



Status of India Food Industry - 2019

Bringing you a world of food solutions

Status of Indian Food Industry

Food Processing “ A Sunrise Industry “



- India's food ecosystem offers huge opportunities for investments with stimulating growth in the food retail sector, favorable economic policies and attractive fiscal incentives. The Food & Grocery market in India is the sixth largest in the world. Food & Grocery retail market in India further constitutes almost 65% of the total retail market in India.
- The Government of India through the Ministry of Food Processing Industries (MoFPI) is also taking all necessary steps to boost investments in the food processing industry. The government has sanctioned 42 Mega Food Parks (MFPs) to be set up in the country under the Mega Food Park Scheme. Currently, 17 Mega Food Parks have become functional.

Food processing - 'A sunrise sector'

Snap short



- By 2020, Indian Food and Retail market is projected to touch \$ 828.92 bn
- By 2020, the Indian Dairy industry is expected to double to \$ 140 bn
- By 2024, the Food Processing industry will potentially attract \$ 33 bn investments and generate employment for 9 mn people
- By 2030, Indian annual household consumption to treble, making India 5th largest consumer
- *100% FDI is permitted under the automatic route in Food processing industries.*
- *100% FDI is allowed through government approval route for trading, including through e-commerce in respect of food products manufactured or produced in India.*
- *ther details, please refer [FDI Policy](#)*
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Food Industry Scenario



- The Processed food market is expected to grow to \$ 543 bn by 2020 from \$ 322 bn in 2016, at a CAGR of 14.6%.
- Food processing has an important role to play in linking Indian farmers to consumers in the domestic and international markets. The Ministry of Food Processing Industries (MoFPI) is making all efforts to encourage investments across the value chain. The industry engages approximately 1.85 mn people in around 39,748 registered units with fixed capital of \$ 32.75 bn and aggregate output of around \$ 158.69 bn. Major industries constituting the Food processing industry are grains, sugar, edible oils, beverages and dairy products.
- The key sub-segments of the Food Processing industry in India are: Dairy, Fruits & Vegetables, Poultry & Meat processing, Fisheries, Food retail etc.

Food Industry Scenario - Key Facts

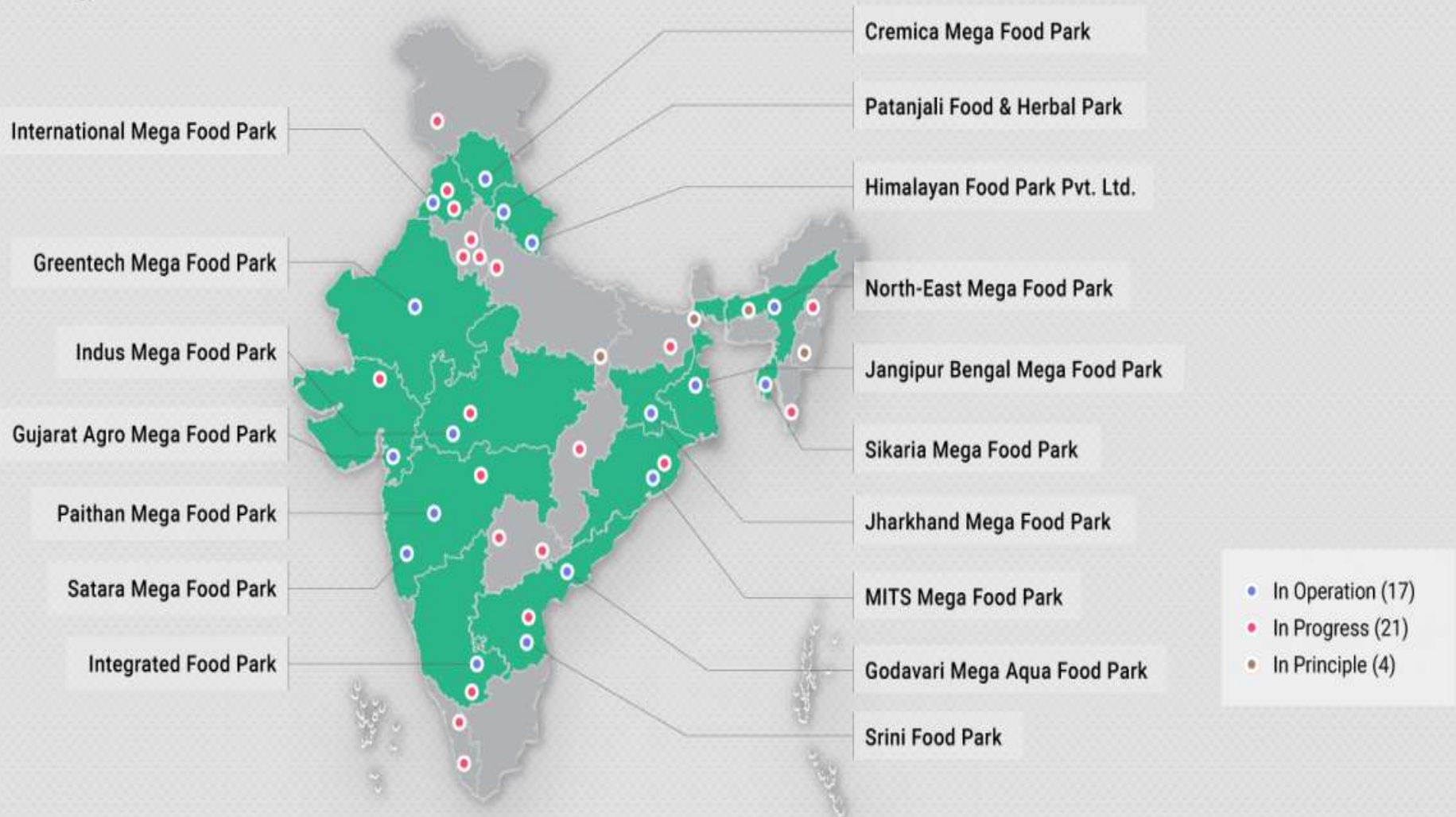


- 311.71 mn tonnes of horticulture crop production in 2017-18
- Milk production of 176.3 mn tonnes during 2017-18 with per capita availability of milk at a level of 375 grams per day in 2017-18
- Egg production of around 95.2 bn during 2017-18
- Total fish production was 12.6 mn tonnes during 2017-18
- Food Retail market is majorly dominated by Food Grocery (growing at CAGR 25%) and Food Services (growing at CAGR 15%) segments.
- **GROWTH DRIVERS**
 - Agri-commodity hub /Huge Consumer base/Strong Economy
 - Largest producer of several agri-commodities
 - 1.3 bn consumers with increasing demand for branded food
 - India is the fastest growing largest economy in the world
 - Proactive government policies with attractive fiscal incentives

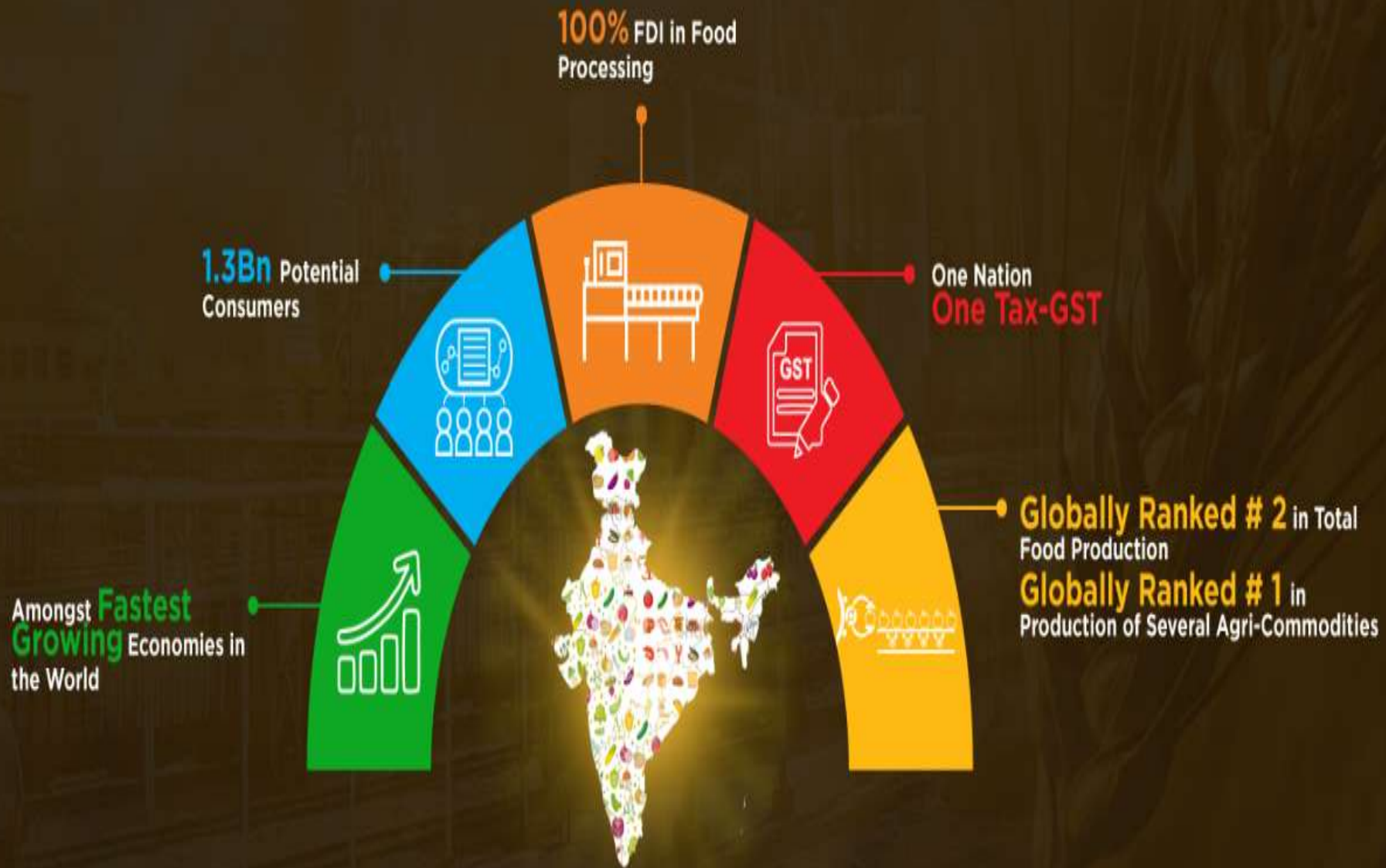
Food parks



Mega Food Parks



THE INDIAN FOOD PROCESSING SECTOR AT A GLANCE



Classification of Food processing Industry



Classification of Food Processing Industry (FPI)

PRIMARY

Best steps of processing like:

- Cleaning
- Grading
- Sorting
- Packing etc.

Finished products include:

- Packed milk
- Fruits & vegetables
- Pulses & spices
- Flour
- Salt

VALUE ADDED (Secondary/Tertiary)

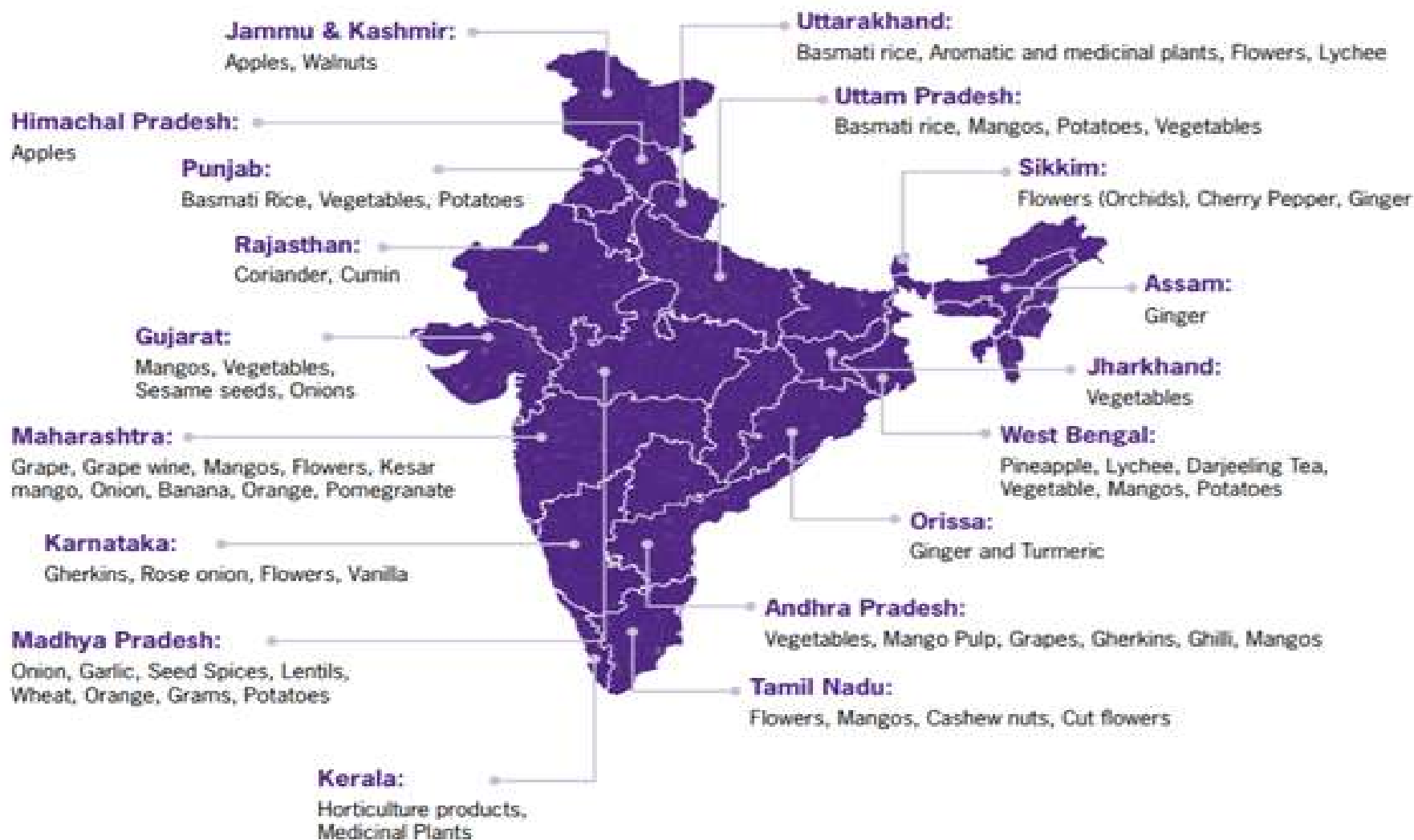
Products include:

- Ghee, cheese & butter
- Bakery products
- Processed fruits & vegetables
- Jamas & pickles
- Confectionary
- Choclates
- Alcoholic & non alcoholic beverages
- Aerated soft drinks
- Packaged drinking water

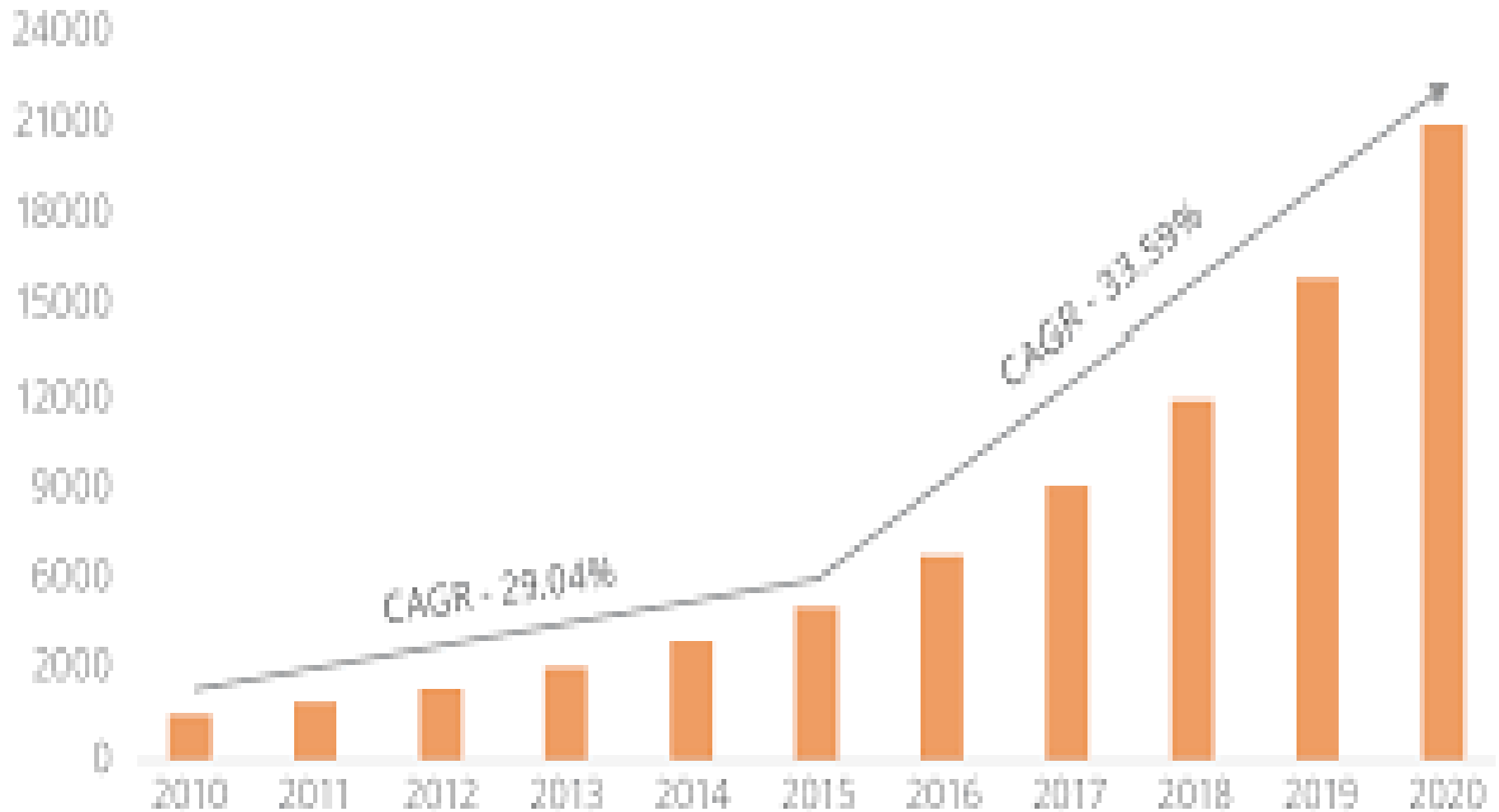
Agri Export – Zones of India



Agri export zones in India

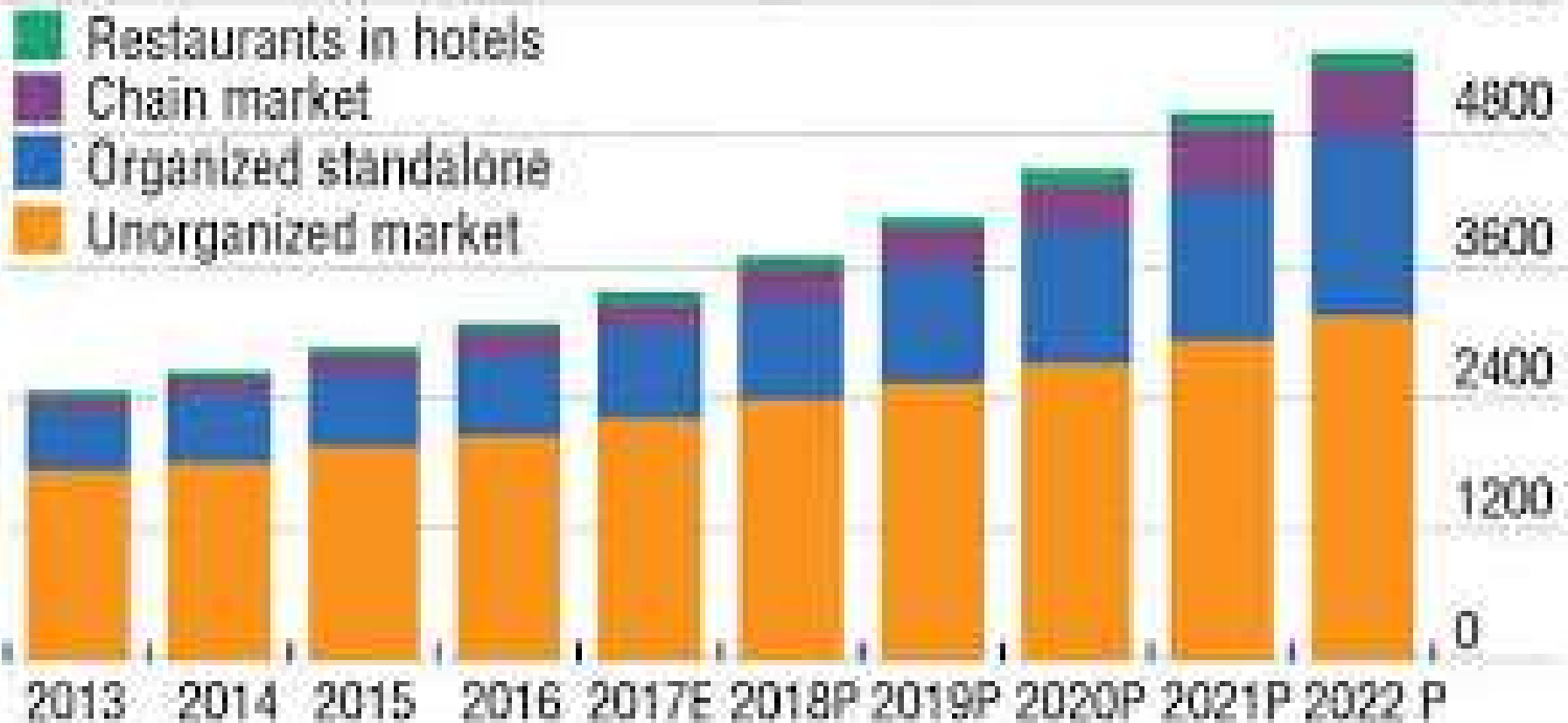


Snacks and Bake Industry Growth

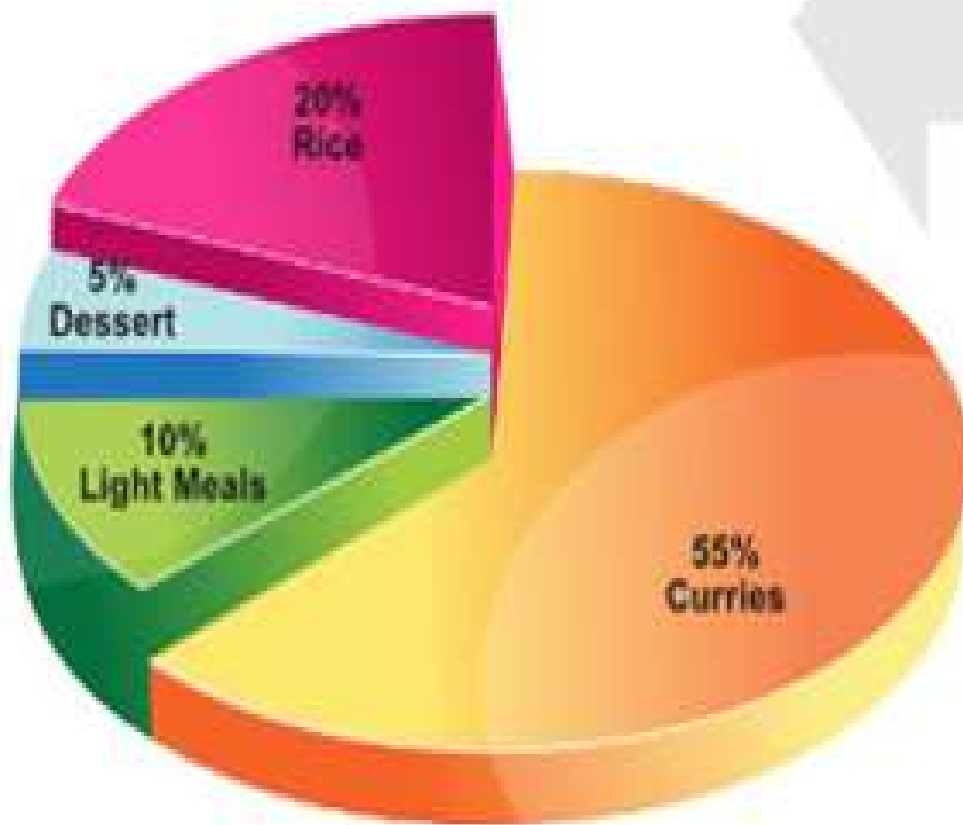


INDIAN FOOD SERVICES MARKET SIZE

Rs '00 crore

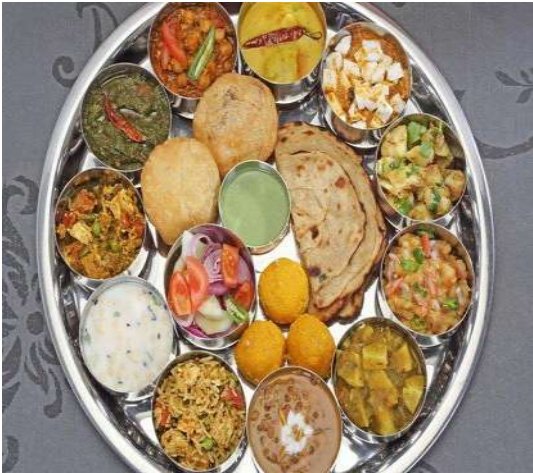


Meals Growth and % share

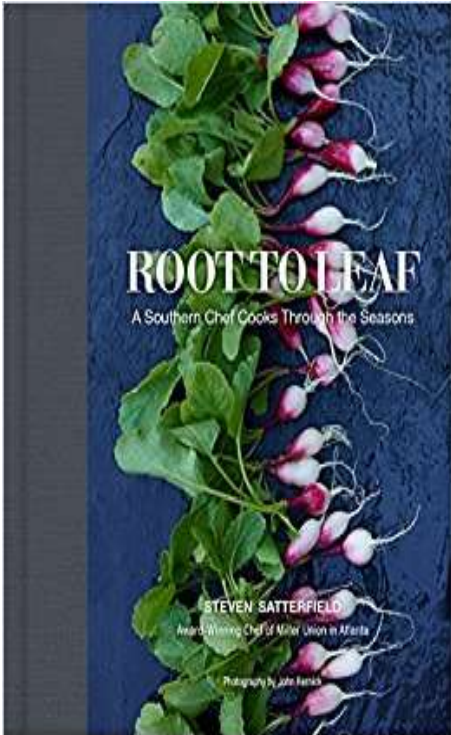


- ⇒ Curries are the most popular category, contributing 55% to the total sales of heat and eat products.
- ⇒ Rice delicacies rank second with a 20% share in the sales of the industry.
- ⇒ Light meals contribute to 10% of the industry followed by desserts with the least number of products and, therefore, the least market share (5%)

Several Other Smaller Trends May Shape Future Food Focus



**Ethnic
Condiments**



Food Purchasing Continues To Evolve With Consumers



- Food ubiquity is becoming the expected

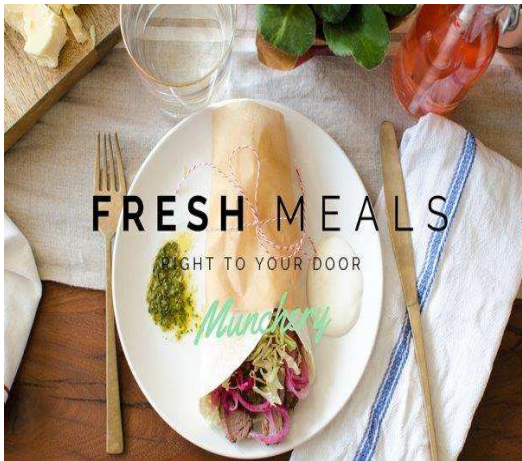


- New technologies evolving "Food to You" delivery

**Vendor
ing**

**Drug
Store**

QSRs



**Deliveroo
Invading Europe**

**Munchery, San
Francisco**

**Red Door
Kitchen, Manilla**

Restaurants Transforming To Broaden Appeal

■ Open format, display kitchens



■ New technologies driving accessibility



■ Small plates becoming the norm



Food Delivery – Fastest Growing Sector



Mobile App Development For Food Industry

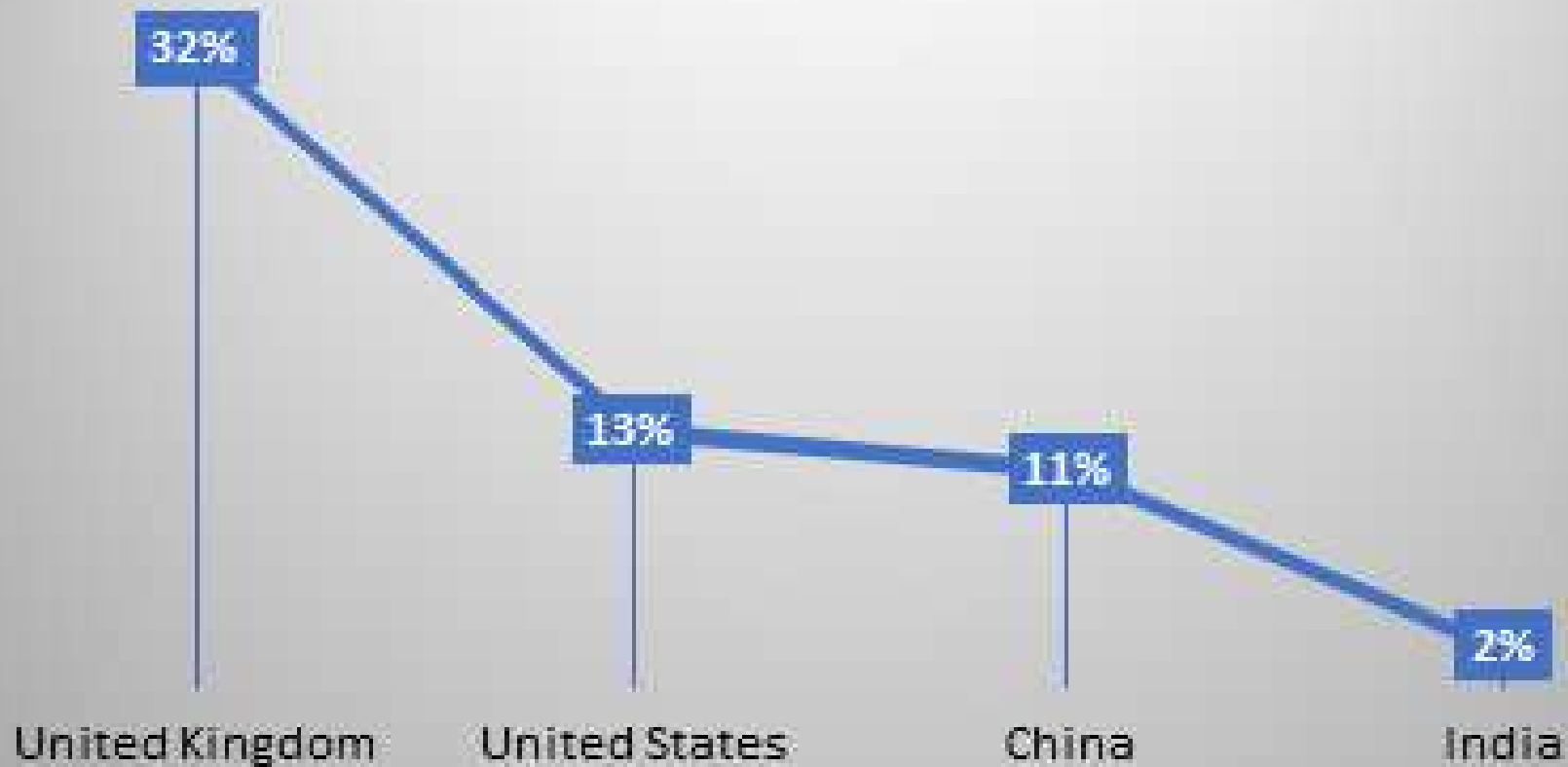
www.osiztechnologies.com



On Line Food Penetration



Global penetration level



Source: NRAI, Online Reports, RedSeer Analysis

Growth of On line Food Delivery



Overall Food
Delivery Market
in India ->

15 Bn

24% CAGR

36 Bn

Online Food
Delivery Market
in India ->

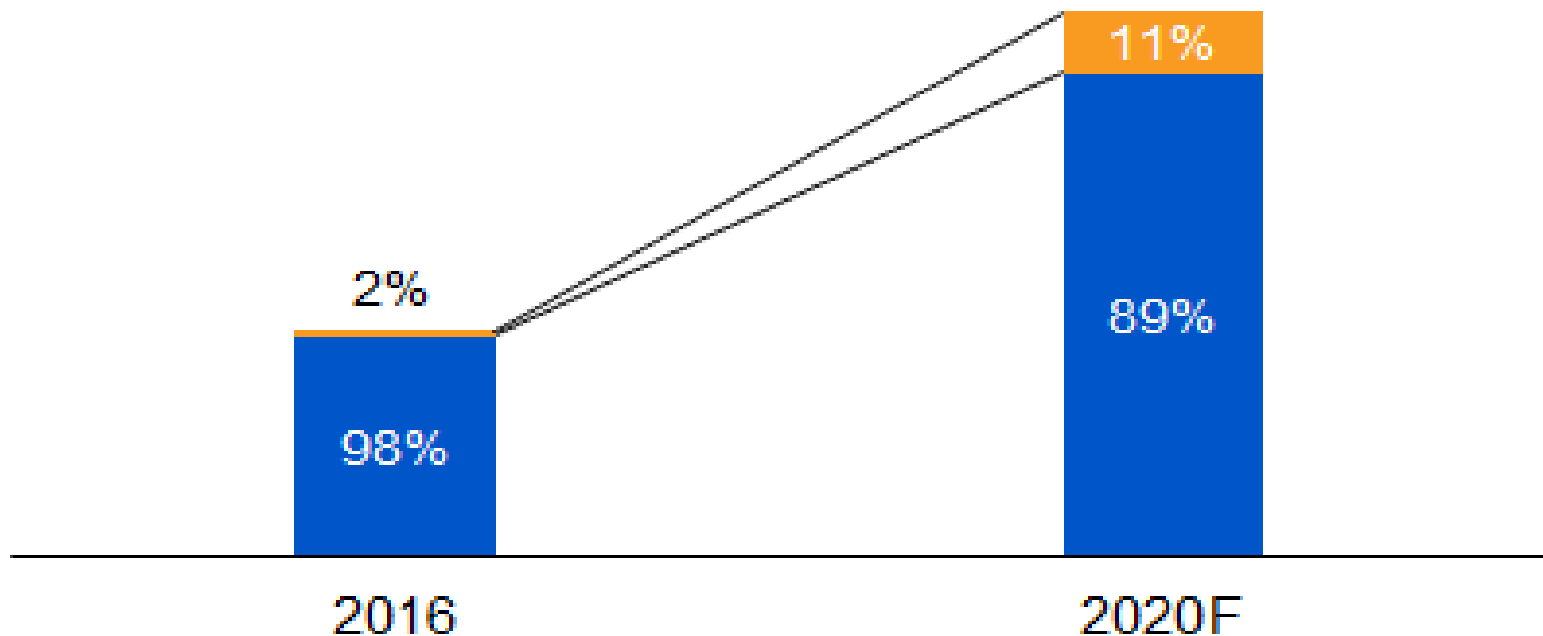
0.3 Bn

90% CAGR

4 Bn

■ Online

■ Offline



THANK YOU!!!



A World of Food Solutions