ Apparent Consumption = Production + Imports - Exports

As per the Foreign Agricultural Service (FAS) of the USDA, India's organized milling sector encompasses around 1,300 medium-to-large flour mills, collectively capable of processing approximately 25 million to 28 million tonnes of wheat annually. These mills generally operate at a capacity utilization rate of 55% to 60%, milling about 15 million to 16 million tonnes of wheat per year. Further, the majority of wheat milling activities are conducted in small-scale neighbourhood flour mills across the country.



Source: D&B Research Estimates

Between 2017 and 2023, the branded wheat flour market in India witnessed a CAGR of 4.9%, with its market size expanding from roughly INR 15,000 crores to INR 20,000 crores within the given time period.

This transition is attributed to several factors, including urbanization, changing lifestyles, and increasing awareness about food safety and hygiene. Consumers are now gravitating towards packaged wheat flour due to its convenience, consistent quality, and longer shelf life compared to the open variety. Furthermore, the growing penetration of organized retail chains and e-commerce platforms has facilitated easier access to branded flour products, thereby catalyzing the shift away from traditional milling.

As a result, the packaged wheat flour market in India is experiencing robust growth, with both domestic and international players vying to capture a larger share of this evolving market landscape through innovation and strategic marketing initiatives.

Changing wheat flour consumption trend in India

Wheat flour consumption in India has long been a staple of the Indian diet, deeply ingrained in cultural and culinary traditions. However, in recent years, there has been a noticeable shift in consumption patterns, with an increasing preference for packaged flour over the traditional loose or unpackaged variants. This trend reflects is due to:

- Changing Consumer Preferences
- Changing Dietary Habits and Health Consciousness

- The influence of Urbanization and Modern Retail Formats
- Branding and Marketing Strategies

Key factors driving demand for wheat flour.

Population Growth

Population growth is a significant driver of demand for wheat flour. Wheat flour, being a staple ingredient in many diets around the world, experiences a proportional increase in demand to meet the dietary needs of growing populations. This demand is particularly pronounced in regions where wheat-based foods are dietary staples, such as in countries across Europe, North America, and parts of Asia.

India, with its staggering population exceeding 1.46 billion individuals as of May 2025¹⁵, represents a significant fraction of the global population.

This rapid population growth directly impacts the demand for wheat flour, as India is one of the largest consumers of wheat-based products globally. With more mouths to feed, the demand for staple foods like wheat flour rises correspondingly to meet the dietary needs of the expanding Indian population.

Urbanization

Urbanization is a key factor driving the demand for wheat flour.

In urban areas, convenience and accessibility play a significant role in food choices. Wheat-based products like bread, pasta, pastries, and snacks are readily available in supermarkets, bakeries, and fast-food outlets, catering to the fast-paced lifestyles of urban dwellers. The convenience of purchasing these ready-made foods saves time and effort compared to preparing meals from scratch, making them a preferred choice for many urban consumers.

According to the Periodic Labour Force Survey (2020-21), 18.9% of internal migrants in India moved from rural to urban areas, highlighting a significant trend in urbanization¹⁶. This movement reflects the ongoing search for better livelihood opportunities, infrastructure, and access to services in urban centres. As more people migrate from rural areas to urban centres in search of opportunities and a higher standard of living, the demand for convenient and processed foods, including those made with wheat flour, escalates. In Indian cities, the proliferation of supermarkets, bakeries, and fast-food outlets offers a wide array of wheat-based products to cater to the preferences of urban consumers.

Moreover, urbanization often leads to changes in dietary habits and cultural preferences. As people from diverse backgrounds converge in cities, culinary traditions blend, leading to the adoption of new food preferences and consumption patterns. In many urban centres, Western-style diets, which prominently feature wheat-based foods, become increasingly popular due to their perceived status and influence from global food trends.

¹⁵ Industry Sources

¹⁶ Ministry of Statistics & Programme Implementation, Press Information Bureau

Furthermore, the proliferation of fast-food chains and restaurants in urban areas further drives the demand for wheat flour-based products. Burgers, pizzas, sandwiches, and other fast-food items rely heavily on wheat flour for their doughs, batters, and crusts, contributing to the overall consumption of wheat flour.

Increasing consumer awareness of the health benefits

As people become more informed about the nutritional advantages of wheat flour, they are actively choosing it over other flour options for their dietary needs.

The perception of wheat flour as a healthier choice stems from its inherent qualities, such as its high fibre content, complex carbohydrates, and essential nutrients. Consumers recognize that opting for wheat flour can contribute to better digestive health, improved blood sugar regulation, and reduced risk of chronic diseases like heart disease and diabetes.

Furthermore, the rise in health-conscious consumer trends has led individuals to seek out products that align with their wellness goals. With increased access to information through various media channels, consumers are learning about the importance of incorporating whole grains like wheat into their diets for overall health and well-being.

Food manufacturers and retailers are responding to this demand by offering a wider range of wheat flour-based products, from whole wheat bread and pasta to cereals and snacks. Marketing efforts highlighting the health benefits of wheat flour, such as labels indicating "whole grain" or "high fibre," further reinforce consumer preferences and drive purchasing decisions.

Demand from Food Processing Industry

The demand for wheat flour in the food processing industry has experienced a notable surge due to its widespread use in the manufacturing of various products such as bread, biscuits, and other bakery items. This heightened demand is largely driven by the increasing consumer preference for processed foods, which has led to a greater reliance on wheat-based ingredients by food and beverage manufacturers.

Additionally, India's evolving consumer landscape, characterized by a growing middle-class population, a younger demographic, and higher disposable incomes, has significantly influenced consumption patterns in the country. This demographic shift has resulted in an increased demand for packaged and processed foods among consumers, further bolstering the need for input materials like wheat flour. Consequently, this has contributed to the growth of the wheat milling sector as suppliers strive to meet the rising demand for wheat-based products in the market.

Growing demand for bakery and confectionery companies

The global consumption of bakery products has been steadily increasing in recent years, driven by factors such as population growth, changing lifestyles, rising disposable incomes, and the increasing popularity of convenience foods. Another key driver of growth in the bakery industry is the increasing demand for healthy and natural products. Increasing awareness about healthy consumption among consumers has driven the

demand for bakery products made with whole grains, organic ingredients, and natural sweeteners. The surge in online marketing and mobile app-based delivery services globally, especially in the wake of COVID-induced lockdowns, has also improved distribution channels to consumers. The global bakery products market is projected to grow from an estimated USD 655.46 billion in 2025 to USD 854.63 billion by 2030, registering a CAGR of 5.45% during the forecast period. This growth reflects rising global demand for convenient, ready-to-eat bakery items driven by changing lifestyles and evolving consumption patterns.¹⁷

The Indian bakery and snacks market has shown steady growth, rising from INR 10,906.7 crore in CY 2022 to INR 11,877.4 crore in CY 2023. This upward momentum is expected to continue, with the market projected to reach INR 12,958.2 crore in CY 2024¹⁸. The sector is witnessing increasing demand driven by changing consumer preferences, rising urbanization, and expanding retail penetration. This growth trend highlights the strong potential for both organized and emerging players in the segment. The market is estimated to grow up to INR 24,256.5 crore by CY 2030 with 11.01% CAGR from CY 2024.¹⁹

This growth in demand for bakery products, both internationally and in India, directly contributes to the increased demand for wheat flour. Wheat flour is a fundamental ingredient in the production of various bakery items such as bread, cakes, pastries, and cookies. As the bakery industry expands to meet the growing consumer demand for these products, the demand for wheat flour as a primary ingredient rises in tandem.

The nutritional benefits and versatility of wheat flour, demanded by conscious consumers, make it an essential component in producing a wide range of baked goods, further driving its consumption. Consequently, the growth in demand for bakery products acts as a catalyst for the increased utilization of wheat flour by bakery and confectionery companies in both domestic and international markets, fuelling growth in the wheat flour industry.

Export Scenario

Wheat or meslin flour exports witnessed notable volatility in both volume and value from FY 2020 to FY 2025, reflecting the impact of global events, domestic policy shifts, and climatic challenges. The export volume rose sharply from 199.3 million kgs in FY 2020 to a peak of 564.5 million kgs in FY 2022, while the export value surged from INR 7.6 billion to INR 18.1 billion over the same period. This growth was largely fuelled by increased demand during the COVID-19 pandemic and a global supply crunch triggered by the Russia-Ukraine conflict, which disrupted major wheat supply chains and opened new opportunities for Indian exporters.

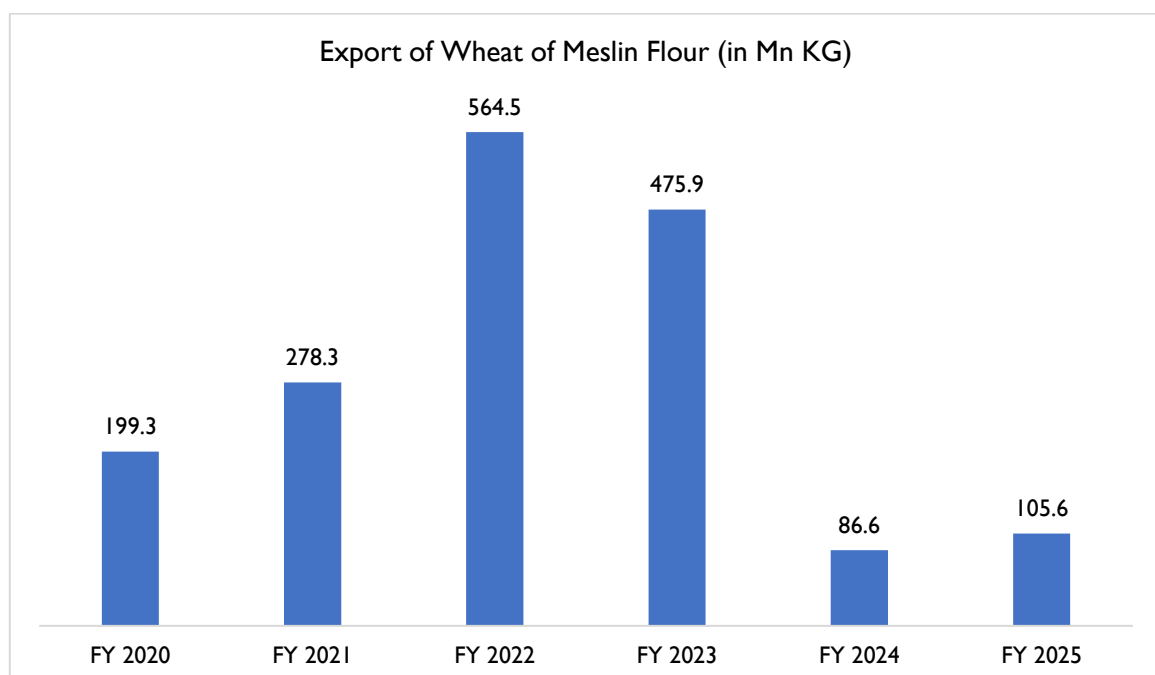
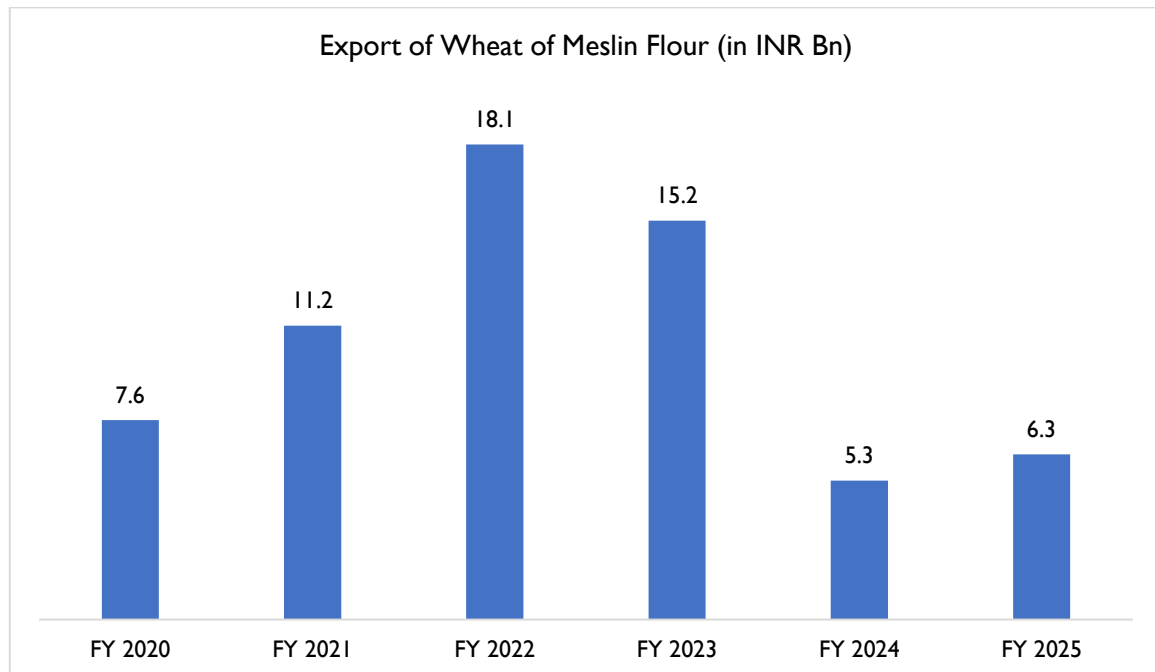
However, the Indian government responded with caution, prioritizing domestic food security. In May 2022, it imposed a ban on wheat exports, followed by the August 2022 restriction on wheat flour, maida, semolina, and wholemeal atta, citing concerns about rising domestic prices and potential shortages. The Directorate General of Foreign Trade (DGFT) mandated that exports could only proceed under special provisions such

¹⁷ Industry Sources

¹⁸ D&B Research Estimates

¹⁹ USDA

as the Advance Authorisation Scheme, allowing exporters to use imported wheat for manufacturing export products.

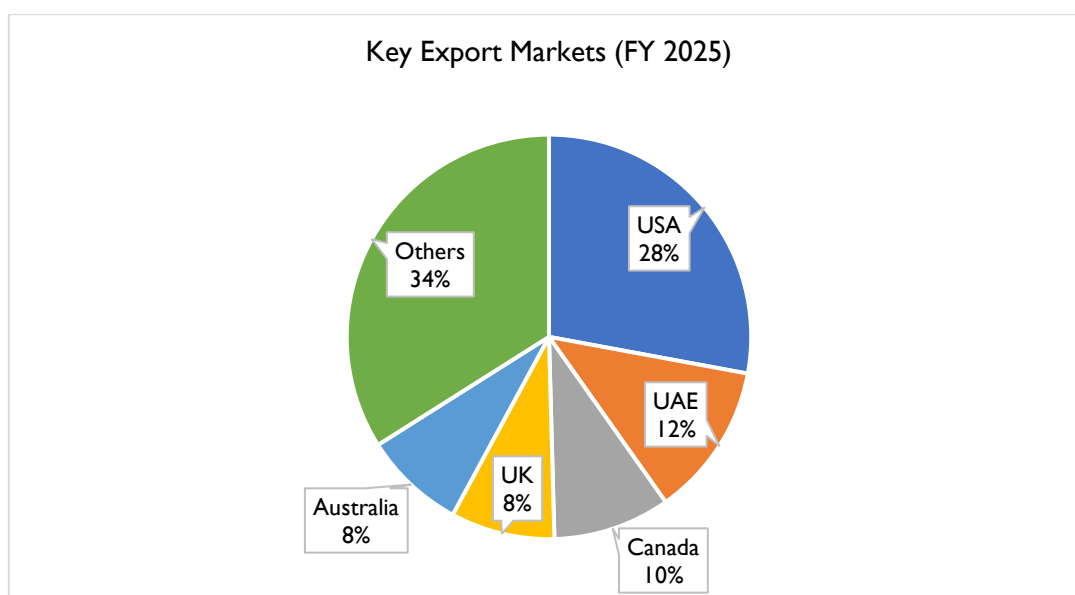


Source: DGCI&S

The impact of these regulatory actions became evident in FY 2023, with export volume falling to 475.9 million kgs and value declining to INR 15.2 billion. This decline continued into FY 2024, with volume dropping drastically to 86.6 million kgs and value to just INR 5.3 billion. The restrictions came amid poor domestic harvests caused by extreme weather conditions, particularly the severe heatwave in March 2022, which

significantly reduced wheat yields, estimated at over a 5% drop. These developments pushed the government to prioritize domestic supply and contain food inflation, especially with wheat being a dietary staple.

As of FY 2025, the downward trend persisted, with the full-year export volume reaching only 105.6 million kgs and value at INR 6.3 billion. The first half of FY 2025 had already shown subdued performance, with just 55.6 million kgs exported, amounting to INR 3.3 billion in value. Despite criticism that India lost out on leveraging high global prices during a period of international supply constraints, the government's cautious stance was rooted in the need to ensure food affordability and availability for its population. Overall, the export trajectory of wheat or meslin flour over these years underscores the tension between tapping into global market opportunities and safeguarding national food security in times of climatic and geopolitical volatility.



Source: DGCI&S

In FY 2024, the USA emerged as the leading export destination for wheat or meslin flour from India, accounting for 28% of total exports. This was followed by the UAE at 12%, Canada at 9%, the UK and Australia each at 8%, while the remaining 34% was distributed across other countries.

Competitive Landscape

The wheat flour market in India is driven by intense competition from numerous small and large players. In India, traditional local chakki mills still dominate the wheat flour market, but there's a rising trend towards branded and packaged options. This shift is evidenced by the increasing popularity of products like multigrain atta and fortified atta. Companies are tapping into consumer demands for nutrition, hygiene, and convenience, particularly in urban areas. With numerous brands offering distinct quality and varieties, competition in the market is fierce. Key factors that are shaping the competition are:

Market Players and Brand Presence

Numerous players operate in the wheat flour market, ranging from large multinational corporations to small-scale regional mills. Established brands such as Aashirvaad, and Patanjali dominate the market with their strong brand presence and extensive distribution networks. Regional brands also play a significant role, catering to local preferences and tastes. The presence of multiple players contributes to competitive pricing strategies and innovative product offerings to capture market share.

Quality and Product Differentiation

In a highly commoditized market like wheat flour, quality and product differentiation are critical factors driving competition. Manufacturers differentiate their products through various means such as grain quality, nutritional value, milling processes, and packaging innovations. Brands focusing on premium quality, organic, or specialty flour variants command higher prices and attract discerning consumers. Additionally, value-added products such as fortified flour with added vitamins and minerals appeal to health-conscious consumers, providing a competitive edge to manufacturers.

Distribution Channels and Market Reach

Efficient distribution networks and market reach are essential for gaining a competitive advantage in the wheat flour market. Brands with extensive distribution channels, including supermarkets, hypermarkets, convenience stores, and online platforms, can effectively reach consumers across urban and rural areas. Additionally, partnerships with wholesalers, retailers, and institutional buyers contribute to expanding market penetration and increasing sales volumes. Companies invest in strengthening their distribution infrastructure and logistics capabilities to enhance market access and visibility.

Price Competitiveness and Promotional Strategies

Price competitiveness is a key determinant influencing consumer purchasing decisions in the wheat flour market. Manufacturers adopt competitive pricing strategies to attract price-sensitive consumers while maintaining profitability. Discounts, promotional offers, and bundled deals are commonly employed tactics to stimulate sales and gain market share. Furthermore, advertising and promotional campaigns, including television commercials, print media, and digital marketing, play a crucial role in brand visibility and consumer engagement, influencing brand preference and loyalty.

Regulatory Environment and Compliance

Compliance with regulatory standards and food safety regulations is non-negotiable in the wheat flour industry. Manufacturers must adhere to stringent quality control measures, hygiene standards, and labelling requirements set by regulatory authorities such as the Food Safety and Standards Authority of India (FSSAI). Ensuring product safety, purity, and nutritional integrity builds consumer trust and credibility, contributing to competitive advantage and market leadership.

Key Players

Company Names	Brief
ITC Ltd - Aashirvaad	Aashirvaad, owned by ITC Ltd., has been a household name since its launch in 2002, offering staple foods and kitchen essentials like atta flour, spices, and dairy products. Aashirvaad Atta, introduced in Bengal and Chandigarh in 2002, has become the country's leading branded packaged atta. Backed by ITC Limited, a leading multi-business Indian enterprise, Aashirvaad benefits from the conglomerate's diverse portfolio spanning FMCG, Paper, Packaging, Agribusiness, Hotels, and IT sectors. Over the years, ITC has cultivated a vibrant portfolio of 25+ world-class Indian brands, including Aashirvaad, Sunfeast, Yippee!, Bingo!, and B Natural, among others.
Adani Wilmar Limited (Fortune Foods)	Fortune Foods by Adani Wilmer is a leading food brand recognized for its commitment to quality and innovation. Offering a diverse range of products, including cooking oils, rice, flour, meals, snacks, sauces, and condiments, Fortune Foods serves customers globally. Their dedication to superior quality, innovation, and customer satisfaction drives them to continually improve and innovate. Fortune Foods prioritizes responsible sourcing and sustainability initiatives, aiming to make a positive impact on society and the environment.
Patanjali Limited Ayurved	Patanjali Ayurved Limited, founded in 2006, is an Indian multinational conglomerate holding company headquartered in Haridwar. Spearheaded by Ramdev and Balkrishna, the company has a presence in Delhi and manufacturing units in Haridwar. Patanjali Ayurved Limited has received accolades for its commitment to food safety, including the Certificate for Significant Achievement in Food Safety and the Certificate for Strong Commitment to Food Safety at the 14th CII Food Safety, Quality, and Regulatory Summit in December 2019. With a consumer reach of 50 million and products available in over 300,000 stores, Patanjali offers a diverse portfolio of over 1,000 items. In addition to Ayurvedic Medicine, Foods, Nutraceuticals, Personal Care, and Health Care products, Patanjali is also recognized for its packaged wheat flour, catering to the dietary needs and preferences of consumers across India.

Radha Soami Food Products Pvt. Ltd	Established in 1986 in Jaipur, Radha Soami Food Products has been a trusted name in the Rajasthan market, offering the finest quality Atta, Besan, Suji, Dalia, and Maida under the renowned brand name Laxmi Bhog. As pioneers in the field of Packaged Atta in Rajasthan, they have built a strong retail-marketing network, becoming a household name in the region. With a significant presence in the capital city, they dominate the branded staple food category in Jaipur, boasting a majority market share. Their extensive retail channel comprises approximately 7,000 kirana shops, ensuring widespread accessibility and availability to their valued consumers across the city.
Ahaar Consumer Products Pvt. Ltd.	Ahaar Consumer Products Pvt. Ltd. is a prominent player in the food industry, offering a diverse range of high-quality products. With a manufacturing capacity of 300 metric tonnes per day for wheat flour, the company emphasizes hygiene and quality throughout the production process. Stringent quality control measures are implemented, supported by state-of-the-art laboratories at all production plants. Ahaar Consumer Products Pvt. Ltd. holds ISO , HACCP, and FSSAI certifications, highlighting its commitment to international standards.

Product Segment: Indian Food Processing Industry

Industry Overview

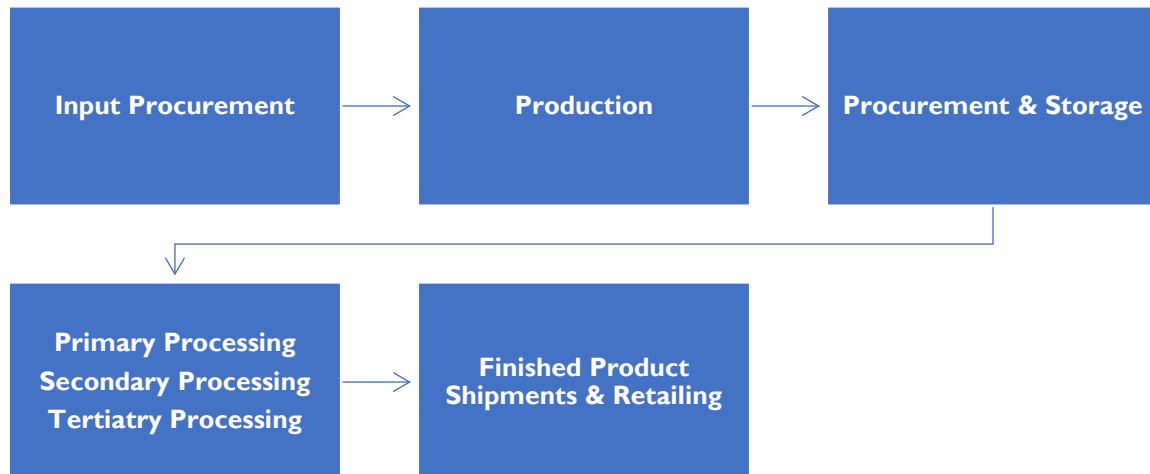
Food processing involves any value addition activities applied to produces right from harvesting stage to making it available as a usable food product to either to the end user or as an industrial raw material (intermediary product) to manufacturing industries. Transformation of raw food ingredients into food or various forms of food is referred as Food Processing. It helps in increasing the shelf life of the products. Processed foods can be classified into three types viz. Primary, Secondary and Tertiary.

Primary Processing: Primary processing refers to conversion of raw agricultural produce, milk, meat and fish into a commodity that is fit for human consumption and it includes basic cleaning, grading and packaging as in case of fruits and vegetables.

Secondary processing: This involves alteration of the basic product to a stage just before the final preparation as in case of milling of paddy to rice.

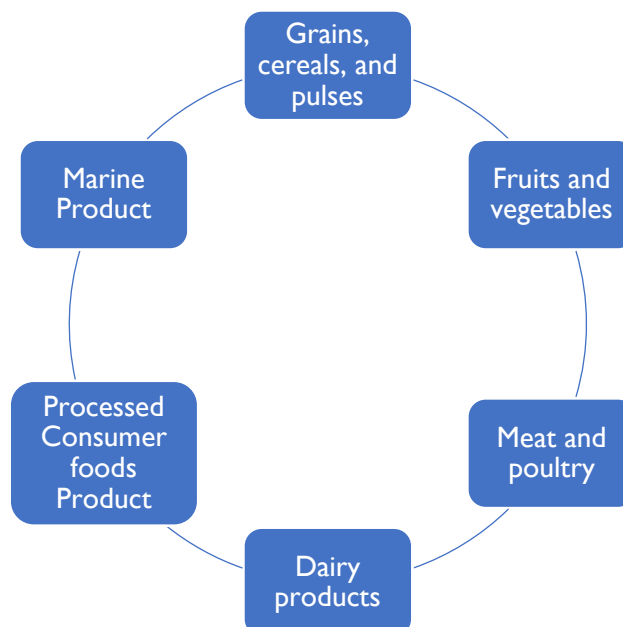
Tertiary processing: This include processing activity that leads to a high value-added ready-to eat food like bakery products, instant foods, health drinks, etc.

Value Chain of food processing industry involves following key processes as illustrated below:



The food processing industry has undergone a sea of change over a period. The food product we consume passes through several processes before reaching our plate. The raw products from agriculture, dairy, plant based/poultry meat, etc. undergo processing such as harvesting, cleaning, packaging, grading, preserving, storage, and transportation. They are processed using cutting-edge technology that enhances shelf life of food products.

India's food processing sector covers fruit and vegetables; spices; meat and poultry; milk and milk products, alcoholic beverages, fisheries, plantation, grain processing and other processed consumer product groups like confectionery, chocolates and cocoa products soya-based products, mineral water, high protein foods, etc.



Grains, cereals, and pulses

India stands as the world's largest producer of rice, wheat, and various grains like corn, sorghum, and millets. The country boasts a significant grain processing sector, wherein a substantial portion of the produced grains is directed towards processing. This industry encompasses the transformation of cereals and pulses into diverse forms, including flakes, puffed cereals, and ready-to-eat snacks. Additionally, the milling of grains is integral to the sector, resulting in the production of flour, rice, and various other products.

Fruits and vegetables

India plays a crucial role as a substantial producer of diverse fruits and vegetables, ranking as a 2nd largest producer of fruit and vegetable globally. Given the perishable nature and limited shelf life of these items, the food processing industry assumes a vital role in their processing and preservation. Within this sector, activities range from the preparation of fruit and vegetable juices, jams, and pickles to the processing of both fresh and frozen fruits and vegetables.

Dairy products

India holds the title of the world's largest producer of milk, and the dairy sector plays a crucial role in the nation's food processing landscape. This industry encompasses the conversion of milk into a diverse array of dairy products, such as butter, cheese, yoghurt, and various others.

Processed foods.

The Indian processed food sector is prolific, generating an extensive array of food products, ranging from convenience foods to ready-to-eat meals and snacks. This industry benefits from a resilient supply chain, encompassing primary processors and food processing companies.

Different Techniques of the Food Processing Industry

Techniques	Details
Preservation	This food processing technique, encompassing methods like canning, freezing, drying, and fermenting, is employed to extend the shelf life of food products. These approaches effectively inhibit the growth of bacteria and other microorganisms that could potentially spoil the food.
Preparation	Methods involved in readying food products for consumption, such as cooking, baking, and grilling, fall under this category of food processing. These techniques play a role in enhancing the flavor, texture, and overall presentation of the food.
Packaging	Processes for preparing food products for consumption, such as cooking, baking, and grilling, are part of this food processing type. These approaches contribute to improving the taste, texture, and presentation of the food products.
Enrichment	Within this food processing method, nutrients such as vitamins and minerals are added to food products to enhance their nutritional content. It is commonly applied to foods that may lack certain nutrients naturally, such as bread and cereals.

Fortification	This form of food processing involves the addition of nutrients to meet specific dietary requirements, like fortifying flour with folic acid or breakfast cereals with iron. Fortification is often used to address public health concerns or fulfill the dietary needs of specific populations, such as children or pregnant women.
Extraction	This technique in food processing involves isolating a component or ingredient from a food product, such as extracting oil from seeds or protein from milk.
Concentration	This food processing method entails reducing the water content or other ingredients in a food product. Examples include concentrating fruit juice or producing tomato paste.
Processing aids	In this food processing category, chemicals or other substances are utilized to enhance the processing or preservation of food products. This can involve the use of acids or enzymes to improve fermentation or preservatives to extend shelf life.

Government Initiatives

The food processing sector plays an important role in increasing farm income and creating off-farm jobs, reducing post-harvest losses in agriculture and allied sector production through on- and off-farm investments in preservation and processing infrastructure. Accordingly, Ministry of Food Processing Industries has undertaken several initiatives to give impetus to development of food processing sector in the country. To push the processing level, the government has approved proposals for joint ventures and encouraged foreign collaboration in the sector and exempted all the processed food items from the purview of licensing under the industries (Development and Regulation) Act, 1951. Government of India has given a priority sector status to food processing sector and the government aims to increase the level of food processing to 25% by 2025 under the National Food Processing Policy.

Mega Food Park Scheme

The Government implemented Mega Food Park flagship policy in 2008-09 to provides the supportive infrastructure in the form of all the necessary supply chain required for the functioning of food processing units. The support infrastructure provided includes collection centres, primary processing centres, central processing centres, cold chain infrastructure together with industrial plots for setting up food processing unit. 41 projects were approved under the Mega Food Park Scheme of which 24 Mega food parks are operational in the country as of December 2023. With effect from 1st April 2021, the Government has discontinued the Mega Food Park scheme. However, provisions that are earmarked for ongoing projects would continue to be disbursed.

Integrated Cold Chain Scheme: The Cold Chain, Value Addition and Preservation Infrastructure Scheme aims to provide integrated cold chain and preservation infrastructure facilities without any break from the farm gate to the consumer. The scheme aims to seamlessly connect pre-cooling facilities at production sites, reefer vans, mobile cooling units as well as value addition centers/infrastructural facilities like Processing / Collection Centers, etc.

Creation/Expansion of Food Processing and Preservation Capacities (CEFPPC) Scheme: The main objective of the Scheme is creation of processing and preservation capacities and modernization/ expansion of existing food processing units with a view to increase the level of processing, value addition leading to reduction of wastage.

Pradhan Mantri Kisan SAMPADA Yojana (PMKSY)

In May 2017, the government launched a PMKSY scheme with an approved allocation of INR 60 Bn for the period 2016-20 (extended to 2020-21) for 14th Finance Commission cycle and has been continuing after restructuring during 15th Finance Commission Cycle with approved allocation of INR 46 Bn. PMKSY is an all-inclusive scheme formed by merger of various schemes such as Mega Food Parks; Integrated Cold Chain and Value Addition Infrastructure; Modernization / Setting up of Abattoirs; Food Safety and Quality Assurance Infrastructure; Human Resources & Institutions and new schemes for Infrastructure for Agro-processing Clusters; Creation of Backward and Forward Linkages and Creation / Expansion of Food Processing & Preservation Capacities.

The scheme serves as a comprehensive package of component schemes, focusing on establishing modern infrastructure with efficient supply chain management from the farm gate to retail outlets. This initiative significantly propels the growth of the food processing sector, contributes to better prices for farmers, generates substantial employment opportunities, particularly in rural areas, reduces agricultural produce wastage, elevates the processing level, and amplifies the export of processed foods.

Financial support, in the form of grants-in-aid, is provided for setting up food processing projects across the country under the various component schemes:

- Mega Food Parks scheme (MFP) (discontinued w.e.f. 01.04.2021)
- Integrated Cold Chain and Value Addition infrastructure (Cold Chain)
- Creation of Infrastructure for Agro Processing Cluster (APC)
- Creation/ Expansion of Food Processing and Preservation Capacities (CEFPPC)
- Creation of Backward and Forward Linkages (CBFL) (discontinued w.e.f. 01.04.2021)
- Operation Greens (OG): Long Term Interventions
- Food Safety and Quality Assurance Infrastructure – Setting up / Up gradation of quality control/ food testing laboratories (FTL)
- Human Resource & Institutions (HRI)

Till December 2023, a total of 1401 projects has been approved under various component scheme of PMKSY (since their respective launch date). Of these 832 projects have been completed resulting in processing & preservation capacity of 21.84 million metric tonnes (MMT). The approved projects, on their completion, are expected to leverage investment of INR 212.17 Bn benefiting about 57 lakh farmers and generating over 8.28 lakh direct/indirect employment. The scheme has also contributed to improving the farm gate prices and

reducing the food wastage. As per NABCON²⁰'s evaluation study report on cold chain projects, reveals that completion of 70% of the approved projects has resulted into waste reduction up to 70% in case of fisheries and 85% in case of dairy products.

The details of physical targets proposed by the Ministry for the 15th Finance Commission Cycle period (2021 - 26) and achievements made as on date under various component schemes of PMKSY are as under:

Component scheme of PMKSY	Project in numbers	
	Proposed	Achievement
Mega Food Parks scheme	Discontinued w.e.f. 01.04.2021	
Cold Chain scheme	30	42
APC scheme	30	29
CEFPPC scheme	162	242
CBFL scheme	Discontinued w.e.f. 01.04.2021	
OG scheme	80	47
FTL scheme	25	22
HRI – R&D scheme	100	-

Source: PIB

Production Linked Incentive Scheme for Food Processing Industry (PLISFPI)

In order to support creation of global food manufacturing and boost Indian brands of food products in the international markets, the government launched production-linked incentive (PLI) schemes. With a total budget of INR 10,900 crore, the government has already invested INR 4,900 crore in the sector through the PLI plan. The scheme will be implemented for six years, from 2021-22 to 2026-27. To qualify for the incentive, the selected applicant will be required to undertake investment²¹ in Plant & Machinery in the first two years i.e., in 2021-22 & 2022-23. Also, the entire manufacturing process, including the initial processing of food items, must take place within India, which is expected to provide a much-needed boost to the local industry.

PLI Scheme for the Food Processing Industry comprises of three components listed as below:

Category I - Incentivising manufacturing of four major food product segments viz. namely Ready-to-cook and ready-to-eat products foods including Millets based products, Processed fruits and vegetables: Marine products and Mozzarella cheese.

Category II- Endorse Innovative and Organic products of SMEs.

Category III- Support for branding and marketing initiatives to promote Indian brands in global market.

²⁰ A wholly owned subsidiary of NABARD. NABARD Consultancy Services

²¹ as quoted in their Application (Subject to the prescribed minimum)

Additionally, with 2023 being declared as the International Year of Millets, the Ministry of Food Processing Industries (MoFPI) is committed to promoting post-harvest value addition, increasing domestic consumption, and branding millet products both nationally and internationally through various PLI schemes. In 2022-23, MoFPI announced an outlay of INR 1000 crores to expand the PLI Scheme and added a new component specifically for millet-based products. A total of 30 projects for millet-based products with incentive worth INR 8 bn spread across 8 large entities and 22 MSMEs, have been approved under PLISFPI.

A total of 176 proposals under different categories of Product Linked Incentive scheme for Food Processing sector (PLISFPI) have been approved till December 2023. An incentive of INR 5.84 Bn has been released till December 2023 under the scheme which has resulted in processed food sales turnover of about INR 2.01 trillion, investment of INR 70.99 Bn and employment generation of 0.24Mn people.

Make In India Scheme: A portion of the Make in India campaign, the food processing sector was recognized as one of the concentrated areas. Therefore, the policy, ecosystem has been refurbished to draw financial, technological, and human resources into the zone. Allowing 100% FDI via automatic route into this sector is also an important footstep in this direction.

Technology Upgradation Scheme: Under this Scheme, Ministry extends financial assistance for setting up of food processing units including fruits and vegetables units, in the form of grants-in-aid to the implementing agencies/ entrepreneurs at 25% of the cost of plant & machinery and technical civil works subject to maximum of INR 5 Mn in general areas and 33.33% up to a maximum of INR 7.5 Mn in difficult areas.

FDI in Food Processing Sector: 100% FDI is permitted under the automatic route in the food processing sector and 100% FDI under Government approval route is allowed for retail trading, including through e-commerce, in respect of food products manufactured and/or produced in India. Allowing 100% FDI through automatic route helps to attract more FDI as under the automatic route, the investment does not require the prior approval. Automatic Government approval is also provided for projects which involve technology transfer to the local partner. The foreign direct investment in food processing sector in 2022-23 is estimated to be 895.34 USD Mn and USD 6.185 Bn between April 2014-March 2023.

Agro Processing Cluster scheme: The Agro Processing Cluster scheme was approved in May 2017 as part of the (Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) to encourage the establishment of APCs which are equipped with modern infrastructure and common facilities to encourage entrepreneurs to set up food processing units based on cluster approach. It aims to link stakeholder across value chain like producers/ farmers to the processors and markets through well-equipped supply. The scheme has two basic components i.e., Basic Enabling Infrastructure (roads, water supply, power supply, drainage, ETP etc.) and Core Infrastructure/ Common facilities (warehouses, cold storages, IQF, tetra pack, sorting, grading etc). For setting up of Agro Processing Cluster, at least 10 acres of land is required to be arranged either by purchase

or on lease for at least 50 years and at least 5 food processing units with a minimum investment of INR 25 crore is needed.

State-wise Break-up of Projects Approved so far under Agro Processing Clusters (APC) Scheme

State/UT	No. of Approved Agro Processing Cluster Projects *	Project Cost (Rs. in Crores)	Grant Approved (Rs. in Crores)
Maharashtra	12	372.9	107.0
Tamil Nadu	11	291.0	71.7
Assam	6	127.6	52.5
Gujarat	5	129.5	37.4
Karnataka	4	100.3	29.3
Madhya Pradesh	4	143.5	39.4
Rajasthan	4	119.6	31.7
Uttar Pradesh	4	114.7	33.9
Punjab	3	70.5	20.5
Chhattisgarh	2	63.8	12.0
Haryana	2	43.2	13.0
Kerala	2	71.7	19.0
Telangana	2	62.0	15.4
Andhra Pradesh	1	28.7	5.9
Bihar	1	30.4	7.9
Himachal Pradesh	1	24.5	10.0
Jammu and Kashmir	1	24.4	10.0
Uttarakhand	1	23.3	10.0
Arunachal Pradesh	1	23.4	5.3
Meghalaya	1	21.7	8.8
Total	68	1886.9	540.6

Source: Answers Data of Rajya Sabha Questions for Session 257 (Reply to Unstarred Question on 5 August, 2022) |

*The states are indexed on the basis of number of APC projects approved per state. As per Lok Sabha Q&A session on 6th February 2024, the total count stands at 69.

These cluster set up by Project Execution Agency (PEA)/ Organisation such as Govt./ PSUs/ Joint Ventures/ NGOs/ Cooperatives/ SHGs/ FPOs/ Private Sector/ individuals etc. and are eligible for financial assistance subject to terms and conditions of the scheme guidelines.

- The Scheme envisages grants-in-aid @ 35% of eligible project cost in general areas and @50% of eligible project cost in the Northeast States including Sikkim and difficult areas namely

Himalayan States (i.e., Himachal Pradesh, Jammu & Kashmir and Uttarakhand), State notified ITDP areas, Islands and SC/ST entrepreneurs subject to max. of INR 10.00 crore per project.

Other Incentives & Initiative to promote Food Processing Industries

- Income tax Incentives:
 - Eligibility for 100 % profit exemption for the initial five years, followed by 25 % deduction for the subsequent 5 years.
 - Full deduction equivalent to 100 % allowed for capital expenditure related to cold chain or warehouse investment.
- Credit Facilities
 - Loans to food & agro-based processing units and Cold Chain have been classified under Agriculture activities for Priority Sector Lending (PSL).
 - Cold chain and post-harvest storage have been recognized as an infrastructure sub-sector and Capex toward the creation of modern storage capacity is eligible for Viability Gap Funding scheme of the Finance Ministry.
 - A special food processing Fund of USD 263 Mn was created by NABARD for providing affordable credit to Mega Food Parks and units to be set up under MFPs & designated food parks.
- INR 32.88 Bn (B.E.) was allocated to Ministry for development of Food Processing Sector in year 2023-24 which is 73% higher against the revised estimate of INR 19.02 Bn in 2022-23.
- In November in 2023, the MOFPI organized the Second edition of World Food India which saw extensive participation more than 1200 national and international exhibitors, representatives from 90 countries, 91 Global CXOs and 15 overseas ministerial. As a part of event, the country hosted several knowledge sessions on best practices, discussing financial empowerment, quality assurance, innovations in machinery and technology, e-commerce, and logistics in the food processing sector. Also, MoUs worth INR 331.29 Bn were signed with various companies during the event.

Goods and Services Tax (GST) Rate

- Lower GST for raw and processed products. More than 71.7% of food products are in lower tax slab rate 0% & 5%.
- Exempted GST on Services of pre-conditioning, pre-cooling, ripening, waxing, retail packing, labeling of fruits and vegetables which do not change or alter the essential characteristics of fruits & vegetables.
- 18% GST on refrigeration machineries and parts used in the installation of cold storage, refrigerated vehicle for the preservation, transportation, storage and processing of various agro based product.

- Machinery used in dairy sector attract 12% GST while 18% GST is applicable on machinery use for the preparation of meat, poultry, fruits, nuts or vegetables and on presses, crushers and similar machinery used in the manufacture of wine, cider, fruit juices or similar beverages.

Export Restriction in Sugar

India, the world's second-largest sugar producer, imposed export restrictions on sugar starting June 1, 2022, to ensure domestic availability and curb rising prices. Initially set to last until October 31, 2022, these restrictions were extended through October 2023 and subsequently continued until further notice. The measures encompassed various sugar categories, including raw, white, refined, and organic sugars.

The government's decision was influenced by anticipated declines in sugar production due to deficient monsoon rains, attributed to El Niño weather patterns. Additionally, the increasing domestic demand for sugar, driven by traditional consumption and the burgeoning ethanol industry, necessitated measures to stabilize prices and ensure sufficient supply. The push for ethanol blending, aiming for a 20% mix with petrol by FY 2026, further intensified the demand for sugarcane.

After nearly 31 months of stringent export controls, the Indian government, on January 20, 2025, permitted the export of 10 lakh metric tonnes (LMT) of sugar for the FY 2025 season²². This allocation was distributed among sugar mills based on 3.174% of their average production over the past three operational sugar seasons (FY 2022 to FY 2024). The move aimed to alleviate financial pressures on sugar mills, enabling timely payments to farmers and supporting the livelihoods of millions dependent on the sugar industry.

While this partial relaxation offers relief to domestic stakeholders, it also has implications for the global sugar market. India's re-entry as an exporter could influence international sugar prices, which had been elevated due to the country's prolonged absence from the export market. However, the government remains cautious, balancing export opportunities with the need to maintain domestic price stability and meet ethanol production targets.

Current Market Scenario

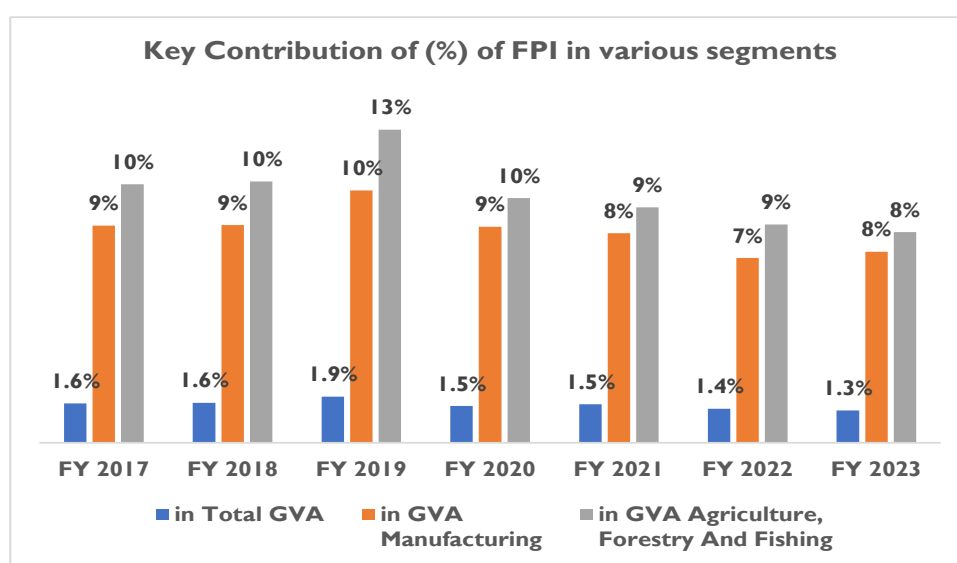
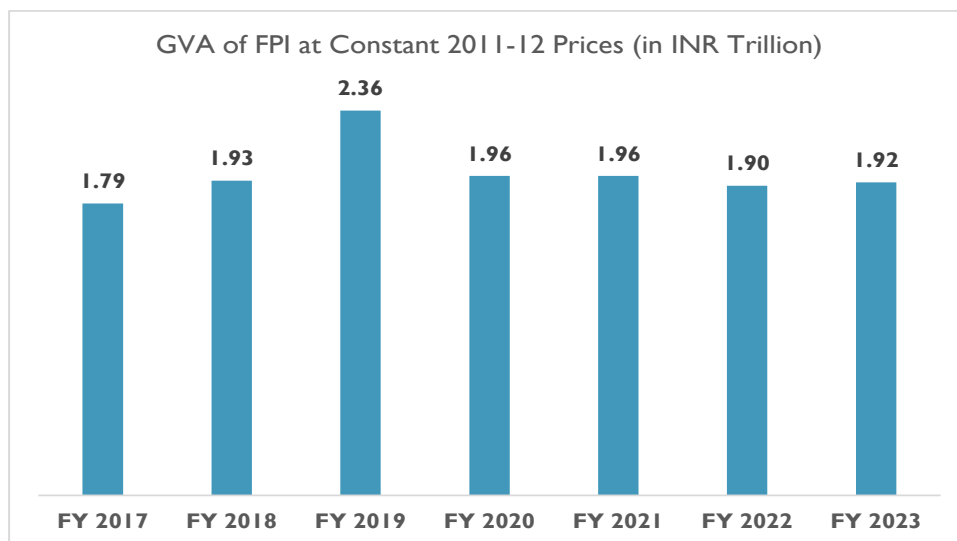
As of FY 2023, approximately 55% of India's total land area is dedicated to agriculture, highlighting the sector's significant role in the country's economy and rural livelihood. This extensive share underscores the importance of agriculture not only as a source of food security but also as a key contributor to employment and national GDP.

India has over 154.45 Mn hectares of arable land (51.9% of the land Area). The country is one of the largest producers of food-grains, fruits, and vegetables, and the largest producer of milk in the world. The country also has one of the largest livestock populations in the world. India's vast coastline has also benefited in

²² Ministry of Consumer Affairs, Food & Public Distribution Department of Food & Public Distribution

availability of fish and other sea creatures. All these resources have resulted in the development of the Indian food processing sector.

The food processing sector is one of the largest sectors in India in terms of production, growth, consumption, and export. Helped by the higher level of agriculture production and government support, the sector has witnessed growth. India's Gross Value Added (GVA) for the Food Processing Industry (FPI) at constant 2011-12 prices exhibited mixed trends between FY 2017 and FY 2023. The GVA increased from INR 1.79 trillion in FY 2017 to INR 2.36 trillion in FY 2019, reflecting a strong growth rate of 31.8% over two years. However, it declined by 16.9% to INR 1.96 trillion in FY 2020 due to disruptions from the COVID-19 pandemic. The following years saw stagnation, with GVA remaining at INR 1.96 trillion in FY 2021 and falling by 3.1% to INR 1.90 trillion in FY 2022. A modest recovery of 1.1% was observed in FY 2023, with GVA reaching INR 1.92 trillion. These fluctuations highlight the industry's resilience amid challenges such as supply chain disruptions, rising input costs, and global economic uncertainty.

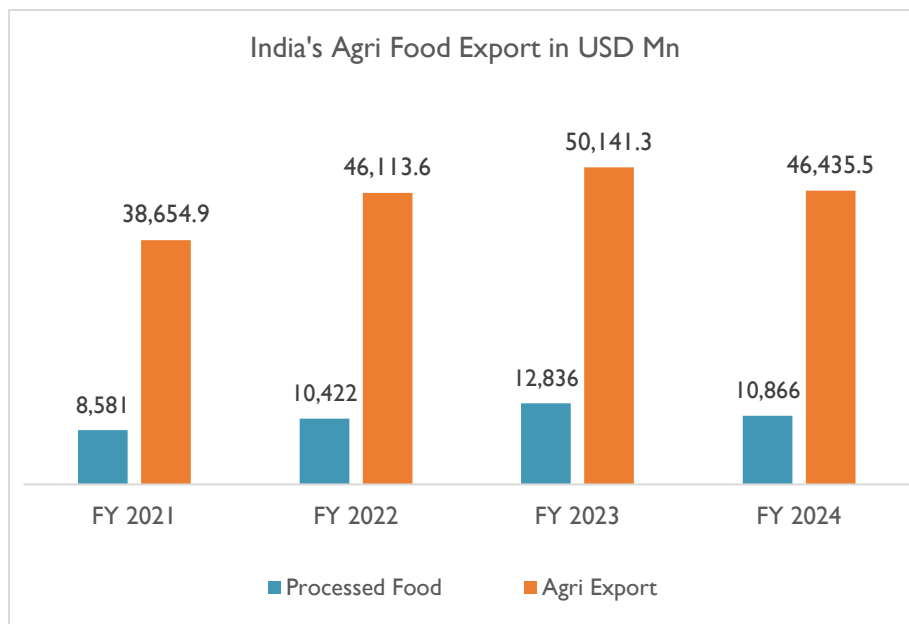


Source: MOFPI, Dun and Bradstreet Research²³

²³ As per the latest data available by MOFPI.

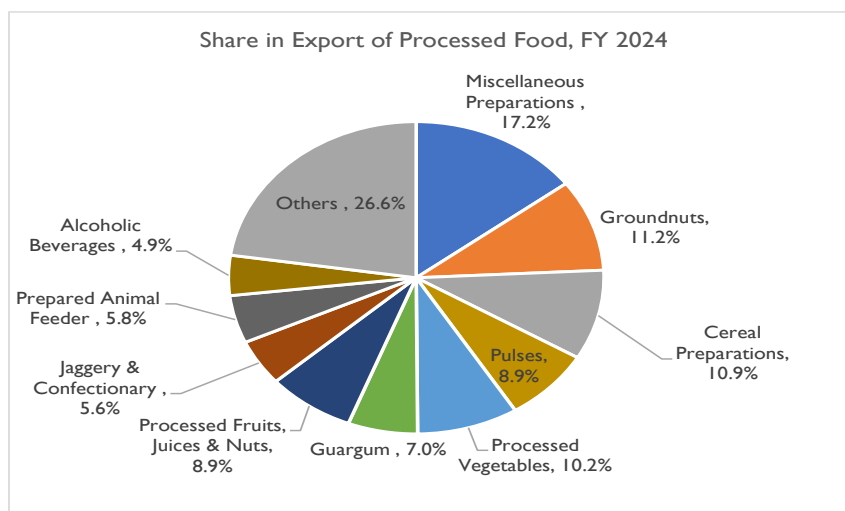
Exports

The Indian food processing industry is primarily export oriented. The country ranked 7th in the world in agricultural and processed food exports in FY 2023. Over the period FY 2021-24, India's agri food exports have CAGR of ~6.3% while processed food export have increased at 8.2% CAGR. In FY 2024, India's agri-food exports contracted by 7.4%, while processed food exports saw a sharper decline of 15.3%. This follows consistent growth in previous years, with agri-food exports rising by 9% in FY 2023 and 19% in FY 2022, and processed food exports expanding by over 20% in both years. Despite the decline, the share of processed food in total agri-product exports increased to 29.3% in FY 2024, compared to 25.6% in FY 2023 and 22% in FY 2022, indicating the sustained importance of processed food in India's export composition.



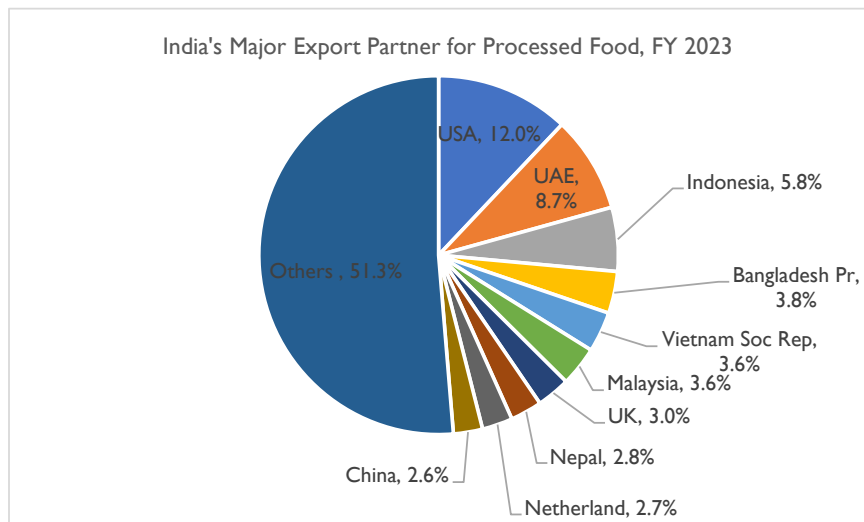
Source: MOFPI, Department of Commerce Trade Statistics

Groundnut, Cereals preparation, Pulses, Processed Vegetable and Guar gum altogether account for nearly 48.3% of FPI exports.



Source: Breakup of USD 7,702 Mn of processed food sourced from APEDA

India's export market for processed food is fairly diversified as country export its product in over 200 countries. USA continued to remain India's largest export partner for processed food in FY 2023 with 12.0% followed by UAE (8.7%), Indonesia (5.8%), Bangladesh (3.8%) and Vietnam (3.6%) which together accounted for nearly 34% share while top 10 countries contributed 48.7% in the total export earnings from processed foods.



Source: Breakup of USD 7,409 Mn of processed food sourced from APEDA

Key Success Factors for Expansion of Food Processing Industry in India

Availability of raw material or primary product: India's diverse climate ensures availability of varieties of crops, fruits, vegetables, and livestock.

Production across major product categories is indicated in table below:

Product	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	CAGR with previous year
Food Grain	297.5	310.7	315.6	329.7	332.2	354	7%
Milk	198.4	210	221.1	230.6	239.2	-	4%
Fruits	102	102.5	107.5	110.2	113	113.2	0.2%
Vegetables	188.3	200.4	204.8	212.5	207.2	214.6	4%
Fish	14.2	14.73	16.2	17.4	18.4	-	6%
Poultry: Eggs	114.4	122.1	129.6	138.4	142.8	-	3%

Source: MOFPI, Animal Husbandry Statistics, Press Information Bureau

Note: Production of all products except eggs is in Mn tonnes. For egg production is given in Bn units

India leads the global production in the following products:

- As of FY 2024, India continues to lead the world in milk production, contributing nearly 25% of global milk output, ahead of countries such as the USA, Pakistan, China, and Brazil, according to the Food and Agriculture Organization (FAO). India's total milk production for the year stood at 236.4 million

tonnes, driven by consistent growth in the dairy sector and supported by strong rural infrastructure and cooperative models.

- In the poultry segment, India ranks second globally in egg production. Egg production in the country has been expanding steadily at a CAGR of 6.87%, reaching 142.8 billion eggs in FY 2024. The per capita availability of eggs has also improved significantly, rising to 103 eggs per annum, up from 62 eggs per annum in FY 2015.
- Livestock rearing plays a crucial role in India's rural economy, serving as a major source of livelihood for over 70% of rural households. A large proportion of those engaged in livestock farming are small and marginal farmers or landless labourers. This sector, often referred to as a sunrise industry, currently provides direct and indirect employment to about 80 million people across the country, contributing significantly to rural income and nutritional security.
- India is also the second-largest producer of fruits and vegetables in the world after China. The country ranks first in the production of the number of crops like Banana, Lime & Lemon, Papaya, and Okra.
- The second largest producer of food grain (e.g., Rice, wheat, sugar, and cotton, etc.)
- India, as the world's 3rd largest fish producer, 2nd largest aquaculture nation after China, and the top shrimp producer, plays a crucial role in global fisheries and food security. The sector supports the livelihoods of nearly 30 million people, particularly in coastal and rural areas. In recent years, India has seen a strategic shift from marine to inland fisheries, with aquaculture increasingly replacing capture fisheries. This transformation is driving sustainable growth and strengthening the country's blue economy.

Product	Share in World Production	Global Rank	Next to
<u>Cereals</u>	11.38%	3	China, USA
Wheat	14.25%	2	China
Rice	24.25%	2	China
<u>Oil Seeds</u>			
Groundnut (in shell)	18.50%	2	China
Rapeseed	10.01%	4	Canada, Germany, China
<u>Fruit & Vegetables</u>			
Fruit excluding melon	11.89%	2	China
Vegetables Primary & Melons	11.88%	2	China
Potatoes	13.08%	2	China
Onions	24.95%	1	-

<u>Commercial Crops</u>			
Sugarcane	19.87%	2	Brazil
Tea	20.16%	2	China
Coffee	2.96%	9	Brazil, Vietnam, Colombia, Indonesia, Ethiopia, Honduras, Uganda, Peru
Jute	48.82	2	Bangladesh
Tobacco unmanufactured	13.18	2	China
<u>Dairy Products</u>			
Milk	22.99%	1	
Egg	7.19%	2	China
Meat	3.30%	5	China, USA, Brazil, Russia

Source: MOFPI Annual Report 2024, Position is mentioned as of 2020

Domestic availability of various food products as a raw material offers vast business opportunities in food-based industries like canning, processed dairy products, frozen food / refrigeration, and thermo-processing.

Low Processing Level: Currently, the level of food processing is low in India at around 10%. The processing penetration level in various segments in India is mentioned below:

Segment	% of Processing Level in 2015-16	% of Processing Level 2018-19
Milk	20.1%	21.1%
Fruits	2.9%	4.5%
Vegetables	2.22%	2.7%
Meat	22.7%	34.2%
Fisheries	8.3%	15.4%
Coarse Cereals	28.6%	29.4%

Source: MOFPI, ** Deloitte Study 2020-21

Importance of Food Processing Sector

The Food Processing Industry (FPI) plays a pivotal role by establishing crucial connections and synergies between two fundamental pillars of the economy: agriculture and industry.

- Employment Generation:** Acting as a bridge between agriculture and manufacturing, FPI serves as a significant source of both direct and indirect employment opportunities. This contributes to overall economic growth and stability. The sector also generates the highest level of employment and account for about 12.22% share in the total employment in the registered/organized sector. The sector employs ~2 million people in registered units and about 5.1 million people in unregistered units across the country. Considering the employment potential and its benefits to the agriculture sector, the government has launched various schemes/programs to help spur the growth in the sector.

- **Doubling Farmers' Income:** The increasing demand for agricultural products translates into higher prices for farmers, thereby elevating their income levels. This aligns with the national goal of doubling farmers' income.
- **Malnutrition Reduction:** Processed foods, when fortified with essential vitamins and minerals, have the potential to address nutritional deficiencies in the population, playing a crucial role in reducing malnutrition.
- **Reducing Food Wastage:** FPI can be instrumental in mitigating the pervasive issue of food wastage. With a focus on efficient sorting and grading near the farm gate and redirecting surplus produce to the food processing industry, substantial reductions in wastage can be achieved, leading to better returns for farmers. A nation-wide study on post-harvest losses for 54 agricultural produces in 292 districts of 15 Agro Climatic Zones (ACZs) was carried out by NABARD Consultancy Services Pvt. Ltd (NABCONS) from which loss of major Agricultural produce is listed below:

Category-wise wastage in the country*	
Category	Cumulative wastage as a percentage of total produce
Cereals	3.89-5.92
Pulses	5.65-6.74
Oil Seeds	2.87-7.51
Fruits	6.02-15.05
Vegetables	4.87-11.61
Plantation Crops & Spices	1.29-7.33
Milk	0.87
Fisheries (Inland)	4.86
Fisheries (Marine)	8.76
Meat	2.34
Poultry	5.63
Egg	6.03

Source: MOFPI Annual Report 2024,

*Data is indicative in nature as it pertains to determine Post Harvest Losses of Agri Produce in India 2022.

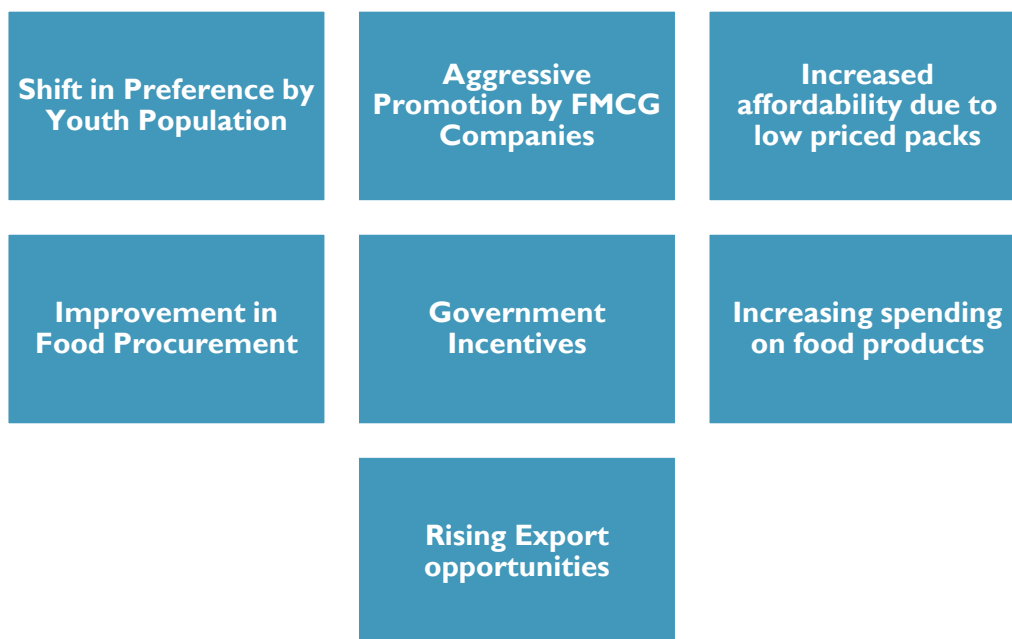
Thus, high production of perishable commodities requires an efficient supply chain infrastructure in the country. Developing the food processing sector to enable containment of food inflation and food wastage is one of the key objectives of government.

- **Boosting Trade and Foreign Exchange Earnings:** The FPI serves as a significant contributor to foreign exchange earnings. For instance, commodities like Indian Basmati rice enjoy high demand in Middle Eastern countries, enhancing India's trade position and foreign exchange reserves.
- **Curbing Migration:** The labor-intensive nature of the Food Processing Industry presents an opportunity to generate localized employment, acting as a deterrent to migration from source regions.

- **Curbing Food Inflation:** Processing contributes to increased shelf life, ensuring a consistent supply that aligns with demand, ultimately helping to control food inflation. For instance, products like Frozen Safal peas remain available throughout the year.
- **Crop Diversification:** The diverse requirements of food processing encourage farmers to grow a variety of crops, promoting crop diversification and reducing dependency on a single type of produce.
- **Preserving Nutritive Quality and Prolonging Shelf Life:** Food processing methods act as a safeguard against spoilage caused by microbes and other agents, preserving the nutritive quality of food and extending its shelf life.
- **Enhancing Quality and Taste:** Food processing not only prevents spoilage but also enhances the overall quality and taste of food, offering a broader spectrum of choices in the food basket.
- **Enhancing Consumer Choices:** In the contemporary landscape, food processing facilitates the transportation of food from different parts of the world to local markets and vice versa. This globalization of food options expands consumer choices and enriches the diversity of available products.

Key Demand Drivers

The food processing sector is a sunrise sector and has been witnessing a robust growth on back of following key factors.



Shift in Preference by Youth Population

The changing landscape of consumption habits in India is markedly influenced by a shift in the population mix, particularly among the youth demographic. With approximately 35% of the population falling within the 15 to 35 age brackets, this segment exhibits a distinct preference for value-added processed foods over their

unprocessed counterparts. This shift reflects evolving dietary choices and contributes significantly to the rising demand for processed food products in the country.

Aggressive Promotion by FMCG Companies

The processed food industry is experiencing robust growth due to the concerted efforts of FMCG companies. These companies have embraced extensive advertising endeavours and promotional activities, including product sampling and price promotions. Such aggressive marketing strategies are meticulously crafted to captivate the consumer, resulting in a consistent and steady expansion of the processed food market.

Increased affordability due to low priced packs

The increased affordability of processed foods has become a cornerstone of industry growth. Major players in the food processing sector have astutely introduced low-priced, small-sized packs to specifically cater to the needs of low-income consumers. This strategic initiative has proven particularly impactful in smaller cities where affordability constraints are more pronounced. By making processed foods more accessible through cost-effective options, the industry has successfully broadened its consumer base and fostered substantial growth, particularly in regions where economic constraints might otherwise impede market penetration.

Increase in Distribution Network

The expanding reach of the distribution network is a pivotal factor driving the increased demand for the food processing industry in India. The current generation of consumers benefits from an enhanced distribution reach, affording them better access to a diverse range of processed foods compared to previous generations. This improved accessibility has played a crucial role in amplifying the consumption and demand for processed food products across the country.

Improvement in Food Procurement

Advancements in food procurement practices contribute significantly to the growth of the food processing sector. The adoption and spread of practices like contract farming, coupled with special initiatives ensuring fair prices for farmers by eliminating intermediaries in the procurement process, have led to a reduction in the wastage of food products available for processing. This streamlined procurement process has effectively increased the availability of raw materials for the food processing industry, contributing to a more sustainable and efficient supply chain.

Government Incentives

Government incentives play a key role in fostering the growth of food processing units. Various tax incentives and policy initiatives implemented by the government to boost its share in global food trade have provided entrepreneurs with the necessary encouragement to establish and expand food processing units. These supportive measures have not only facilitated the establishment of new ventures but have also contributed to the overall development and competitiveness of the food processing industry in India.

Increasing Shift on healthy processed food products

The increasing shift towards healthy processed food products is a significant trend driven by the changing lifestyle and working habits of the younger population in India. This demographic change has resulted in a rise in lifestyle diseases, including diabetes, blood pressure, cardiac problems, and muscular pains. Consequently, heightened health concerns, coupled with growing disposable income levels and increased awareness, have prompted consumers to prioritize spending on healthy and nutritional food. This shift is notably reflected in the rising demand for health-conscious breakfast items such as low-calorie oats-based products, muesli, fruits, dry-fruits, cornflakes, and various organic food products.

Rising Export Opportunities

The food processing industry in India is capitalizing on rising export opportunities. The demand for processed food is particularly high in developed economies, where the pace of life is faster compared to emerging markets. India's increased integration with the global economy and its proximity to key export markets have positioned it as a strong link between trading countries. This geographical advantage, combined with the growing global interest in diverse and authentic food products, presents significant export opportunities for the Indian processed food industry. The alignment of consumer preferences for healthy options and the strategic positioning in global markets further augments the growth prospects for the industry.

Status of Food Processing Industry in India

India is the second largest producer of food-grains, leading producer of fruits and vegetables and the largest producer of milk in the world. The country also has one of the largest livestock populations in the world. India's vast coastline has also benefitted in availability of fish and other sea creatures. All these resources have resulted in the development of the Indian food processing sector.

However, as per various industry estimates, significant amount of agriculture produce produced domestically go waste due to lack of well-developed cold storage chain and other infrastructure facility which further contribute towards the rising prices of these food products.

The high production of perishable commodities necessitates the development of food processing infrastructure in the country. Thus, the government has initiated several initiatives like setting up of agro based and food processing infrastructure like Special Economic Zone, Agri Exports Zone and Mega food parks which aim to develop the food processing sector and helps in reducing food wastage and containment of food inflation.

Consequently, India's domestic processing capacity has grown over 15 times (since 2014) to reach 21.84 million metric tonnes currently. There are reportedly 24 operational mega food parks, 371 cold chain projects, and 68 agro-processing clusters present in India currently.

As per India's Investment Facilitation Agency, Invest India, 474 proposals under the Creation/Expansion of Food Processing & Preservation Capacities, 61 backward and forward linkage projects, 46 Operation Green projects, and 186 food testing Laboratory projects have been approved by the ministry until 30 Sep 2023 under PMKSY.

The food processing industry in India is primarily concentrated in the northern and western regions of the country. The states of Maharashtra, Uttar Pradesh, Andhra Pradesh, Tamil Nadu, and Gujarat are the key contributors to the sector.

As of April 10, 2023, there are around 3,319 startups acknowledged by DPIIT in the Food Processing Sector. These recognized startups are distributed across 425 districts in the country, providing employment to approximately 33,000 individuals. Among these startups, roughly 32% received recognition in the year 2022. Maharashtra leads with the highest number of recognized startups, standing at around 620. Notably, about 58% of the startups in this sector originate from Tier 2 and Tier 3 cities.

Advancements in Technologies in the Food Processing Sector

Minimal Processing	This method, as named, employs approaches that have minimal impact on the quality of the product. The objective is to provide consumers with processed foods that retain a healthy "fresh-like" quality.
Innovative Thermal Processing	Emerging thermal processing techniques like ohmic heating and the utilization of electromagnetic waves (microwave, radiofrequency, and infrared) represent novel approaches in food processing, contributing to product innovation.
Nanotechnology-Based Applications	Leveraging nanotechnology, these applications harness the advantages of enhanced surface area to volume ratios, showcasing a cutting-edge dimension in food processing.
Information Technology (ICT) Applications	The integration of computers and information technology into food processing involves interdisciplinary fields such as artificial intelligence, machine learning, robotics, digitalization of conventional processes, and remote process controls, ushering in a new era of efficiency and precision.
Nutraceuticals and Functional Foods	This category encompasses the selection, delivery, and health benefits of nutraceuticals and functional foods. The focus extends to areas like anti-ageing, immune boosting, and gut health, reflecting an evolving paradigm in meeting consumer health and wellness demands.
Sustainable Food Processing	Encompassing all levels of the food supply chain, this approach integrates principles of 'zero discards,' 'resource recovery,' 'low carbon footprint,' and 'waste utilization.' These concepts can be applied to entire foods or individual ingredients, emphasizing a three-fold focus on consumer engagement, universal accessibility, and sustainability.
Nonthermal Processing	Innovations such as high-pressure processing, pulsed light treatment, pulsed electric field processing, ultrasound treatment, cold plasma treatment, ozone treatment, and irradiation represent nonthermal processing methods, contributing to enhanced food safety and quality.
Food 3D Printing	This cutting-edge technique allows for extensive customization and personalization in food production, revolutionizing the way food is created and consumed.
Biodegradable Packaging and Intelligent Food Packaging	The shift towards biodegradable packaging and the rise of smart and intelligent food packaging emphasize product quality, traceability, and consumer information, aligning with evolving preferences for sustainable and transparent choices.
Alternative Proteins	This category focuses on replacing traditional protein sources with alternatives like plant-based ingredients, mushrooms, insects, seaweeds, aiming to minimize environmental impacts and cater to diverse dietary preferences.
Rapid Sensing Techniques	The development of rapid and robust sensing techniques for food analysis and quality evaluation addresses the need for real-time monitoring, ensuring food safety and meeting quality standards in an efficient manner.

Growth Forecast of Overall Food Processing Industry

In the long term, the country's vast population base, growing preference for value added products, increasing awareness, increasing income as well as affordability of processed food augur well for the sector. Growth will be also fueled by change in the dietary habit and the demand for healthy and nutritional products. India's annual household consumption is believed to quadruple by 2030, making it the fifth-largest consumer in the world which is expected to boost the demand for processed food and present a favourable business opportunity for FPI to expand its footprint further.

As growth of the industry helps in mitigating some of the critical issues such as food security and food inflation, the government has set a vision of doubling its contribution to the GDP by 2030. The Government is encouraging investment in the sector as higher level of processing helps in the reduction of wastage, improve value addition, promote crop diversification, ensure better return to the farmers, promote employment as well as increases export earnings. Beside above, the industry continues to innovate in terms of adopting modern technologies, developing new products, and improving infrastructure and supply chain efficiency. The focus will be on high value processing of horticulture, meat, poultry, dairy, and other gourmet food sector. Considering the above discussed factors, the size of the Indian Food Processing industry is expected to grow to USD 535 Bn by FY 2026.

A. Groundnut / Peanut

Overview

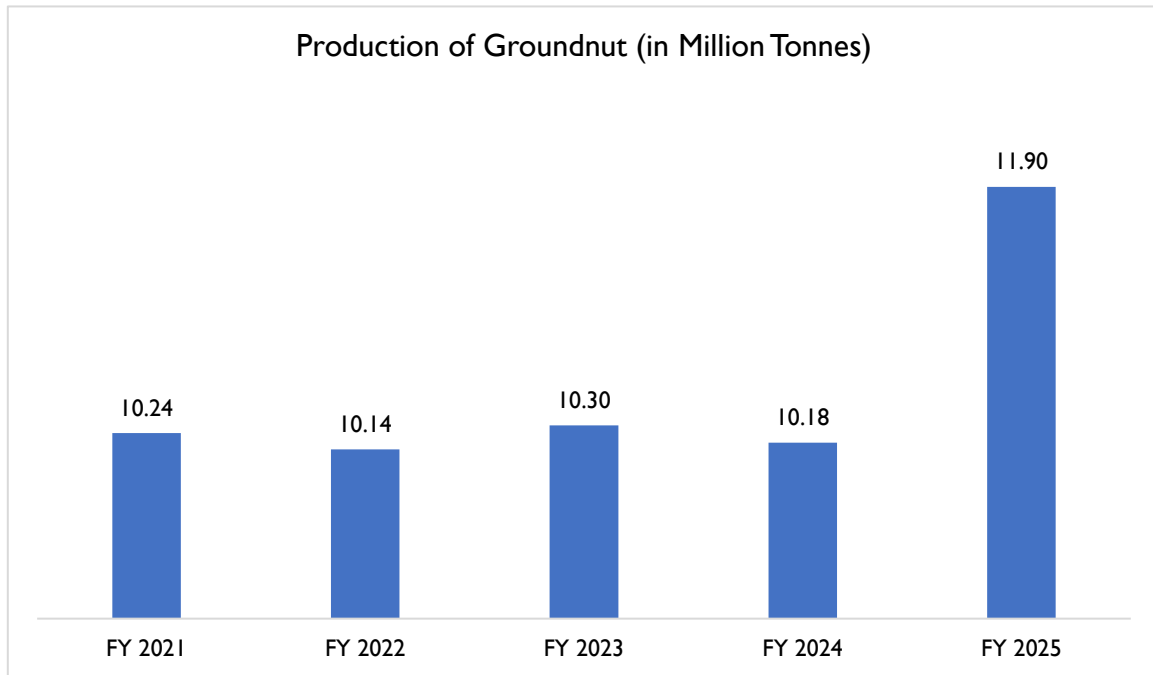
India is the second largest producer of groundnut after China, with a production of 11.90 million tonnes in 2025, accounting for 19% of the total world production. Groundnut, also known as peanut, holds a significant position in India's agricultural landscape and economy. Renowned for its versatility and nutritional value, groundnut cultivation is widespread across various regions of the country. India is one of the largest producers and consumers of groundnuts globally, with its cultivation deeply intertwined with the livelihoods of millions of farmers.

The crop's importance extends beyond its role as a staple food item; groundnuts play a crucial role in various industries, including oil extraction, animal feed, and snack manufacturing. Moreover, groundnut cultivation contributes to soil fertility and crop rotation practices, making it an integral component of sustainable agricultural systems in India.

Production Scenario

According to the third advanced estimates for FY 2025, groundnut production in India reached 11.9 million tonnes, marking a significant jump from 10.18 million tonnes in FY 2024. Between FY 2021 and FY 2024, production remained relatively stable, averaging around 10.2 million tonnes, reflecting marginal fluctuations likely driven by seasonal and climatic factors. However, FY 2025 saw a sharp rise of nearly 17%, which may

be attributed to favourable monsoon conditions, improved seed varieties, and increased acreage under groundnut cultivation. Overall, between FY 2021 and FY 2025, the production of groundnut in India registered a compound annual growth rate (CAGR) of approximately 3.8%, indicating renewed momentum in oilseed farming driven by policy incentives and market demand.

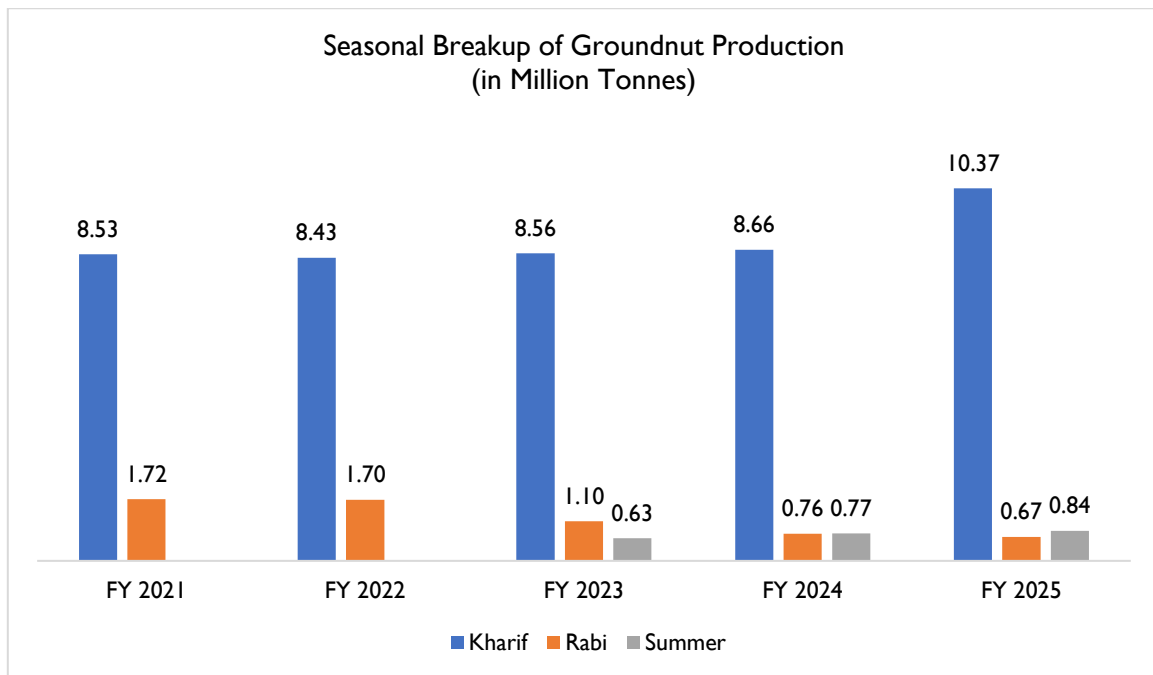


Source: Ministry of Agriculture & Farmers Welfare

Seasonal Breakup

In India, groundnut cultivation follows well-defined seasonal patterns, predominantly during the Kharif (June-October) and Rabi (November-February) seasons, with a smaller share in the summer season (March-June). The crop prefers hot, humid conditions during its early growth phase and dry weather at harvest, making the Kharif season ideal, accounting for over 85% of the total production, mainly under rainfed conditions.

In FY 2022, the combined production of Kharif and Rabi groundnut stood at 10.13 million tonnes, with Kharif contributing 8.43 Mn tonnes and Rabi 1.70 Mn tonnes. However, production declined in the following years. By FY 2024, the total Kharif and Rabi output dropped to 9.42 million tonnes, marking a 7% fall from FY 2022. This drop was primarily due to reduced sowing acreage during the Kharif season, which recorded an 8% decline in output compared to FY 2022-23. Rabi production also continued to decrease year-on-year due to unfavourable climatic conditions and limited irrigation support.

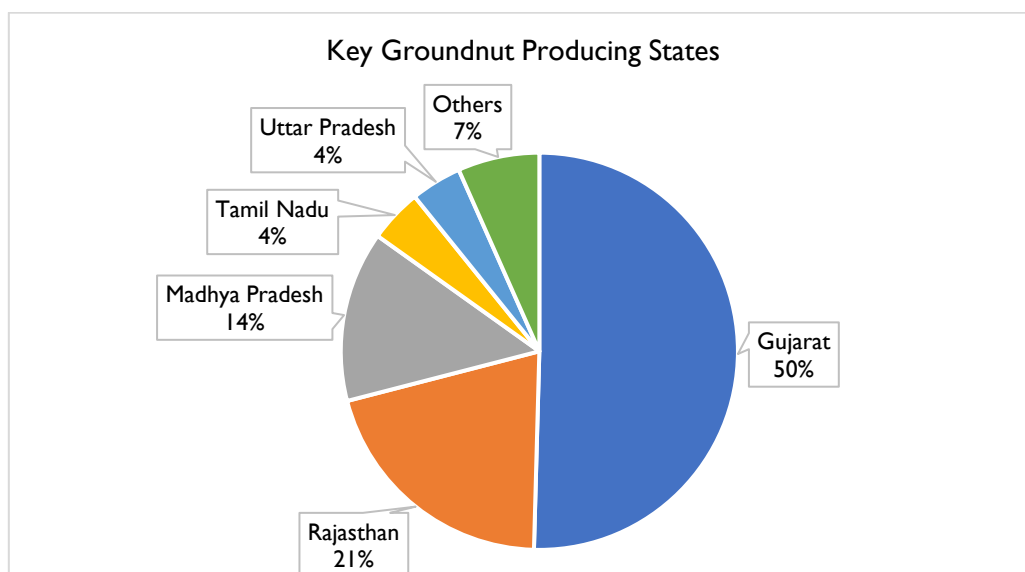


Source: Ministry of Agriculture & Farmers Welfare
FY 2021 – FY 2022 include summer production in Rabi.

Interestingly, Summer cultivation, which was negligible in earlier years, has gradually gained traction. In FY 2024, Summer production stood at 0.77 Mn tonnes and further increased to 0.84 Mn tonnes in FY 2025, highlighting a strategic shift towards off-season cultivation to offset seasonal declines.

Key Production Hubs

According to the First Advance Estimates for FY 2025, India's Kharif groundnut production is projected at 10.37 million tonnes, marking a significant increase from 8.66 million tonnes in 2024. This growth reflects improved sowing conditions and favourable monsoon patterns.



Source: Department of Agriculture & Farmers Welfare, Ministry of Agriculture, New Delhi

Gujarat continues to dominate groundnut cultivation, contributing nearly 50% of the national Kharif output with an estimated 5.23 million tonnes. It is followed by Rajasthan at 2.13 million tonnes, Madhya Pradesh with 1.44 million tonnes, Tamil Nadu at 0.45 million tonnes, Uttar Pradesh at 0.43 million tonnes, and Telangana with 0.02 million tonnes. These states together account for the bulk of India's groundnut production, underlining regional specialization and climatic suitability for oilseed cultivation.

State-wise Area under Groundnut

State-wise area under groundnut in India	FY 2024			FY 2025		
	Area (lakh ha)	Area (lakh acres)	% to the total area	Area (lakh ha)	Area (lakh acres)	% to a total area
Gujarat	16.35	40.40	37.37	19.17	47.37	40.06
Rajasthan	8.61	21.28	19.68	8.74	21.60	18.27
Madhya Pradesh	5.40	13.34	12.34	5.90	14.58	12.33
Karnataka	3.13	7.73	7.15	3.26	8.06	6.81
Uttar Pradesh	2.23	5.51	5.10	2.69	6.65	5.62
Telangana	0.02	0.05	0.05	0.08	0.20	0.17
Others	8.01	19.79	18.31	8.01	19.79	16.74
All India	43.75	108.11	100.00	47.85	118.24	100.00

Source: Agricultural Market Intelligence Centre, PJTSAU: Groundnut Outlook – March 2025

According to the Agricultural Market Intelligence Centre, PJTSAU, the All-India Area under Groundnut had 43.39 lakh ha in FY 2024 has increased by 47.48 lakh ha in Year FY 2025. This can be attributed to a preferred sowing of cotton over groundnuts in the year.

Groundnut Processing Industry

Groundnut, also known as peanut, traces its origins to South America, where it likely first appeared. Today, groundnut cultivation spans across more than 100 countries, reflecting its significance in global agriculture and economies. Moreover, groundnuts are enjoyed in diverse forms across different cultures. Whether consumed as roasted snacks, transformed into butter, or incorporated into confectioneries like brittle and candies, groundnuts offer a spectrum of culinary delights.

In the context of India, groundnut holds particular significance. As the world's second-largest producer, it plays a pivotal role in the country's agricultural landscape and economy. Groundnut cultivation accounts for a substantial portion of the oilseed sector, encompassing approximately 58% of the area dedicated to oilseeds and contributing 25% to overall production in 2023.

Major commercial varieties Grown.

In groundnut cultivation, several major commercial varieties are grown, each falling into one of three distinct growth habits: bunch, semi-spreading, and spreading.

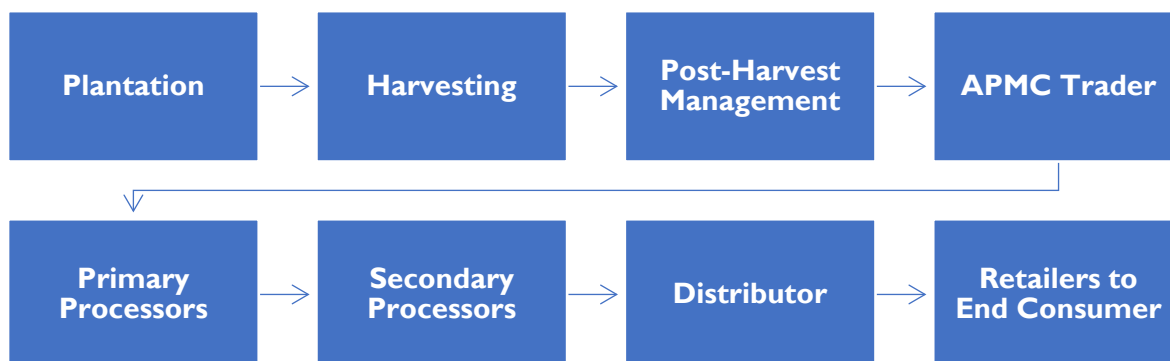
Variety of Ground Nuts		
Bunch	Semi-Spreading	Spreading

Bunch varieties, also known as pish or Valencia types, are characterized by their erect growth habit, light-green foliage, and pods clustered at the base of the plant. These varieties produce round, plump non-dormant seeds with a light-rose testa. Bunch types are typically favoured in areas with short rainy seasons or for irrigated crops during the rabi and summer seasons. Additionally, they are preferred in regions with high clay content soils where harvesting poses challenges.

On the other hand, semi-spreading and spreading varieties exhibit trailing branches that partially or completely touch the soil surface. These varieties produce pods along their branches, possess dark-green foliage, and yield oblong, dormant brownish seeds. Semi-spreading and spreading types are known for their heavier yields and later maturation compared to bunch varieties. They are often favoured in rainfed regions with longer rainy seasons.

Selecting the most suitable variety for a specific area involves considering various factors such as soil type, rainfall distribution, seasonal cultivation preferences, market demands, and resistance to prevalent pests and diseases. Spreading types are typically preferred in regions with extended rainy seasons and rainfed conditions, while bunch types are favoured in areas with shorter rainy seasons or for irrigated crops. Additionally, soil characteristics and harvesting considerations play a crucial role in determining the most appropriate variety for a particular location. Overall, the selection process aims to maximize productivity and optimize crop performance in diverse agricultural settings.

Industry value chain: from farm to packaging / end consumer.



Plantation

Seasonal patterns play a crucial role in the cultivation and harvesting of groundnuts, with the majority of production concentrated during the Kharif season, which accounts for about 85% of total production. Groundnuts are predominantly grown under rainfed conditions, with more than 90% of cultivation relying on rainfall. During the Kharif season, groundnut crops are typically sown between June and July and harvested between October and November. However, in areas where irrigation is available, some farmers opt for summer crops, extending the cultivation period from January to May.

Harvesting

Harvesting of groundnuts is a critical stage that requires careful observation of plant maturity. Farmers typically wait until the plant foliage starts to yellow, indicating maturity, and the pods become hard and tough. Inside the shell, a dark tan discoloration appears, and the kernels become unwrinkled, signalling readiness for harvest.

Post-Harvest Management

Post-harvest management in agriculture is a critical stage that begins immediately after harvest and encompasses various activities such as cooling, cleaning, sorting, and packing. As soon as crops are removed from the ground or separated from their parent plants, they start to deteriorate, emphasizing the importance of efficient post-harvest handling.

In the case of groundnuts, harvested crops are typically left in small heaps for two to three days for curing. This process allows the groundnuts to dry to an average moisture content of 10-15%. Once cured, the pods are detached by hand to separate them from the plants. However, significant losses can occur during the harvesting operation, ranging from 20-30%.

Storage of groundnuts, whether as pods or kernels, presents its own set of challenges. Post-harvest losses during processing and storage typically range from 10 to 25% and are influenced by factors such as the level of maturity, moisture content, storage conditions, and sanitation practices. Transportation also contributes to losses, often due to pilferage, bag leakage, and rough handling. In storage facilities, drying, and damage by rodents and pests are major causes of losses.

APMC Trader

APMC traders are pivotal intermediaries within the groundnut value chain, operating within regulated Agricultural Produce Market Committees. They negotiate prices with groundnut farmers, taking into account factors like market demand, supply, and quality. These traders provide farmers with essential market access, offering a centralized platform for selling their produce and saving them the effort of seeking individual buyers.

Conducting basic quality assessments, APMC traders ensure that groundnuts meet minimum standards and reject inferior-quality produce or negotiate prices accordingly. Additionally, they serve as valuable sources of market information, providing insights into trends, prices, and consumer preferences, empowering farmers to make informed decisions. Facilitating trade, offering financial services, and ensuring regulatory compliance are also part of their responsibilities.

Primary Processors

Primary processors are key players in the groundnut value chain, responsible for the initial processing of raw groundnuts into various products such as peanut oil, peanut butter, and roasted peanuts. Operating processing facilities, they undertake essential tasks such as cleaning, sorting, shelling, and crushing the groundnuts to extract oil or produce other value-added products. These processors also conduct basic quality checks to ensure that the groundnuts meet industry standards before further processing or distribution.

By adding value to the raw material, primary processors contribute to diversifying groundnut products and meeting consumer demands. Additionally, they play a crucial role in supporting groundnut farmers by creating market opportunities for their produce and enhancing the overall value chain.

Secondary processors

Secondary processors play a vital role in the groundnut value chain by further refining products obtained from primary processing to meet specific market demands and consumer preferences. Building on the work of primary processors, they engage in more intricate processes such as refining peanut oil to enhance quality, flavour, or shelf life. Additionally, secondary processors specialize in creating unique and innovative groundnut-based products like snacks, confectioneries, or cooking ingredients.

Their focus on product differentiation and customization allows for a diverse range of groundnut offerings in the market. Through these efforts, secondary processors contribute significantly to the value addition of groundnut products, meeting the evolving tastes and preferences of consumers. This stage in the value chain reflects a commitment to innovation and quality, ensuring that groundnut products remain versatile and appealing to a wide consumer base.

Further, Secondary processors implement stringent quality control measures to ensure that finished products meet regulatory standards and consumer expectations. This involves monitoring product consistency, safety, and compliance with labelling and packaging requirements.

Distribution

In the groundnut value chain, the role of distribution is to facilitate the movement of processed groundnut products from manufacturers to retailers or end consumers. Distributors act as intermediaries between producers and retailers, managing logistics, warehousing, and transportation to ensure efficient product distribution across different regions or markets. They collaborate closely with manufacturers to coordinate

product deliveries, manage inventory levels, and address supply chain challenges to meet customer demands effectively.

Distributors also play a key role in market expansion by identifying new sales channels, establishing relationships with retailers, and promoting groundnut products to target consumer segments. Additionally, they monitor market trends, competitor activities, and consumer preferences to adapt distribution strategies and optimize market penetration. By providing timely and reliable access to groundnut products, distributors contribute to the accessibility, availability, and affordability of nutritious food options for consumers.

Retailers to End Consumers

The retail sector serves as the final link between groundnut products and end consumers. Retailers encompass various outlets such as supermarkets, grocery stores, specialty food stores, and online platforms, offering a wide range of groundnut products to customers. They are responsible for marketing, promoting, and selling groundnut products to consumers, providing them with convenient access to high-quality and nutritious food options.

Retailers employ various strategies to attract and retain customers, including product displays, promotions, discounts, and advertising campaigns. They also ensure product availability, freshness, and quality by managing inventory levels, monitoring expiration dates, and adhering to food safety standards. Furthermore, retailers contribute to consumer education by providing information about product attributes, nutritional benefits, and usage ideas, helping consumers make informed purchasing decisions. By catering to diverse consumer preferences and offering a range of groundnut products, retailers contribute to the popularity and consumption of groundnuts in various forms.

Key demand drivers:

The peanut processing industry is witnessing an increasing demand backed by packaged snacks, and other peanut based product sale such as peanut butter spread and groundnut edible oil.

Growing Preference for Packaged Snacks

The growing preference for packaged snacks can be attributed to the fast-paced nature of modern lifestyles, where consumers often find themselves juggling multiple responsibilities and time constraints. In this context, convenience becomes a key factor driving food choices, especially when it comes to snacks consumed on-the-go or during busy schedules. Packaged groundnuts address this demand by providing a hassle-free snack option that requires minimal preparation and can be conveniently consumed anytime, anywhere.

For urban populations and young professionals, in particular, who are constantly on the move and have limited time for meal preparation, packaged groundnuts offer a quick and easy solution to satisfy hunger pangs. Whether it's during workday, while commuting, or while running errands, packaged groundnuts provide a convenient snacking option that can be conveniently stored.

Moreover, packaged groundnuts come in various forms such as single-serve packs, resealable pouches, and portion-controlled containers, catering to different consumption needs and preferences. This versatility further enhances their appeal among consumers who value convenience and flexibility in their snack choices.

Diversification of Groundnut Products

The diversification of groundnut products represents a strategic response to the evolving preferences and demands of consumers in the food industry. As consumer tastes and dietary requirements continue to evolve, food manufacturers recognize the need to innovate and offer a wide range of groundnut-based products such as flavoured peanut for snacking, peanut butter and groundnut edible oil to cater to diverse preferences.

One aspect of this diversification involves introducing new flavours, textures, and formats to groundnut products. Manufacturers experiment with different flavour profiles, ranging from classic options like salted and roasted to more adventurous combinations such as spicy chili, tangy barbecue, or sweet and savoury blends. These variations appeal to different taste preferences and offer consumers a variety of options to choose from, enhancing their overall snacking experience.

In addition to flavour innovation, manufacturers also focus on diversifying the texture and format of groundnut products. For example, groundnut-based energy bars, trail mixes, and granola bars have gained popularity among consumers seeking nutritious, on-the-go snack options. These products combine groundnuts with other ingredients such as oats, seeds, and dried fruits to create convenient and satisfying snacks that provide sustained energy and nutrition.

Furthermore, flavoured groundnut snacks, such as coated or seasoned nuts, offer an element of variety to traditional offerings. Ranging from honey-roasted, barbecue-flavoured, or chocolate-coated groundnuts, these products appeal to consumers looking for indulgent yet flavourful snack options.

By diversifying groundnut products, manufacturers not only meet the changing preferences of consumers but also tap into new market segments. For instance, groundnut-based snacks targeting health-conscious consumers or those with specific dietary requirements can expand the reach of groundnut products beyond traditional markets. This diversification stimulates overall demand for groundnuts by offering consumers a wider range of choices and enhancing the versatility of the crop in various applications.

Covid Impact

The impact of the COVID-19 pandemic has been profound, reshaping various aspects of daily life, including eating habits and consumer behaviour in the snacking industry. As health and safety concerns took centre stage, consumers prioritized their well-being, leading to significant changes in snacking consumption and purchasing patterns.

With mobility restrictions in place and concerns about virus transmission, consumers increasingly turned to ready-to-eat and ready-to-cook food options during the pandemic. This accelerated the adoption of packaged food products, including snacks, as they offered convenience and reduced the need for extensive meal

preparation. Groundnuts offer a nutritious and satisfying snacking option, rich in protein, fibre, and essential nutrients, making them an appealing choice for health-conscious consumers seeking convenient and wholesome snacks.

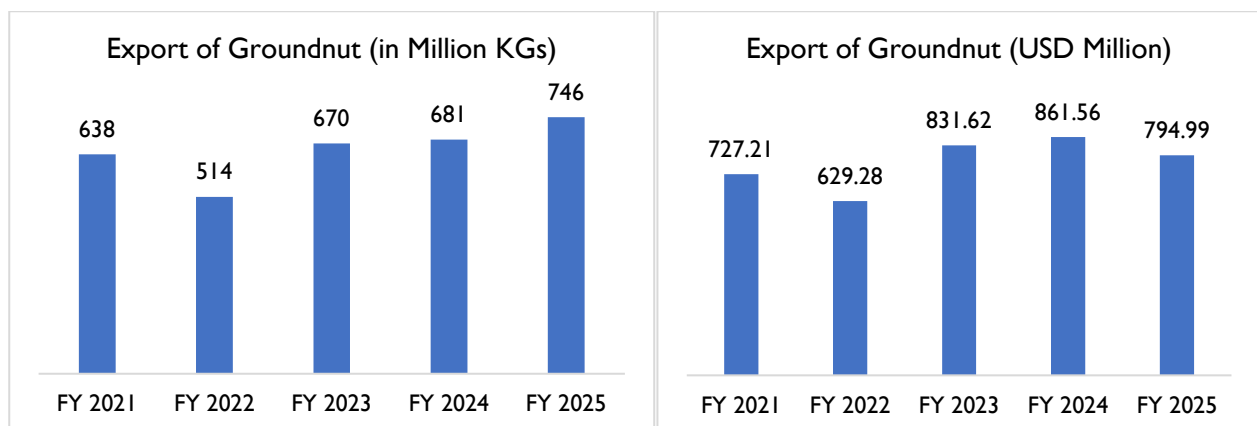
The convenience factor of packaged food became even more pronounced during the pandemic, as consumers sought quick and hassle-free meal solutions while juggling remote work, childcare, and other responsibilities at home. This led to an increase in the consumption of packaged snacks that could be conveniently stored, transported, and consumed without the need for extensive cooking or preparation. Packaged groundnut snacks, such as flavoured nuts, trail mixes, and granola bars, provided a convenient and nutritious alternative to traditional snack options.

Moreover, the pandemic-induced shift in consumer behaviour also encouraged experimentation with flavours and food items. With more time spent at home and limited access to traditional dining experiences, consumers sought variety and novelty in their snacking choices. This led to increased interest in unique and exotic flavours, as well as a willingness to try new snack formats and ingredients.

Export Scenario

Export of Processed Ground Nuts

India is the second-largest producer of groundnuts globally, accounting for nearly 19% of global production. Over the years, India's groundnut export performance has shown a positive trajectory, both in volume and value terms. Between FY 2021 and FY 2025, groundnut exports grew from 638 million kilograms to 746 million kilograms, registering a CAGR of approximately 4%. While exports dipped to 514 million kilograms in FY 2022 due to global trade disruptions and lower demand, they recovered steadily, reaching a peak in FY 2025 with a year-on-year growth of 10%.



Source: DGCI&S

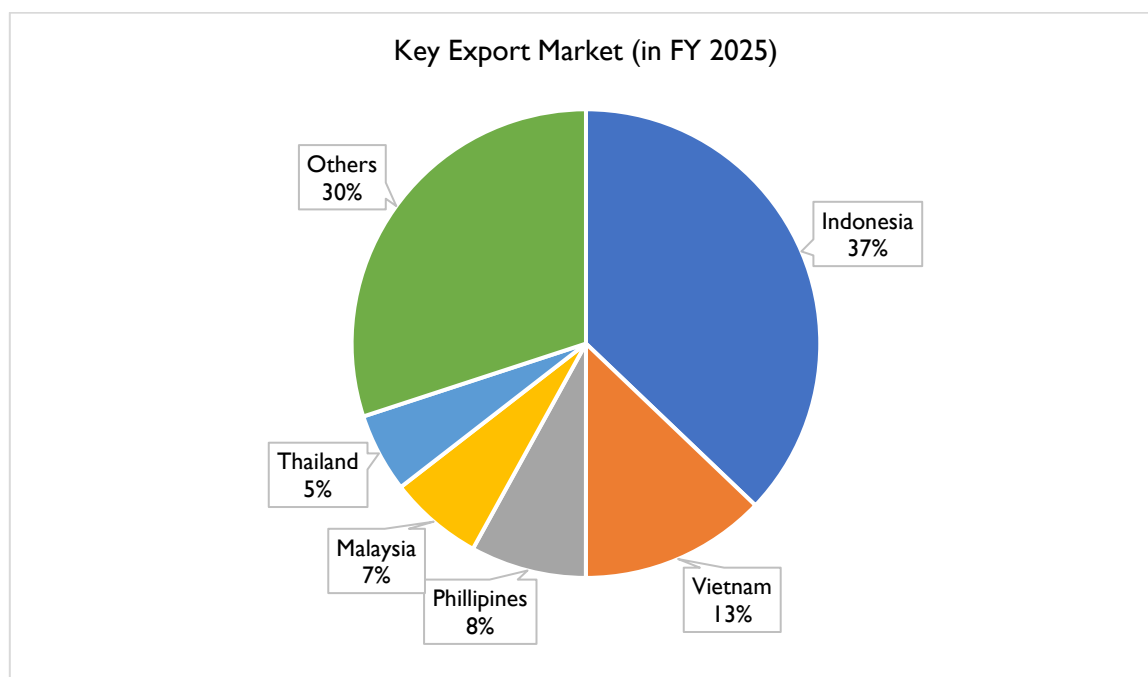
(HS Code : 1202 Ground-Nuts, Not Roasted or Otherwise Cooked)

In value terms, India's groundnut exports grew from USD 727.2 million in FY 2021 to USD 794.99 million in FY 2025. The highest value was recorded in FY 2024 at USD 861.56 million, reflecting strong global prices and sustained demand, particularly from Southeast Asian markets. Despite a slight decline in FY 2025, the

overall value growth trend remains positive, backed by rising global consumption and India's competitiveness in quality and processing capabilities.

Key Export Markets

India's groundnut exports reflect a strong presence in key Southeast Asian markets. Indonesia emerged as the largest importer, accounting for 37% of India's total groundnut exports with 276.8 million kilograms. Vietnam followed with a 13% share, while the Philippines, Malaysia, and Thailand accounted for 8%, 6%, and 5%, respectively. Together, these five countries made up over two-thirds of India's groundnut export volume. The remaining 30% was distributed among several other countries, underscoring the broad global demand for Indian groundnuts, driven by their quality, oil content, and competitive pricing.



Source: DGCI&S

B. Product Segment: Fruit Pulp

India, with diverse agro-climatic zones, boasts a rich variety of fruits, ranging from tropical to temperate, contributing to its status as one of the leading fruit-producing countries in the world. In fact, India is the second largest producer of fruits after China, with a production of 111.6 million tonnes in 2022, accounting for 9.3% of the total world production.

Country	Fruit Production (in Million Tonnes)	Percentage share in global fruit production
China	262.8	22.0%
India	111.6	9.3%
Brazil	41.7	3.5%
Turkey	25.7	2.1%
Indonesia	24.8	2.1%

Latest data for all countries is not available; hence 2022 numbers are retained.

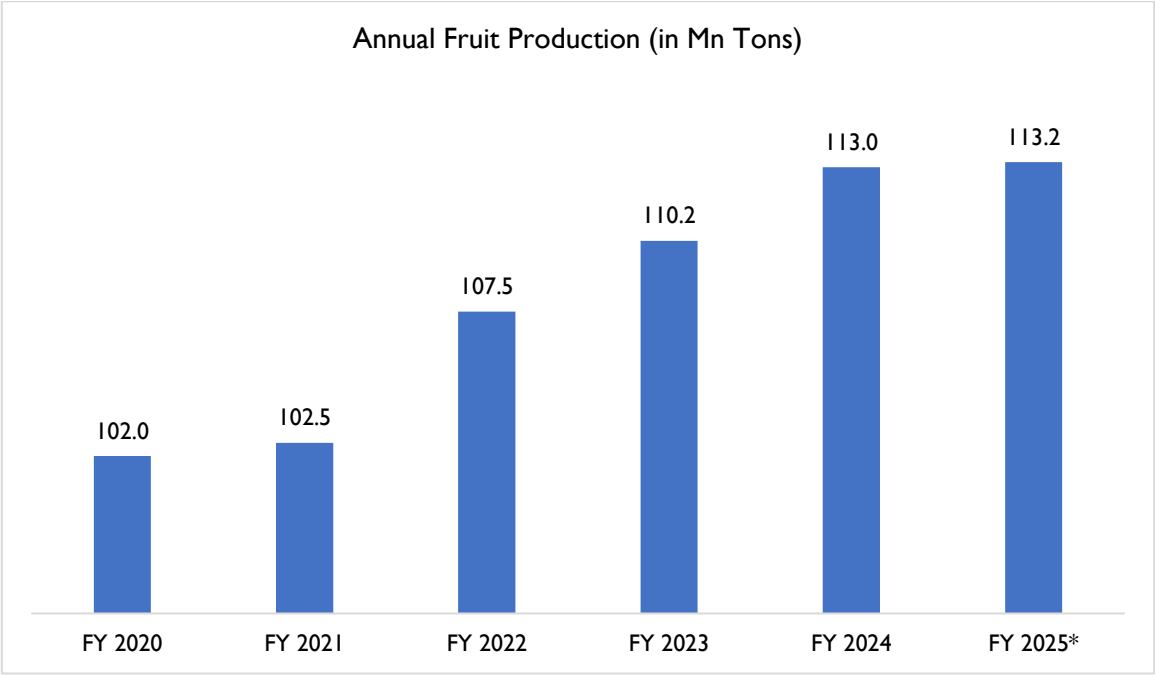
Some of the major fruits grown across the country include mangoes, bananas, citrus fruits (such as oranges, lemons, and limes), apples, grapes, guavas, papayas, and pomegranates. Each region specializes in the cultivation of specific fruits based on climatic conditions and soil suitability.

Fruit pulp, extracted from various fruits through processes like pulping and refining, plays a vital role in the food and beverage industry in India. Utilized in the production of juices, jams, jellies, ice creams, and other processed products, fruit pulp serves as a convenient and versatile ingredient. Mango pulp, in particular, holds a prominent position in the market due to its rich flavour and wide application.

Fruit Production in India

Production Scenario

The production of fruits in India has steadily increased from 102.0 million tonnes in FY 2020 to 110.2 million tonnes in FY 2023, recording a CAGR of around 2.6% during the period. According to the first advance estimates, fruit production further rose to 113.0 million tonnes in FY 2024 and is expected to reach 113.2 million tonnes in FY 2025, indicating a stabilizing growth trend driven by improved cultivation techniques and expanding domestic consumption.

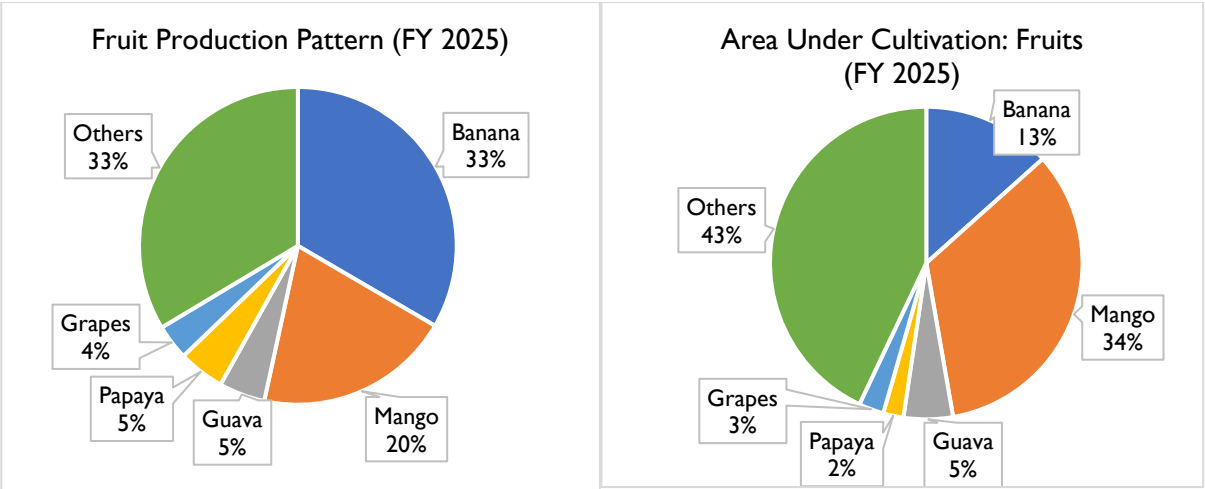


Source: Department of Agriculture & Farmers Welfare

*First Advance Estimates

Key Fruit Statistics

In FY 2025, banana emerged as the most widely produced fruit in India, contributing 37.8 million tonnes, which represents 33.4% of the country’s total fruit production. This was followed by mango, with 22.7 million tonnes, accounting for 20.1%, highlighting its continued dominance as a staple and export-oriented fruit. Other major contributors included papaya at 5.4 million tonnes (4.8%), guava at 5.3 million tonnes (4.7%), and grapes at 4.1 million tonnes (3.6%). Collectively, these five fruits made up over two-thirds of India’s total fruit output, with the remaining 33.6% attributed to a variety of other fruits grown across diverse agro-climatic zones.



Source: Department of Agriculture & Farmers Welfare

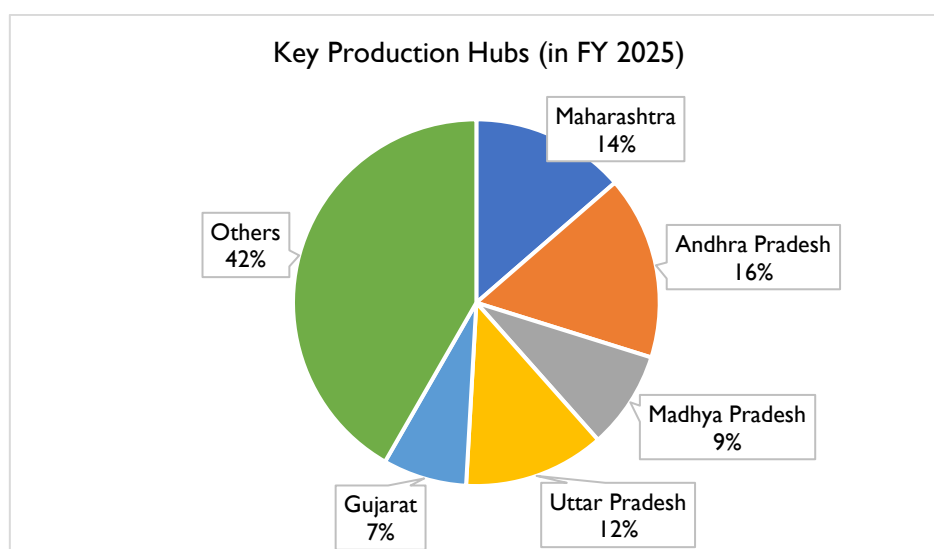
Figures for FY 2025 are the first advanced estimates

Banana's top position in terms of volume is attributed to its high yield per hectare, short gestation cycle, and suitability across different regions. Its consistent demand, both for table consumption and processing, along with ease of cultivation and year-round harvest potential, make it a preferred crop among farmers. Mango, while second in production, remains a culturally and commercially important fruit, particularly due to its seasonal appeal, export potential, and regional diversity in varieties.

When analysing the area under cultivation, mango commands the largest share, with 2.39 million hectares or 33.9% of the total fruit-growing area. This is primarily because mango orchards require large tracts of land and longer maturity periods before full productivity is achieved. Banana follows with 947.8 thousand hectares (13.4%), benefitting from its shorter crop cycle and dense plantation structure. Guava covers 358.1 thousand hectares (5.1%), grapes span 181.8 thousand hectares (2.6%), and papaya accounts for 147.9 thousand hectares (2.1%). The balance 43% of the cultivated area is occupied by other fruits such as pomegranate, citrus varieties, apples, and others. This data highlights a distinct contrast between production efficiency and land usage, especially in crops like mango that dominate land but not necessarily output volume.

Key Production Hubs

In FY 2025, India's total fruit production is estimated at 113.2 million tonnes, with a significant concentration in a handful of key states. Andhra Pradesh leads the country with a production volume of 18.3 million tonnes, accounting for 16.2% of the national output. This is primarily due to the state's favourable agro-climatic conditions, diverse fruit varieties, and well-developed irrigation infrastructure that supports consistent year-round cultivation. Maharashtra follows as the second-largest contributor, producing 15.4 million tonnes or 13.6% of the total. The state benefits from a strong horticultural base in crops such as grapes, pomegranates, and bananas, backed by a robust supply chain and export readiness.



Source: Ministry of Agriculture & Farmers Welfare

Figures for FY 2025 are the first advanced estimates

Uttar Pradesh ranks third with 14 million tonnes, contributing 12.4% to total fruit production. Its fertile alluvial plains and large-scale cultivation of mangoes and guavas drive its performance. Madhya Pradesh, producing 9.8 million tonnes (8.7%), and Gujarat with 8.4 million tonnes (7.4%), are also notable contributors, leveraging expanding horticultural coverage, improved farming practices, and increased investment in irrigation and post-harvest infrastructure.

Collectively, these five states account for approximately 58.3% of India's total fruit production in FY 2025, highlighting the dominance of a few regions in the horticulture sector. The remaining 41.7% comes from other states and Union Territories, indicating potential for further development and scaling of fruit cultivation in less represented regions.

State-wise Area under Fruit Production

State	Area Under Cultivation (000' Ha)	State-wise share of Area under fruit production
Maharashtra	872.76	12.4%
Andhra Pradesh	793.54	11.2%
Uttar Pradesh	574.18	8.1%
Madhya Pradesh	463.15	6.6%
Gujarat	442.40	6.3%
Odisha	386.20	5.5%
Bihar	368.96	5.2%
Kerala	351.68	5.0%
Tamil Nadu	341.17	4.8%
West Bengal	313.61	4.4%
Others	2156.95	30.5%

Source: Ministry of Agriculture & Farmers Welfare

Figures for FY 2025 are the first advanced estimates

Value Added Products: Fruit Pulp

Fruit pulp, a versatile and widely utilized product in the food and beverage industry. Extraction of fruit pulp involves the mechanical separation of the edible portion of fruits from their seeds, skins, and fibres, followed by refining processes to achieve desired texture and consistency. This pulp serves as a crucial ingredient in a wide range of food and beverage products, contributing to their flavour, texture, and nutritional profile.

The uses of fruit pulp are diverse and extensive, spanning both domestic and commercial applications. In the beverage industry, fruit pulp serves as a primary ingredient in the production of juices, nectars, smoothies, and fruit-based beverages, imparting natural flavour, colour, and nutritional value. Additionally, fruit pulp finds its way into the manufacturing of jams, jellies, syrups, yogurts, ice creams, and sorbets, enhancing their taste and visual appeal. The versatility of fruit pulp extends to culinary creations, where it is used in baking, cooking, and dessert making, adding a fruity twist to various dishes.

One of the key benefits of fruit pulp lies in its nutritional content, as it retains essential vitamins, minerals, antioxidants, and dietary fibres present in fresh fruits. Incorporating fruit pulp into processed foods and beverages provides consumers with a convenient and nutritious alternative to whole fruits, promoting health and wellness. Moreover, fruit pulp offers a solution for extending the shelf life of perishable fruits, reducing food waste, and enabling year-round availability of fruit flavours regardless of seasonal variations.

Key demand drivers

Convenience Factor

Convenience is a paramount factor driving the demand for fruit pulp in India, as it offers consumers a quick and hassle-free solution for incorporating fruit flavours into their culinary creations. At only a fraction of the time and effort required for washing, peeling, and cutting fresh fruits, fruit pulp provides instant accessibility. Whether it's for making juices, smoothies, ice creams, yogurts, or baked goods, consumers can simply scoop out the desired amount of fruit pulp and add it directly to their recipes, eliminating the need for tedious preparation. This convenience factor resonates particularly well with busy individuals and families who seek convenient yet nutritious options amidst their hectic schedules.

Additionally, the availability of fruit pulp in convenient packaging formats further enhances its appeal, making it a go-to ingredient for both home cooks and professional chefs alike. Thus, the convenience offered by fruit pulp plays a significant role in driving its demand across various consumer segments in India.

Diversification of fruit varieties

Fruit pulp offers manufacturers and consumers access to a wide range of fruit flavours and options due to lower costs. India boasts a rich diversity of fruit varieties, including mango, guava, papaya, pineapple, and many others, each with its unique taste and nutritional profile. Fruit pulp allows for the preservation and utilization of these diverse fruits, even beyond their seasonal availability, ensuring a continuous supply of fruit flavours throughout the year.

Moreover, the availability of various fruit pulp varieties enables manufacturers to cater to diverse consumer preferences and culinary applications. Whether used in juices, jams, desserts, sauces, or dairy products, fruit pulp adds flavour, texture, and nutritional value to a wide range of food and beverage products. Consumers also benefit from the versatility of fruit pulp, as they can experiment with different fruit flavours and combinations in their recipes.

Additionally, the diversification of fruit pulp varieties contributes to the development of new and innovative products in the food industry, such as yogurt, ice creams and beverages. This diversity and innovation in fruit pulp varieties drive consumer interest and demand, leading to sustained growth in the fruit pulp market in India. Thus, the availability of a wide range of fruit pulp varieties plays a crucial role in meeting consumer preferences, driving product innovation, and fuelling the growth of the fruit pulp industry in the country.

Demand from Food service sector

The food service sector is a significant driver of demand for fruit pulp in India, owing to its versatility and convenience in culinary applications. At a fraction of the cost and effort required to source, store, and process fresh fruits, fruit pulp provides restaurants, cafes, catering services, and other food establishments with a convenient solution for incorporating fruit flavours into their menu offerings. Whether used in beverages, desserts, sauces, dressings, or main dishes, fruit pulp adds natural sweetness, flavour, and colour to a wide range of culinary creations.

For restaurants and cafes, fruit pulp offers a convenient and consistent ingredient for preparing fruit-based beverages such as smoothies, shakes, cocktails, and mocktails. Instead of dealing with the seasonal availability and perishability of fresh fruits, establishments can rely on fruit pulp to maintain a steady supply of high-quality ingredients year-round. This not only streamlines operations but also ensures menu consistency and customer satisfaction.

Catering services also benefit from the convenience of fruit pulp, especially when catering events with large guest counts or limited kitchen facilities. By using pre-packaged fruit pulp, caterers can save time and labour while still offering flavourful and visually appealing fruit-based dishes and desserts to their clients.

Furthermore, fruit pulp allows food service establishments to experiment with new flavour combinations and menu offerings, thereby enhancing their culinary creativity and competitiveness in the market. Whether it's incorporating exotic fruit flavours or creating signature dishes with unique fruit pulp blends, food service operators can leverage fruit pulp to differentiate their offerings and attract customers.

Overall, the food service sector's reliance on fruit pulp as a convenient, versatile, and cost-effective ingredient underscores its importance in driving demand for fruit pulp in India. As the demand for diverse and innovative food experiences continues to grow, fruit pulp remains a staple ingredient for meeting the culinary needs and preferences of consumers in the food service industry.

Seasonality

Seasonality plays a crucial role in driving the demand for fruit pulp in India, particularly during periods when certain fruits are out of season or in limited supply. At a comparatively marginal of the cost of importing fresh fruits or dealing with price fluctuations due to scarcity, fruit pulp provides a reliable solution for maintaining supply continuity and meeting consumer demand year-round. During off-seasons or times of low fruit availability, consumers still desire the flavours and nutritional benefits of their favourite fruits. Fruit pulp serves as a convenient alternative, allowing manufacturers to produce a wide range of fruit-based products without being constrained by seasonal limitations.

This ensures that consumers can enjoy their favourite fruit-flavoured beverages, snacks, and desserts regardless of the time of year, thus driving sustained demand for fruit pulp in the Indian market. Moreover, the ability to preserve and store fruit pulp for extended periods without compromising quality makes it an indispensable ingredient for ensuring product availability and market competitiveness throughout the year.

Growing Food Processing Industry

The growth of the food processing industry in India significantly drives the demand for fruit pulp. The cost and effort required to source, store, and process fresh fruits is comparatively high, therefore fruit pulp serves as a convenient and cost-effective ingredient for a wide range of food and beverage applications. As the food processing industry continues to expand and diversify, manufacturers seek innovative ways to enhance the flavour, texture, and nutritional profile of their products. Fruit pulp offers a versatile solution, serving as a natural and flavourful ingredient for various food products such as jams, jellies, sauces, dairy products, bakery items, and confectionery.

Additionally, the availability of fruit pulp in different varieties and packaging formats allows food processors to cater to diverse consumer preferences and culinary trends. By incorporating fruit pulp into their formulations, food manufacturers can create value-added products that appeal to health-conscious consumers seeking natural and nutritious options. Moreover, fruit pulp enables manufacturers to extend the shelf life of their products, reduce production costs, and maintain product consistency, thereby driving the overall growth and competitiveness of the food processing industry in India.

Increasing health consciousness

Increasing health consciousness among consumers is another significant factor driving the demand for fruit pulp in India. At significantly lesser amount of the calories and sugar content found in fruit pulp than many processed foods and beverages, fruit pulp offers a natural and nutritious alternative for consumers seeking to make healthier dietary choices. As awareness of the health benefits of consuming fruits grows, more consumers are looking for convenient ways to incorporate fruits into their daily diets. Fruit pulp, rich in vitamins, minerals, and antioxidants, provides a convenient solution for meeting these nutritional needs. Whether added to smoothies, yogurts, or breakfast bowls, fruit pulp allows consumers to enjoy the goodness of fruits without the hassle of peeling, chopping, or juicing fresh produce.

Furthermore, the absence of artificial additives and preservatives in fruit pulp appeals to consumers who prioritize clean-label and minimally processed food products. By incorporating fruit pulp into their diets, consumers can enjoy the taste and nutritional benefits of fruits while supporting their overall health and well-being.

Urbanization and changing lifestyles.

Urbanization and changing lifestyles have led to a notable shift in consumer preferences towards convenient and ready-to-use food products, further driving the demand for fruit pulp in India. Amounting to lesser time and effort required to prepare fresh fruits, fruit pulp offers urban consumers a convenient solution for incorporating fruit flavours into their busy lifestyles. As more individuals and families adapt to fast-paced urban environments, they seek quick and easy meal solutions that do not compromise on taste or nutrition. Fruit pulp fits perfectly into this trend, allowing consumers to enjoy a variety of fruit-based dishes, beverages, and snacks without the need for extensive preparation or cooking skills.

Additionally, as urban consumers increasingly prioritize convenience and time-saving solutions, the availability of fruit pulp in pre-packaged formats further enhances its appeal. Whether used in home kitchens or consumed on-the-go, fruit pulp offers urban consumers a convenient and versatile ingredient for satisfying their cravings for delicious and nutritious fruit-based products. Thus, urbanization and changing lifestyles play a significant role in driving the demand for fruit pulp across urban centres in India.

Regulatory Landscape

The regulatory landscape governing fruit pulp in India is primarily overseen by the Food Safety and Standards Authority of India (FSSAI), established under the Food Safety and Standards Act, 2006. FSSAI plays a pivotal role in ensuring that fruit pulp products meet stringent safety and quality standards. These standards encompass various crucial aspects of production, including hygiene practices, permissible additives, acceptable levels of contaminants, and proper packaging and labelling requirements.

Under the regulatory framework, businesses engaged in fruit pulp manufacturing are required to obtain licenses and certifications from FSSAI, notably the Food Safety License (FSSAI License). These certifications necessitate adherence to strict protocols and periodic testing to verify compliance with safety and quality benchmarks. Through regular inspections and audits, FSSAI monitors and regulates the fruit pulp industry to uphold consumer protection and public health.

The regulations set forth by FSSAI not only aim to ensure the safety and quality of fruit pulp but also prioritize transparency and consumer awareness. Consequently, fruit pulp products must undergo thorough testing to ascertain their adherence to safety parameters before they reach consumers. Furthermore, stringent labelling requirements mandate the inclusion of essential information such as ingredients, nutritional content, manufacturing and expiry dates, and FSSAI license numbers. This ensures that consumers can make informed choices about the products they purchase and consume.

By enforcing strict standards and fostering compliance among manufacturers, FSSAI contributes to the production of safe, high-quality fruit pulp products that consumers can trust. Compliance with these regulations is not only a legal requirement but also a commitment to upholding consumer safety and confidence in the marketplace.

Mission for Integrated Development of Horticulture

The Mission for Integrated Development of Horticulture (MIDH) is introduced by the Government of India to comprehensively enhance horticulture development across the nation. Launched as a Centrally Sponsored Scheme in 2014-15, MIDH encompasses a wide spectrum of horticultural domains, including fruits, vegetables, root and tuber crops, mushrooms, spices, flowers, aromatic plants, coconut, cashew, and cocoa. The scheme extends its coverage to all States and Union Territories, thereby ensuring a pan-India approach towards horticultural development.

Under the ambit of MIDH, states and union territories receive financial and technical assistance to undertake various interventions and activities aimed at augmenting horticultural production and productivity. These interventions include the establishment of nurseries and tissue culture units for the production of quality seeds and planting material, expansion of horticultural areas through the establishment of new orchards and gardens, and rejuvenation of unproductive orchards.

Additionally, MIDH supports initiatives such as protected cultivation to improve productivity and cultivate off-season high-value vegetables and flowers, organic farming and certification, creation of water resources structures, watershed management, and beekeeping for pollination. The scheme also focuses on horticulture mechanization, creation of post-harvest management and marketing infrastructure, and the training of farmers to enhance their skills and knowledge.

MIDH operates as a Centrally Sponsored Scheme, with the subsidy shared between the Central Government and State Governments. The sharing pattern varies between states, with a ratio of 60:40 in most states and 90:10 in Northeastern and Himalayan states. Consequently, the active involvement and support of State Governments are paramount for the effective implementation and success of the Mission.

Pradhan Mantri Kisan Sampada Yojana (PMKSY)

The Pradhan Mantri Kisan Sampada Yojana (PMKSY), initiated by the Ministry of Food Processing Industries (MoFPI) since 2017-18, serves as a comprehensive framework comprising multiple component schemes aimed at modernizing infrastructure and optimizing supply chain management from farm to retail. By promoting efficient processing, PMKSY significantly boosts the growth of the food processing sector, offers better prices to farmers, generates substantial employment opportunities in rural areas, curbs agricultural produce wastage, increases processing levels, and enhances the export of processed foods.

Under PMKSY, financial assistance in the form of grants-in-aid is extended for the establishment of food processing projects across the country through various component schemes. These include the now discontinued Mega Food Parks scheme, Integrated Cold Chain and Value Addition infrastructure, Creation

of Infrastructure for Agro Processing Cluster, Creation/Expansion of Food Processing and Preservation Capacities, Creation of Backward and Forward Linkages, Operation Greens for long-term interventions, Food Safety and Quality Assurance Infrastructure, and Human Resource & Institutions.

A total of 1,132 food processing projects have been approved across 36 states/UTs under PMKSY, with a cumulative project cost of INR 23,071.29 crores. The initiative aims to create processing capacity for 252.297 lakh MT/annum, preservation capacity for 42.908 lakh MT/annum, employ 602,070 individuals, and benefit 3,819,220 farmers.

Mega Food Park Scheme

The Mega Food Park Scheme, a flagship initiative of the Government of India, aims to revolutionize the agricultural and food processing sectors by bridging the gap between production and market demand. By fostering collaboration among farmers, processors, and retailers, the scheme maximizes value addition, minimizes wastage, boosts farmers' income, and creates employment opportunities, particularly in rural areas.

The scheme operates on a cluster-based approach, establishing state-of-the-art infrastructure within well-defined agri/horticultural zones. This infrastructure includes collection centres, processing facilities, cold chains, and fully developed plots for entrepreneurs to set up modern food processing units. Implementation is facilitated through Special Purpose Vehicles (SPVs), ensuring transparency and accountability in project execution.

For the fruit pulp sector, Mega Food Parks offer several advantages:

- **Processing Infrastructure:** Mega Food Parks provide modern processing infrastructure specifically designed for fruit processing, including facilities for pulping, pureeing, and concentrate production. These facilities enable fruit pulp manufacturers to streamline their production processes, increase output, and maintain high-quality standards.
- **Cold Storage Facilities:** Fruit pulp requires proper storage conditions to maintain its freshness, flavor, and nutritional content. Mega Food Parks typically include cold storage facilities equipped with temperature and humidity control systems, ensuring the preservation of fruit pulp throughout its shelf life.
- **Logistics and Supply Chain Support:** Mega Food Parks offer integrated logistics and supply chain support, facilitating the efficient transportation of raw materials and finished products. This ensures timely availability of fruits for pulp processing and enables manufacturers to reach markets across India and internationally.
- **Value Addition and Market Access:** By establishing fruit pulp processing units within Mega Food Parks, manufacturers can add value to raw fruits by converting them into high-demand products. Additionally, the centralized location of Mega Food Parks provides access to markets, distribution networks, and export facilities, enhancing market reach and profitability for fruit pulp producers.

While the scheme has been discontinued as of April 1, 2021, with provision for ongoing project liabilities, the existing 24 operational Mega Food Parks continue to drive economic growth and agricultural transformation nationwide.

Creation/ Expansion of Food Processing and Preservation Capacities

The CEFPPC Scheme aims to increase processing and preservation capacities, reduce wastage, and enhance value addition in the food processing industry. It covers post-harvest processes to improve product quality and shelf life through modern technology adoption. Both new unit setups and existing unit modernization are supported, with implementation involving various organizations such as PSUs, FPOs, NGOs, cooperatives, and private entities engaged in food processing activities.

One of the key objectives of the CEFPPC scheme is to encourage the establishment of modern food processing units equipped with state-of-the-art infrastructure and technology. For the fruit pulp industry, this translates to support for setting up or expanding processing facilities dedicated to fruit pulping, pureeing, and concentrate production. By providing financial assistance and incentives, the scheme facilitates the adoption of advanced processing techniques, improving the efficiency, quality, and value addition capabilities of fruit pulp manufacturers.

Furthermore, the CEFPPC scheme aims to enhance the competitiveness of the food processing sector by addressing infrastructure gaps and promoting investments in value chain infrastructure. This includes support for cold storage facilities, transportation infrastructure, and supply chain logistics, all of which are crucial for the storage, handling, and distribution of fruit pulp products.

Moreover, the scheme emphasizes the development of backward linkages with farmers and forward linkages with markets, thereby fostering integration along the entire value chain. By encouraging collaboration between fruit growers, processors, and retailers, the scheme enhances market access and promotes market-driven production of fruit pulp.

Mango Pulp

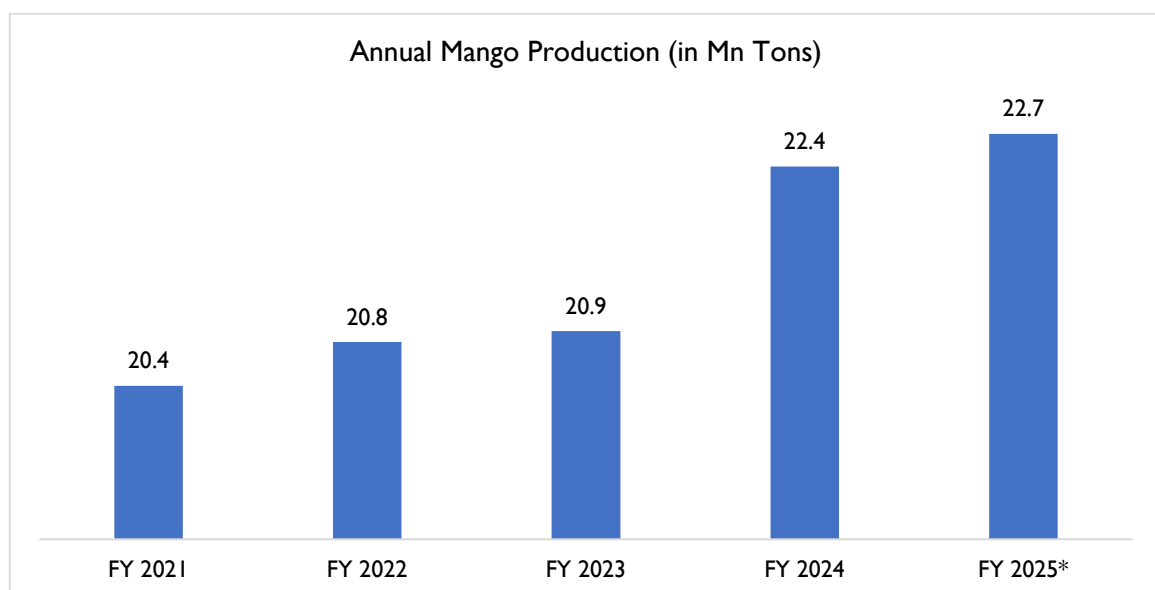
Mango pulp, made from ripe mangoes, is a popular value-added product known for its sweet taste and versatility. To make mango pulp, ripe mangoes are peeled, deseeded, and pureed until smooth. This versatile pulp serves as a cornerstone ingredient in a variety of culinary delights, offering tropical sweetness to various dishes and beverages.

The uses of mango pulp span a wide spectrum of culinary creations, ranging from beverages to desserts and savoury dishes. Mango pulp serves as a primary ingredient in the production of mango juices, nectars, smoothies, and mocktails. Furthermore, mango pulp also finds its way into the making of mango-flavoured ice creams, sorbets, yogurts, and puddings. In savoury cuisines, mango pulp adds a delightful twist to sauces, chutneys, marinades, and salad dressings.

Beyond its culinary applications, mango pulp boasts an array of nutritional benefits, as it retains essential vitamins, minerals, antioxidants, and dietary fibres inherent in fresh mangoes. Moreover, mango pulp serves as a source of natural sweetness in food formulations, reducing the need for added sugars and enhancing the overall nutritional profile of products.

Mango production in India

India continues to maintain its position as the world's largest producer of mangoes, accounting for a significant share of global production. Between FY 2021 and FY 2025, mango production in India showed a steady upward trend, growing from 20.4 million tonnes in FY 2021 to 22.7 million tonnes in FY 2025. This reflects a compound annual growth rate (CAGR) of approximately 2.7% over the five-year period. The most notable increase occurred in FY 2024, where production rose by nearly 1.5 million tonnes over the previous year, driven by favourable climatic conditions and improved orchard management practices.



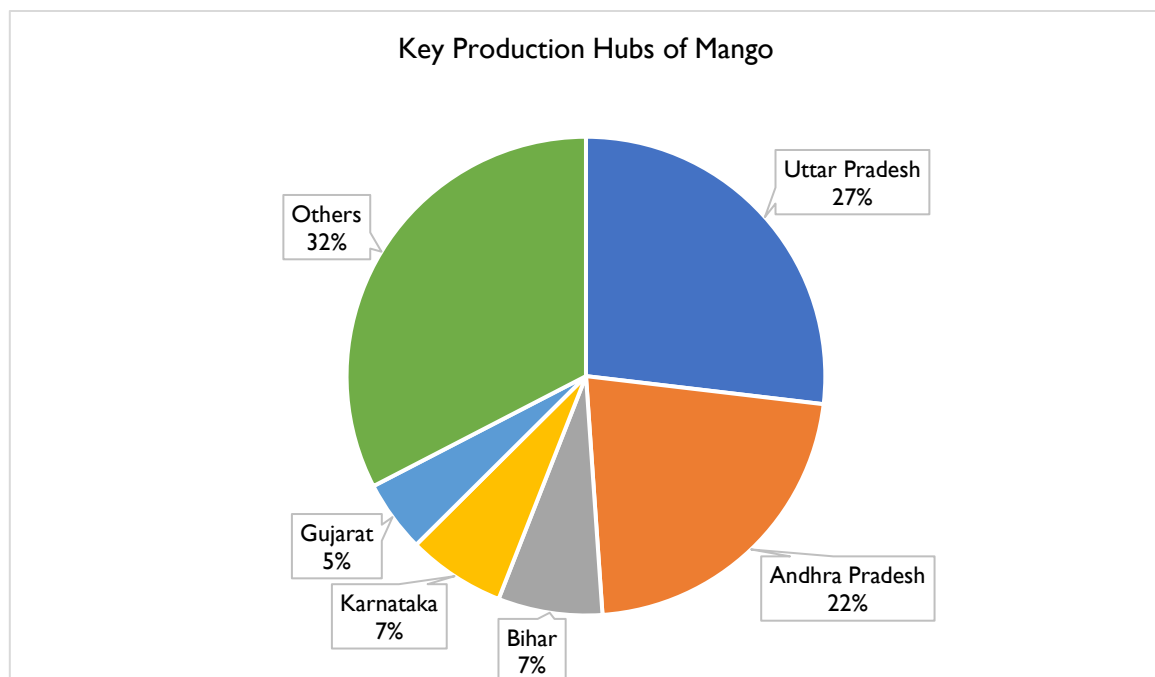
Source: Ministry of Agriculture & Farmers Welfare

Figures for FY 2025 are the first advanced estimates

This growth trajectory marks a recovery from the stagnation and weather-related setbacks seen in earlier years. The alternate bearing nature of mango trees, along with untimely rains and high temperatures during the flowering stage, especially in February and March, had previously affected yields. However, with better forecasting, irrigation infrastructure, and the adoption of high-yielding varieties in major producing states like Andhra Pradesh, Uttar Pradesh, and Maharashtra, the production outlook has improved. The **FY 2025 production estimate of 22.7 million tonnes** is a strong indicator of the resilience and potential of India's mango sector, reaffirming its importance in the country's horticultural economy.

Key Production Hubs

As per the latest estimates for FY 2025, Uttar Pradesh continues to be the leading mango-producing state in India, contributing 27% of the country's total mango output. This dominance can be attributed to the state's conducive agro-climatic conditions, including fertile alluvial soil and well-distributed rainfall during the growing season. The presence of traditional mango-growing belts such as Malihabad, known for premium varieties like Dasheri, further strengthens the state's production capacity. Additionally, government initiatives promoting horticultural development, access to irrigation facilities, and the adoption of modern orchard management practices have significantly boosted yield and productivity.



Source: Ministry of Agriculture & Farmers Welfare

Figures for FY 2025 are the first advanced estimates

Andhra Pradesh follows as the second-largest producer, with a 22% share in total mango production. The state benefits from a diverse range of cultivars, including Banganapalli and Suvarnarekha, and its robust irrigation infrastructure allows consistent production across multiple regions. Bihar and Karnataka, each contributing 7%, also play important roles in national mango output, supported by region-specific varieties

and expanding orchard areas. Gujarat accounts for 5%, while other states collectively contribute the remaining 33%, showcasing a broad base of mango cultivation across India. These figures reflect the importance of mango as a key fruit crop and highlight regional strengths driven by agro-climatic, infrastructural, and policy-related factors.

State-wise Key Mango Production Statistics FY 2025

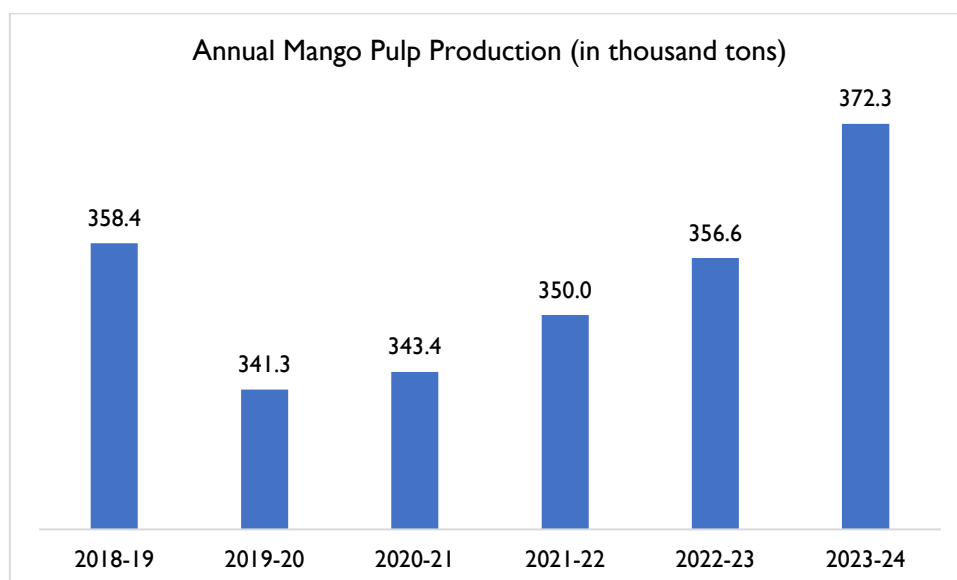
State	Mango Production (in Mn Tons)	Percentage share in total production	Area under Mango cultivation (000' ha)	Percentage share in total cultivation
Uttar Pradesh	6.1	26.9%	323.70	13.5%
Andhra Pradesh	5.0	22.0%	398.82	16.7%
Bihar	1.6	7.0%	164.63	6.9%
Karnataka	1.5	6.6%	145.74	6.1%
Gujarat	1.1	4.8%	177.51	7.4%
Others	7.4	32.6%	1183.46	49.4%

In FY 2025, Andhra Pradesh and Uttar Pradesh led in mango cultivation, with 398.8 thousand hectares (16.7%) and 323.7 thousand hectares (13.5%) under mango orchards, respectively. Despite Uttar Pradesh having the highest mango output, Andhra Pradesh has the largest cultivation area, reflecting its extensive plantation base across districts.

Bihar, while ranking third in production, ranks sixth in cultivation area with 164.6 thousand hectares (6.9%), indicating higher yield efficiency. Gujarat and Karnataka follow with 177.5 and 145.7 thousand hectares, respectively. Overall, nearly 50% of India's mango cultivation area lies in other states, highlighting the broad geographical spread of mango farming across the country.

Annual production of mango pulp

Mango pulp production in India is a significant industry driven by the country's abundant mango cultivation. India is one of the world's largest producers of mango pulp, which is processed from ripe mangoes. In 2023-24, Mango pulp production in India is estimated to have reached 372.3 thousand tonnes, observing an annual increase of 4% over the previous year.

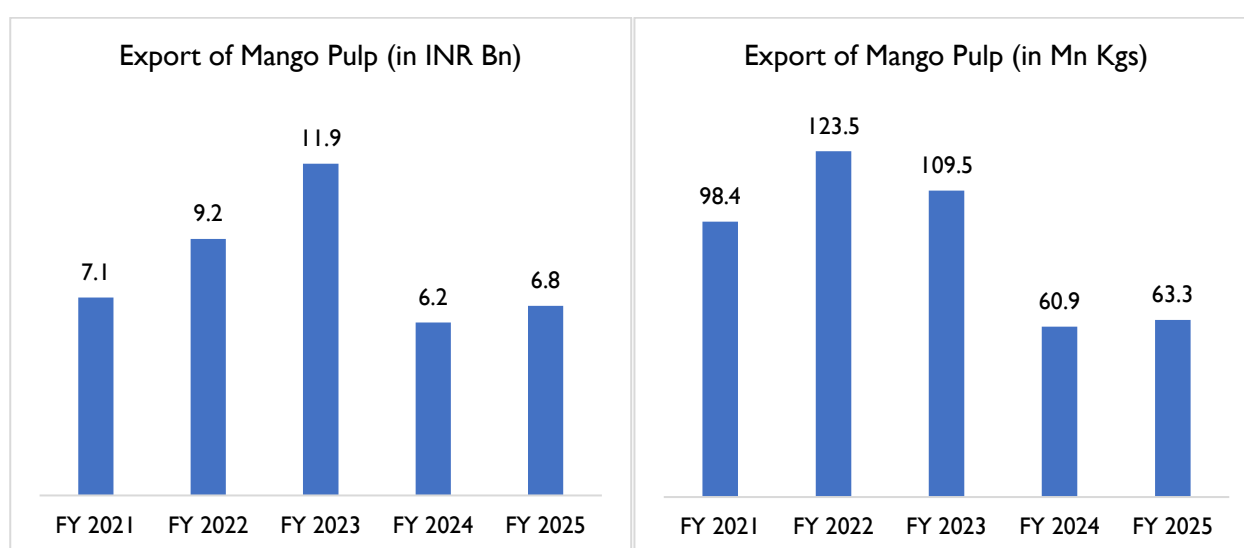


Source: D&B Research & Estimates

Adverse climatic conditions in the years preceding led to a decline in mango production, thus affecting the overall mango pulp production as well. However, with increased production in 2023-24, India offers diverse mango varieties with a wide range of flavours and textures, making Indian mango pulp highly sought after in both domestic and international markets.

Export potential: Mango Pulp

India continues to be a significant exporter of fruit pulp, particularly mango pulp. Exports witnessed strong growth between FY 2021 and FY 2023, with the value increasing from INR 7.1 billion in FY 2021 to INR 11.9 billion in FY 2023, registering a CAGR of over 30% during this period. In volume terms, exports rose from 98.4 million kgs in FY 2021 to a peak of 123.5 million kgs in FY 2022, before moderating to 109.5 million kgs in FY 2023.



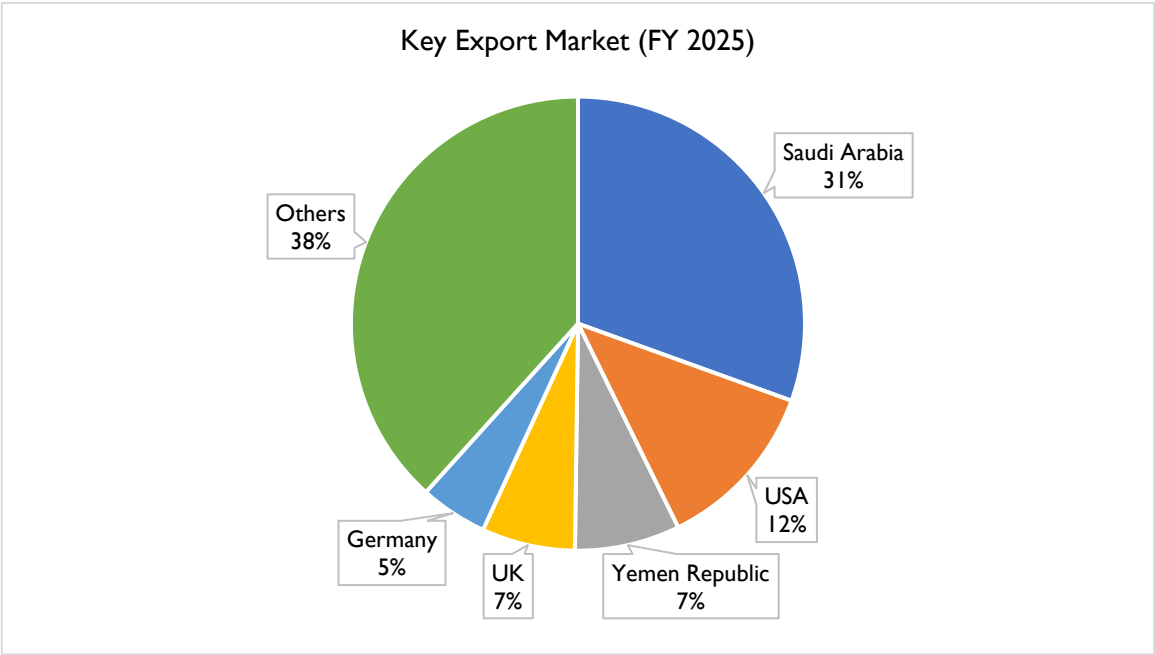
Source: DGCI&S

In volume terms, India exported 109.5 million Kgs of Mango pulp in FY 2023, up from 85.7 million Kgs exported in FY 2020. FY 2022 encountered the highest surge in exports of nearly 26% by volume. A decline in production as well as covid-19 impacted exports in FY 2020 and FY 2021.

However, exports declined sharply in FY 2024, both in value and volume terms, falling to INR 6.2 billion and 60.9 million kgs, respectively. This downturn was driven by lower domestic production and tighter export controls. In FY 2025, a mild recovery was observed, with export value reaching INR 6.8 billion and volume slightly improving to 63.3 million kgs. Despite recent fluctuations, the long-term outlook for fruit pulp exports remains positive, supported by strong global demand and India’s dominance in mango cultivation and processing.

Key Export Markets

Saudi Arabia emerged as the largest export destination for Indian fruit pulp in FY 2024, accounting for 30.5% of total exports. It was followed by the USA (12.2%), Yemen Republic (7.5%), UK (6.7%), and Germany (4.8%). Together, these top five countries constituted over 61% of India’s total fruit pulp exports. India’s strong presence in the Middle East and North American markets reflects its ability to cater to diverse consumer preferences and maintain consistent quality standards in processed fruit exports.



Source: DGCI&S

Competitive Landscape

Company	Brief
ABC Fruits	ABC Fruits, an esteemed Indian manufacturer, supplier, and exporter of fruit pulps and concentrates, serves both domestic and international markets. Specializing in mango,

	<p>papaya, guava, pineapple, and tomato processing, ABC Fruits initially started as a mango pulp manufacturing facility in Krishnagiri, later expanding to become one of India's leading fruit pulp processing companies.</p> <p>Established in 1997, ABC Fruits has grown exponentially, with state-of-the-art facilities and advanced manufacturing capabilities. With a capacity of 30 tons per hour and processing 50,000MT annually, ABC Fruits has garnered a diverse clientele across the Middle East, Europe, and North America. Continuously expanding into new markets, ABC Fruits is renowned for competitive prices and consistent quality, solidifying its reputation as a trusted player in the industry for over 15 years.</p>
Jadli Foods (India) Pvt. Ltd	<p>Established in 1999, Jadli Foods has emerged as a premier organization in the manufacturing and export of premium fruit pulp and concentrate, including mango, guava, banana, and tamarind products. With a track record of exporting to 55 countries and serving 450 international industrial customers across Europe, the Middle East, North America, and beyond, Jadli Foods prioritizes quality and consistency.</p> <p>Certified by ISO 22000 and ISO 9001, Jadli Foods oversees multi-location HACCP-accredited manufacturing facilities, ensuring adherence to the highest standards.</p> <p>With a diverse product range under their leading brand "Mansa," Jadli Foods supplies fruit pulp, concentrates, processed foods, and more to international markets, maintaining a strong focus on quality, hygiene, and customer satisfaction.</p>
TMN International (TMN)	<p>TMN International, a division of the esteemed 'Home Life' Group in Chennai, specializes in exporting fruit pulp and processed foods, particularly renowned for its Mango Pulp and Concentrate. Situated in Chennai, India, TMN processes a wide array of fruits, including Totapuri & Alphonso mangoes, guava, papaya, and tomato, offering customized forms such as pulp, puree, paste, and concentrate, packaged in aseptic packaging or OTS cans.</p> <p>TMN has a daily manufacturing capacity of 120 M.T. With HACCP-accredited manufacturing facilities and a skilled workforce, TMN serves major markets globally, including the U.K., European nations, Middle East, and Far East, securing repeat orders through their commitment to excellence</p>
Aditi Foods (India) Pvt. Ltd	<p>Aditi Group, with 37 years of relentless dedication, encompasses a diverse range of industries including fruit and vegetable processing, agriculture trading, corrugated box manufacturing, gas and petroleum trading, banking, and various service sectors.</p> <p>Aditi Foods (India) Pvt. Ltd., a division of Aditi Group, has been a trusted name in the Indian food processing sector since 1994. Their state-of-the-art technology and rigorous quality control measures ensure the production of a variety of high-quality fruit and vegetable products. Situated in Maharashtra, their facility boasts a workforce</p>

of over 450 employees, with production capacity reaching 200 tons per day. Specializing in mango pulp and jams, other fruit pulps, jams, canned vegetables, sauces, and more, Aditi Foods (India) Pvt. Ltd. is renowned for its innovation and reliability.

Growth Outlook

Mango, hailed as the "King of Fruits," holds a prestigious position in India, the world's largest producer of this delectable fruit. With a vibrant mango cultivation industry, India not only satisfies domestic demand but also plays a pivotal role in the global mango pulp market.

Domestic Demand

In India, mango pulp is an integral ingredient in a plethora of culinary delights, ranging from traditional desserts like mango lassi to modern beverages and confectionaries. The country's rich cultural heritage, coupled with a diverse culinary landscape, ensures a steady and resilient demand for mango pulp. Furthermore, the rising popularity of packaged fruit products and the increasing disposable income of the burgeoning middle class contribute to the sustained growth of domestic consumption.

Trends Driving Domestic Demand:

- **Health and Wellness:** As consumers become more health-conscious, there is a growing preference for natural and nutritious food choices. Mango pulp, packed with essential vitamins and antioxidants, aligns with this health-conscious trend, driving its consumption among health-conscious individuals and families.
- **Convenience and Versatility:** Mango pulp offers convenience and versatility in culinary applications, catering to the fast-paced lifestyle of urban consumers. From instant smoothies to ready-to-use dessert mixes, the convenience factor associated with mango pulp enhances its appeal across diverse consumer segments.
- **Cultural Significance:** Mango holds immense cultural significance in India, symbolizing prosperity, fertility, and abundance. Traditional festivals and celebrations often feature mango-based dishes, sustaining the demand for mango pulp throughout the year.

Export Market Dynamics

India's prowess in mango pulp production extends beyond its borders, as it emerges as a leading exporter in the global market. The exotic flavour profile and superior quality of Indian mango pulp make it a coveted commodity in international markets, driving consistent export growth.

Factors Influencing Export Demand:

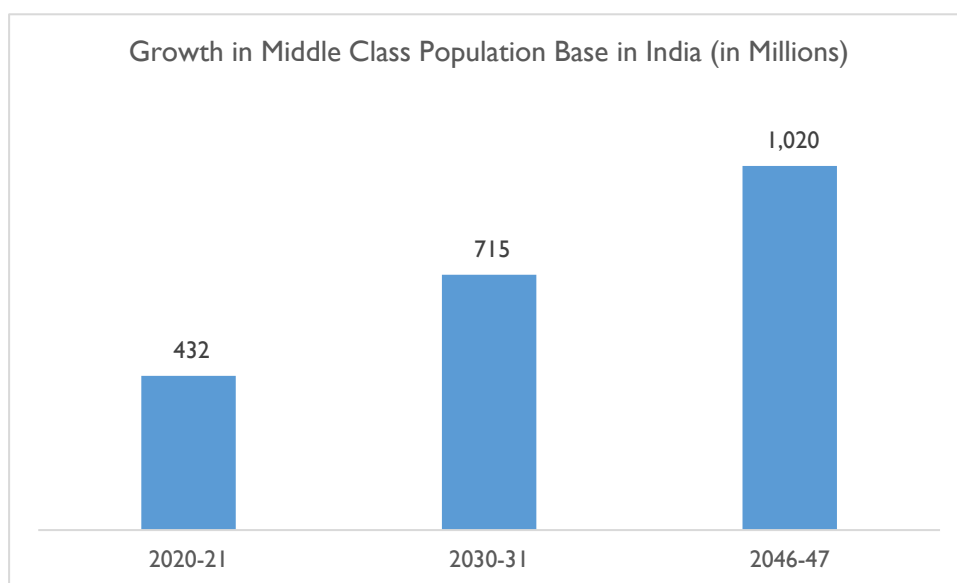
- **Quality Assurance:** Indian mango pulp adheres to stringent quality standards, ensuring consistency and excellence in taste and texture. This commitment to quality resonates with discerning consumers worldwide, fostering trust and loyalty towards Indian mango pulp brands.
- **Market Penetration:** India's strategic market penetration strategies, coupled with effective branding and promotional initiatives, have expanded the reach of mango pulp in key export destinations. Establishing strong distribution networks and engaging in trade partnerships further catalyzes the growth of export demand.
- **Global Culinary Trends:** The global culinary landscape is experiencing a paradigm shift towards ethnic and exotic flavors. Indian mango pulp, with its authentic taste and versatility, aligns perfectly with these evolving consumer preferences, driving demand across diverse culinary applications.

The growth prospects of mango pulp, both in domestic and export markets, remain robust and promising. With India's continued focus on enhancing production efficiency, ensuring quality standards, and exploring innovative marketing strategies, the demand for mango pulp is poised to soar. As consumers worldwide develop a penchant for natural, flavourful, and culturally rich food experiences, mango pulp stands poised to satiate their cravings and carve a niche as a quintessential culinary delight on the global stage.

Growth Prospects

The Indian economic growth is strongly rooted on elevated consumer demand and Government spending on infrastructure as well as social sector. Of this, the demand for consumer products is directly influenced by the trends in consumer spending, which is driven by the spending pattern of middle-class segment. Over the years, India's middle-class segment has emerged as a key demand driver for products ranging from packaged foods to big ticket items like automobiles and residential real estate.

According to a household survey conducted by PRICE²⁴ the middle-class segment in India – with an annual earning in the range of INR 5 – 30 lakhs – is expected to account for nearly 61% of total population by 2045-47. This particular population segment accounted for 31% of total population in 2020-21 and is set to rise to 47% in 2030-31 and further to 61% by 2046-47.



Source: PRICE ICE 360 Household Survey (Released in mid-2023)

According to a report by BMI Research (a Fitch Company), India is set to become the world's third largest consumer market by 2027. The country which is currently ranked as the fifth largest consumer market is expected to gain two spots over the next 4 – 5 years on the back of expected growth in number of middle class and high-income households. As per BMI Research, the growth in consumer households would elevate India's household spending to exceed USD 3 trillion.

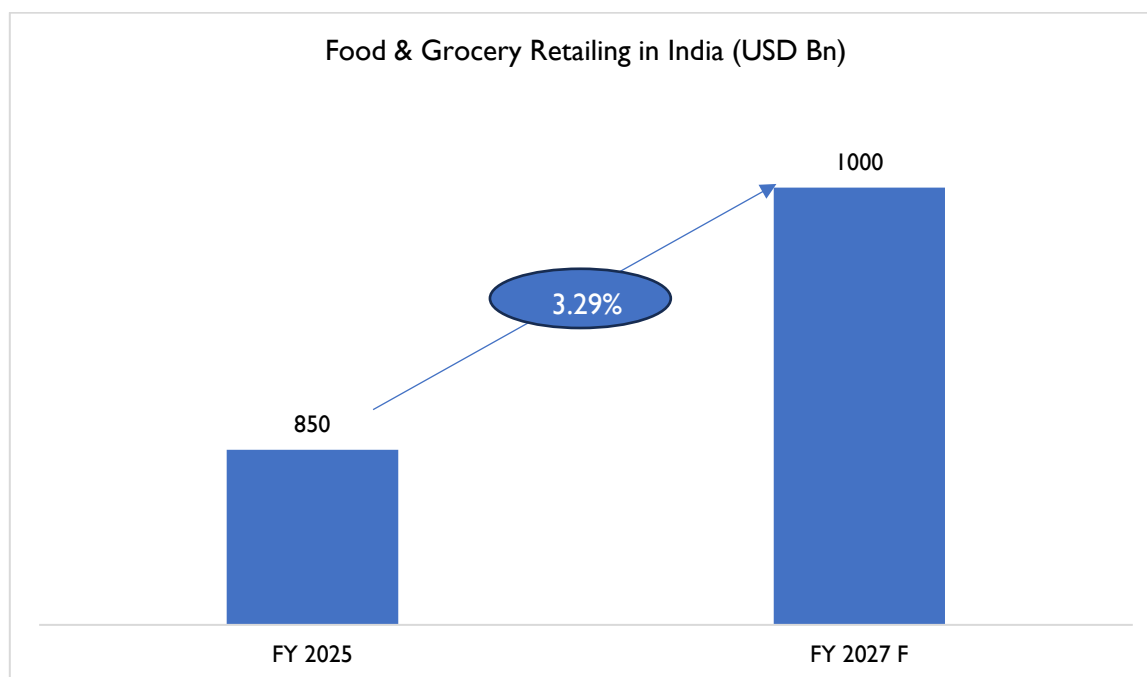
The above indicators – namely a growth in middle class consumer base as well as a commensurate increase in household spending augurs well for India's consumer product economy. Given the evolving spending pattern among India's consumers, the biggest benefits of the growth in India's consumer base would be reaped by stakeholders in consumer products industry – ranging from FMCG players to retail sector.

²⁴ PRICE Is an independent not-for-profit research centre. The survey referred to here is the ICE 360⁰ household survey that provides a 360⁰ view of households progress on financial conditions, living conditions, access to public goods, welfare, among others.

Food & Grocery Retailing

It is estimated that staples & fresh produce accounts for nearly 80% of food spending in India. However, the changes in consumption pattern and demographic profile are influencing the food spending trend in India, in favour of packaged snacks, confectionary and beverages. Two key trends that are emerging in Indian retail space is the increasing preference for packaged & branded food, as well as preference for organized retail. Although the trend is visible in urban markets, the wide pool of consumers in urban market together with their higher spending pattern has the potential to create a transition in retail spending pattern in India.

Going forward, the food & grocery retailing market in India is expected to grow by a CAGR of 3.29% in the coming years. By 2027 the Indian market for food & grocery retailing is expected to reach USD 1000 billion.



Source: Invest India, USDA

Preference for Branded & Packaged Foods

The growth in food & grocery retailing is accompanied by an increasing preference towards branded & packaged food products. Traditionally loose & unbranded food products used to be the preferred form by Indian consumers. However, a host of factors, including a growth in disposable income levels, shift in demographic profile, preference for value added products, and availability are all changing that preference.

This is most visible in urban markets, where branded & packaged food products have become the preferred choice among staples and grocery. Although their penetration in rural market is yet to become substantial, branded staples & grocery products have made considerable progress in capturing the wallet share of rural India. This transition has led to the rise of food & grocery brands, with several large FMCG conglomerate having multiple brands that clock annual turnover in excess of INR 1,000 crore.

Branded Wheat Flour Market

The branded & packaged wheat flour market in India is estimated to be worth INR 20,000 crore, with major national brands by conglomerates like ITC, Adani, and Patanjali cornering nearly half of the branded market. The branded wheat flour market in India has been growing by a CAGR of nearly 5% between 2020 and 2023.

Assuming the historical growth rate continues unabated, the domestic market for branded wheat flour would reach nearly INR 24,000 crore in the next five years.

However, in reality, the expected growth in branded wheat flour would be higher than the historical trend. The strengthening shift among Indian consumers towards branded wheat (from loose wheat), together with the initiatives taken by FMCG companies (to increase their footprint, as well as introduce lower priced SKU's) would help in accelerating the future growth in branded flour market.

Branded Spices

According to World Spice Organization (WSO), the branded & packaged spice market in India (comprising of both ground and blended spice) was nearly INR 35,000 crore in 2023. The entry of national players (through inorganic route) together with increasing popularity of branded spice among consumers in India is accelerating the demand growth in branded spice market. As per WSO, the branded & packaged spice market in India is expected to clock a turnover of INR 50,000 crore per annum, by the end of next 3 – 4 years.

KPI Comparison

Accounting Ratios

Companies (As on March 31, 2025)	CMP	EPS (Basic in ₹)	EPS (Diluted in ₹)	PE Ratio	RONW (%)	NAV (Per Share)	Face Value
Patel Retail Limited	[•]	10.30	10.30	[•]	19.02%	54.08	10
Peer Group							
Avenue Supermarts Limited (Consolidated)	4,257.80	41.61	41.50	102.33	12.64%	329.27	10
Vishal Mega Mart Limited (Consolidated)	146.62	1.40	1.36	104.73	9.87%	13.92	10
Spencers Retail Limited (Consolidated)	57.20	-27.33	-27.37	-2.09	-37.24%	-73.40	5
Osia Hyper Retail Limited	12.75	1.46	1.46	8.73	4.97%	23.85	1
Aditya Consumer Marketing Limited	42.71	-2.62	-2.62	-16.30	-18.51%	14.14	10
Sheetal Universal Limited	126.50	8.12	8.12	15.58	21.44%	38.27	10
Kovilpatti Lakshmi Roller Flour Mills Limited	129.05	1.27	1.27	101.61	1.72%	73.92	10
KN Agri Resources Limited (Consolidated)	251.00	14.76	14.76	17.01	10.50%	140.60	10
Madhusudhan Masala Limited	141.20	10.93	10.93	12.92	16.04%	64.73	10

Current Market Price as on August 5, 2025, for all the Companies except Aditya Consumer Marketing Limited

Note: For Aditya Consumer Marketing Limited CMP is considered as on August 4, 2025

CALCULATION USED:

PE Ratio	CMP/EPS(Basic)
RONW (%)	$(\text{PAT Before Comprehensive Income/Net Worth}) \times 100$
NAV (Per Share)	$(\text{Net Worth/No. of Equity Shares}) \times 100$

Company-wise Financials

Financials for the period ending March 31, 2023

Key Indicators (In INR Lacs)	Avenue Supermarkets Limited	Spencers Retail Limited	Vishal Mega Mart Limited	Osia Hyper Retail Limited	Aditya Consumer Marketing Limited	Sheetal Universal Limited	Kovilpatti Lakshmi Roller Flour Mills Limited	KN Agri Resources Limited	Madhusudhan Masala Limited
Revenue from operations (1)	4283956.00	245258.17	75,860.40	73881.67	9686.39	12881.23	33213.54	223615.00	12721.60
Growth in Revenue from Operations (2)	38.30%	6.65%	-86.43%	25.30%	10.75%	232.96%	21.51%	18.88%	351.61%
EBITDA (3)	363703.00	357.51	1,02,051.30	3891.65	377.04	149.22	1886.42	5163.00	1138.92
EBITDA Margin% (4)	8.49%	0.15%	134.53%	5.27%	3.89%	1.16%	5.68%	2.31%	8.95%
PAT	237834.00	-21039.68	32,127.30	950.14	122.25	206.03	1029.80	2937.00	575.45
PAT Margin % (5)	5.55%	-8.58%	42.35%	1.29%	1.26%	1.60%	3.10%	1.31%	4.52%
Net Worth (6)	1607878.00	-15046.87	5,15,608.80	11290.04	2761.55	656.41	5832.19	28220.00	1074.06
Capital Employed (7)	16,05,252.00	7,441.42	78,094.80	22,991.04	3,794.34	2,006.74	10,271.82	36,256.00	5367.85
RoE% (8)	14.79%	139.83%	6.23%	8.42%	4.43%	31.39%	17.66%	10.41%	53.58%
RoCE % (9)	19.48%	-128.43%	75.80%	15.38%	6.17%	18.46%	18.82%	13.62%	20.58%

Financials for the period ending March 31, 2024

Key Indicators (In INR Lacs)	Avenue Supermarkets Limited	Spencers Retail Limited	Vishal Mega Mart Limited	Osia Hyper Retail Limited	Aditya Consumer Marketing Limited	Sheetal Universal Limited	Kovilpatti Lakshmi Roller Flour Mills Limited	KN Agri Resources Limited	Madhusudan Masala Limited
Revenue from operations (1)	50,78,883.00	234502.51	89,119.50	114447.45	9336.58	13194.53	41090.57	169967.00	16221.98
Growth in Revenue from Operations (2)	18.56%	-4.39%	17.48%	54.91%	-3.61%	2.43%	23.72%	-23.99%	27.52%
EBITDA (3)	410377.00	-1164.64	124859.00	6725.31	-73.76	245.39	2377.86	4814.00	1732.01
EBITDA Margin % (4)	8.08%	-0.50%	140.10%	5.88%	-0.79%	1.86%	5.79%	2.83%	10.68%
PAT	253561.00	-26615.10	46193.50	1829.76	-307.04	207.56	780.44	3126.00	919.73
PAT Margin % (5)	4.99%	-11.35%	51.83%	1.60%	-3.29%	1.57%	1.90%	1.84%	5.67%
Net Worth (6)	1869734.00	-41583.83	562184.20	19933.55	2452.66	3,453.97	6667.37	31362.00	4605.28
Capital Employed (7)	1867593.00	88.43	1,11,186.30	32,221.62	3,131.39	4,961.85	16010.36	42454.00	9842.67
RoE% (8)	13.56%	64.00%	8.22%	9.18%	-12.52%	6.01%	11.71%	9.97%	19.97%
RoCE % (9)	18.84%	-13401.96%	68.76%	19.54%	-7.64%	9.01%	12.56%	12.00%	17.11%

Financials for the period ending March 31, 2025

Key Indicators (In INR Lacs)	Avenue Supermarkets Limited	Spencer's Retail Limited	Vishal Mega Mart Limited	Osia Hyper Retail Limited	Aditya Consumer Marketing Limited	Sheetal Universal Limited	Kovilpatti Lakshmi Roller Flour Mills Limited	KN Agri Resources Limited	Madhusudan Masala Limited
Revenue from operations (1)	5935805.00	199520.03	1071634.50	1,42,712.67	9741.00	10,567.47	42,658.78	172485.00	23092.48
Growth in Revenue from Operations (2)	16.87%	-14.92%	1102.47%	24.70%	4.34%	-19.91%	3.82%	1.48%	42.35%
EBITDA (3)	448733.00	-4326.36	153018.00	7199.59	-238.00	1384.08	1467.37	6059.00	2731.92
EBITDA Margin% (4)	7.56%	-2.17%	14.28%	5.04%	-2.44%	13.10%	3.44%	3.51%	11.83%
PAT	270745.00	-24636.23	63196.70	1951.53	-383.00	929.82	115.17	3690.00	1502.25
PAT Margin% (5)	4.56%	-12.35%	5.90%	1.37%	-3.93%	8.80%	0.27%	2.14%	6.51%
Net Worth (6)	2142670.00	-66160.57	640130.20	39253.09	2069.00	4383.79	6683.32	35151.00	9365.79
Capital Employed (7)	2142442.00	-5267.52	187593.80	57478.94	2665.00	6610.24	13774.83	40295.00	16856.98
RoE% (8)	12.64%	37.24%	9.87%	4.97%	-18.51%	21.21%	1.72%	10.50%	16.04%
RoCE % (9)	17.47%	156.24%	53.23%	11.60%	-12.12%	22.81%	7.32%	15.13%	15.62%

Operational KPI

For period ending 31st March 2025

Particulars	Patel Retail Limited	Avenue Supermarts Limited	Vishal Mega Mart Limited	Spencers Retail Limited	Osia Hyper Retail Limited	Aditya Consumer Marketing Limited	Sheetal Universal Limited	Kovilpatti Lakshmi Roller Flour Mills Limited	KN Agri Resources Limited	Madhusudhan Masala Limited
Geographical Segment Revenue										
Domestic Revenue	54,842.58	59,48,236.00	10,71,634.50	NA	NA	NA	NA	NA	NA	NA
Domestic Revenue (%)	66.82%	100%	100%	NA	NA	NA	NA	NA	NA	NA
Export Revenue	27,226.71	-	NA	NA	NA	NA	NA	NA	NA	NA
Export Revenue (%)	33.18%	-	NA	NA	NA	NA	NA	NA	NA	NA
Revenue split by Division										
Retail Sales	36,886.98	59,35,805.00	10,70,027.05	NA	NA	NA	NA	NA	NA	NA
Retail Sales (as a % of total)	44.95%	99.79%	99.85%	NA	NA	NA	NA	NA	NA	NA
Sale - Process	36,117.33	-	NA	NA	NA	NA	NA	NA	NA	NA
Sale - Process (as a % of total)	44.01%	-	NA	NA	NA	NA	NA	NA	NA	NA
Sale - Trading	8,317.62	-	NA	NA	NA	NA	NA	NA	NA	NA
Sale - Trading (as a % of total)	10.13%	-	NA	NA	NA	NA	NA	NA	NA	NA
Other operating income	747.36	12,431.00	1,607.45	NA	NA	NA	NA	NA	NA	NA

Other operating income (%)	0.91%	0.21%	0.15%	NA	NA	NA	NA	NA	NA	NA
Retail Sales matrix										
Revenue per store	878.26	NA	NA	NA	NA	NA	NA	NA	NA	NA
Revenue per Retail Business area	0.21	0.34	NA	NA	NA	NA	NA	NA	NA	NA
Retail Sales Category wise										
Revenue – Food	32.83%	57.73%	0.00%	NA	NA	NA	NA	NA	NA	NA
Revenue – Non-Food (FMCG)	8.80%	20.01%	0.00%	NA	NA	NA	NA	NA	NA	NA
Revenue – General Merchandise and Apparel	3.32%	22.26%	100%	NA	NA	NA	NA	NA	NA	NA
Retail Sales Private Labels										
Revenue – Private Label	6,287.44	NA	7,83,857.90	NA	NA	NA	NA	NA	NA	NA
Revenue – Private Label (as % to Retail Sales)	17.05%	NA	73.15%	NA	NA	NA	NA	NA	NA	NA

Since Operational KPI Data by peer company is normally reported in the annual report, hence the data is not available for the period ending on March 2025

For FY 2024

Particulars	Patel Retail Limited	Avenue Supermart s Limited	Vishal Mega Mart Limited	Spencers Retail Limited	Osia Hyper Retail Limited	Aditya Consumer Marketing Limited	Sheetal Universal Limited	Kovilpatti Lakshmi Roller Flour Mills Limited	KN Agri Resources Limited	Madhusudhan Masala Limited
Geographical Segment Revenue										
Domestic Revenue	4,190.96	50,78,883.00	89,119.50	2,34,502.51	114447.45	9336.58	11,574.17	NA	1,51,439.00	NA
Domestic Revenue (%)	50.47%	100.00%	100.00%	100.00%	100%	100%	89.29%	NA	89.10%	NA
Export Revenue	40,327.87	-	-	-	NA	NA	1,388.68	NA	18,528.00	NA
Export Revenue (%)	49.53%	0.00%	0.00%	0.00%	NA	NA	10.71%	NA	10.90%	NA
Revenue split by Division										
Retail Sales	28,972.19	50,66,904.00	88,919.40	2,23,657.56	NA	6,540.56	NA	NA	NA	NA
Retail Sales (as a % of total)	35.58%	99.76%	99.78%	95.38%	NA	70.05%	NA	NA	NA	NA
Sale – Process	37,256.33	-	-	-	NA	NA	12,962.85	NA	NA	16,221.98
Sale - Process (as a % of total)	45.76%	0.00%	0.00%	0.00%	NA	NA	100%	NA	NA	100%
Sale – Trading	14,116.18	-	-	-	NA	NA	NA	NA	NA	NA
Sale - Trading (as a % of total)	17.34%	0.00%	0.00%	0.00%	NA	NA	NA	NA	NA	NA
Other operating income	1,074.13	11,979.00	200.10	10,844.95	NA	NA	NA	NA	NA	NA
Other operating income (%)	1.32%	0.24%	0.22%	4.62%	NA	NA	NA	NA	NA	NA
Retail Sales matrix										
Revenue per store	877.95	NA	NA	NA	NA	NA	NA	NA	NA	NA

Revenue per Retail Business area ₹ in Lakhs)	0.21	0.33	NA	NA	NA	NA	NA	NA	NA	NA
Retail Sales Category wise										
Revenue – Food	26.27%	56.96%	NA	NA	NA	NA	NA	NA	NA	NA
Revenue – Non-Food (FMCG)	6.82%	20.68%	NA	NA	NA	NA	NA	NA	NA	NA
Revenue – General Merchandise and Apparel	2.50%	22.37%	100%	NA	NA	NA	NA	NA	NA	NA
Retail Sales Private Labels										
Revenue – Private Label	5,671.13	NA	6,39,934.20	NA	NA	NA	NA	NA	NA	NA
Revenue – Private Label (as % to Retail Sales)	19.57%	NA	71.81%	NA	NA	NA	NA	NA	NA	NA

In the absence of specific information, It is assumed that the entire revenue from operations is in India

For FY 2023

Particulars	Patel Retail Limited	Avenue Supermarts Limited	Vishal Mega Mart Limited	Spencers Retail Limited	Osia Hyper Retail Limited	Aditya Consumer Marketing Limited	Sheetal Universal Limited	Kovilpatti Lakshmi Roller Flour Mills Limited	KN Agri Resources Limited	Madhusudhan Masala Limited
Geographical Segment Revenue										
Domestic Revenue	35,233.34	42,83,956.00	75,860.40	2,45,258.17	73,881.67	9,686.04	2,155.10	NA	1,95,828.00	NA
Domestic Revenue (%)	34.59%	100.00%	100.00%	100.00%	100%	100%	16.73%	NA	87.57%	NA
Export Revenue	66,621.44	-	-	-	NA	NA	10,726.12	NA	27,786.00	NA
Export Revenue (%)	65.41%	0.00%	0.00%	0.00%	NA	NA	83.27%	NA	12.43%	NA
Revenue split by Division										
Retail Sales	26,655.66	42,70,542.00	75,629.90	2,34,076.03	NA	6,742.40	NA	NA	NA	NA
Retail Sales (as a % of total)	26.17%	99.69%	99.70%	95.44%	NA	69.61%	NA	NA	NA	NA
Sale - Process	31,042.15	-	-	-	NA	-	12,881.22	NA	NA	12,721.60
Sale - Process (as a % of total)	30.48%	0.00%	0.00%	0.00%	NA	0.00%	100%	NA	NA	100%
Sale - Trading	43,120.98	-	-	-	NA	-	NA	NA	NA	NA
Sale - Trading (as a % of total)	42.34%	0.00%	0.00%	0.00%	NA	0.00%	NA	NA	NA	NA
Other operating income	1,035.99	13,414.00	230.50	11,182.14	NA	-	NA	NA	NA	NA
Other operating income (%)	1.02%	0.31%	0.30%	4.56%	NA	0.00%	NA	NA	NA	NA
Retail Sales matrix										
Revenue per store	832.99	NA	NA	NA	NA	NA	NA	NA	NA	NA
Revenue per Retail Business area	0.22	0.31	NA	NA	NA	NA	NA	NA	NA	NA

Retail Sales Category wise										
Revenue – Food	19.27%	56.03%	0.00%	NA	NA	NA	NA	NA	NA	NA
Revenue – Non-Food (FMCG)	4.95%	20.93%	0.00%	NA	NA	NA	NA	NA	NA	NA
Revenue – General Merchandise and Apparel	1.74%	23.04%	100.00%	NA	NA	NA	NA	NA	NA	NA
Retail Sales Private Labels										
Revenue – Private Label	4,924.49	NA	5,34,797.90	NA	NA	NA	NA	NA	NA	NA
Revenue – Private Label (as % to Retail Sales)	18.47%	NA	70.50%	NA	NA	NA	NA	NA	NA	NA

In the absence of specific information, It is assumed that the entire revenue from operations is in India

Annexure for Definitions & and Abbreviation

Definitions of Operational KPIs	
Revenue from Operations	The revenue generated from a company's primary business activities. It typically excludes non-operating income such as interest income or gains from the sale of assets.

Growth in Revenue from Operations	The percentage change in revenue from operations over a specific period (e.g., year-over-year, quarter-over-quarter). It indicates the rate at which a company's core business is growing.
EBITDA	A measure of a company's operating performance. It represents the cash flow generated from operations before taking into account financing costs (interest), taxes, and non-cash expenses like depreciation and amortization. It's calculated as the sum of Finance Costs, Depreciation & Amortization Expenses, and Profit Before Tax (PBT).
EBITDA Margin	A profitability metric that shows how much cash a company generates from its core operations relative to its revenue. It's calculated by dividing EBITDA by Revenue from Operations and multiplying by 100 to express it as a percentage.
PAT	The net profit a company earns after all expenses, including taxes, have been deducted from revenue. It represents the bottom line of the income statement and is the profit available to shareholders.
PAT Margin	A profitability metric that measures how much profit a company makes for every rupee of revenue, after accounting for all expenses, including taxes. It's calculated by dividing Profit After Tax (PAT) by Revenue from Operations and multiplying by 100 to express it as a percentage.

Net Worth	Represents the residual ownership interest in a company's assets after all liabilities have been deducted. It's calculated as the sum of Equity Share Capital and Other Equity. Other Equity may include items like retained earnings, reserves, and surplus.
Capital Employed	Represents the total amount of funds invested in a business to generate profits. It's calculated by subtracting Current Liabilities from Total Assets. It reflects the long-term capital used by the company
ROE	A profitability metric that measures how effectively a company is using its shareholders' investments to generate profits. It's calculated by dividing Profit After Tax (PAT) by Total Equity.
ROCE	A profitability metric that measures how effectively a company is using its total capital (both debt and equity) to generate profits. It's calculated by dividing Earnings Before Interest and Tax (EBIT) by Capital Employed.

Abbreviation	
GDP	Gross Domestic Product
GVA	Gross Value Added
IIP	Index of Industrial Production

PFCE	Private Final Consumption Expenditure
GFCF	Gross fixed capital formation
WPI	Wholesale Price Index
CPI	Consumer Price Index
y-o-y	Year on Year
m-o-m	Month on Month
IMF	International Monetary Fund
RBI	Reserve Bank of India
MOSPI	The Ministry of Statistics and Programme Implementation
Est., Adv. Est	Estimated, Advance Estimates
P, F	Projected, Forecast
USD	US Dollar
INR	Indian Rupee
Mn, Bn, Tn	Million, Billion, Trillion
CY	Calander Year
FY	Fiscal Year / Financial year
FDI	Foreign Direct Investment
B2B	Business to Business
B2C	Business to Consumer
D2C	Direct to Consumer
F&G Retai	Food & Grocery Retail

FSSAI	Food Safety and Standards Authority of India
ONDC	Open Network for Digital Commerce
MIDH	Mission for Integrated Development of Horticulture
PMKSY	Pradhan Mantri Kisan Sampada Yojana
CEFPPC Scheme	Creation / Expansion of Food Processing & Preservation Capacities Scheme
WSO	World Spice Organization
MMR	Mumbai Metropolitan Region