

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
RAJYA SABHA
UNSTARRED QUESTION NO. 2943
ANSWERED ON 20TH DECEMBER, 2024

MARKET SIZE AND GROWTH RATE OF FOOD PRODUCTS

2943. SHRI SANJEEV ARORA:

Will the Minister of *FOOD PROCESSING INDUSTRIES* be pleased to state:

- (a) the current market size and growth rate of organic and health-oriented food products in India, with bifurcation based on Indian Origin and Foreign Origin food products;
- (b) the details on mechanisms deployed by Government to ensure that the claims made in branding of such products are scientifically proven, and penalties charged by the concerned authority for misleading claims; and
- (c) the manner in which Government is promoting the organic food processing industry, particularly through subsidies, certification assistance, and market access programs for organic products?

ANSWER

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES
(SHRI RAVNEET SINGH)

(a). As per the report of the “Study of Indian organic market and export promotion strategy” conducted by CRISIL Limited for Agricultural and Processed Food Products Export Development Authority (APEDA), in the year 2023-24 the Indian organic market is estimated to be worth of Rs. 16,800 crores constituting of exports of Rs 5,520 crore, organised (branded) domestic organic market of Rs 3,340 crore, sales through retail outlets of Rs 1,600 crore and an estimated Rs 6,340 crore of organic produce sold as conventional products. During the period 2019-20 to 2023-24, the organised domestic organic market grew at a growth rate of 17% CAGR from Rs 1,800 crore in fiscal 2019 to Rs 3,340 crore in fiscal 2023. The data on growth rate of health-oriented food products in India, with bifurcation based on India Origin and Foreign Origin food products is not maintained by Ministry of Food Processing Industries.

(b). As per Food Safety and Standards Authority of India (FSSAI), the mechanisms deployed to regulate claims and advertisements are as follows:

- i. Section 24(1) of the Food Safety and Standards Act, 2006 provides that no advertisement shall be made of any food which is misleading or deceiving or contravenes the provisions of this Act, the rules and regulations made thereunder.
- ii. FSSAI has established the Food Safety and Standards (Advertising and Claims) Regulation, 2018, to address issues related to misleading claims, labelling and advertisements. This regulation ensures that food –related advertisements and claims are accurate, non-deceptive, and align with food safety standards. It governs claims

related to nutrition, health benefits, and labelling to prevent misleading information and safeguard consumer interests.

- iii. The Food Safety and Standards (Organic Foods) Regulation, 2017 stipulates that organic food products sold in India must comply with specific certification systems such as National Programme for Organic Production (NPOP) and Participatory Guarantee System for India (PGS) to ensure their authenticity and quality.

Any contravention of these regulations may lead to appropriate actions in accordance with the provisions of the Food Safety and Standards Act, 2006, and the regulations made thereafter.

(c). Agricultural and Processed Food Products Export Development Authority (APEDA) under Ministry of Commerce and Industries provides financial assistance to its member exporters, including exporters of organic food products, for:

- (i) Development of Export Infrastructure
- (ii) Quality Development
- (iii) Market Development

Further, APEDA is implementing the National Programme for Organic Production (NPOP). The programme involves the accreditation of Certification Bodies, standards for organic production, promotion of organic farming and marketing, etc. Under the National Programme for Organic Production (NPOP), operators are certified as per their scope of operation such as production, processing and trading.
