



Government of
Maharashtra
Department of Industries



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Sector Profile

Food Processing Sector





Agenda

India & Maharashtra – Food Processing Sector Snapshot

Food Processing Ecosystem within the state

Sectoral Growth Drivers ,Presence of Agro-Clusters & Connectivity to Major Food Processing Hubs

Value Chain & Sub-Sectoral – Ecosystem

Investment Opportunities

Govt schemes to promote Food Processing Sector

State Policies

1. Package Scheme of Incentives,2019
2. Maharashtra State Food Processing Policy - 2017

Major Industry players present in Maharashtra

India & Maharashtra – Food Processing Sector Snapshot

By 2025 the Indian Food Processing market is estimated to reach **\$535 Bn** and growing at a compound annual growth rate of **15.2%**

India's Food Processing Industry Market Size : \$ 335.94 Bn in 2023

Maharashtra's Food Processing Industry contribution to India Food Processing industry was ~ 13 %

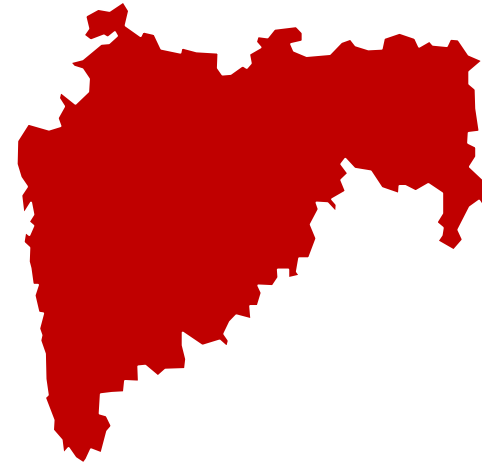
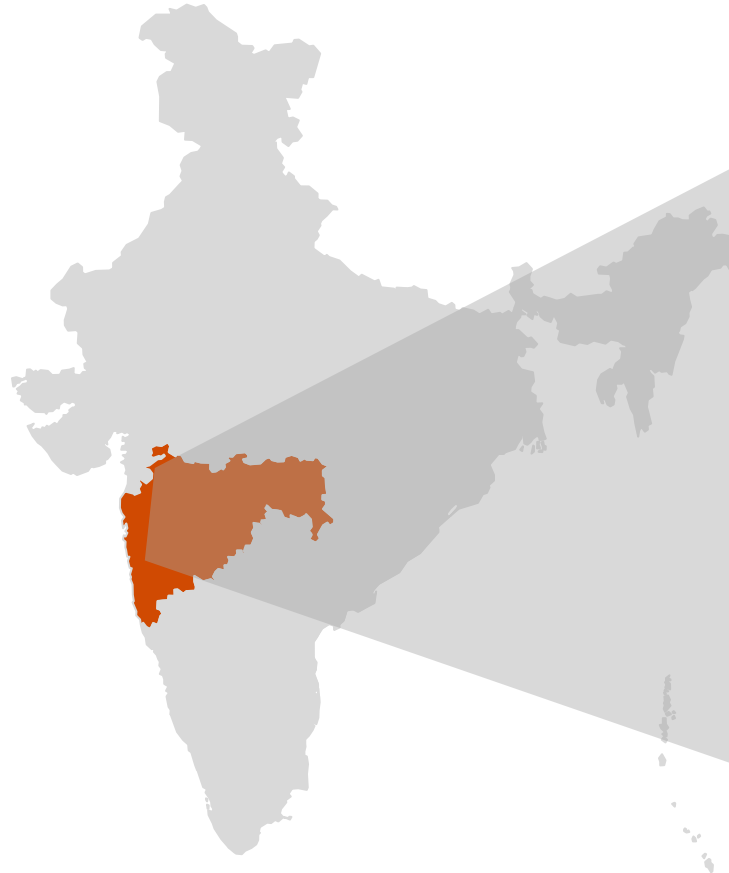
Gross Value Added
18.3% share of Agriculture & Allied Sector

No. of registered FPU's
41,481

No. of Factories - **45,224** Crop & animal Production, Manufacturing of Food Products & Beverages

Share in Export
\$ 51 Bn Agriculture & Food Products 2022-23

Person engaged - **21,51,776** Crop & animal Production, Manufacturing of Food Products & Beverages



Gross Value Added
Average 12.1% share for Agri & related industries

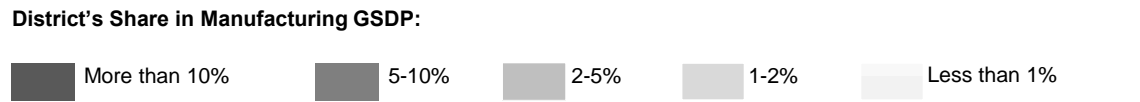
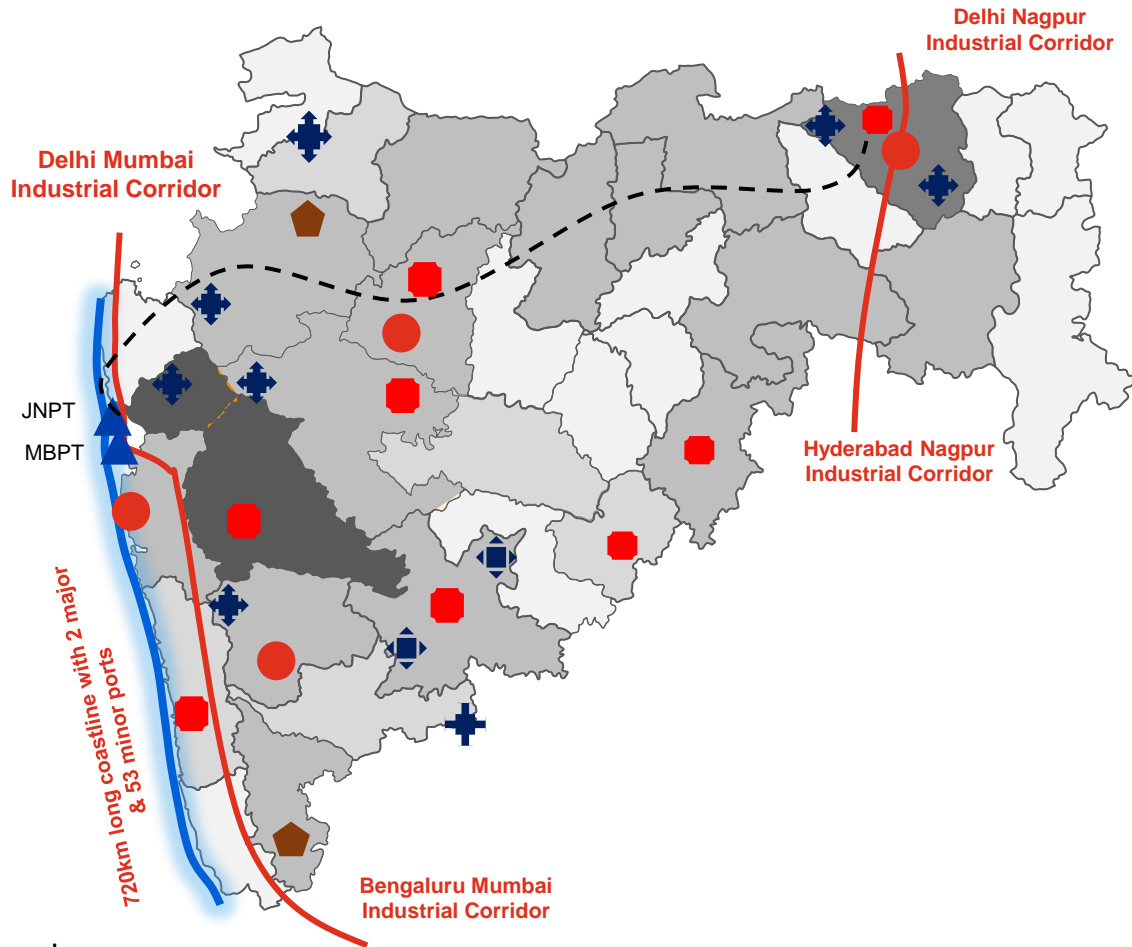
No. of registered FPU's
2728

No. of Factories - ~ **8 % of India's share** Crop & animal Production, Manufacturing of Food Products & Beverages

Share in Export
17.64 % of India's share for Agri & Food Prod. 2022-23

Person engaged - ~ **13 % of India's share** Crop & animal Production, Manufacturing of Food Products & Beverages

Food Processing ecosystem within the state



8	18	45	548
Agri-Export Zones	ICD's	CFS	Railway Goods Shed

Presence of **Nine Agro-Climatic zones** in the region enables year-round cultivation of various agricultural crops and fruits.

Industrial : Ready to set up **9099 number of vacant plots (5847 Ha)**

2 dedicated institutes for food processing technology, business development, R&D to skill workforce

- **12 Food Processing Clusters** across the state
- Accounts for **almost 90%** of the total grape-wine production
- State has received **26 Geographical Indicator (Gi) Tags** for Fruits, Vegetables, Spices, Dry-Fruits, Pulses etc
- **306 Agricultural Produce & Livestock Market Committee, 569 Farmer Produce Organizations & 366 Mandis**
- Well-established **air-cargo facilities, multimodal logistic hubs** . **Bhiwandi and Panvel** are major warehousing clusters in Mumbai

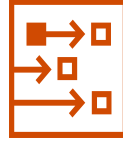
Key Production Highlights

- **Leading producer** : Onions, Grapes ,Cashews Pomegranate & Meat .Sugar Production.
- **2nd largest producer** of Banana , Turmeric & Strawberry.

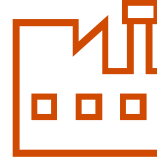
Sectoral Growth Drivers - Maharashtra



Consistent supply of raw materials for food processing sector



Food processing sector has attracted > \$158 million of investments



Various food parks that aid growth of the food processing industry



Convenient access to a vast domestic and international consumer market



Strong agri. & food tech focused inst. & univ. fostering innovation



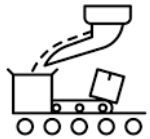
Exp. Pote. : proce. fruits, vegetables, dairy items, etc boosting eco. growth



Qual. stand. & certif. boosts competitiveness of state food processing products



100% FDI (except for alcohol, beer, and sectors reserved for small scale industries).



	Major Food Processing Hub			
	Nashik	Nagpur	Kolhapur	Aurangabad
Major Industrial Areas	1. Dindori IA 2. Addl Dindori IA	1. Wardha IA 2. Saoner IA	1. Satara IA 2. Karad IA	1. Paithan IA 2. Jalna IA
Connectivity to Ports	Jawaharlal Nehru Port – 170 Kms	Inland Container Depot at MIHAN	Dighi Port – 180 Kms	Jalna Dry Port – 10 Kms
Connectivity to Airports	Nashik Airport – 20 Kms	Nagpur International Airport – 65 Kms	Pune International Airport – 120 Kms	Aurangabad Airport – 50 Kms
Connectivity to Railways	Nashik Rd. Railway Station – 30 Kms	Wardha Railway Station – 5 Kms	Kolhapur Railway Station – 120 Kms	Aurangabad Railway Station – 60 Kms
Connectivity to Roads	NH-160 – 20 Kms	NH-47 – 60 Kms	NH 48 – 30 Kms	Samruddhi Mahamarg – 15 Km

Agro Production Clusters

Milk based - Ahmednagar	Pulses Based - Akola & Osmanabad	Mandarin Orange based – Amravati & Nagpur
Maize Based - Aurangabad	Custard Apple based - Beed	RICE based - Bhandara, Chandrapur & Gondia
Guava based - Buldhana	Banana based – Dhule & Jalgaon	Spice based - Hingoli, Nanded, Wardha, Yavatmal
Sweet Orange based - Jalna	Sugarcane based - Kolhapur, Parbhani & Satara	Tomato based – Latur & Pune

Fruits and Vegetables : Strengths of Maharashtra

Input : Seeds & Planting Material ,Fertilizers, Farm Equipment (drip machinery, sprayers, harvesters etc.)

Aggregation : Collection Agents ,Cooperatives & FPOs , Private Mandis

Primary & Secondary Processing : Cleaning, Grading, Sorting, Pulping, Juicing , Canning , Packaging

Distribution : Cold Storage , Pack Houses ,Warehouses & Commercial Vehicles

Retailing & Export : E-commerce , Convenience Stores, Supermarkets, Department Stores ,Export Houses

Agricultural powerhouse state excels in **seed & fertilizer production, modern farming practices, & agri-business infrastructure, bolstered by export-oriented focus & robust distribution chains**, facilitating strong presence in processed food industry with advanced technologies & strategic market positioning.

Presence of Companies - Sahyadri Farms, Bharati Field Fresh , Mahagrapes, Eurofresh, Fresh Trop, MSSL & Namdhari Fresh etc.

Poultry and Meat : Strengths of Maharashtra

Input :
Animal Feed
Veterinary Services

Production:
Animal Breeders & Poultry Farms

Primary Processing:
Hide Removal, Carcass cutting
Trimming & Washing

Distribution:
Warehouses, Cold Storage, Wholesalers & Reefer Vehicles

Retailing:
Small meat & egg, Retail chains, Institutional Buyers (Restaurants, Hotels) & Export

State excels in **diverse animal feed sources, advanced veterinary services, strong market integration**, bolstering competitiveness in the meat & poultry industry with **modern infrastructure** & adherence to **strict quality standards**.

Strong network of **wholesalers, small retail chains, & institutional buyers**, alongside modern processing facilities, drives **exports of processed meats**, supported by efficient logistics & **state-of-the-art cold storage facilities**.

Presence of Companies - Godrej Tyson Foods, Venky's (India) Limited, Srinivasa Farms, Bharati Poultry Pvt. Limited The KEGGFARMS and AMD integrated Farms etc.

Spices : Strengths of Maharashtra

Input: Seeds, Fertilizers
Low-scale processing machinery & Condiments

Stakeholder: Farmers, Traders & Processors

Food Companies:
Ready to Eat/ Ready to Cook segment & Therapeutic industry

Retailers:
Hypermarkets, Supermarket, Corner Shops & HoReCa

Consumers
Urban & Rural

Robust cultivation, processing machinery manufacturing, coupled with **diverse climates**, modern technology & **strong market access**.

Focus on **innovation, quality control, strategic distribution**, dominates retailing across various sectors, leveraging its diverse production & strategic location for **efficient distribution to urban & rural areas**.

Presence of Companies - Kamdhenu Pickles and Spices India Pvt Ltd , Pravin Masalewale (Suhana) , Hebatbhoy Abdeali & Kogta Group of Industries etc.

Sugar : Strengths of Maharashtra

Raw Material Sourcing:
Sugarcane Cultivation
Sugar Beet Cultivation

Processing : Milling (Sugarcane) or Extraction (Sugar Beets), Purification
Crystallization

Refining and Packaging:
Refining facilities
Packaging Infrastructure

Distribution & Sale:
Transport & Logistics channel, retail outlets, supermarkets & online platforms

By Product Utilization:
Ethanol production
Molasses utilization
Bagasse-based products

Significant portion of its **agricultural land dedicated to sugarcane cultivation**, supported by robust water availability and modern irrigation practices, with a large number of sugar mills equipped with **high crushing capacities & modern technology**.

State central location facilitates **efficient distribution to major domestic markets**, while also contributing significantly to the biofuel sector through ethanol production & eco-friendly utilization of by-products like bagasse for paper & other products.

Presence of Companies - Bajaj Hindusthan Sugar Limited (BHSL) , Madhur Sugar, Shree Renuka Sugars Limited etc.

Upcoming /Ongoing Major Projects:

- **Integrated Marine/ Aquaculture Park**, Harne, Ratnagiri, **Integrated Mango, Cashew and Food Park**, Nivendi, Ratnagiri & **Food and Agro processing park** at Bidkin ,Dindori, Dighi and Butibori
- **Wardha Mega Food Park** Pvt. Ltd, Wardha – Project under implementation

Sugar Refining and Production : Satara, Kolhapur, Sangli



Establishing food processing units : Nashik, Pune, Ahilyanagar (Ahmednagar), Sangli

Spice Processing and Packaging : Nashik, Pune, Chhatrapati sambhajinagar (Aurangabad)



Nutraceutical Manufacturing : Mumbai, Pune, Thane

Value-Added Fruit and Vegetable Products : Mumbai, Pune, Thane, Nashik



Cold Storage and Logistics : Mumbai, Pune, Nagpur



Export-oriented Units: Mumbai, Pune, Nagpur, Chhatrapati sambhajinagar (Aurangabad)

Pradhan Mantri Kisan Sampada Yojana (PMKSY)

- PMKSY is a comprehensive package that aims to establish **modern infrastructure** with **efficient supply chain management**, spanning from the farm gate to the retail outlet.
- To **attract private investment in food processing sector**, MoFPI has taken various initiatives through schemes to **develop infrastructure, expand processing capacity, provide other supportive measures** for the healthy growth of the industry.
- To streamline these efforts, all these schemes have been integrated under a **comprehensive program** called the **Pradhan Mantri Kisan Sampada Yojana (PMKSY)**, which was launched on May 3rd, 2017.

Achievements PMKSY in Maharashtra (as on date: 31.05.2023)

Scheme Name	No. of Projects Approved	Total Project Cost (Inr Cr.)
Mega Food Park	3	356.21
Cold Chain	68	1922.16
Agro Processing Clusters	14	431.19
CEFPPC unit	87	1299.53
Creation Of Backward And Forward Linkages	11	118.73
Food Testing Laboratory	28	150.04
Operation Greens	8	355.45

Restructuring of components under PMKSY scheme

Government has now decided to restructure the component schemes for Implementation during the **15th Finance Commission**, with a total outlay of **INR 4,600 crore**.

Certain component schemes will continue during the 15th Finance Commission cycle for new projects include :

- Integrated Cold Chain & Value Addition Infrastructure
- Creation/Expansion of Food Processing & Preservation Capacities
- Infrastructure for Agro-Processing Clusters
- Food Safety and Quality Assurance Infrastructure (FTL)
- Human Resource & Institutions - R&D
- Operation Greens

Production Linked Incentive Scheme for Food Processing Industry (PLISFPI)

- The scheme aims to support the establishment of global food manufacturing champions in line with India's abundant natural resources. It also aims to promote Indian food product brands in international markets.
- Scheme has a budget allocation of INR 10,900 crore & scheme will be implemented over a period of six years, from 2021-22 to 2026-27.

Objectives of the Scheme:

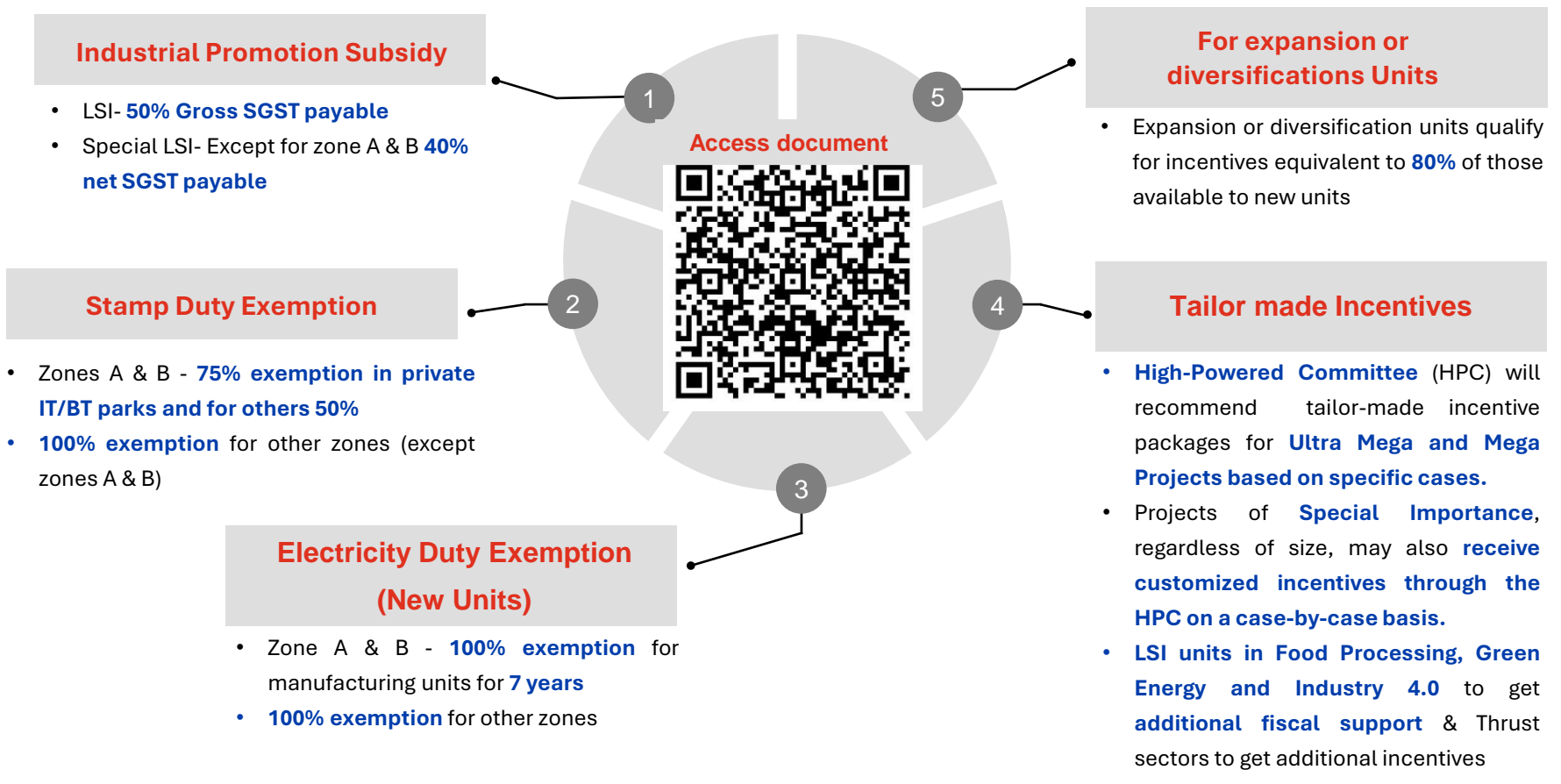
- Support to food manufacturing entities that meet specified minimum sales criteria & willing to make the required minimum investment for expanding their processing capacity.
- Offer branding support for promoting Indian brands in international markets, with the intention of incentivizing development of strong Indian food product brands.

Components of the Scheme:

- Providing incentives for the manufacturing of four primary food product segments
 - Ready to Cook/ Ready to Eat foods, including products based on millets, processed fruits & vegetables, marine products & mozzarella cheese.
- Dedicated to production of innovative & organic products by SMEs in four segments, products such as free-range eggs, poultry meat & egg products.
- Offering support for branding & marketing activities overseas

Achievements Production Linked Incentive Scheme For Food Processing Industry (PLISFPI) In Maharashtra (As On Date: 31.05.2023)

Scheme Name	No. of Projects Approved	Total Project Cost (Inr Cr.)
Food Processing Factories Under PLI (Production Linked Incentive)	42	998.44



For Large Scale Industries :

- Other Benefits : *Incentives to promote quality competitiveness, R&D, technology up-gradation, water & energy conservation, cleaner production and credit rating.*

Qualification Criteria LSI

Area Classification	Min FCI (INR crore)	Min Direct Employment	Max as % of FCI	Incentive period (Yr)
A & B	750	1000	25%	7
C	500	750	40%	7
D	250	500	60%	7
D+	150	400	70%	7
VMRSD#	100	300	80%	9
NIA, NAA, AD	100	250	100%	9

Qualification Criteria Ultra Mega & Mega

Project Classification	Area	FCI (INR Cr.)	Min Direct Employment
Ultra Mega Industrial Unit	Entire State	4000	4000
Mega Industrial Unit	A & B	1500	2000
	C	1000	1500
	D	750	1000
	D+	500	750
	VMRSD#	350	500
	NID, NAA, AD	200	350

[Click for detailed information](#)



Capital Subsidy

- Food Processing Scheme - Chief Minister's Food Processing Scheme - **Capital subsidy of 30%** of the cost of project comp. of technical civil work & plant & machinery etc. is with **ceiling Rs. 50. lakh.**
- Foreign Direct Investment: **100% FDI (except for alcohol, beer, & sectors reserved for small scale industries)** & repatriation of capital and profits permitted.
- Export Oriented: 100% export-oriented units allowed to **sell up to 50% of their produce in the domestic market & export earnings are exempted from corporate taxes.**
- Investment linked Tax Incentive: Investment-linked tax incentive of **100% deduction of capital expenditure** for setting up & operating cold chain facilities for setting up and operating warehousing facilities.



Capital Investment Fund

- Central Government -Top priority for development of food processing industry & **Dedicated Capital Investment Fund of Rs. 2000 crore with NABARD.**
- **Low-cost capital** made available by NABARD for **setting individual FPU;s** in notified Food Parks.




Other Incentives

New LSI and expansion thereof will be eligible for following incentives in all categories of areas:

- 75% of cost of **water audit** limited to **₹ 1 lakhs.**
- 75% of cost of **energy audit** limited to **₹ 2 lakhs.**
- 50% of cost of Capital Equipment under the measure to **conserve / recycle water** limited to **₹ 5 lakhs.**
- 50% of cost of Capital Equipment for **improving energy efficiency** limited to **₹ 5 lakhs.**

The state is a lucrative destination for all Major Food Processing players present in the entire ecosystem players of Maharashtra



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People Love



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THE NEXT REVOLUTION



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Government of
Maharashtra



Qualification Criteria

Project Classification	Area Classification	FCI (INR Cr.)	Minimum Direct Employment
Ultra Mega Industrial Unit	Entire State	4000	4000
	A & B	1500	2000
Mega Industrial Unit	C	1000	1500
	D	750	1000
	D+	500	750
	VMRSD#	350	500
	NID, NAA, AD	200	350

Policy Highlights

- 100% Captive Process Vendor (CPV) investment to be considered as part of admissible FCI
- CPV and Captive Power Plant won't be counted for determining qualifying criteria
- HPC to recommend customized Package of Incentives on case-to-case basis
- Projects of Special Importance (may or may not be Mega/Ultra-Mega projects) may get customized package of incentives on case-to-case basis via HPC
- Allocation of MIDC land on priority basis

Qualification Criteria

Area Classification	Min FCI (INR crore)	Minimum Direct Employment	Max as % of FCI	Incentive period (Yr)
A & B (Only LSI)	750	1000	25%	7
C	500	750	40%	7
D	250	500	60%	7
D+	150	400	70%	7
VMRSD#	100	300	80%	9
NIA, NAA, AD	100	250	100%	9

Policy Highlights

- 100% stamp duty exemption in C,D,D+, Talukas, Aspirational Districts, NID regions and in A, B region only for BT manufacturing and IT parks in Public(100%) and Private (75%)
- IPS on Gross SGST paid by units
- LSI units in Food Processing, Green Energy and Industry 4.0 to get additional fiscal support
- Thrust sectors to get additional incentives
- Incentives to promote quality competitiveness, R&D, technology up-gradation, water & energy conservation, cleaner production and credit rating

↑

Scale of Industries

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