

Required Report: Required - Public Distribution

Date: September 26, 2025

Report Number: IN2025-0055

Report Name: Retail Foods Annual

Country: India

Post: New Delhi

Report Category: Retail Foods

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Report Highlights:

This report provides an in-depth analysis of India's rapidly growing food retail industry. It highlights import trends, with the U.S. leading as a supplier of consumer-oriented food products, and explores opportunities in emerging segments like online grocery, frozen food, premium chocolates, healthy snacks, and functional drinks. The report also addresses challenges such as high tariffs, infrastructure limitations, and regulatory barriers, while offering insights for market entry and competition in India's food sector.

Executive Summary:

India's gross domestic product is growing rapidly and reached \$4.2 trillion in 2025, making it the world's fourth-largest economy after the U.S., China, and Germany. India imported \$8.4 billion in consumer-oriented food products in 2024, highlighting strong demand for quality imports and a growing market for international brands. The U.S. remains the leading supplier of consumer-oriented food products.

Consumer-Oriented Agricultural Imports

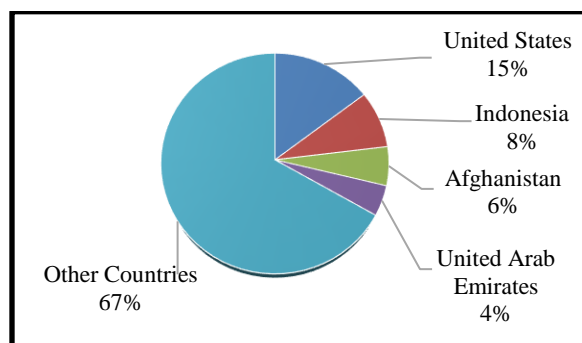


Chart 1: Top Exporting Countries to India

Food Retail Industry:

India's food retail industry reached approximately \$869 billion in revenue in 2025, growing at around 7 percent annually. Despite a recent slowdown from economic challenges, major retailers continue to invest in store expansion and technology. The outlook remains strong, with organized and online channels set to grow further.

Food Processing Industry:

India's food processing industry is valued at \$389 billion in 2025 and is among the largest and fastest-growing globally. It includes over 40,000 registered companies, 75 percent of which are small and medium enterprises with fewer than 50 employees. About 90 percent of sales serve the domestic market, while exports make up around 10 percent.

Food Service Industry:

India's food service market is projected to grow to \$123.5 billion by 2033. Quick-service restaurants, cloud kitchens, and digital ordering platforms are fueling this growth as demand rises among young and urban consumers.

Quick Facts Calendar Year (CY) 2024

India's Imports of Consumer-Oriented Products: \$8.4 billion

Top Growth Products in India

1. Tree nuts (almonds, pistachios, pecans and walnuts)
2. Fresh fruits
3. Animal or vegetable, oils, & fat products
4. Pulses
5. Sugar and Sweeteners

Food Industry by Channels (U.S. billion)

Retail Food Industry	\$869 billion
Food Service-HRI	\$324 billion
Food Processing	\$389 billion
Food and Agriculture Exports	\$54 billion

GDP/Population

Population: 1.4 billion

GDP: 4.2 trillion

GDP per capita: \$2,940

Source: Trade Data Monitor, International Monetary Fund, Census India.

Strengths	Weaknesses
- Expanding modern retail and e-commerce, increasing market access for packaged foods.	- High import tariffs and multiple taxes inflate costs for imported food products.
Opportunities	Threats
- Potential in tier II and tier III cities as retail expands beyond metros.	- Indian firms quickly launch imitated versions of successful foreign brands.

Section 1: Market Summary

India's food grocery sector is growing rapidly, with the market expected to increase by \$352.8 billion at a compound annual growth rate (CAGR) of 8.5 percent between 2024 and 2029. In global comparison, India leads with a projected CAGR of 4.2 percent compared to the U.S. (2.7 percent) and Germany (2.2 percent). This growth is driven by rising incomes, urbanization, changing consumer habits, and increasing digital access. While traditional kirana stores (mom-and-pop) still hold the largest market share, modern supermarkets and online platforms are expanding quickly, especially in tier II and tier III cities, where consumers are seeking variety, quality, and convenience.

India's \$12 billion online grocery market is growing over 40 percent a year, driven by quick commerce, technology use, and rising digital literacy. With one of the world's youngest populations, consumers increasingly want fast delivery, clean-label products, and healthy options like organic, ready-to-eat, and international foods. Regulatory updates from Food Safety and Standards Authority of India (FSSAI) on labeling and inspections aim to boost safety and support imports, creating strong opportunities for the U.S. exporters offering high-quality unique products.

Table 1: Advantages and Challenges

ADVANTAGES	CHALLENGES
U.S. food products are trusted for safety and quality.	Indian companies can copy and launch similar products.
Strong e-commerce networks and modern large-scale retailers provide better market access for imports.	Cold storage and transport remain limited outside major cities, affecting product reach.
Growing awareness of U.S. brands through social media and travel is increasing demand.	Some U.S. products, such as dairy, beef, and certain animal items, face bans or restrictions.
Efficient supply chains and marketing opportunities in organized retail support imported goods.	Complex state regulations and port delays add time and cost to shipments.

Retail Sales by Channel

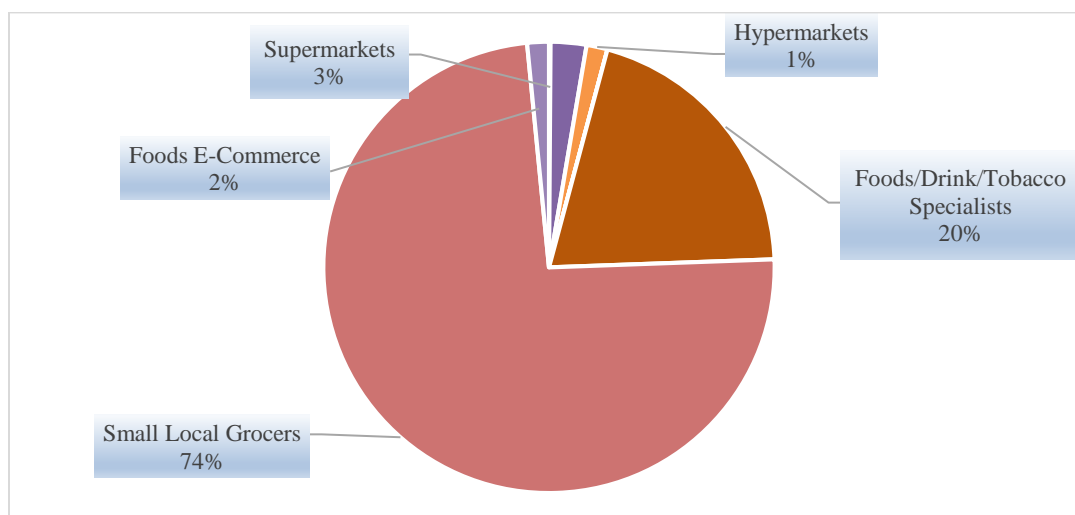


Chart 2: Retail Market by Channel 2024

Section 2: Road Map for Market Entry

Entry Strategy

- **Can your product enter India and comply with local laws?**
 - Conduct due diligence before exporting and determine if your product has market access.
 - Review [FAS GAIN](#) policy and market reports, specific custom duties, and sanitary requirements.
 - Consider engaging with State and Regional Trade Groups to identify opportunities while crafting effective market entry and development strategies. This will help to better understand trade challenges and navigate the regulatory environment.
- **Find the Right Partner**
 - Find a reliable importer/distributor for retail, food service, or food processing sector.
 - Consider participating in an in-country trade show to identify key importers/distributors/partners.
 - Consider partnering with U.S. Cooperators for promotional activities, such as cooking demonstrations, health-focused talks, and culinary seminars at colleges to increase market awareness and penetration.
- **Secure Payment Terms**
 - U.S. suppliers or exporters may wish to consider vehicles such as an irrevocable Letter of Credit (L/C), advance payment, and/or payment at sight.
 - FAS India offices do not have the authority to mediate contractual disputes or serve as a collection agent when differences over payment or other commercial issues arise.

Market Structure

Most U.S. exporters begin by partnering with experienced importers or consolidators in India who are familiar with the FSSAI compliance, customs clearance, and documentation. Products typically flow from importers to large distributors, who then supply wholesalers, food processors (for further value additions if needed), and both modern retail chains (supermarkets, hypermarkets) and traditional kirana stores. E-commerce platforms are also key channels for reaching consumers. In local markets, small vendors using mobile carts often sell fresh produce and snacks directly to households.

To stay informed and build connections, Indian importers and retailers attend key domestic and [international trade shows](#) such as Aahar New Delhi, Anuga Select India, Sial India and National Restaurant Association Chicago, Sweets and Snacks Expo Indianapolis, Private Label Manufacturing Association Chicago, and Asia Fruit Logistica Hong Kong.

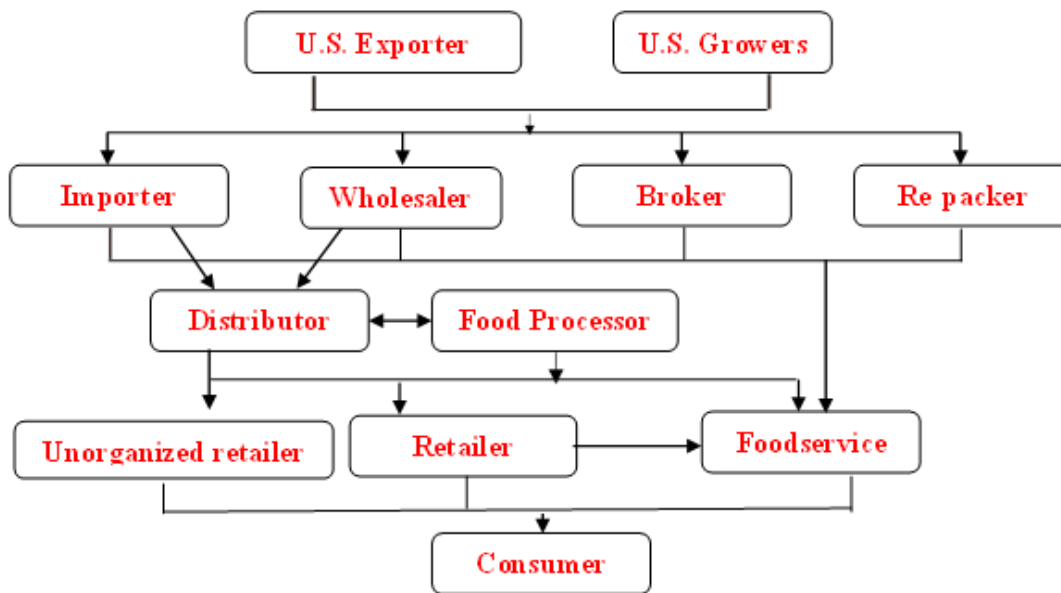
Table 2: Top India's Retailers

Retailer brand	No of stores	Owned By:
Reliance Fresh	18,836	Reliance Industries.
More Supermarket	920	Amazon and Samara Capital.
Vishal Mega Mart	645	Partners Group and Kedaara Capital.
D-Mart	365	Avenue Super marts limited.
Smart Bazaar	300	Reliance Industries.
Nilgiris	160	Future Group.
Nature's Basket and Spencer's Retail	151	RP-Sanjiv Goenka Group.
Ratnadeep Supermarket	150	Ratnadeep Retail private limited.
24 Seven	145	Modi Enterprises.
Modern Bazaar	21	New Modern Bazaar departmental store private limited.
Lulu Hypermarket	10 +	Lulu Group International.

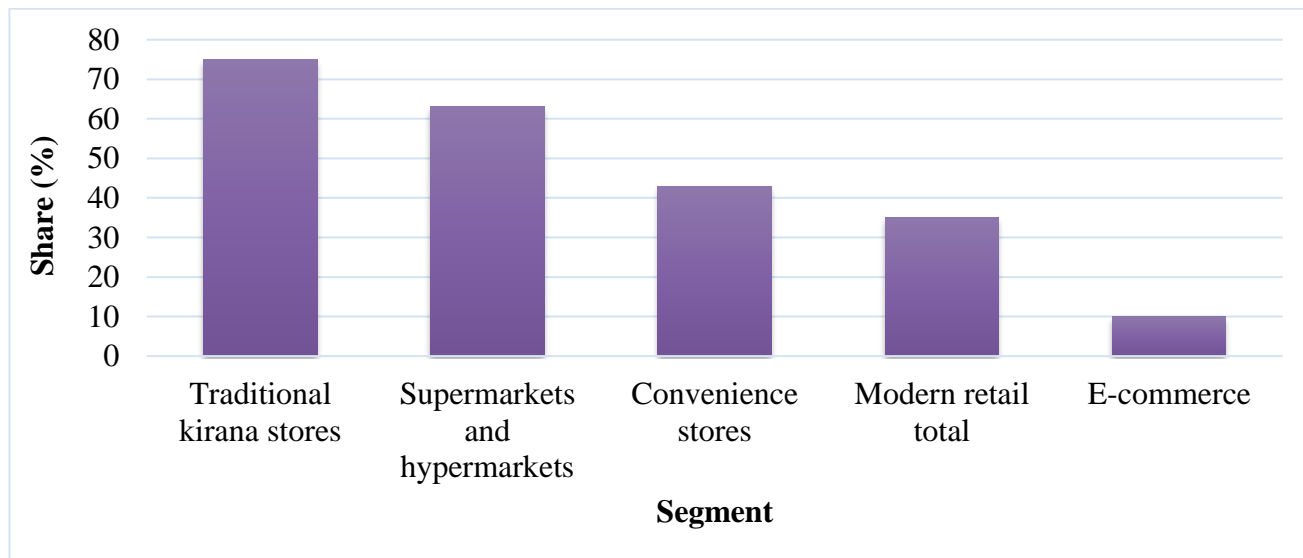
Import Procedures

Laws regulating imports of food and agricultural products fall under the jurisdiction of multiple government authorities (see, [GAIN-INDIA | IN2024-0061 | Food and Agricultural Import Regulations and Standards \(FAIRS\) Country Report Annual– 2024](#), and FSSAI [Food Import Clearance Manual](#)).

Distribution Channels



Share of Major Segments in the Retail Industry



Sector Trends

- Flavor innovation is becoming more popular in India, with "swicy" – a mix of sweet and spicy is emerging as a major trend in 2025. As global tastes blend, Indian snack and confectionery brands are trying out bold, fusion flavors in traditional products.
- Urban consumers are looking for healthier options, especially high-protein snacks like health

bars, lentil or millet crisps, and seed blends.

- Fermented and probiotic foods such as kimchi and locally adapted yogurts are also becoming more popular, especially in cities.
- In the beverage space, more people are moving away from alcohol and choosing low-calorie mocktails, zero-proof spirits, and functional drinks like kombucha or those with adaptogens such as ashwagandha and tulsi (Indian herbs).
- There is also increasing interest in niche U.S. ingredients like gluten-free products, dried cranberries, pecans, almond or oats milk, and gourmet sauces, which are finding space in international food aisles.
- Busy lifestyles and working couples are driving demand for time-saving options like meal kits which offer convenience and help reduce food waste.

Section 3: Competition

India's food retail sector is intensely competitive, with imports of consumer-oriented agricultural products reaching \$8.4 billion in 2024 and rising steadily into 2025. The United States remains the largest supplier of consumer-oriented food products to India, driving much of this category's growth. However, U.S. exporters face strong competition both from other major global suppliers and India's increasing domestic industry.

Table 3: Competition in Major Product Categories - CY 2024

Product Category	Import percent share	Supplier Market Share	Foreign Suppliers Situation	Local Suppliers Situation
Tree nuts (cashew, almonds, pistachios, etc.): \$3 billion	40%	United States-32% Ghana-6% Cote d'Ivoire-5% Togo-7%	The U.S. leads in almond supply but faces strong competition from other countries in other tree nuts.	Domestic production of walnuts and pistachios is limited and declining in some regions.
Fresh Fruits (apples, oranges, kiwi, etc.): \$749 million	9%	Turkey-12% South Africa-11% Iran-12% Egypt-7%	U.S. faces quality and price-based rivalry, especially for apples.	India's domestic fresh fruit production is limited in meeting quality-driven and off-season demands, hence the reliance on imports to fulfill market needs.
Processed Fruits (dates, figs,	7%	Afghanistan-42% UAE-22%	These countries benefit from the	Local processors focus on traditional sweets and

grapes, apricots, etc.): \$624 million		Iraq-13% Iran-7%	reputation of supplying high-quality and traditional dried fruits.	preserve but face challenges meeting the growing demand for packaged, branded, and export-quality dried fruits.
Distilled Spirits (whiskey, vodka, etc.): \$573 million	7%	United Kingdom-56% Singapore-14% UAE-9% Ireland-5%	The UK-India free trade agreement signed in 2025 cuts import tariffs on scotch whisky and gin from 150 percent to 75 percent immediately, with a staged reduction to 40 percent over ten years.	Domestic brands producers dominate due to favorable tax structures that make local spirits more affordable than imports.

Section 4: Best Product Prospects

Table 4: Top Consumer-Oriented Products Imported from the World

Description	Import Value (\$ Million)
Cashew Nuts, Fresh or Dried, In Shell	1,618
Almonds, Fresh or Dried, In Shell	1,017
Apples fresh	424
Distilled spirits -Whiskies	406
Dates fresh or dried	289

Table 5: Top Consumer-Oriented Products Imported from the United States

Description	Import Value (\$ Million)
Almonds, Fresh or Dried, In Shell	938
Pistachios, Fresh or Dried, In Shell	102
Milk Albumin, Including Concentrates of Two Or More Whey Proteins	37
Food Preparations Nesoi	12
Distilled spirits -Whiskies	9

Products Present in Market with Good Sales Potential

In 2024 imports of premium and specialty chocolates including sugar-free options grew quickly, creating an opportunity for U.S. brands to tap into rising demand driven by festivals and gifting. Processed fruit imports like prunes and dates have grown in recent years on retail shelves. Dried

cranberries, which are not produced locally, are becoming increasingly popular as a snack in India. This trend shows strong growth potential for other dried berries, signaling continued opportunities for U.S. exporters in the retail sector.

Products Not Present in Market with Good Sales Potential

- **Allergy-Friendly Foods:** Demand is rising for gluten-free, wheat-free, and lactose-free products in India. Better labelling practices and consumer awareness of food intolerances are creating new retail niches.
- **Premium Frozen Foods & Ready to Eat/Cook:** Urban consumers want quick and international meal options. The frozen food market is booming, expected to reach \$572.5 billion by 2033. Products tailored to Indian tastes (spicy variants, vegetarian/vegan, smaller packs) remain in high demand.
- **Functional and Health Drinks:** Growing demand for nutritional, immunity-boosting, and sports drinks. Valued at \$6.2 billion in 2024, projected to hit \$16.2 billion by 2033. Includes herbal drinks, protein shakes, fiber drinks, energy shots, and plant-based milk.
- **Protein-Rich Foods:** Market to grow from \$1.5 billion in 2025 to \$2 billion by 2030, led by plant proteins. Popular items include health bars, breakfast cereals, and protein drinks with clean labels (no artificial additives), international quality, and unique ingredient mixes (superfoods, nuts, seeds, berries) are popular.
- **Instant Noodles & Global Snacks:** The market reached \$1.5 billion in 2025 and is growing fast and projected to hit \$2.9 billion by 2030. Spicy flavors and cup noodles (for utensil-free, on-the-go snackers) are trending.

Products Not Present in Market due to Significant Barriers

Several high-demand food categories remain absent from the Indian market due to significant trade barriers. Most dairy products face an effective import ban under strict government regulations, excluding nearly all U.S. dairy exports such as specialty cheeses and milk, despite potential demand in food processing and retail. Beef imports are prohibited for cultural and religious reasons. Many other animal-origin products like certain seafood, pork, sheep, and pet food are also restricted or banned under India's regulatory framework, limiting market access for U.S. suppliers in these segments.

Section 5: Key Contacts and Further Information

Government Data Sources

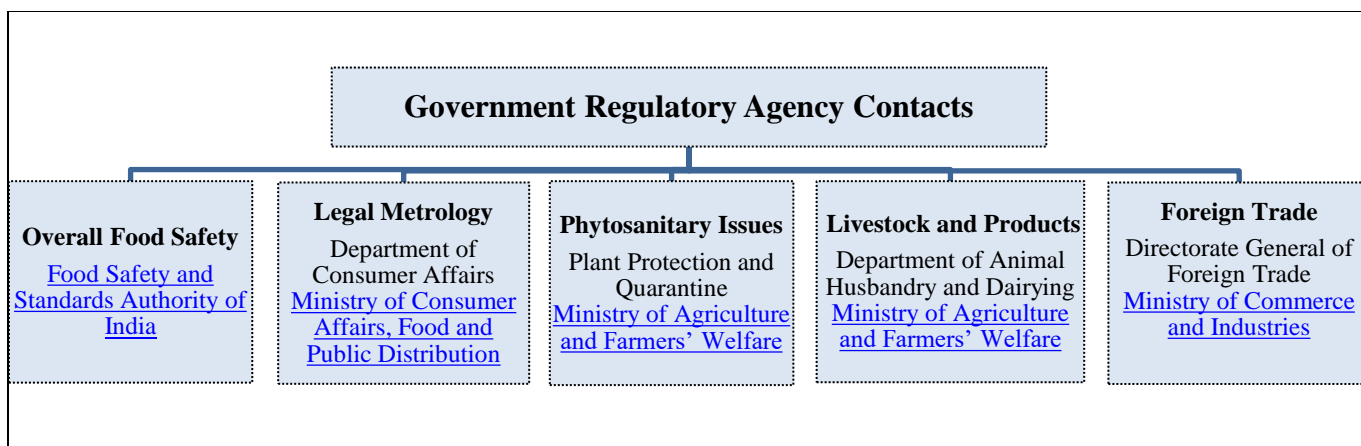
[Ministry of Food Processing Industries](#)

[Legal Metrology \(Weights and Measures\)](#)

[The Food Safety and Standards Authority of India \(Food Regulations\)](#)

[Ministry of Commerce and Industry \(Trade\)](#)

Ministry and Regulatory Agency Contacts for Food Import Policies



Trade Associations

[Federation of Indian Chambers of Commerce and Industry](#) [Confederation of Indian Industry](#)

U.S. exporters who desire information about consultants conducting market research and handling inquiries into Indian agriculture, agribusiness, food retail, food/agricultural economics, and rural affairs may refer to [FAS India - Agricultural and Agribusiness Consultants in India](#).

Foreign Agricultural Service

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For additional information please visit:

- [FAS Homepage](#)
- [FAS India - Exporter Guide](#)
- [FAS India - Retail Foods](#)
- [FAS India - Food Service-Hotel Restaurant Institutional](#)

Attachments:

No Attachments