



## World Food India 2025

**For Prelims:** [Production Linked Incentive Scheme for Food Processing Industry](#), [Pradhan Mantri Kisan Sampada Yojana](#), [Food Safety and Standards Authority of India](#), [National Agriculture Market](#)

**For Mains:** Food Security and Value Addition, Food processing as an engine for rural employment and MSME growth.

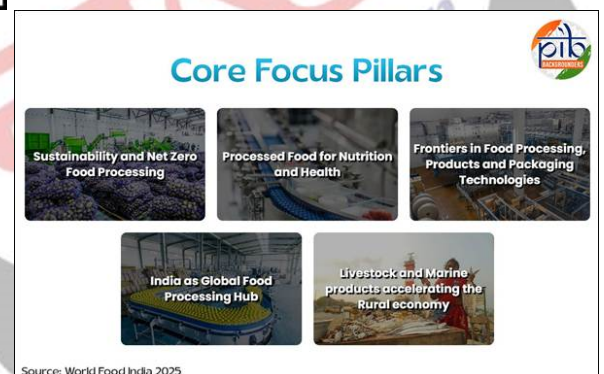
[Source: PIB](#)

### Why in News?

**World Food India 2025**, India's flagship food processing event, aims to position India as a '**Global Food Hub**'. The event concluded with the signing of **Memoranda of Understanding (MoUs)** worth over **Rs 1 lakh crore**, highlighting investments, innovations, and employment generation across multiple states.

### World Food India

- WFI, conceptualized by the **Ministry of Food Processing Industries (MoFPI)**, is India's flagship food processing event. Since its first edition in 2017, followed by the **2nd in 2023, 3rd in 2024**, and now the **4th edition in 2025**.
- It has grown to showcase India as the "**Food Basket of the World**," promoting investment, enhancing farm-to-fork linkages, encouraging sustainable food systems, and highlighting India's diverse food culture.



## What is the Landscape of the Food Processing Sector in India?

- **Food Processing:** It involves methods to transform raw agricultural, animal, or fish products into edible, commercially valuable finished or semi-finished products, altering their original physical properties.
- **Levels of Processing:**
  - **Primary processing:** Basic cleaning, grading, and packaging of agricultural products.
  - **Secondary processing:** Converting **ingredients into edible** products (e.g., milling wheat into flour).
  - **Tertiary processing:** Creating **ready-to-eat foods** (e.g., baking bread from flour).
- **Growth of India's Food Processing Industry:** India is largest producer of milk, onions and pulses, Second largest producer of rice, wheat, sugarcane, tea, fruits & vegetables and eggs.
  - India's agricultural and processed food exports reached **USD 49.4 billion in 2024-25, with processed foods contributing 20.4%** (up from 13.7% in 2014-15). The sector employs 2.23 million in registered units and 4.68 million in unregistered ones.
  - Registered food business operators rose from 25 lakh to 64 lakh, supported by 24 mega

food parks.

- [Operation Greens](#) and 225 Research and Development projects added 20 patents and 52 commercialized technologies.

▪ **India's Initiatives:**

- [Production Linked Incentive Scheme for Food Processing Industry \(PLISFPI\)](#) aims to boost Indian brands internationally.
- [Production Linked Incentive Scheme for Millet-based Products \(PLISMBP\)](#) encourages Ready-to-Eat (RTE) and Ready-to-Cook (RTC) millet products, promoting value addition and millet consumption.
- [Pradhan Mantri Kisan Sampada Yojana \(PMKSY\)](#) creates modern infrastructure, efficient supply chains, and reduces post-harvest losses.
- [PM Formalisation of Micro Food Processing Enterprises Scheme \(PMFME\)](#) supports micro food processing units with technical, financial, and business assistance.
- Under the [Make in India campaign](#), the government allows **100% Foreign Direct Investment (FDI) in food processing**.
- The [Mega Food Park Scheme](#) provides integrated infrastructure for food processing, offering up to Rs 50 crore per project.

## What are the Opportunities and Challenges in the Food Processing Sector in India?

Opportunities	Challenges
<ul style="list-style-type: none"><li>▪ <b>Expanding Market:</b> The food processing sector is growing rapidly, valued at <b>USD 336 billion in 2023</b> and projected to double by 2032.<ul style="list-style-type: none"><li>◦ This expansion creates jobs, adds value to agriculture, and strengthens India's GDP.</li></ul></li></ul>	<ul style="list-style-type: none"><li>▪ <b>Infrastructure Gaps and Post-Harvest Losses:</b> India lacks adequate <b>cold chains, storage, and transport facilities</b>, leading to nearly <b>30% food wastage</b> and annual post-harvest losses of around <b>Rs. 90,000 crore</b>.</li></ul>
<ul style="list-style-type: none"><li>▪ <b>Urbanisation:</b> Rising urban population and busier lifestyles are pushing demand for <b>ready-to-eat, packaged, and convenience foods</b>, expected to cross <b>Rs. 12 lakh crore by 2025</b>. This opens scope for product diversification and new brands.</li></ul>	<ul style="list-style-type: none"><li>▪ <b>Technology and Finance Barriers for SMEs:</b> Small and medium enterprises struggle with <b>high costs of modern machinery</b> and limited access to credit.<ul style="list-style-type: none"><li>◦ This reduces their productivity and weakens competitiveness against large firms.</li></ul></li></ul>
<ul style="list-style-type: none"><li>▪ <b>Health, Wellness, and Organic Foods:</b> Sustainability is driving demand for <a href="#">organic and plant-based products</a>. The organic market is projected to reach <b>Rs. 75,000 crore by 2025</b>, with consumers increasingly willing to pay a premium.</li></ul>	<ul style="list-style-type: none"><li>▪ <b>Regulatory Labyrinth:</b> India's food processing sector faces complex, overlapping regulations from bodies like <a href="#">Food Safety and Standards Authority of India (FSSAI)</a>, <a href="#">Agricultural and Processed Food Products Export Development Authority</a>, <a href="#">Bureau of Indian standards (BIS)</a>, and state agencies, creating high compliance costs and uncertainty, especially for SMEs.<ul style="list-style-type: none"><li>◦ The absence of a single-window clearance system and frequent rule changes further hinder domestic growth and export competitiveness.</li></ul></li></ul>
<ul style="list-style-type: none"><li>▪ <b>Technology and Innovation:</b> Adoption of <b>automation, AI, robotics, and smart packaging</b> is transforming efficiency and quality.<ul style="list-style-type: none"><li>◦ This transformation in the Indian food tech market opens new avenues for global competitiveness.</li></ul></li></ul>	<ul style="list-style-type: none"><li>▪ <b>Technology and Innovation:</b> Adoption of <b>automation, AI, robotics, and smart packaging</b> is transforming efficiency and quality.<ul style="list-style-type: none"><li>◦ The Indian food tech market is expected to touch <b>USD 30 billion by 2024</b>, boosting competitiveness globally.</li></ul></li></ul>

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| <ul style="list-style-type: none"> <li>▪ <b>MSMEs and Rural Employment:</b> With <b>63 million MSMEs</b> contributing to 30% of GDP, schemes like <b>PMFME</b> promote local entrepreneurship. <ul style="list-style-type: none"> <li>◦ This helps farmers move up the value chain and supports rural livelihoods.</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>▪ <b>Low Share in Global Processed Exports:</b> Only <b>16% of India's agri-exports are processed products</b>, compared to 25% in the US and 49% in China. This shows India's export potential remains underutilised. <ul style="list-style-type: none"> <li>◦ Frequent <b>quality-related rejections hurt India's export reputation</b>, with the <b>EU detecting contamination in 527 products (2024)</b>. The lack of harmonization between Indian and global standards further limits competitiveness in international markets.</li> </ul> </li> </ul> |
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## What Measures can Strengthen India's Food Processing Sector?

- **Cluster Development:** Set up **integrated food processing zones** near farm hubs with shared infrastructure (cold storage, labs, effluent plants), ancillary industries (packaging, logistics), and seamless transport links to **cut costs and boost rural-urban balance**.
- **Tech-Driven Supply Chain:** Use **blockchain for traceability**, **IoT for real-time monitoring**, **AI for demand forecasting**, and drones/satellite imaging for crop assessment to **cut wastage and improve efficiency**.
- **Financial Reforms:** Create **sector-specific credit schemes** aligned with crop cycles, a credit guarantee fund for SMEs, and tax incentives to attract private equity and **venture capital in food-tech**.
- **Quality Standards:** Harmonize Indian norms with global benchmarks ([Codex](#)), introduce **tiered certifications with market benefits**, deploy mobile testing labs, and link quality-based pricing to [National Agriculture Market \(eNAM\)](#).
- **Regulatory Simplification:** Establish a single-window clearance and unified digital platform to cut delays and reduce compliance costs.
- **Export Ecosystem:** Develop **export-specific zones** with **plug-and-play facilities**, country-focused strategies, and a real-time market intelligence system; fully utilize PLISFPI funds to attract global majors.
- **R&D Boost:** Set up **Food Innovation Labs**, give weighted tax breaks for R&D, and build a national database of traditional food processing techniques for scaling up.

### Drishti Mains Question:

**Q.** The Indian food processing sector is expanding rapidly, yet its share in global processed food exports remains low. Analyse the reasons and suggest policy measures.

## Frequently Asked Questions (FAQs)

### 1. What is World Food India (WFI) 2025?

**Ans:** It is MoFPI's flagship event to project India as a *Global Food Hub*, attracting ₹1 lakh+ crore investments and showcasing farm-to-fork linkages.

### 2. Why is the food processing sector significant for India?

**Ans:** It ensures *food security, value addition, rural employment, MSME growth*, and boosts exports (USD 49.4 bn in 2024-25).

### 3. Which key government schemes promote food processing?

**Ans:** PLISFPI, PLISMBP, PMKSY, PMFME, 100% FDI in food processing, and *Mega Food Parks*.

#### 4. What are the main challenges in India's food processing industry?

**Ans:** Post-harvest losses (~₹90,000 crore), infrastructure gaps, credit barriers for SMEs, and low global competitiveness.

#### 5. What measures can strengthen the sector?

**Ans:** Cluster-based zones, tech-driven supply chains (AI, IoT, blockchain), credit reforms, Codex-aligned quality standards, single-window clearances, and R&D boost.

## UPSC Civil Services Examination Previous Year Question (PYQ)

### Prelims

**Q. With what purpose is the Government of India promoting the concept of “Mega Food Parks”? (2011)**

1. To provide good infrastructure facilities for the food processing industry.
2. To increase the processing of perishable items and reduce wastage.
3. To provide emerging and eco-friendly food processing technologies to entrepreneurs.

**Select the correct answer using the codes given below:**

- (a) 1 only
- (b) 1 and 2 only
- (c) 2 and 3 only
- (d) 1, 2 and 3

**Ans: (b)**

### Mains

**Q.** What are the challenges and opportunities of the food processing sector in the country? How can the income of the farmers be substantially increased by encouraging food processing? (2020)

**Q.** What are the reasons for the poor acceptance of a cost-effective small processing unit? How can the food processing unit be helpful to uplift the socioeconomic status of poor farmers? (2017)