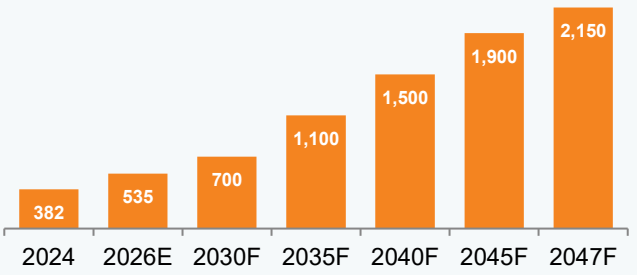
FOOD PROCESSING

MARKET SIZE

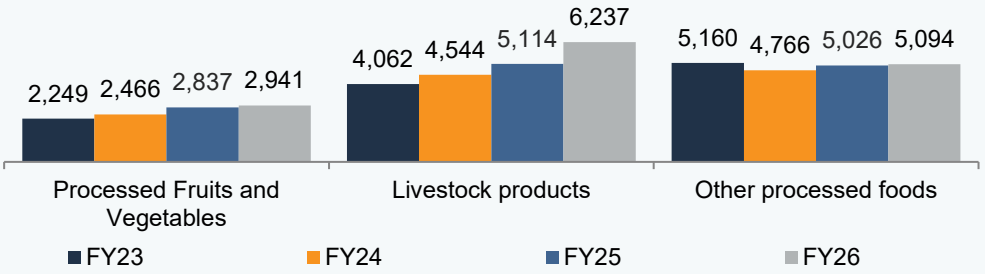
Market size of food processing sector in India (US$ billion)



Note: F - Forecasted

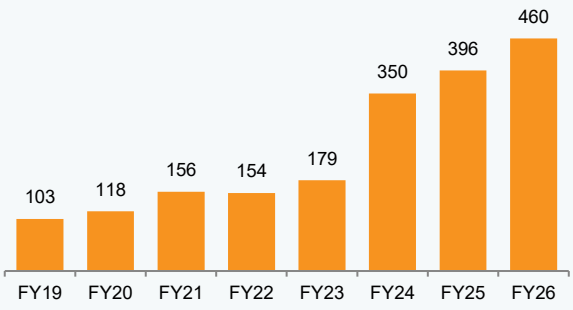
SECTOR COMPOSITION

Exports of processed food and related products (US$ million)



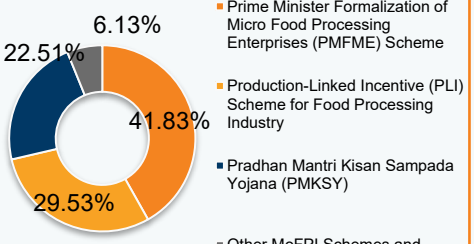
KEY TRENDS

MoFPI Budget Allocation (US$ million)



Note: RE - Revised estimate, BE - Budget estimate

Breakdown of fund allocation as per the Union Budget 2025-26



GOVERNMENT INITIATIVES

Pradhan Mantri Kisan Sampada Yojana (PMKSY)

PM Formalization of Micro Food Processing Enterprises Scheme

Production Linked Incentive Scheme for Food Processing Industry (PLISFPI)

ADVANTAGE INDIA

- **Growing demand:** Indian food processing market size reached Rs. 33,052.5 billion (US$ 382.24 billion) in 2025 and is expected and is expected to grow at a CAGR of around 7.72% during the forecast period. The food processing sector is a key contributor to India's manufacturing and agricultural economy. During FY27 (April-May 2026), processed vegetables accounted for export of Rs. 1,603.26 crore (US$ 169.50 million), processed meats accounted for Rs. 2 crore (US$ 0.21 million) and processed fruits, juices & nuts accounted for Rs. 868.48 crore (US$ 91.82 million).
- **Competitive advantage**: India is the largest producer of milk and spices and one of the leading producers of fruits and vegetables, poultry, and meat. India has access to several natural resources, diverse agro-climatic conditions, wide-ranging and large raw material base suitable that provide competitive advantage to the food processing sector.
- **Policy support**: The Ministry of Food Processing Industries (MoFPI) has implemented schemes like Pradhan Mantri Kisan Sampada Yojana (PMKSY), Bharat's Hub for Agritech, Resilience, Advancement and Incubation for Export Enablement (BHARATI), PM Formalization of Micro food processing Enterprises (PMFME) Scheme and Production Linked Incentive Scheme for Food Processing Industry (PLISFPI) offering financial, technical, and business aids to establish food processing enterprises.
- **Opportunities**: According to the Viksit Bharat@2047 report, India's food processing sector will grow significantly, reaching Rs. 94,63,300 crore (US$ 1,100 billion) by FY35, Rs. 1,29,04,500 crore (US$ 1,500 billion) by FY40, Rs. 1,63,45,700 crore (US$ 1,900 billion) by FY45, and Rs. 1,84,96,450 crore (US$ 2,150 billion) by FY47.

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