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Nuts & Dry Fruits Industry

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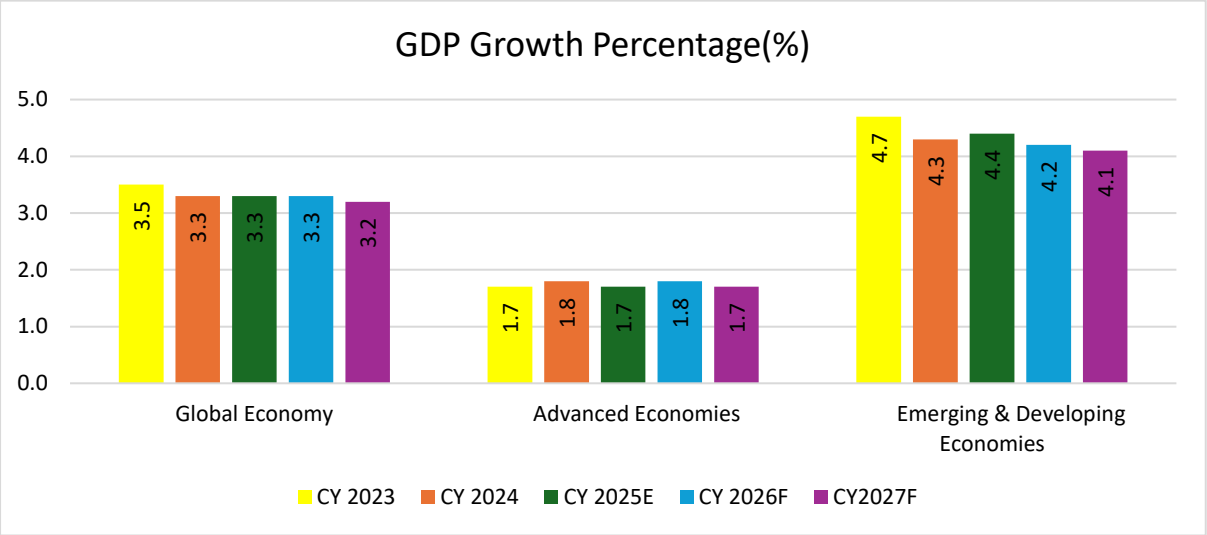
1. Global Economic Outlook

As per the IMF's World Economic Outlook (WEO) published in January 2026, global growth is projected to remain resilient at 3.3 percent in 2026 and at 3.2 percent in 2027.

Global headline inflation is expected to decline from an estimated 4.1 percent in 2025 to 3.8 percent in 2026 and further to 3.4 percent in 2027. The inflation projections are also broadly unchanged from those in October and envisage inflation returning to target more gradually in the United States than in other large economies.



Note: E = Estimates, F = Forecast
Source: IMF World Economic Outlook January, 2026 update

Note: Advanced Economies and Emerging & Developing Economies are as per the classification of the World Economic Outlook (WEO). This classification is not based on strict criteria, economic or otherwise, and it has evolved over time. It comprises of 40 countries under the Advanced Economies including the G7 (the United States, Japan, Germany, France, Italy, the United Kingdom, and Canada) and selected countries from the Euro Zone (Germany, Italy, France etc.). The group of emerging market and developing economies (156) includes all those that are not classified as Advanced Economies (India, China, Brazil, Malaysia etc.)

Growth in advanced economies is projected to be 1.8 percent in 2026 and 1.7 percent in 2027. In the United States, the economy is projected to expand by 2.4 percent in 2026, supported by fiscal policy and a lower policy rate, while the impact of higher trade barriers also gradually wanes. This 0.3 percentage point upward revision from the October forecast reflects a stronger-than expected GDP outturn in the third quarter of 2025, a rebound in activity in the first quarter of 2026 compared with that in the fourth quarter of 2025 following the end of the federal government shutdown, and the associated carryover.

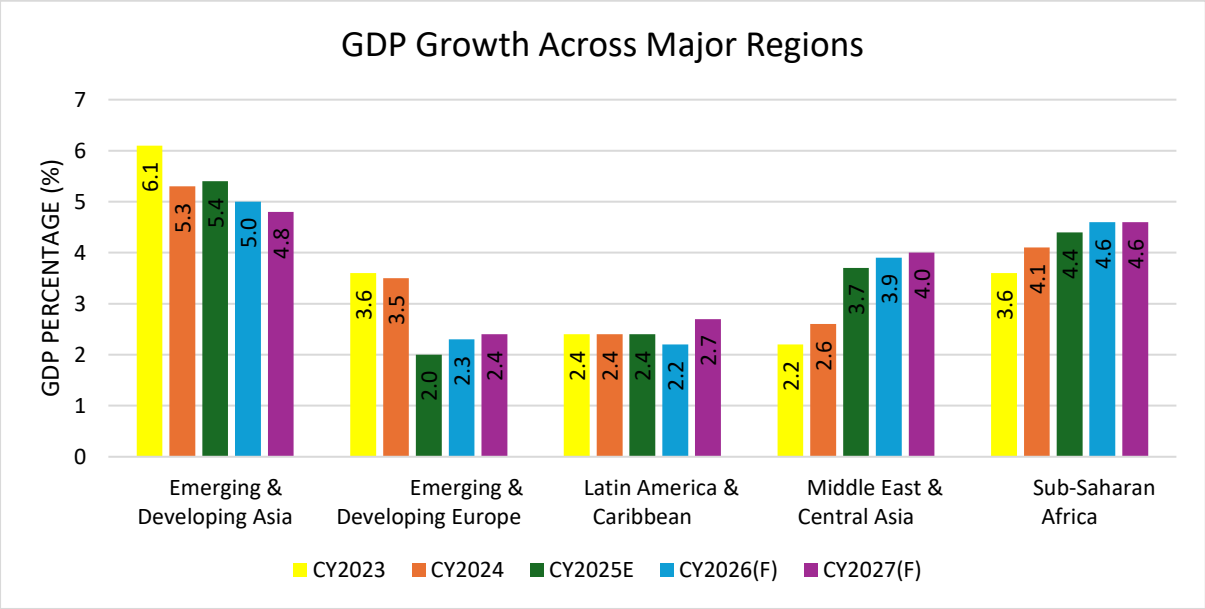
In emerging market and developing economies, growth is expected to continue to hover just above 4.0 percent in 2026 and 2027. Relative to the projection in October, growth in 2025 for China is revised upward by 0.2 percentage point to 5.0 percent. The revision reflects stimulus measures and additional policy bank lending for investment. Growth for 2026 is also revised upward by 0.3 percentage point to 4.5 percent, reflecting the lower US effective tariff rates on Chinese goods due to the yearlong trade truce agreed to in November and stimulus measures that are assumed to be implemented over two years. The economy's growth rate is expected to decelerate to 4.0 percent in 2027 as structural headwinds assert themselves.

In India, growth is revised upward by 0.7 percentage point to 7.3 percent for 2025, reflecting the better-than expected outturn in the third quarter of the year and strong momentum in the fourth quarter. Growth is projected to moderate to 6.4 percent in 2026 and 2027 as cyclical and temporary factors wane.

In the Middle East and Central Asia, growth is projected to accelerate from 3.7 percent in 2025 to 3.9 percent in 2026 and to 4.0 percent in 2027, supported by higher oil output, resilient local demand, and ongoing reforms. Growth is also expected to accelerate in sub-Saharan Africa, from 4.4 percent in 2025 to 4.6 percent in 2026 and 2027, supported by macroeconomic stabilization and reform efforts in key economies. In Latin America and the Caribbean, growth is projected to moderate to 2.2 percent in 2026 and bounce to 2.7 percent in 2027 as countries in the region approach potential from different cyclical positions. In emerging and developing Europe, a sharp slowdown in 2025 to a growth rate of 2.0 percent is expected to reverse, with economies in the region expanding at an average rate of 2.3 percent in 2026 and 2.4 percent in 2027. In most regions, the rebound also reflects the fading effect of shifting trade policies

1.1 GDP Growth across Major Regions

GDP growth across major global regions—including Europe, Latin America & the Caribbean, Middle East & Central Asia, and Sub-Saharan Africa—continues to display varied trajectories. The global outlook presents a mixed scenario, with emerging economies continuing to outperform advanced economies.



Note: F = Forecast
Source: IMF World Economic Outlook January, 2026 update

In Emerging and Developing Asia, growth is projected to moderate from 5.4% in CY 2025 to 5.0% in CY 2026 and further projected at 4.8% during CY 2027. India's expected growth in 2025 has been uplifted at 7.3% in CY 2025, supported by resilient rural consumption and sustained infrastructure investments, up from 6.5% in CY2024. The growth estimate for 2026 and 2027 is kept at 6.4%. In contrast, China's growth is estimated at 5.0% in CY2025, and to further decelerate at 4.5% in 2026 and 4.0% in 2027.

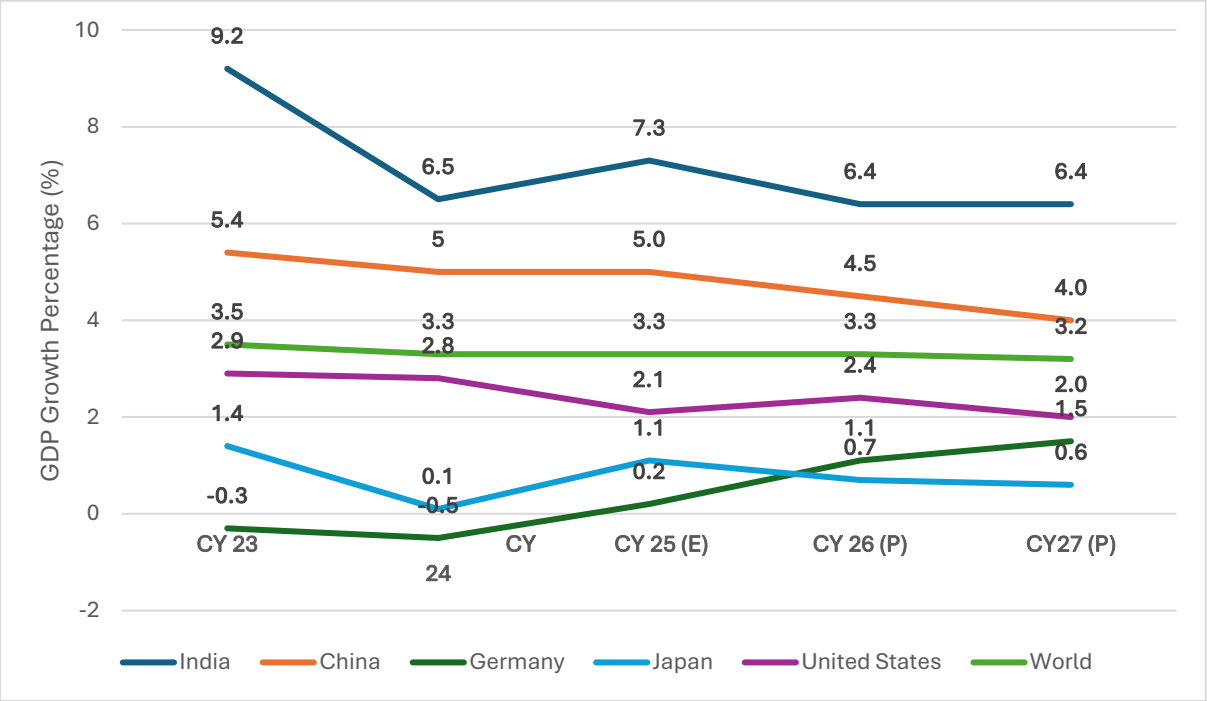
Sub-Saharan Africa is projected to grow at 4.4% in CY 2025, increased from 4.1% in CY 2024, with growth is expected to accelerate further at 4.6% in CY 2026. This gradual improvement is being supported by better weather conditions and more efficient supply chain operations.

In the Middle East and Central Asia, the economy is forecasted to expand from 3.7% in CY 2025 to 3.9% in CY 2026, and further at around 4.0% in CY 2027, driven by stabilization in oil production and ongoing economic reforms.

For Latin America and the Caribbean, the economy is expected to slow from 2.4% in CY 2025, to 2.2% in CY2026, but increase again at 2.7% in CY 2027 reflecting stable yet subdued economic momentum supported by stronger macroeconomic management across key economies.

Emerging and Developing Europe remains subdued, with growth estimated at 2.0% in CY 2025, down from 3.5% in CY 2024, expected to rise modestly to 2.3% in CY 2026 and further at 2.4% in 2027. However, the recent Greenland issue and tariff imposition by the US President has posed fresh challenges for the region. The region continues to face structural manufacturing challenges, particularly in major economies like Germany.

India and Top 4 Global Economies GDP Growth Forecast



Note: E = Estimates, P = Projections

Source: IMF World Economic Outlook January, 2026 update

Overall, while global growth is expected to remain steady at 3.3% in CY 2025~CY2026 and at 3.2% in CY2027, regional disparities persist, influenced by a combination of domestic challenges, external geopolitical tensions, and fluctuating commodity prices.

2. India's Macroeconomic Scenario

2.1 Gross Domestic Product (GDP)

Real GDP has been estimated to grow by 7.6% in FY 2025-26. Nominal GDP has witnessed a growth of 8.6%. These growth rates are revised upward from their respective First Advance Estimates computed using previous Base Year (2011-12).

Source – MOSPI, Press release – Second advance estimates of Gross domestic product with base year 2022-23 posted on February 27th,2026.

India's Economic Growth Momentum Remains Strong - Surpassed USD 4 Trillion.

In June 2025, India became the fourth-largest economy in the world and retained its position as the fastest-growing major economy. The country is projected to become the world's third largest economy by 2030, with an estimated GDP of USD 7.3 trillion.

Source: PIB, Press Release - India Becoming an Economic Powerhouse posted on June 16, 2025

India achieved a significant milestone by overtaking Japan to become the *third most powerful nation in the Asia-Pacific region*, as per the Asia Power Index 2024. India's overall score rose to 39.1, reflecting a 2.8-point increase from the previous year, driven by growing influence across economic, military, and diplomatic dimensions.

Source: PIB, Press Release - India becomes 3rd Most Powerful Nation in Asia, Surpasses Japan in Asia Power Index posted on September 24, 2024

Key factors behind India's rise include its strong economic performance, expanding and youthful workforce, and increasing strategic engagement across the region. India's Economic Capability improved significantly, supported by its position as the world's third-largest economy in terms of purchasing power parity (PPP). Additionally, a notable increase in its Future Resources score highlights the demographic advantage that is expected to sustain its growth trajectory in the coming years.

2.2 Gross Value Added (GVA)

According to the First Advance Estimate of GDP for 2025-26 by MOSPI, Govt. of India (GoI), Real GVA is estimated at ₹184.50 lakh crore in the FY 2025-26, against the Provisional Estimates (PE) for the FY 2024-25 of ₹171.87 lakh crore, registering a growth rate of 7.3%. Nominal GVA is estimated to attain a level of ₹323.48 lakh crore during FY 2025-26, against ₹300.22 lakh crore in FY 2024-25, showing a growth rate of 7.7%. (*MOSPI, Press Release, 7 January 2026*).

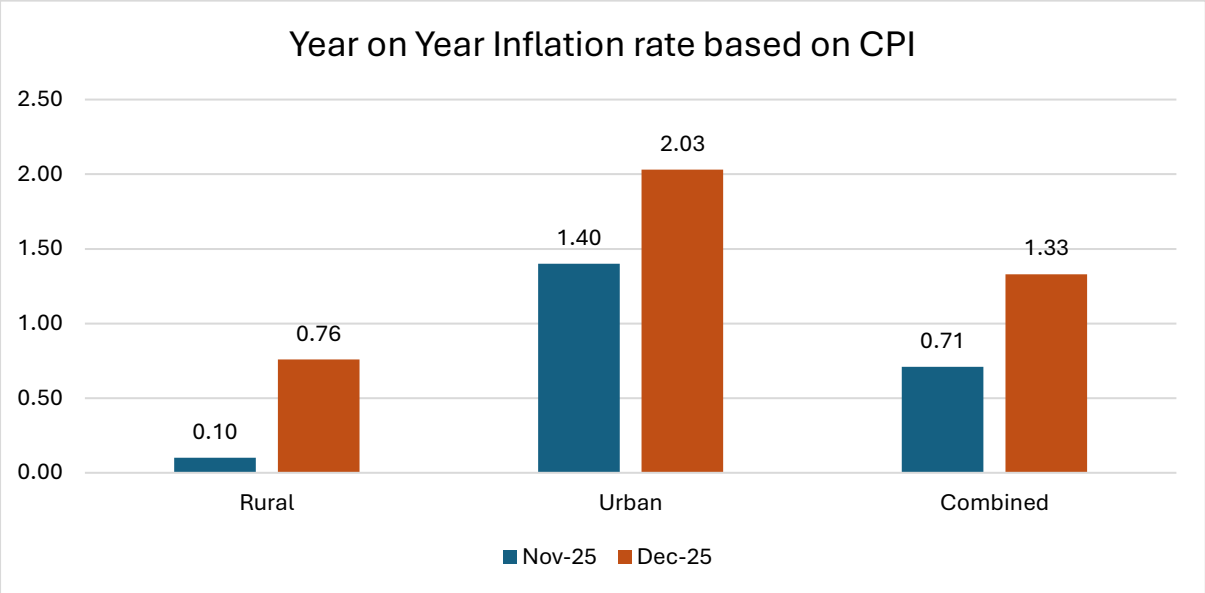
Major Highlights:

- Real GDP has been estimated to grow by 7.4% in FY 2025-26 against the growth rate of 6.5% during FY 2024-25.
- Nominal GDP is estimated to grow at 8.0% in FY 2025-26.
- Buoyant Growth in Services Sector has been found to be a major driver in the estimated Real GVA growth rate of 7.3% in FY 2025-26.
- Financial, Real Estate & Professional Services and Public Administration, Defence & Other Services in the Tertiary Sector have been estimated to attain a substantial growth rate of 9.9% at Constant Prices in FY 2025-26.
- Trade, Hotels, Transport, Communication & Services related to Broadcasting Sector has been estimated to grow by 7.5% at Constant Prices in FY 2025-26.
- Manufacturing and Construction in the Secondary Sector has been estimated to achieve a growth rate of 7.0% at Constant Prices in FY 2025-26.
- Agriculture & Allied Sector (3.1%) and Electricity, Gas, Water Supply & Other Utility Services Sector (2.1%) have seen moderate growth rate in GVA at Constant Prices during FY 2025-26.
- Real Private Final Consumption Expenditure (PFCE) has been estimated to attain a growth rate of 7.0% during FY 2025-26.

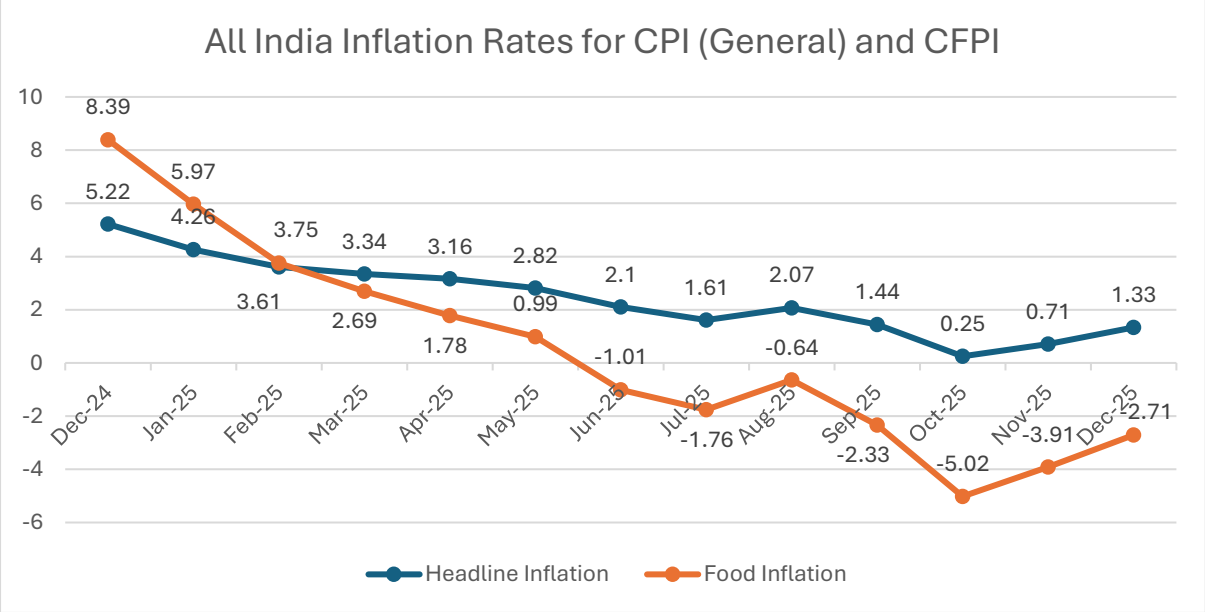
Source: *MOSPI, Press Release, 7 January 2026, Govt. of India (GoI).*

2.3 Consumer Price Index (CPI)

The year-on-year inflation rate, based on the All-India Consumer Price Index (CPI), stood at a 1.33% (Provisional) in December 2025, compared to December 2024. This represented an increase of 62 basis points in headline inflation of December 2025 in comparison to November 2025. In contrast, October 2025 over October 2024 is 0.25% (Provisional). There is decrease of 119 basis points in headline inflation of October 2025 in comparison to September 2025. It is the lowest year-on-year inflation of the current CPI series.



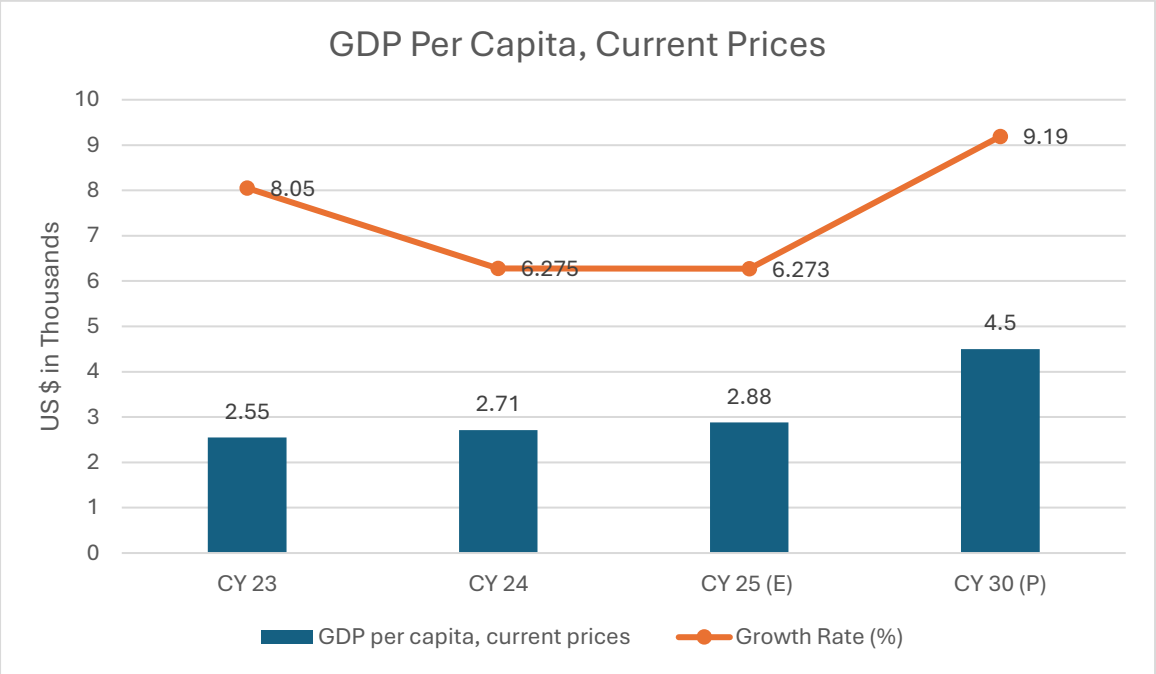
Source: MOSPI, GOI



Source: MOSPI, GOI

2.4 India Per Capita GDP Forecast

Per capita GDP growth for India is estimated at 9.19 % CAGR between CY2025-CY2030. Increased individual incomes are expected to create additional discretionary spending, which may be beneficial for the sector.



Note: E = Estimated, P = Projected

Source: IMF Data Mapper, World Economic Outlook April 2025, India, GDP Per Capita

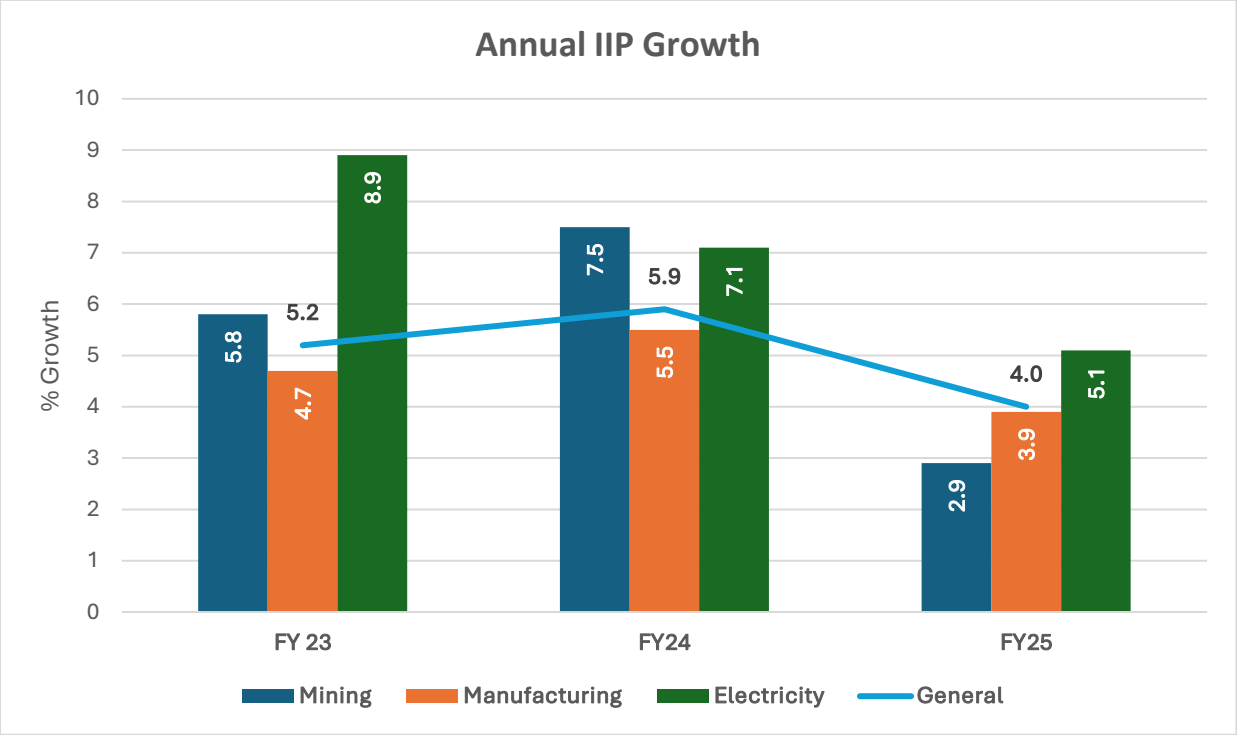
2.5 Index of Industrial Production (IIP) Growth Trends:

As per the Index of Industrial Production (IIP), the industrial sector grew by 4.0% in FY 2025, moderating from 5.9% in FY 2024 and 5.2% in FY 2023. This deceleration in overall IIP growth in FY 2025 reflects a softening of industrial momentum amidst global headwinds and tighter financial conditions.

Among key components:

- **Manufacturing** (which holds a 77.6% weight in IIP) registered a slower growth of 3.9% in FY 2025, compared to 5.5% in FY 2024 and 4.7% in FY 2023.
- **Mining** growth also moderated sharply to 2.9% in FY 2025 from 7.5% in FY 2024 and 5.8% in FY 2023.
- **Electricity** growth remained relatively stable at 5.1% in FY 2025, slightly down from 7.1% in FY 2024 and significantly lower than 8.9% in FY 2023.

This slowdown indicates tightening domestic demand and spillover effects from a weaker global industrial cycle.



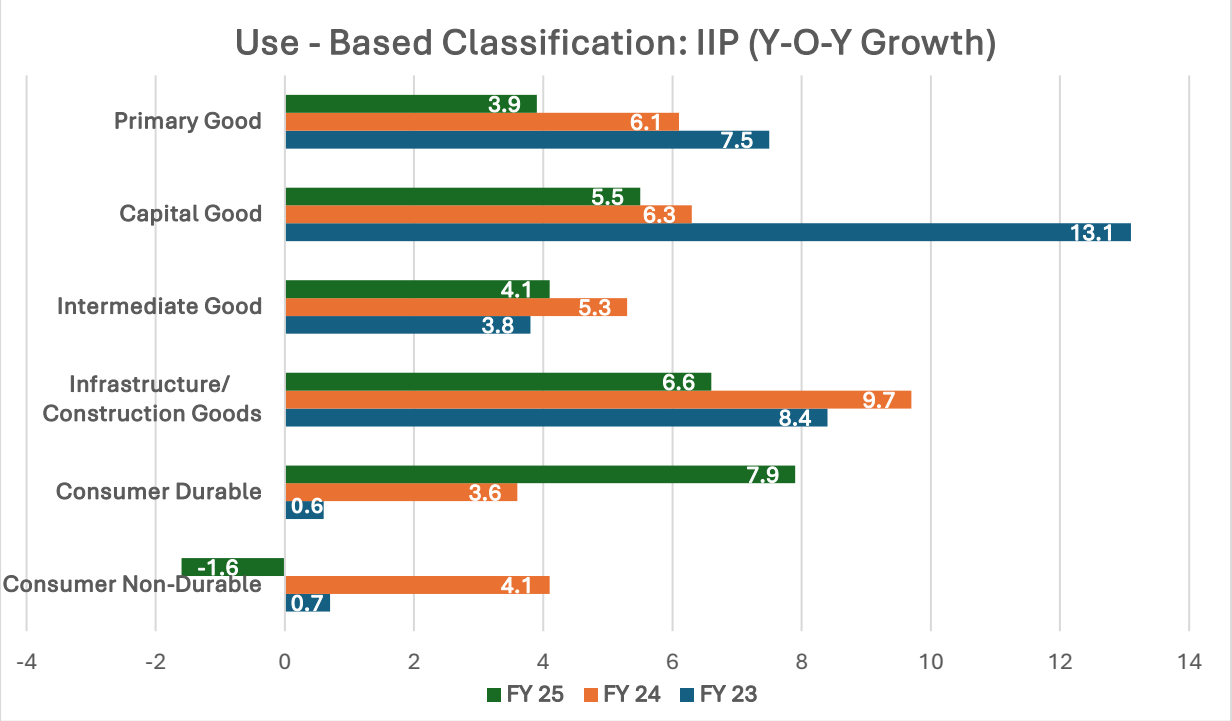
Source: Ministry of Statistics & Programme Implementation (MOSPI)

Latest IIP data in Oct'25 remains a tad low amid less activity during festival times

The Index of Industrial Production (IIP) slows a tad at 0.4% during Oct'25 due to less working days available amid festivals. The growth rates of the three sectors, Mining, Manufacturing and Electricity for the month of October 2025 are (-) 1.8 percent, 1.8 percent and (-) 6.9 percent respectively. Lower demand in October 2025 and subsequent decline in electricity generation was driven by extended rainfall season and comfortable ambient temperature across multiple States/UTs.

Source: Quick Estimate of Index of Industrial Production and Use-Based Index for the Month of October 2025, MOSPI, December 01, 2025 Release

Use-Based Classification Trends:



Source: Ministry of Statistics & Programme Implementation (MOSPI)

According to the use-based classification:

- Capital Goods segment growth slowed to 5.5% in FY 2025, down from a high of 13.1% in FY 2023 and 6.3% in FY 2024, indicating a reduction in investment momentum.
- Primary Goods also witnessed slower growth at 3.9%, compared to 6.1% in FY 2024 and 7.5% in FY 2023.
- Intermediate Goods rebounded modestly to 4.1% in FY 2025, up from 3.8% in FY 2023, although still lower than 5.3% in FY 2024.

- Infrastructure/Construction Goods slowed to 6.6% in FY 2025 from 9.7% in FY 2024 and 8.4% in FY 2023, pointing to softening construction and infrastructure activity.
- Consumer Durables grew significantly by 7.9%, rebounding from 3.6% in FY 2024 and 0.6% in FY 2023, indicating improved demand in consumer electronics and appliances.
- In contrast, Consumer Non-Durables contracted by 1.6% in FY 2025, reversing the 4.1% growth in FY 2024, likely reflecting subdued rural and essential goods demand.

The divergence in growth across segments suggests an uneven industrial recovery in FY 2025. While certain consumer categories have rebounded, investment-related and primary sectors remain under pressure.

The latest growth rates of IIP as per Use-based classification in October 2025 over October 2024 are (-)0.6 percent in Primary goods, 2.4 percent in Capital goods, 0.9 percent in Intermediate goods, 7.1 percent in Infrastructure/ Construction Goods, (-) 0.5 percent in Consumer durables and (-)4.4 percent in Consumer non-durables. Based on use-based classification, top three positive contributors to the growth of IIP for the month of October 2025 are Infrastructure/ construction goods, Intermediate goods and Capital goods.

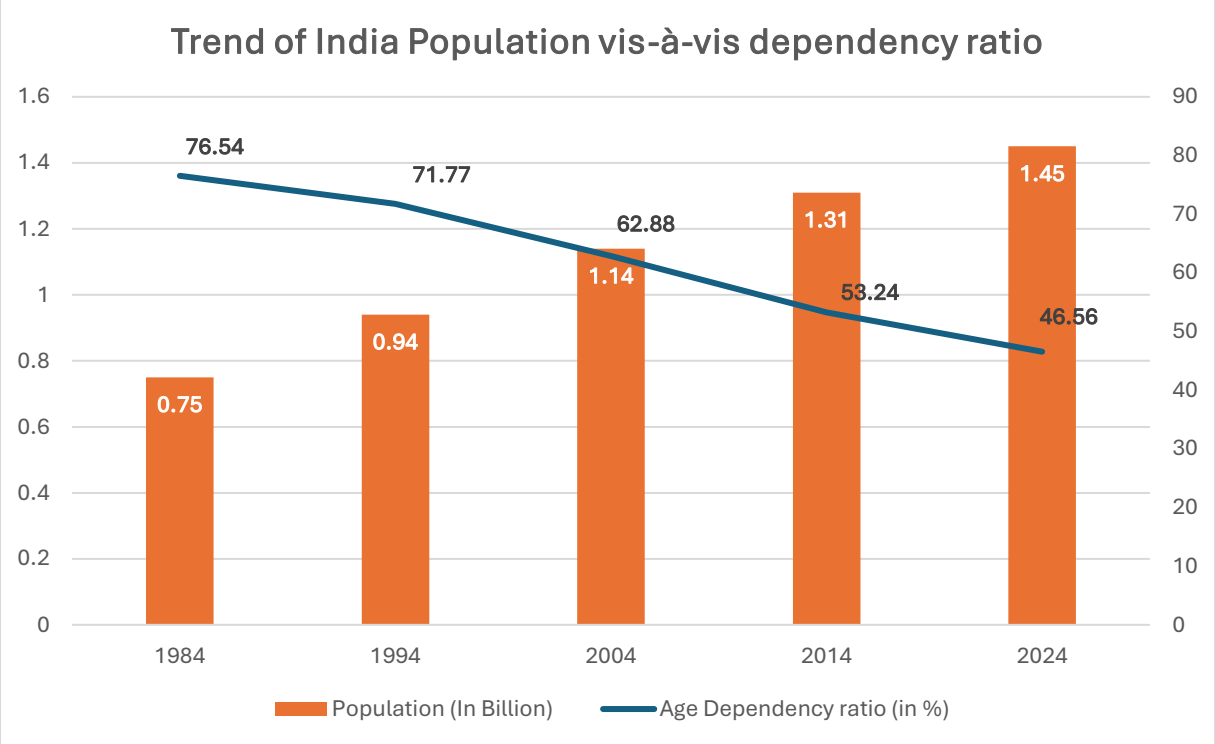
2.6 Overview on Key Demographic Parameters

2.6.1 Population growth and Urbanization

India's economic trajectory and consumption dynamics are closely tied to its demographic shifts. According to the World Bank, India's population expanded from approximately 0.75 billion in 1984 to 1.45 billion in 2024, consolidating its position as the world's most populous nation. This growth underlines the emergence of a vast labour force and consumer base, essential for driving sustained economic progress.

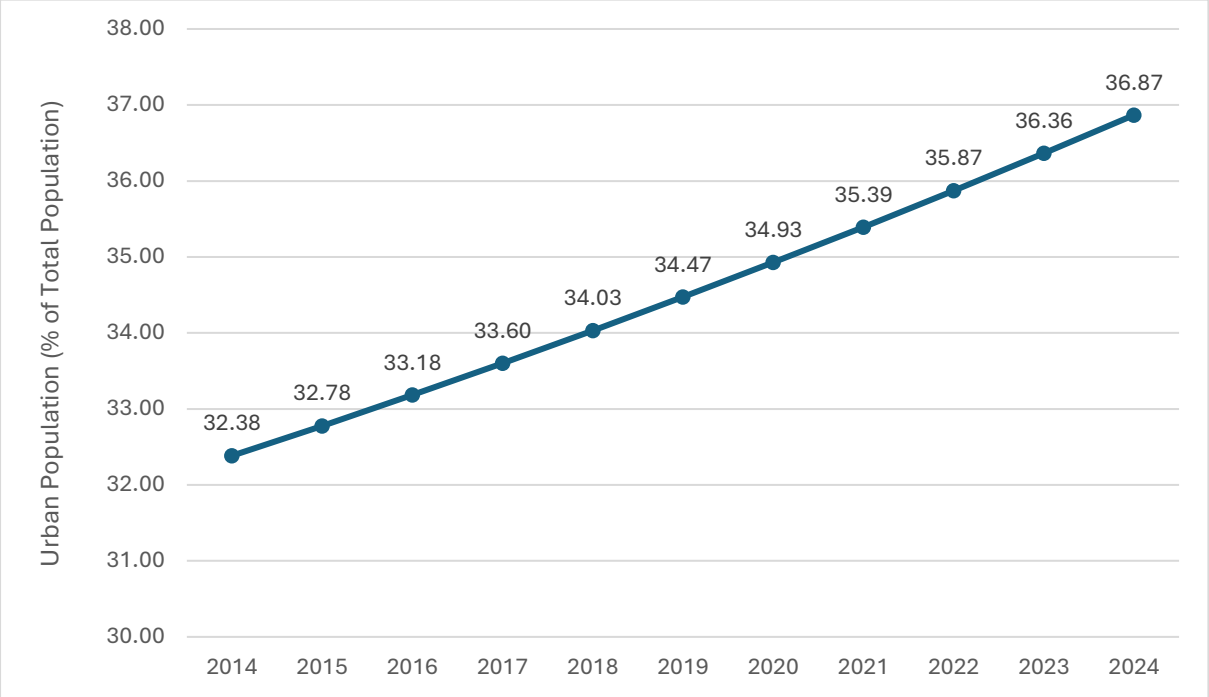
A key demographic indicator—the age dependency ratio—has witnessed a steady decline over the last four decades. From a high of 76.54% in 1984, it reduced to 71.77% in 1994, 62.88% in 2004, and 53.24% in 2014, before reaching a low of 46.56% in 2024. This downward trend signifies that for every 100 working-age individuals, there are now fewer than 47 dependents, compared to over 76 dependents in the mid-1980s. Such a shift reflects a growing share of the working-age population, unlocking India's demographic dividend—a critical driver of productivity, savings, and investment.

Together, the rising total population and declining dependency ratio provide a dual advantage: a larger workforce capable of supporting economic activity and a lower demographic burden, which allows for higher disposable incomes and consumption growth. These demographic fundamentals form a strong backbone for India's long-term economic and private consumption expansion.



Source: World Bank Database, Infomerics Analytics & Research

Urbanization Trend in India



Source: World Bank Database

Urbanization, too, is transforming India's socio-economic fabric. The urban population rose from 424.96 million in 2014 (32.38% of total population) to 522.93 million in 2023 (36.36%), and further to approximately 534.91 million in 2024 (36.87%), according to World Bank estimates. This rapid growth in urban areas underscores the need for sustainable urban planning, investment in infrastructure, and development of smart cities to accommodate and benefit from the shifting population dynamics.

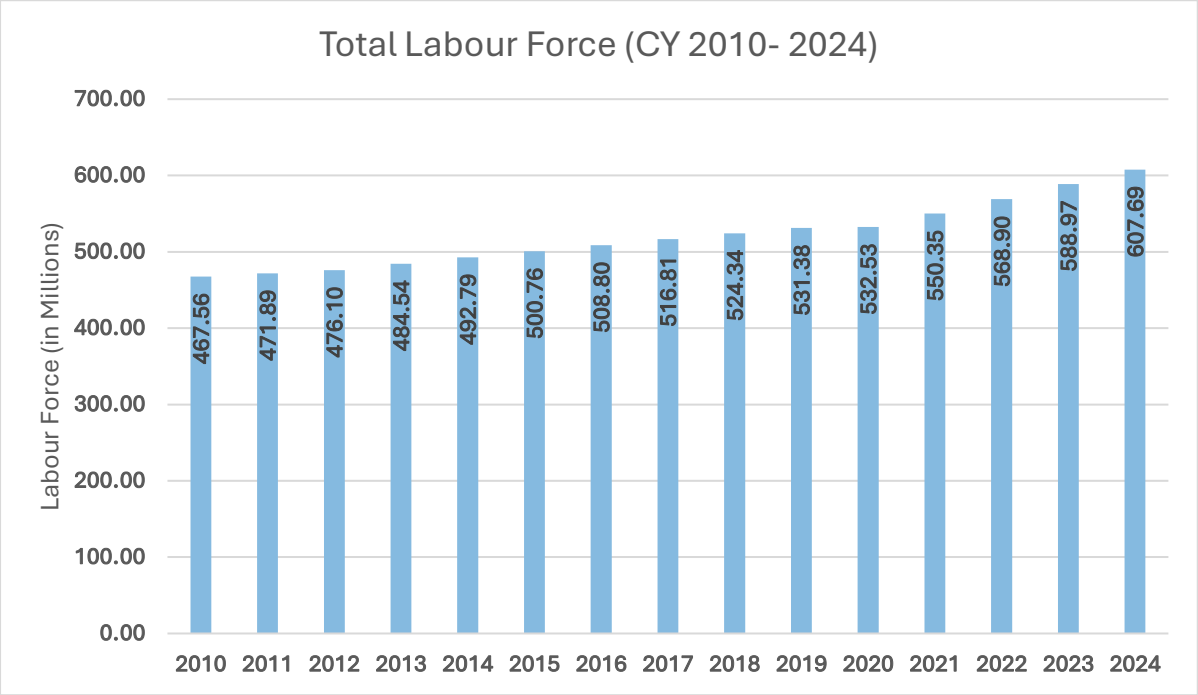
2.6.2 Labour Force in India

India's labour force has experienced significant growth over the past decade. In 2010, the total labour force was approximately 467.56 million. By 2024, this number had increased to 607.69 million, reflecting a Compound Annual Growth Rate (CAGR) of 1.89% over the 14-year period.

This upward trend underscores the expanding working-age population and the country's ongoing economic development. However, it also highlights the need for effective employment policies to ensure that the growing labour force is adequately absorbed into productive sectors.

The labour force participation rate (LFPR) has also seen fluctuations, influenced by various socio-economic factors. As of 2024, the LFPR stood at 45.1%, indicating the percentage of the working-age population that is either employed or actively seeking employment.

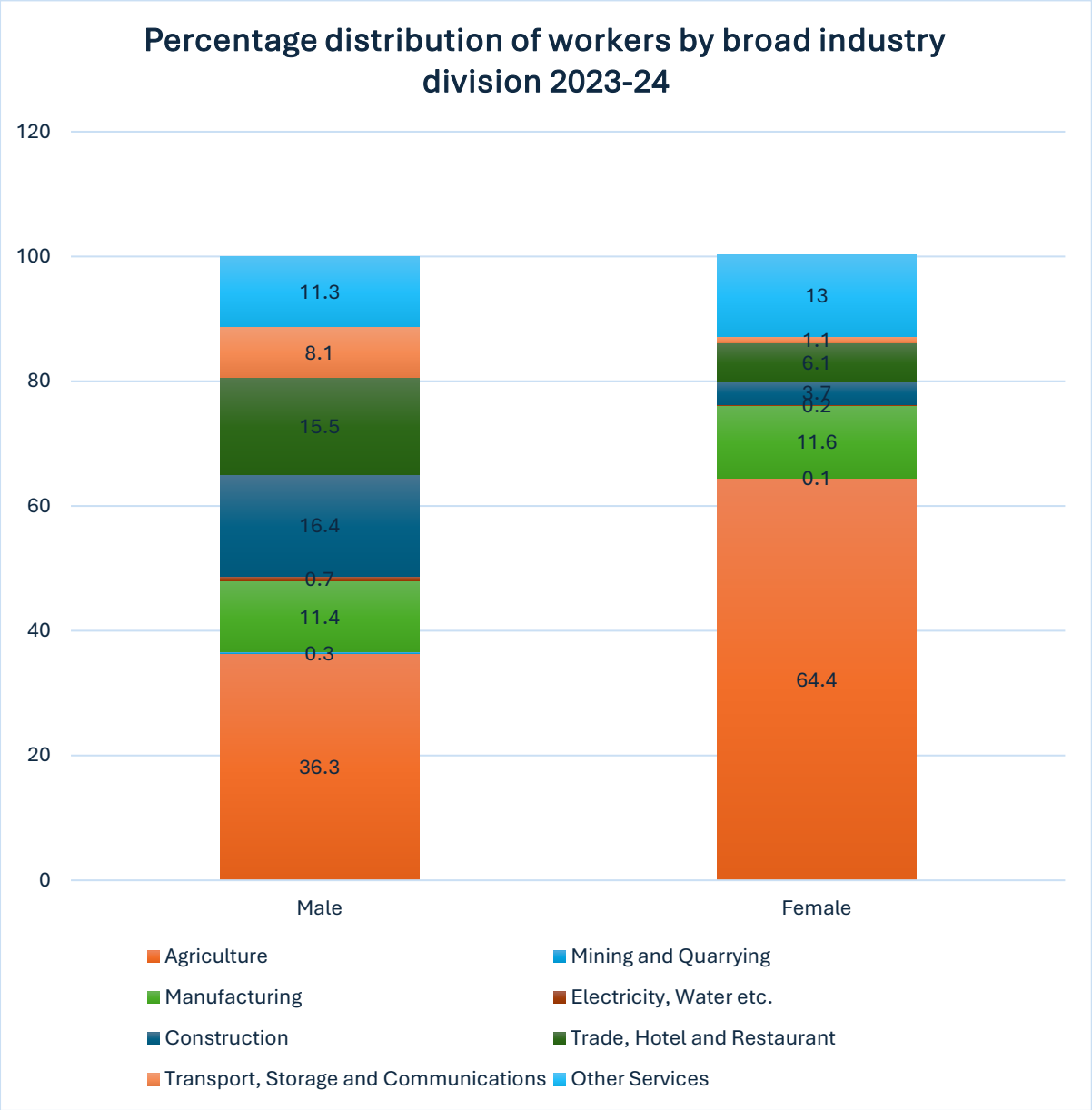
These statistics emphasize the importance of implementing strategies that not only create employment opportunities but also enhance the quality and inclusivity of jobs across different sectors of the economy.



Source: World Bank Database

2.6.3 Breakdown of Employment by Sector

According to the Periodic Labour Force Survey (PLFS) 2023–24, the employment distribution across various sectors exhibits distinct gender-based patterns. A significant portion of male workers are engaged in agriculture, followed by notable participation in construction, manufacturing, and trade-related activities. In contrast, female workers are predominantly employed in agriculture, with considerable involvement in manufacturing and other services sectors. While female representation in trade and construction is lower compared to males, Additionally, a substantial proportion of employed women are self-employed, often contributing as unpaid helpers in household enterprises or operating small businesses, indicating a reliance on informal employment avenues.

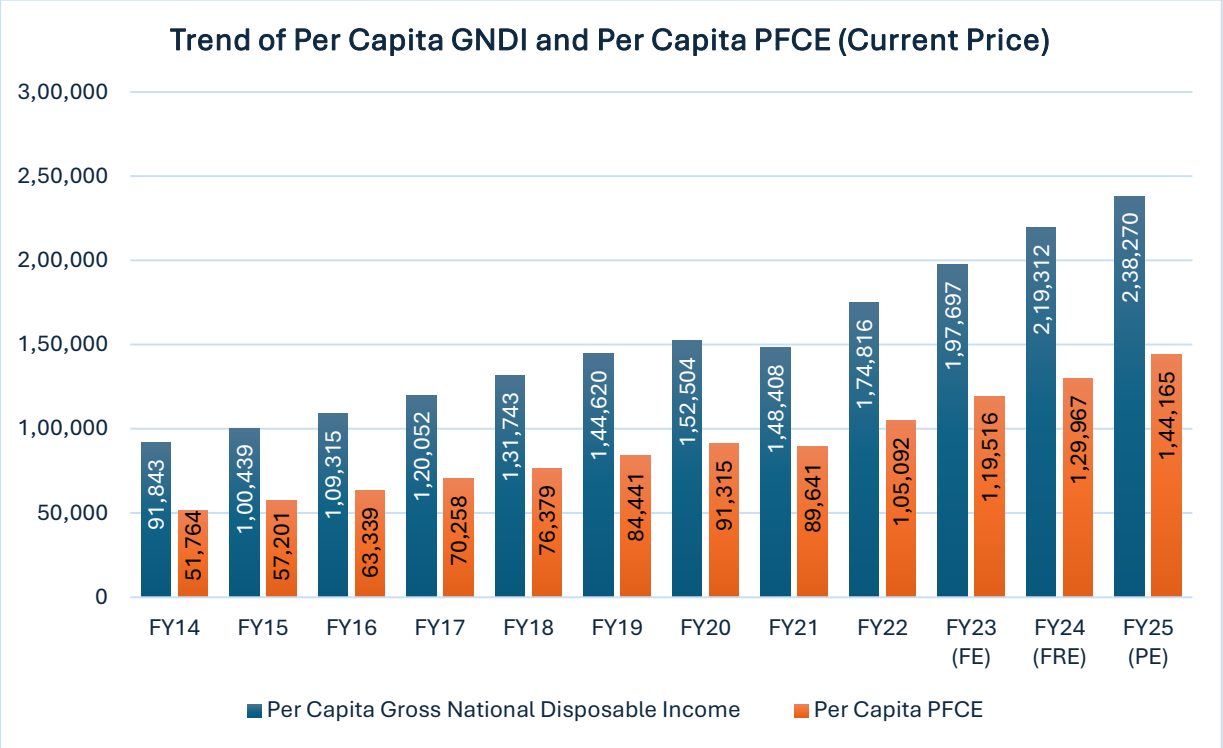


Source: Annual Report 2023-24, Periodic Labour Force Survey

2.6.4 Disposable Income and Consumer Spending

Gross National Disposable Income (GNDI) represents the total income available to a nation's residents for consumption and saving after accounting for income transfers with the rest of the world. In FY24, Per capita GNDI grew by 10.9%, followed by a moderate growth of 8.6% in FY25. This steady increase indicates that households and businesses had more income at their disposal, which is critical for supporting both consumption and savings—key components of economic resilience and expansion.

The rise in GNDI has translated into higher consumer spending, as reflected in the growth of Private Final Consumption Expenditure (PFCE), which measures the total value of goods and services consumed by households. Per Capita PFCE grew by 8.7% in FY24 and further accelerated to 10.9% in FY25, highlighting strong consumer confidence and robust domestic demand.



Note: Data mentioned is in INR, FE – Final Estimates, FRE – First Revised Estimates, PE – Provisional Estimate; Source: PIB, *Provisional estimates of GDP 2024-25 released on May 30th, 2025*

2.7 Union Budget FY26-27 Highlights

The Union Budget FY 2026–27, presented by Finance Minister Nirmala Sitharaman, introduces a comprehensive set of measures aimed at stimulating economic growth, enhancing infrastructure, and fostering inclusive development. With a focus on sectors such as agriculture, MSMEs, infrastructure, innovation, and exports, the budget seeks to create a conducive environment for sustained economic expansion.

- **Capital Expenditure and Infrastructure Development**

In FY2026-27, the Union Budget has increased the public capex towards to ₹12.2 lakh crore from the previous ₹11.21 lakh crore (3.1% of GDP) which was earmarked in FY 2025–26. To strengthen the confidence of private developers regarding risks during infrastructure development and construction phase, the budget proposed to set up an Infrastructure Risk Guarantee Fund to provide prudently calibrated partial credit guarantees to lenders.

- **Support for MSMEs**

Recognizing the pivotal role of Micro, Small, and Medium Enterprises (MSMEs) in India's economic landscape, the budget introduced a three-pronged approach to support the sector. The budget introduced a dedicated ₹10,000 crore SME Growth Fund as well as proposed to top up the Self-Reliant India Fund set up in 2021, with ₹2,000 crore to continue support to micro enterprises and maintain their access to risk capital. With TReDS, more than ₹7 lakh crore has been made available to MSMEs. To leverage its full potential, the budget further proposed four measures: (i) mandate TReDS as the transaction settlement platform for all purchases from MSMEs by CPSEs, serving as a benchmark for other corporates; (ii) introduce a credit guarantee support mechanism through CGTMSE for invoice discounting on TReDS platform; (iii) link GeM with TReDS for sharing information with financiers about government purchases from MSMEs, encouraging cheaper and quicker financing; (iv) introduce TReDS receivables as asset-backed securities, helping develop a secondary market, enhancing liquidity and settlement of transactions. Moreover, Government will facilitate Professional Institutions such as ICAI, ICSI, ICMAI to design short-term, modular courses and practical tools to develop a cadre of 'Corporate Mitras', especially in Tier-II and Tier-III towns, which will help MSMEs meet compliance requirements at affordable costs.

- **Agriculture Related Schemes**

To diversify farm outputs, increase productivity, enhance farmers' incomes, and create new employment opportunities, the budget announced support schemes related to high value crops such as coconut, sandalwood, cocoa and cashew in coastal areas. Agar trees in Northeast and nuts such as, almonds, walnuts and pine nuts in hilly regions will also be supported. India is the world's largest producer of coconuts. About 30 million people, including nearly 10 million farmers, depend on coconuts for their livelihood. To further

enhance competitiveness in coconut production, the Budget proposed a Coconut Promotion Scheme to increase production and enhance productivity through various interventions including replacing old and non-productive trees with new saplings/plants/varieties in major coconut growing States. A dedicated programme is proposed for Indian cashew and cocoa to make India self-reliant in raw cashew and cocoa production and processing, enhance export competitiveness and transform Indian Cashew and Indian Cocoa into premium global brands by 2030. Further, the Central Government will partner with State Governments to promote focused cultivation and post-harvest processing to restore the glory of the Indian Sandalwood ecosystem. To rejuvenate old, low-yielding orchards and expand high-density cultivation of walnuts, almonds and pine nuts, the budget announced to support a dedicated programme to enhance farmer incomes and in bringing value addition by engaging youth.

The Union Budget FY 2026–27 presents a balanced approach to economic growth by addressing immediate consumption needs and laying the foundation for long-term sustainability. Through targeted investments in infrastructure, support for MSMEs, and sector-specific initiatives, the budget aims to foster an inclusive and resilient economy. These measures are expected to create new opportunities for financial institutions, as the growing demand for investment products will provide avenues for expansion and innovation in the financial services sector.

3. Industry Overview – Nuts and Dry Fruits Industry

3.1 Introduction

The global Nuts and Dry Fruits Industry constitute a critical segment of the international food, nutrition, and agricultural value chain. It comprises a broad spectrum of high-value commodities including almonds, cashews, pistachios, walnuts, hazelnuts, raisins, apricots, figs, dates, prunes, berries, and specialised mixed formulations. The industry integrates multiple stages—cultivation, harvesting, shelling, drying, grading, sorting, processing, packaging, storage, logistics, and distribution—supported by increasingly sophisticated global sourcing networks across major producing regions.

Rapid evolution in consumer dietary preferences has positioned nuts and dry fruits as core components of household consumption, institutional procurement, and industrial food processing. Strong emphasis on natural, nutrient-dense, and clean-label foods has driven consistent demand across retail, e-commerce, and modern trade channels. At the industrial level, nuts and dry fruits serve as essential ingredients for bakery, confectionery, chocolates, dairy analogues, ready-to-eat (RTE) foods, breakfast cereals, snack foods, and nutraceutical formulations, creating deep linkages with multiple downstream sectors.

The industry is characterised by advanced processing and handling technologies, including moisture-controlled dehydration, roasting and flavouring systems, sulphur-free drying, optical sorting, controlled-atmosphere storage (CAS), vacuum and nitrogen-flush packaging, and integrated cold-chain distribution. These technologies ensure quality preservation, enhance shelf life, and enable the scaling of premium packaged products for mass and niche markets.

With extensive cross-border trade, the industry operates through complex global supply chains influenced by seasonal harvest cycles, varietal characteristics, and origin-specific quality benchmarks. Importers, exporters, traders, processors, wholesalers, and branded FMCG players form a diverse ecosystem that supports both bulk commodity movement and value-added consumer products. The growth of organised retail, online grocery platforms, and B2B distribution networks has further expanded the market footprint, strengthening the integration of nuts and dry fruits into mainstream consumption across households, institutions, and the broader food processing industry.

3.2 Market Segmentation

1. Based on Product Category

Product Category	Description
Tree Nuts • Almonds • Walnuts • Cashews • Pistachios • Hazelnuts • Pecans • Macadamias • Pine Nuts • Brazil Nuts	Premium nutrient-rich nuts high in protein, healthy fats, vitamins, and antioxidants. Widely consumed as snacks and extensively used in bakery, confectionery, chocolates, dairy, plant-based beverages, and functional health-food formulations. Demand driven by premiumisation, expanding health awareness, and global dietary shifts toward clean-label and protein-dense foods.
Groundnuts • Peanuts	High-volume and cost-effective edible nut segment used in snacking, peanut butter, confectionery, savoury foods, and industrial-scale oil extraction. Groundnuts serve as a key protein and energy source across developing markets. Demand is supported by rising processed food consumption, growth of peanut butter, and expanding applications in plant protein and value-added snacks.
Dry Fruits • Dried Grapes • Dates • Figs • Apricots • Prunes • Dehydrated Berries	Naturally sweet, fibre- and antioxidant-rich fruits produced through drying/dehydration. Used in bakery, cereals, confectionery, trail mixes, yogurt toppings, festive gifting, and nutraceuticals. Demand accelerated by clean-label preferences, sugar-replacement trends, and the shift towards functional and convenient nutrition.

2. Based on Form

Form	Description
Raw/Whole	Minimally processed products sold directly for retail and institutional consumption.
Roasted	Heat-treated products enhancing flavour profile and extending shelf stability.
Flavoured	Value-added variants coated with sweet, spicy or seasoning blends targeted at the snacking segment.
Powdered/Paste	Almond flour, nut butters, seed powders and berry extracts used in bakery, beverages and health-food formulations.

3. Based on End Use

End-Use Segment	Description
Household/Retail	Packaged nuts, seeds and berries consumed directly or used in home cooking and baking.
Food Processing Industry	Bulk usage by manufacturers of chocolates, biscuits, cereals, ice creams, muesli, protein bars and nutraceuticals.
HoReCa	Demand from hotels, restaurants, cafés and catering services for toppings, garnishes and recipe inclusions.
Nutraceuticals and Health Supplements Industry	Used in dietary supplements, protein powders, health bars, functional foods, and wellness products for nutrition enhancement.
Cosmetics and Personal Care Industry	Nuts, seeds, and extracts used in skincare, haircare, and personal care formulations for their natural oils, vitamins, and antioxidants.
Agriculture and Horticulture Industry	Use in value-added products, seed propagation, and experimental cultivation for premium nut and berry varieties.

4. Based on Distribution Channel

Channel	Description
Modern Trade	Supermarkets and hypermarkets offering branded and premium packaged formats.
General Trade	Traditional retail stores and kirana outlets serving price-sensitive customers.
E-commerce	Rapidly growing channel for premium, organic and imported offerings with subscription-led demand.
Institutional/B2B	Direct bulk supply to food processors, bakeries, HoReCa and industrial buyers.

5. Based on Packaging Format

Packaging Type	Description
Pouches	Standard retail packaging for mass and mid-priced products.
Stand-up/Zipper Packs	Premium resealable packs with extended convenience and shelf appeal.
Jars/Containers	Used for premium mixes, flavoured assortments and high-value SKUs.
Bulk Packaging	Used for B2B supply to processors and institutional customers.

3.3 Value Chain Analysis

The nuts and dry fruits industry value chain encompasses a series of interconnected activities, ranging from agricultural production to end consumption. Each stage contributes to value addition, quality differentiation, cost structure and margin profile, and is influenced by factors such as agro-climatic conditions, technological adoption, scale of operations, regulatory compliance and market demand.

1. Cultivation & Procurement

The value chain begins with cultivation and procurement. In India, domestic production supports crops such as groundnuts and certain dry fruits, including raisins. Tree nuts such as almonds, pistachios and walnuts are produced in limited quantities due to climatic constraints, necessitating imports to meet domestic demand. Cultivation activities include land preparation, sowing, irrigation, fertiliser application, pest management and harvesting. Post-harvest, raw produce is aggregated through farmer producer organisations, cooperatives, local traders and commission agents. For imported nuts and dry fruits, procurement occurs through long-term sourcing arrangements or spot purchases from overseas suppliers. Pricing and availability at this stage are influenced by crop yields, global commodity prices, seasonal variations and currency fluctuations.

2. Cleaning, Grading & Sorting

After procurement, nuts and dry fruits undergo primary processing, which involves cleaning to remove foreign matter, grading based on size and quality, and sorting to separate defective or damaged pieces. This stage ensures consistent product quality, reduces wastage, and prepares the produce for further processing or direct sale. Effective grading and sorting are critical for meeting both domestic and export quality standards.

3. Shelling & Processing

Processing is the core value-adding stage in the industry. Nuts are shelled, cracked, roasted, blanched or chopped, while dry fruits may be dehydrated, sulphured or moisture stabilised.

In addition, products may be mixed or blended to create assortments, trail mixes, customised formulations or ready-to-consume packs. Processing not only enhances product quality, safety and shelf life, but also enables premiumisation and catering to diverse consumer preferences. India has developed strong processing capabilities in segments such as cashews and groundnuts, supporting both domestic consumption and exports.

4. Packaging & Labelling

Packaging and labelling are integral to preserving product quality, ensuring compliance with regulatory standards and enhancing brand recognition. Products are packaged in bulk formats for institutional buyers and exports, and in retail packs for consumers. Packaging types include vacuum-sealed pouches, jars, tins and nitrogen-flushed packs, designed to maintain freshness and prevent contamination. Branding and labelling provide information on product type, weight, nutritional value, certifications and expiry dates, contributing to consumer trust and higher realisations.

5. Storage & Logistics

Processed nuts and dry fruits require controlled storage to maintain quality and prevent moisture absorption, infestation or spoilage. Organised players use temperature- and humidity-controlled warehouses, while logistics cover transportation from processing facilities to warehouses, ports, distribution centres and retail outlets. Efficient storage and logistics minimise losses, optimise inventory cycles, and ensure timely availability across markets.

6. Distribution & Retail

Distribution channels include wholesalers, distributors, modern trade outlets, e-commerce platforms and institutional buyers such as hotels, restaurants and bakeries. Retail sales occur through supermarkets, specialty stores, online platforms and traditional kirana outlets. Distribution efficiency and network reach significantly influence market penetration and pricing. Organised retail, coupled with robust e-commerce penetration, has facilitated wider access to value-added and branded products.

7. End Consumption

The final stage of the value chain is consumption by end users. Consumption patterns are influenced by income levels, health awareness, lifestyle preferences, seasonal demand and price sensitivity. Products reaching this stage reflect cumulative value addition, including processing, packaging, branding and distribution costs. Increasing preference for ready-to-eat, hygienically packaged and value-added products has driven growth in the organised segment.

4. Global and Indian Industry Outlook – Nuts and Dry Fruits

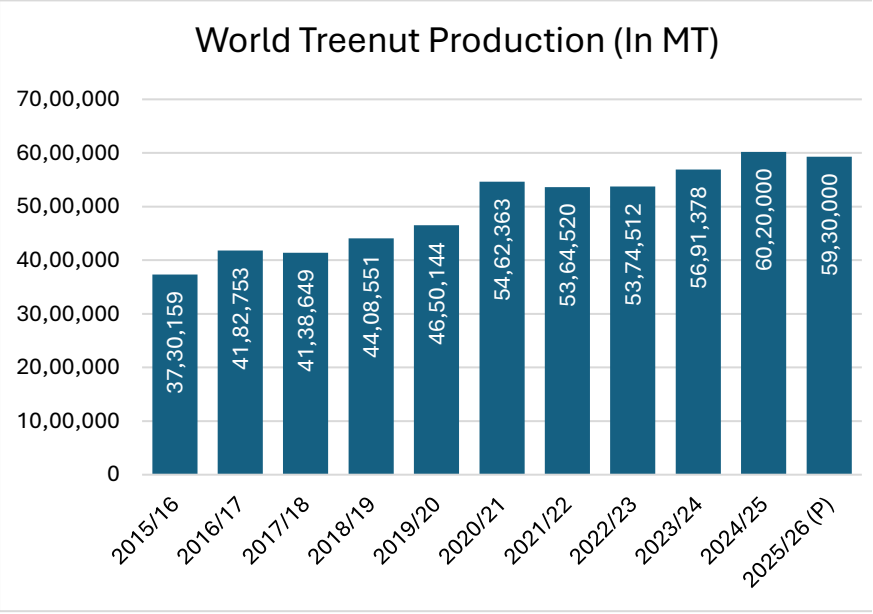
4.1 Global Nuts and Dry Fruits Industry

The global nuts and dry fruits industry has witnessed sustained expansion over the past decade, supported by rising health-conscious consumption, premiumisation of snack categories, and increasing utilisation across bakery, confectionery, dairy alternatives, cereals, and processed foods. Between 2013/14 and 2025/26, global production across the combined complex has grown consistently, reflecting both supply-side investments in major producing regions and strong downstream demand. Tree nuts, groundnuts, and dry fruits collectively account for the core of global production, each demonstrating distinct growth patterns, value dynamics, and end-use relevance.

1. Tree Nuts

The global tree nut industry has emerged as a high-growth segment within the broader agri-commodities ecosystem, driven by rising health awareness, expanding applications in food processing, and sustained demand from high-income and emerging markets. Over the past decade, production, trade, and consumption patterns have undergone significant transformation, supported by improvements in crop management, expansion of commercial orchards, and strengthening supply chains across major producing regions.

Tree nuts have become central to global food, snack, bakery, and confectionery markets, while peanuts and dry fruits complement the category as high-volume, nutrient-dense commodities witnessing comparable global demand.



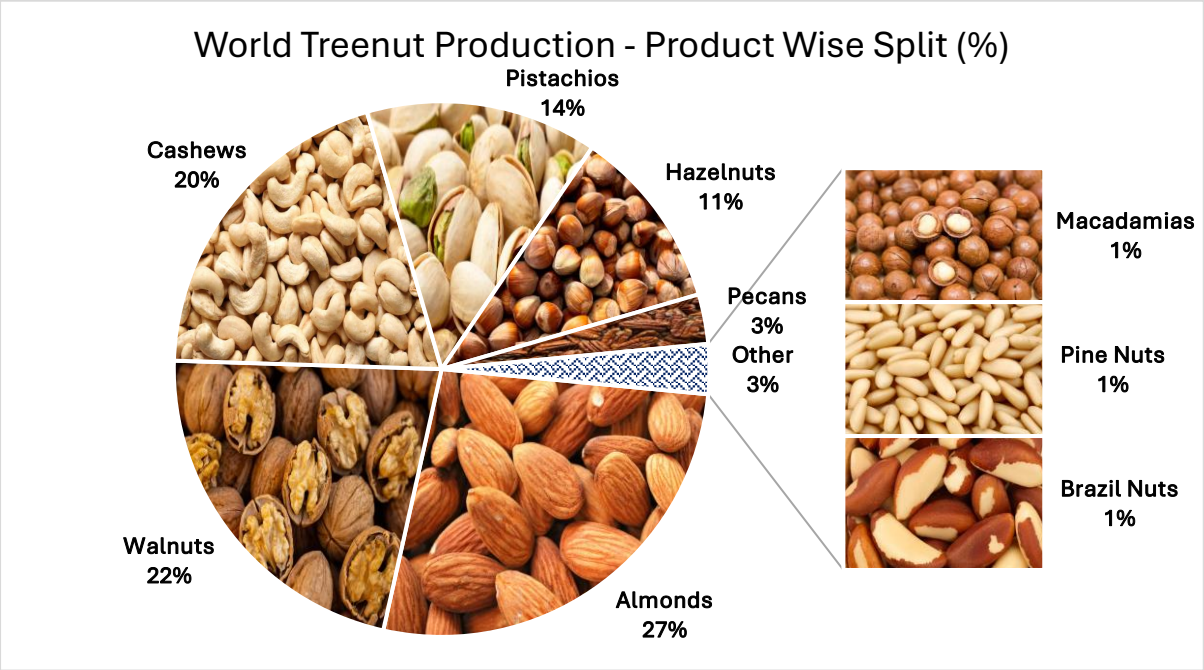
Source: Nuts & Dried Fruit Global Statistical Report-2023, 2024, 2025

Top Countries

USA (34%)

Türkiye (14%)

China (13%)



Source: Nuts & Dried Fruit Statistical Yearbook -2023, 2024, 2025 by International Nut & Dried Fruit Council

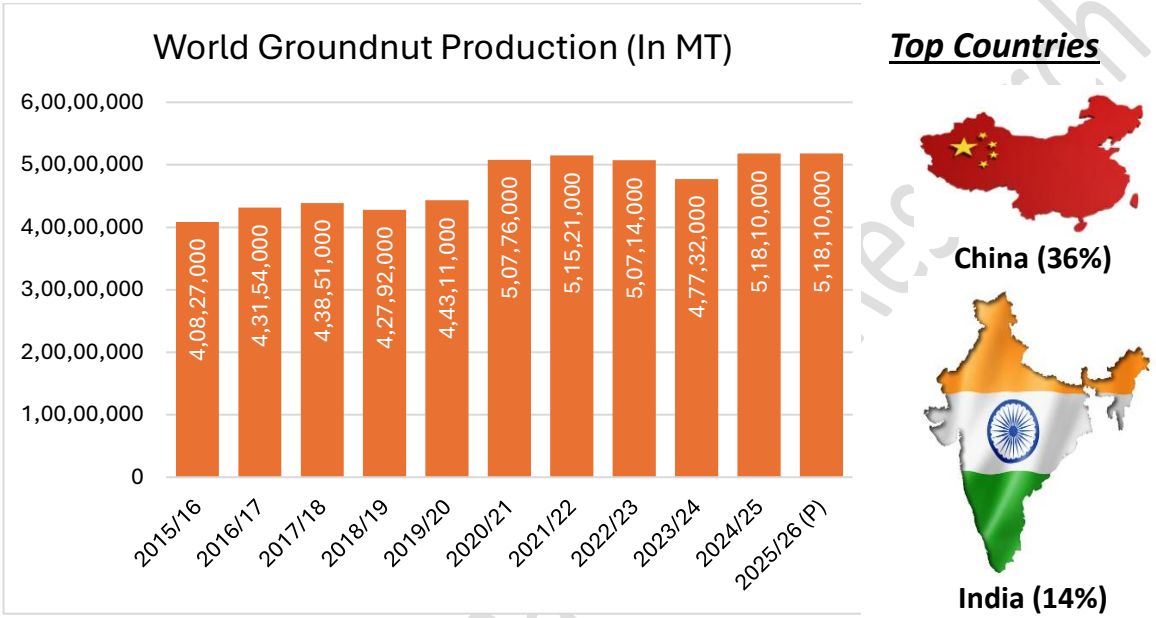
Global tree nut production has grown significantly over the past decade, increasing from 3.73 million metric tonnes (MMT) in 2015/16 to 6.02 MMT in 2024/25, and is projected at 5.93 MMT in 2025/26, reflecting a CAGR of 4.19%. This expansion has been driven by rising consumer demand for nutrient-rich, high-value tree nuts, including almonds, walnuts, cashews, pistachios, hazelnuts, pecans, and other premium varieties. These nuts are valued for their high plant-protein content, healthy fats, vitamins, and antioxidants, which have supported their growing use in snacks, plant-based beverages, bakery, confectionery, and fortified health-food products.

The global supply of tree nuts is concentrated in a limited number of countries, with the United States, Türkiye, and China collectively accounting for a substantial portion of production. Their dominance is underpinned by large-scale commercial orchards, favourable agro-climatic conditions, advanced irrigation systems, and well-developed processing and export infrastructure, which facilitate both domestic consumption and international trade.

Among tree nut varieties, almonds represent the largest share of global production at 27%, followed by walnuts (22%), cashews (20%), pistachios (14%), and hazelnuts (11%). Sustained yield improvements and strategic orchard expansion in major producing regions have reinforced supply growth, ensuring that global demand can be met across diverse applications and markets.

2. Groundnuts

The global groundnut (peanut) industry has witnessed steady growth over the past decade, supported by strong demand for edible oils, snacks, confectionery, and protein-rich ingredients across both developed and emerging markets. Groundnuts, are valued for their high protein content, healthy fats, vitamins, and versatility in food processing, making them a staple crop for human consumption and industrial applications.



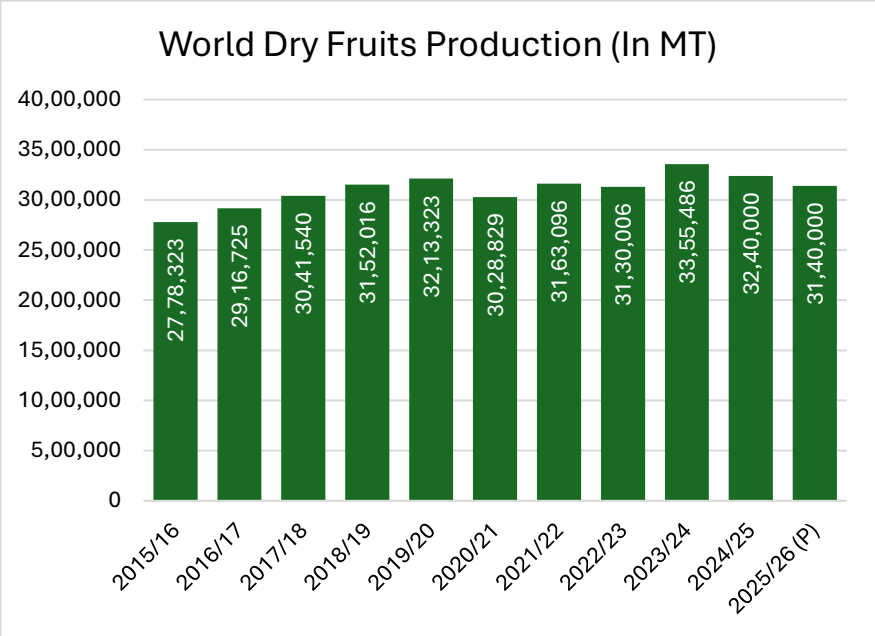
Source: Nuts & Dried Fruit Statistical Yearbook -2023, 2024, 2025 by International Nut & Dried Fruit Council

Global groundnut production expanded from 40.82 million metric tonnes (MMT) in 2015/16 to 51.81 MMT in 2024/25, and is projected to remain at 51.81 MMT in 2025/26, representing a CAGR of 2.35% over the period. While growth is lower relative to tree nuts, groundnuts remain a core raw material for edible oils, snack foods, confectionery, traditional dishes, and peanut butter. Yield improvements, adoption of high-yield varieties, and expanded cultivation areas in major producing countries have supported stable supply.

China and India together account for nearly half of global groundnut output, benefiting from favourable agro-climatic conditions, large-scale cultivation, and well-established processing infrastructure. Other producers, including Nigeria and the USA, play an important role in both domestic and export markets.

3. Dry fruits

The global dry fruits industry has shown steady performance over the past decade, supported by growing consumer preference for healthy, natural, and convenient foods. Dry fruits, including dried grapes (raisins/ sultanas), dates, figs, apricots, cranberries, prunes, and tropical fruits, are valued for their nutritional content, long shelf life, and versatility in snacking, bakery, confectionery, and health-focused products. Rising awareness of dietary fiber, antioxidants, and natural sugars has further reinforced their demand across developed and emerging markets.



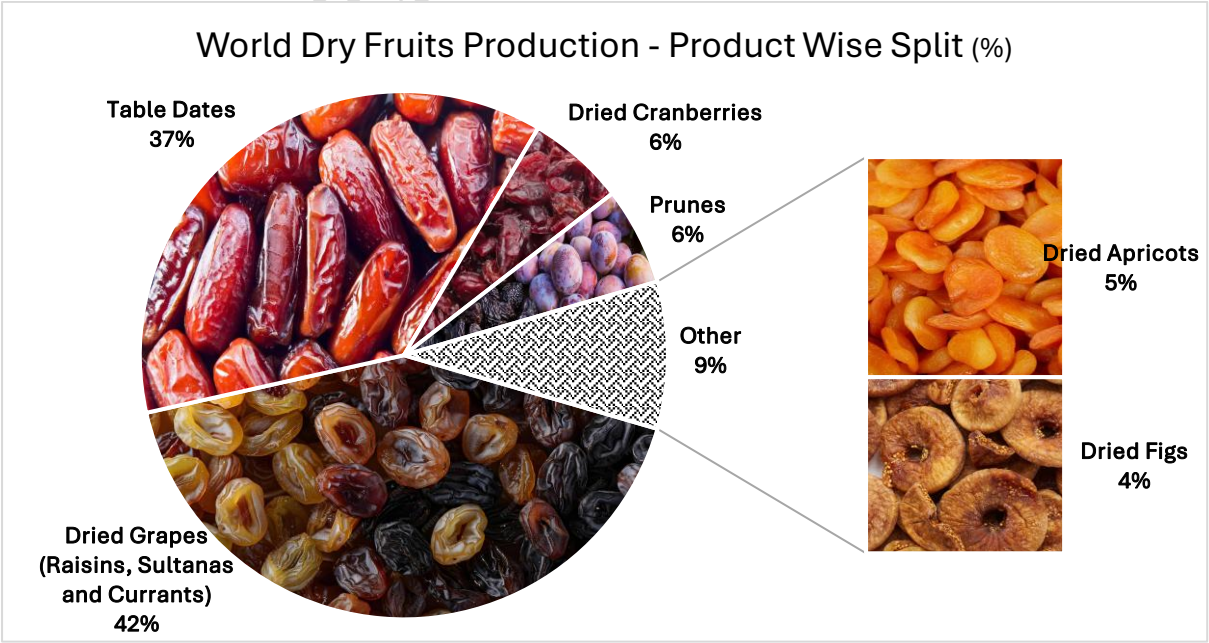
Top Countries

Iran (7%)

USA (7%)

Türkiye (7%)

Source: Nuts & Dried Fruit Global Statistical Report-2023, 2024, 2025



Source: Nuts & Dried Fruit Statistical Yearbook -2023, 2024, 2025 by International Nut & Dried Fruit Council

Global dry fruits production has increased from 2.78 million metric tonnes (MMT) in 2015/16 to 3.24 MMT in 2024/25, and is projected at 3.14 MMT in 2025/26, reflecting a CAGR of 1.86%. The segment is dominated by dried grapes (42%) and table dates (37%), together accounting for nearly four-fifths of global output. Production is concentrated in Iran, USA, and Türkiye, each contributing approximately 7%, supported by favourable climatic conditions, established processing infrastructure, and advancements in dehydration and post-harvest handling techniques. Demand is driven by applications in bakery, breakfast cereals, trail mixes, confectionery, yogurt toppings, festive gifting, and emerging nutraceutical formulations, with growth underpinned by rising preference for natural sweeteners, clean-label ingredients, and functional nutrition. Value-added products such as packaged mixes, flavoured dry fruits, and fortified variants help enhance margins in an otherwise moderately price-sensitive market.

Overall, the global nuts and dry fruits complex reflects a balanced industry outlook: tree nuts lead in growth and premium value, groundnuts dominate in scale and affordability, and dry fruits maintain steady demand driven by health-centric and natural ingredient trends.

4.2 Indian Nuts and Dry fruits Industry

The Indian nuts and dry fruits market constitutes a segment of the broader Indian Food and Beverage ("F&B") industry. The segment includes products consumed in raw, processed, or packaged forms and caters to household consumption as well as institutional, food processing, confectionery, bakery, and gifting applications. The market operates within an ecosystem influenced by agricultural availability, consumer consumption behaviour, retail channel development, and macroeconomic factors.

Indian Food and Beverage Industry Context

The Indian F&B industry has experienced sustained expansion over the past decade, supported by socio-economic development, rising disposable incomes, and evolving urban consumption patterns. The industry encompasses packaged foods, baked goods, dairy products, confectionery, snacks, and beverages, and contributes approximately 3% to India's gross domestic product while accounting for nearly two-thirds of the total retail market. The sector provides employment to more than 7.5 million individuals and supports allied sectors such as agriculture, logistics, retail, and hospitality services.

Structural Characteristics of the Operating Environment

The operating environment for the nuts and dry fruits segment is shaped by several structural characteristics of the Indian F&B industry, including:

- Availability of agricultural produce and import linkages supporting raw material sourcing.
- Cost competitiveness across processing, packaging, and distribution activities.
- Increasing urbanisation and changes in household structures influencing food consumption preferences.

Consumption and Usage Patterns

Consumption of nuts and dry fruits in India spans multiple use cases and consumer segments. These products are consumed directly in raw or processed forms, including roasted, salted, or flavoured variants, and are commonly used as snacks within households across urban and rural markets. Snacking consumption includes both between-meal intake and partial meal substitution in certain consumer segments, reflecting evolving dietary habits and lifestyle patterns.

Nuts and dry fruits are also utilised as ingredients in packaged food products such as breakfast cereals, snack bars, trail mixes, confectionery, bakery items, dairy-based products, and ready-to-eat foods. In addition to household consumption, the segment serves institutional and commercial demand from food processing companies, bakeries, confectioners, hotels, restaurants, and catering service providers. These applications

contribute to demand for nuts and dry fruits as functional and flavouring inputs within the broader food processing value chain.

Consumption patterns vary based on factors including regional dietary preferences, income levels, price sensitivity, and product availability. While loose and unbranded formats continue to account for a portion of consumption, packaged and branded offerings have gained prominence through organised retail and e-commerce channels, supporting wider access and standardisation across markets.

Factors Driving Market Expansion for Nuts and Dry fruits

1. **Rising Health Consciousness**

   Post-COVID-19, Indian consumers are increasingly focused on physical and mental well-being, driving demand for functional, organic, and plant-based foods. Nuts and dry fruits, naturally rich in nutrients, antioxidants, and healthy fats, have gained prominence as healthy snack alternatives. Key factors include:

   - 108 million health-conscious consumers actively seeking nutritious foods.
   - 70% of Indians prioritizing dietary improvements to enhance overall health.
   - Functional attributes of nuts such as high protein, omega-3 fatty acids, fibre content, and low glycemic impact enhance their appeal.

2. **Urbanization and Changing Lifestyles**

   India's rapid urbanization and the growing nuclear family structure have heightened demand for convenient and ready-to-eat products:

   - Increased female workforce participation and dual-income households support the adoption of snackable, packaged foods including nuts and dry fruits.
   - Busy lifestyles drive the popularity of on-the-go snacking, especially among millennials and Gen Z.

3. **Growing Middle Class and Rising Disposable Income**

   - India's middle-class households, currently around 60% of total households, are expected to expand further in the coming years.
   - Rising disposable income enables consumers to spend more on premium and health-oriented snacks, including nuts and dry fruits.

4. **Snacking Culture**

   Shifts in consumption patterns have increased demand for healthy snacking alternatives:

   - Traditional snack consumption, now augmented by packaged foods, has become integral across all meals.
   - Nuts and dry fruits are often consumed as nutritious snack alternatives, trail mixes, or in combination with cereals and bars.

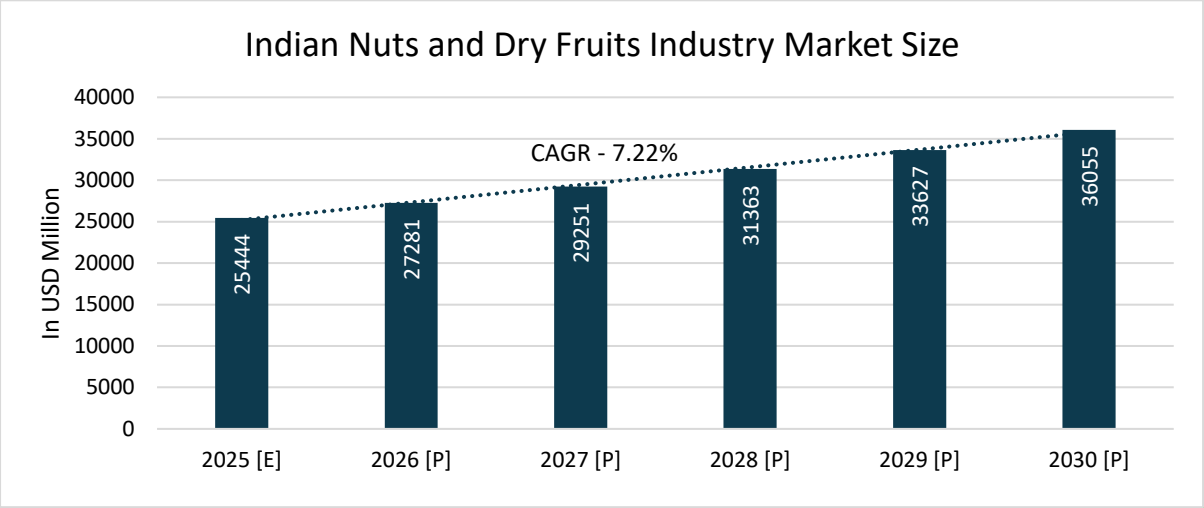
5. **E-Commerce and Retail Expansion**

   - The rise of online grocery platforms has expanded reach to tier-II and tier-III cities, improving accessibility for smaller brands.
   - Organized retail chains, supermarkets, and specialty health stores are improving packaging, branding, and shelf visibility, driving premium consumption.

6. **Product Innovation and Flavour Diversification**

   - Innovation in roasting techniques, seasoning, and mixed snack formulations is attracting new consumers.
   - Introduction of ready-to-eat and pre-portioned packs aligns with convenience and health trends.
   - New product formats such as nut spreads, bars, and fortified mixes are expanding the market beyond traditional consumption.

Market Size and Growth of Indian Nuts and Dry Fruits Industry



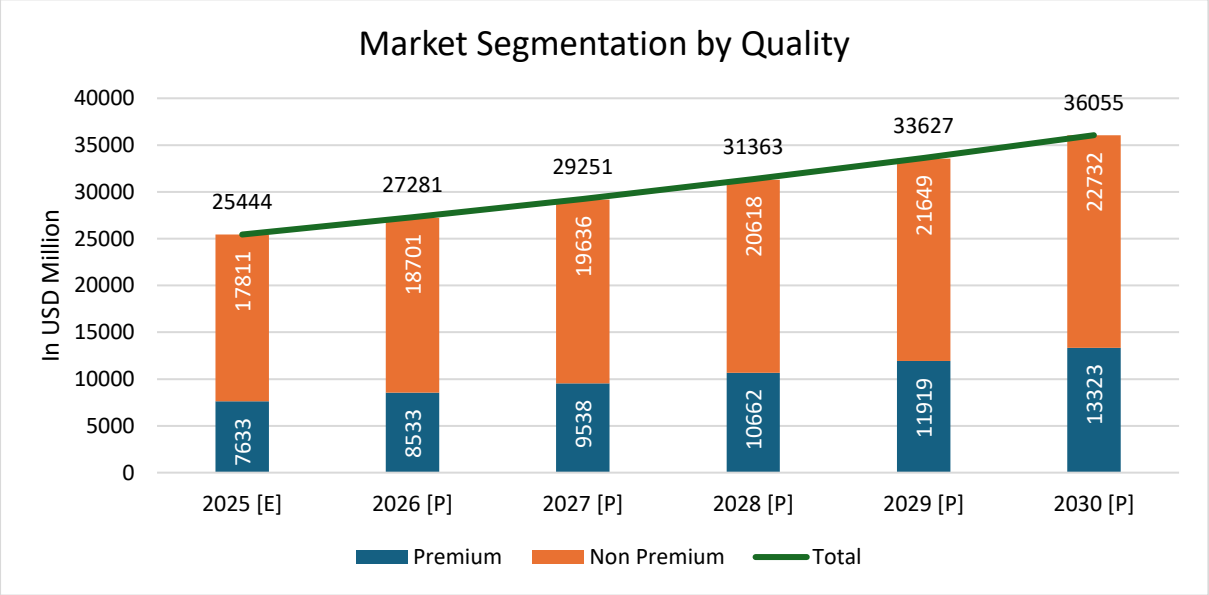
Source: Infomerics Analytics & Research

The Indian nuts and dry fruits market, is estimated at approximately USD 25444 Million in FY 2025, is projected to reach USD 36055 Million by FY 2030, reflecting a CAGR of 7.22 percent, driven by shifts in dietary habits, premiumisation, rapid urbanisation, and the deepening penetration of e-commerce, quick-commerce, and modern retail platforms.

Domestic consumption is expanding across both mass-market and premium categories. Groundnuts continue to dominate in volume terms due to their affordability, availability, and use across oil extraction, snacks, and traditional foods. In contrast, almonds, cashews, walnuts, and pistachios are increasingly viewed as premium, protein-rich, and health-forward products, accelerating demand among urban and health-conscious consumers. Dry fruits—especially raisins and dates—have gained traction in bakery, confectionery, breakfast cereals, trail mixes, nutritional supplements, and festive gifting, benefiting from growing interest in natural sweeteners, clean-label ingredients, and functional nutrition.

Segmentation based on Quality

Based on quality, the Indian nuts and dry fruits market can be broadly segmented into non-premium and premium categories.



Source: Infomerics Analytics & Research

The non-premium segment accounted for approximately 70% of the total market value in FY 2025, with an estimated market size of USD 17,811 million. This segment primarily comprises loose, unbranded or minimally processed products distributed through traditional retail formats, mandis, and local wholesalers. Consumption in this segment is largely price-driven and concentrated in mass-market categories such as groundnuts, loose raisins, dates, and economy-grade nuts, which are extensively used for household consumption, oil extraction, traditional sweets, and food processing applications.

The non-premium segment is expected to grow at a moderate CAGR of approximately 5% over FY 2025–FY 2030, reflecting steady demand from traditional consumption channels. Based on this growth trajectory, the segment is projected to reach USD 22,732 million by FY 2030.

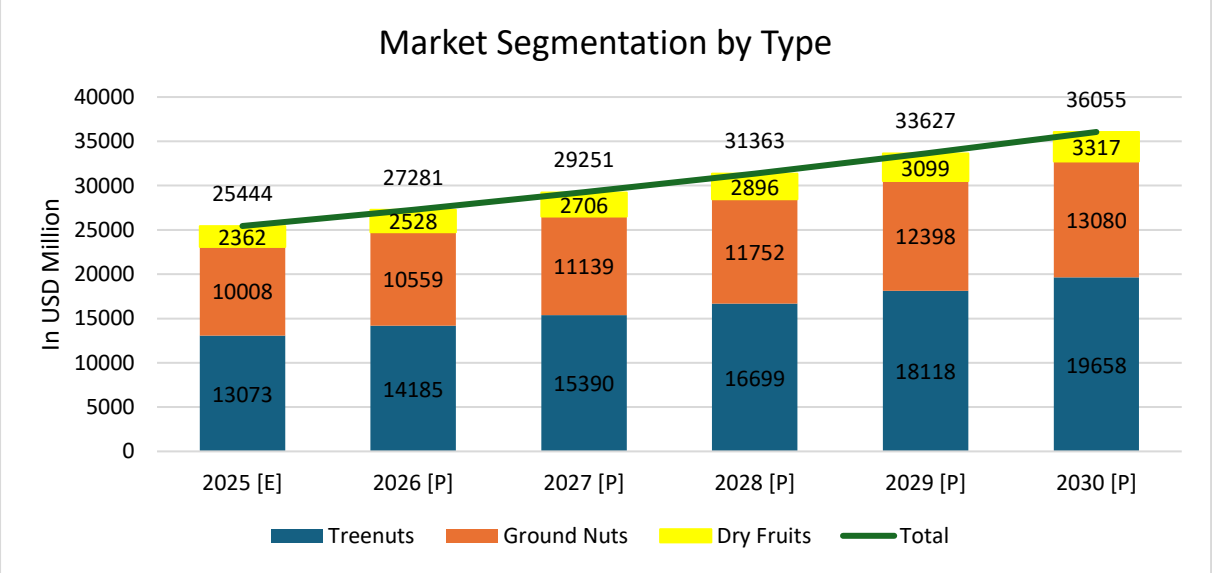
The premium segment accounted for approximately 30% of the total market value in FY 2025, with an estimated market size of USD 7,633 million, despite representing a smaller share of overall volumes. This segment includes branded, packaged, graded, and value-added products, such as roasted and flavoured nuts, nut mixes, coated nuts, premium dry fruits, organic variants, and gift packs. Demand in this segment is driven by urbanisation, rising disposable incomes, increasing health awareness, preference for standardised quality and food safety, and the rapid expansion of organised retail, e-commerce, and quick-commerce platforms.

The premium segment is expected to grow at a higher CAGR of approximately 12% over FY 2025–FY 2030, significantly outpacing the non-premium segment. As a result, the premium segment is projected to reach USD 13,323 million by FY 2030, accounting for a progressively higher share of total market value.

Overall, the Indian nuts and dry fruits market is witnessing a structural shift from non-premium, loose formats towards premium, branded and value-added offerings. While the non-premium segment will continue to account for a majority of volumes; the premium segment is expected to be the primary driver of incremental value growth over the medium to long term.

Segmentation based on Type

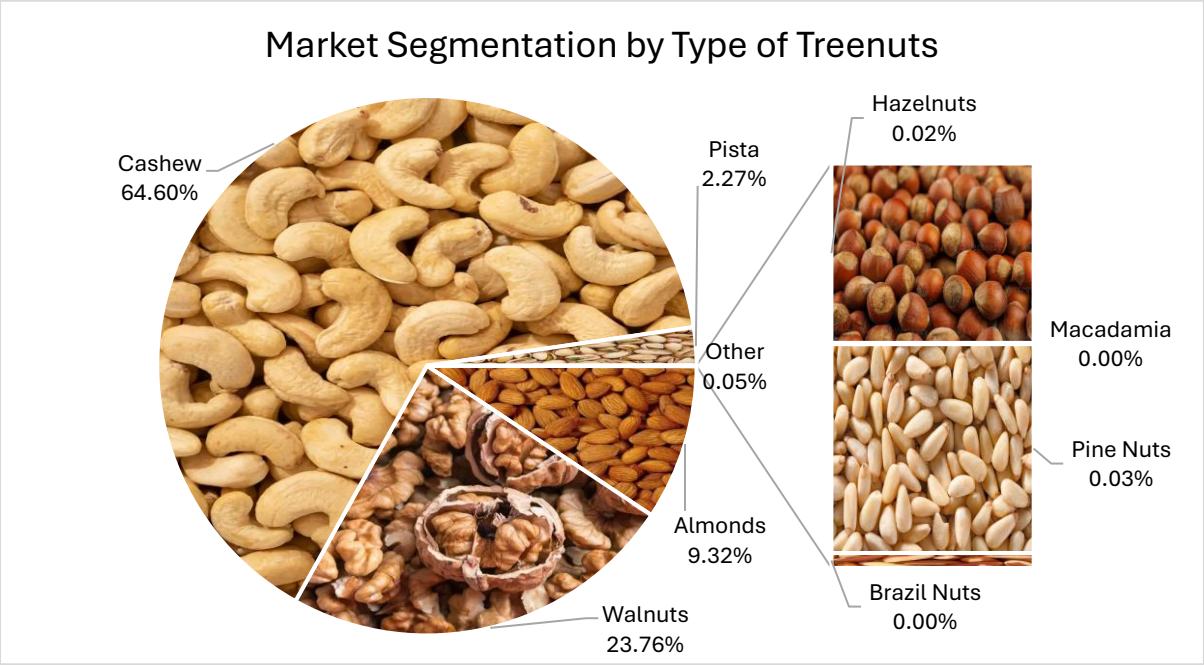
Based on product classification, the Indian nuts and dry fruits market can be segmented into Tree nuts, Groundnuts, and Dry fruits. Each segment exhibits distinct growth drivers, consumption behaviour, and value dynamics.



Source: Infomerics Analytics & Research

- **Tree Nuts**

Tree nuts constitute the largest segment of the Indian nuts and dry fruits market, accounting for approximately 51% of total market value in FY 2025, with an estimated market size of USD 13,073.40 million. The segment benefits from premium positioning, rising health awareness, and expanding consumption through organised retail and digital channels. Reflecting these structural drivers, the tree nuts segment is expected to grow at a CAGR of approximately 8.50% over FY 2025–FY 2030, outpacing overall market growth. On this basis, the segment is projected to reach USD 19,657.91 million by FY 2030, thereby increasing its share of total market value over the forecast period.



Source: Infomerics Analytics & Research

Within the tree nuts segment, market value is highly concentrated across a limited number of nut types, reflecting variations in affordability, culinary integration, processing intensity, and consumer familiarity. ***Cashews*** represent the dominant category, accounting for approximately 64.60% of total tree nut market value, with an estimated market size of USD 8,445.00 million. Cashews enjoy widespread acceptance across Indian households and food service establishments due to their versatility, taste profile, and extensive use in traditional sweets, savoury preparations, bakery, confectionery, and gifting applications. The availability of multiple value-added formats, including roasted, flavoured, and coated variants, further strengthens their market leadership.

Walnuts constitute the second-largest tree nut category, accounting for approximately 23.76% of the tree nuts market, with an estimated market size of USD 3,106.55 million. Demand for walnuts is supported by their strong health positioning, particularly their association with heart health, brain health, and omega-3 fatty acid content, which has driven increasing consumption among health-conscious and urban consumers.

From a product-form perspective, the walnut market is broadly divided between in-shell walnuts and shelled walnut kernels, each catering to distinct consumer segments and end-use applications. In-shell walnuts are estimated to account for approximately 55–60% of total walnut consumption by value in India. This format is widely distributed through traditional retail channels, mandis, and seasonal markets, and is preferred for household cracking, festive consumption, and gifting, owing to perceptions of freshness, authenticity, and longer shelf life provided by the intact shell.

Shelled walnut kernels account for the remaining 40–45% of the walnut market by value and represent the faster-growing sub-segment. Shelled walnuts offer greater convenience, uniform quality, and ease of use, making them increasingly preferred for bakery, confectionery, packaged foods, health snacks, breakfast cereals, and institutional consumption. Growth in this segment is supported by rising penetration of organised retail, branded packaging, and value-added formats, including chopped, graded, and vacuum-packed kernels.

Overall, while in-shell walnuts continue to dominate volumes, the shelled walnut segment is gaining share over time, driven by premiumisation, changing consumption habits, and expanding use in processed and packaged food applications. This shift is expected to support higher realisations and value growth within the walnut category over the medium to long term.

Almonds account for approximately 9.32% of the tree nuts market, with an estimated market size of USD 1,218.85 million. Almonds are widely perceived as a premium and nutritious product and are commonly consumed as a daily health supplement, snack, or gifting item. Demand is supported by strong penetration in organised retail and rising consumption in sliced, blanched, roasted, and flavoured formats, particularly in urban markets.

Pistachios form a smaller yet premium segment, contributing approximately 2.27% of the tree nuts market, with an estimated market size of USD 296.53 million. Pistachios are primarily consumed as a premium snack and gifting product, with demand concentrated in urban centres and during festive periods, supported by their premium pricing and limited domestic availability.

Other nuts, including ***Hazelnuts, Macadamias, Pine nuts*** and ***Brazil nuts***, collectively account for a negligible share of the overall tree nuts market, with each contributing less than 0.05% individually. Consumption of these products remains niche and is largely limited to confectionery, bakery, gourmet food applications, and premium health products, with distribution predominantly through organised retail and institutional channels.

Overall, the tree nuts segment is characterised by high value concentration, strong premiumisation trends, and significant scope for value addition, positioning it as a key driver of incremental value growth within the Indian nuts and dry fruits market.

- **Groundnuts**

Groundnuts represent the second-largest segment, accounting for approximately 39% of total market value in FY 2025, with an estimated market size of USD 10,008.24 million. This segment is characterised by high-volume, mass-market consumption, supported by widespread use across edible oil extraction, snacks, processed foods, and traditional diets.

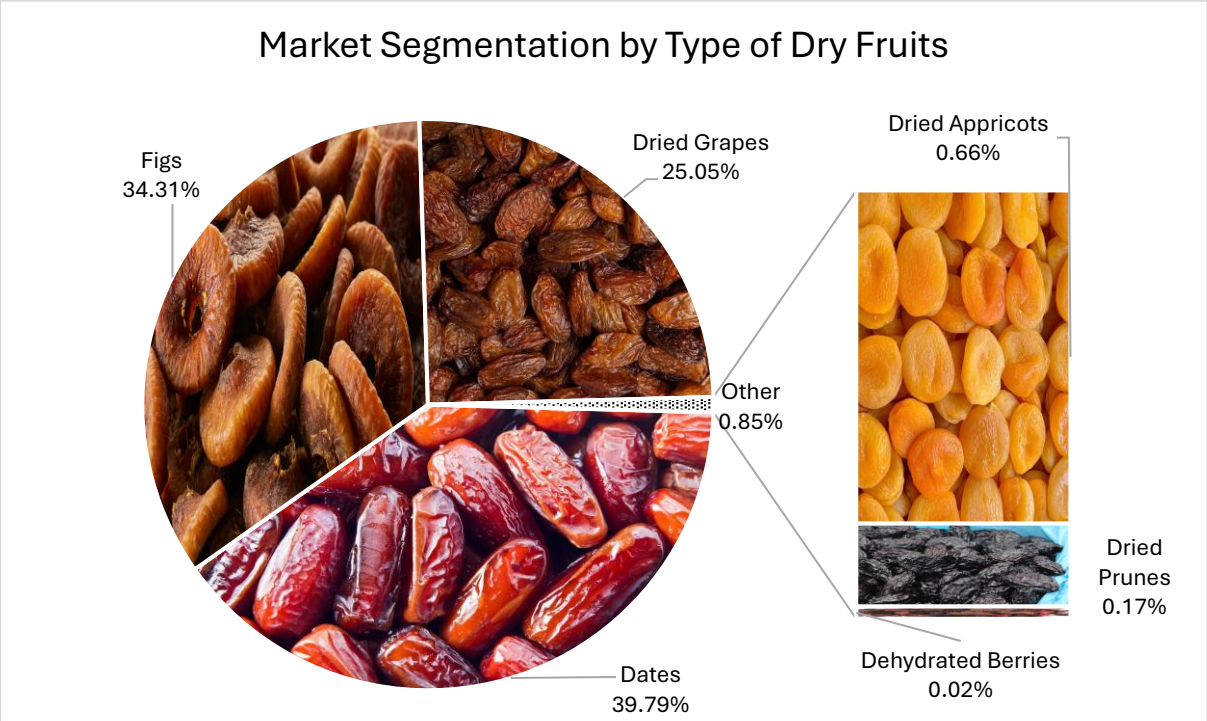
Groundnut consumption is relatively price-sensitive and closely linked to staple food demand, agricultural output, and commodity price cycles. While demand remains structurally stable, value growth is comparatively moderate due to limited premiumisation and high price competition.

Accordingly, the groundnuts segment is expected to grow at a CAGR of approximately 5.50% over FY 2025–FY 2030, which is lower than the overall market average. The segment is projected to reach USD 13,080.37 million by FY 2030.

- **Dry Fruits**

Dry fruits account for approximately 9% of the total market value in FY 2025, with an estimated market size of USD 2,362.42 million. The segment comprises dates, figs, raisins, dried apricots, dried prunes, and dehydrated berries, which differ in terms of consumption patterns, end-use applications, and degree of premiumisation.

Demand for dry fruits is supported by diversified end-use applications across bakery, confectionery, breakfast cereals, trail mixes, nutritional supplements, and festive gifting. Increasing consumer preference for natural sweeteners, clean-label ingredients, and functional nutrition has further strengthened consumption, particularly within urban and organised retail markets.



Source: Infomerics Analytics & Research

Within the dry fruits segment, dates constitute the largest category, accounting for approximately 39.79% of the segment value, with an estimated market size of USD 939.96 million. ***Dates*** benefit from widespread household consumption, use as a natural sweetener, and strong seasonal demand during festive and religious periods, supporting both retail and institutional consumption.

From a product-form perspective, the dates market is commonly segmented into wet dates and dry dates, based on moisture content, shelf life, and consumption patterns. *Wet dates* are estimated to account for approximately 75–80% of total dates consumption by value in India. This segment benefits from strong consumer preference for softer texture, fresher taste, and premium varieties, with demand concentrated in urban markets, organised retail formats, and during seasonal and religious occasions. Wet dates typically command higher realisations but require faster turnover and more controlled storage and logistics due to their higher moisture content.

Dry dates are estimated to account for the remaining 20–25% of the dates market by value. Dry dates have lower moisture content, longer shelf life, and greater ease of storage and transportation, making them suitable for bulk handling, year-round retail availability, and use in bakery, confectionery, processed foods, and institutional applications. Dry dates are more prevalent in traditional trade and wholesale channels due to their storability and price competitiveness.

Overall, while wet dates dominate the dates category by value, dry dates play a complementary role, providing supply stability and broader application across food processing and mass-market consumption.

Figs represent the second-largest category, contributing approximately 34.31% of the dry fruits market, with an estimated market size of USD 810.49 million. Demand for figs is supported by their health positioning, rising awareness of dietary fibre and mineral content, and increasing use in premium retail, health foods, and nutraceutical applications.

Raisins account for approximately 25.05% of the dry fruits segment, with an estimated market size of USD 591.83 million. Raisins are widely used across bakery, confectionery, breakfast foods, traditional sweets, and food processing, benefiting from their versatility and relatively affordable pricing compared to other dry fruits.

Other dry fruits, including ***dried apricots*** (0.66% share; USD 15.67 million), ***dried prunes*** (0.17% share; USD 3.90 million), and ***dehydrated berries*** (0.02% share; USD 0.58 million), together account for a limited share of the overall segment. Consumption of these products remains niche, primarily concentrated in premium retail, institutional channels, and specialised food applications, reflecting higher price points and limited domestic availability.

The dry fruits segment is expected to grow at a CAGR of approximately 7.02% over FY 2025–FY 2030, broadly in line with overall market growth. Based on this trajectory, the segment is projected to reach USD 3,316.72 million by FY 2030, supported by expanding packaged consumption, increasing use in processed foods, and gradual premiumisation.

Area and Production of Nuts and Dry fruits in India

The horticulture sector forms a key component of India's agricultural output and provides raw material for various food processing, snacking, and value-added segments. This section presents the area under cultivation and production of select horticulture crops in India for the period FY2020-21 to FY2024-25. The analysis is limited to crops for which consistent, crop-wise official data is available.

Area is expressed in ('000 hectare) and Production is expressed in ('000 Metric Tonne)

Crops	2020-21		2021-22		2022-23		2023-24		2024-25*	
	Area	Prodⁿ	Area	Prodⁿ	Area	Prodⁿ	Area	Prodⁿ	Area	Prodⁿ
Almonds	10	11	10	12	10	12	10	12	10	13
Walnuts	109	281	104	289	97	316	97	318	81	292
Cashews	1159	738	1184	752	1195	782	1199	795	1202	795
Pecans	1	0	1	0	1	0	1	0	1	0
Groundnuts	6010	10240	5700	10130	4960	10300	4710	10180	5750	11900

Note: *Figures as per First Advance Estimates

Source: Agricultural Statistics at a Glance 2024 Report

- **Almonds**

  The area under almond cultivation remained stable at approximately 10 thousand hectares throughout the review period. Production increased gradually from 11 thousand metric tonnes in FY2020-21 to 13 thousand metric tonnes in FY2024-25, indicating marginal improvements in productivity without a corresponding expansion in cultivated area.

- **Walnuts**

  The area under walnut cultivation declined from 109 thousand hectares in FY2020-21 to 81 thousand hectares in FY2024-25. Despite this contraction in acreage, production increased from 281 thousand metric tonnes in FY2020-21 to 318 thousand metric tonnes in FY2023-24, before moderating to 292 thousand metric tonnes in FY2024-25. This trend reflects relatively higher yields during the period, partially offsetting the reduction in cultivated area.

- **Cashews**

  Cashew cultivation recorded a gradual increase in area from 1,159 thousand hectares in FY2020-21 to 1,202 thousand hectares in FY2024-25. Production increased correspondingly from 738 thousand metric tonnes to 795 thousand metric tonnes over

the same period. Production levels remained stable in FY2023-24 and FY2024-25, indicating consistent output supported by steady acreage expansion.

- **Pecans**

  The area under pecan cultivation remained negligible at approximately 1 thousand hectare during the review period. No material production was reported for pecans between FY2020-21 and FY2024-25, reflecting the limited commercial cultivation of this crop in India.

- **Groundnuts**

  Groundnuts represent a key edible nut and oilseed crop in India. The area under cultivation declined from 6,010 thousand hectares in FY2020-21 to 4,710 thousand hectares in FY2023-24, before increasing to 5,750 thousand hectares in FY2024-25. Production remained relatively stable in the range of 10,130 thousand metric tonnes to 10,300 thousand metric tonnes from FY2020-21 to FY2023-24, followed by an increase to 11,900 thousand metric tonnes in FY2024-25. The divergence between area and production trends indicates improvements in yield and production efficiency in the most recent fiscal year.

Overall, while the area under cultivation for certain select horticulture crops has exhibited variability during the review period, production levels have remained stable or increased for most crops. This indicates gradual improvements in productivity and cultivation practices. The analysis is restricted to crops for which official, crop-wise data is available; several other nuts and dry fruits consumed in India are largely import-dependent and therefore do not have comparable domestic cultivation or production statistics.

Sourcing of Nuts and Dry Fruits – Domestic Production and Imports

The nuts and dry fruits industry in India is characterised by a combination of domestic agricultural production and imports, driven by agro-climatic diversity, crop-specific suitability, scale of cultivation, and processing capabilities. Domestic production is concentrated in select regions, while several categories—particularly tree nuts and premium dry fruits—remain structurally import-dependent due to climatic limitations and limited commercial cultivation.

A. Tree Nuts

Product	Domestic Production Profile	Import Reliance	Principal Importing Countries
Almonds	Limited domestic production - primarily in Jammu & Kashmir; marginal production in Himachal Pradesh and Uttarakhand	High	*In-shell:* USA, Australia *Shelled*: Afghanistan, Iran, Australia
Walnuts	Concentrated production in Jammu & Kashmir, including Ladakh; domestic supply largely in in-shell form	Moderate to High	*In-shell:* Chile, USA, Australia *Shelled:* China, Iran, USA
Cashews	Cultivated in coastal and semi-coastal states including Maharashtra, Andhra Pradesh, Odisha, Kerala, Karnataka and Goa	Moderate (raw nuts)	*Raw/ In-shell:* Tanzania, Togo, Ghana *Shelled:* Vietnam, Benin, Mozambique
Hazelnuts	No commercial-scale domestic production	Very High	Turkey
Pistachios	No commercial-scale domestic production	Very High	*In-shell:* USA, Iran, UAE *Shelled:* Iran, Afghanistan, UAE
Macadamias	Negligible and experimental cultivation	Very High	Kenya
Pine Nuts	Small-scale production in parts of Himachal Pradesh and Jammu & Kashmir	Moderate	Afghanistan
Brazil Nuts	No domestic production	Very High	UAE, Afghanistan

B. Groundnuts

Product	Domestic Production Profile	Import Reliance	Principal Importing Countries
Groundnuts	Widespread production: Gujarat is the largest producer, followed by Rajasthan, Andhra Pradesh, Tamil Nadu, Karnataka and Maharashtra	Low	Tanzania, Russia, Malaysia

C. Dry Fruits

Product	Domestic Production Profile	Import Dependence	Principal Importing Countries
Dried Grapes	Maharashtra (Nashik, Sangli, Solapur); Karnataka; Tamil Nadu	Low to Moderate	Afghanistan, Greece, China
Dates	Gujarat (largest); Rajasthan, Tamil Nadu, Andhra Pradesh	High	UAE, Iraq, Iran
Figs	Maharashtra, Karnataka, Gujarat, Tamil Nadu	Moderate	Afghanistan, Turkey, Iran
Dried Apricots	Jammu & Kashmir (incl. Ladakh); Himachal Pradesh; Uttarakhand (limited)	High	Afghanistan, Turkey, UAE
Dried Prunes	Jammu & Kashmir; Himachal Pradesh; Uttarakhand (limited)	High	Afghanistan, USA, Iran
Dehydrated Berries	Maharashtra; Himachal Pradesh; Uttarakhand (niche scale)	Very High	Chile, Belgium, Montenegro

Distribution of Nuts and Dry Fruits within India and Exports

The distribution of nuts and dry fruits in India comprises a combination of domestic consumption across organised and unorganised channels and exports to select international markets. The domestic market remains predominantly unorganised, particularly in low-value, high-volume categories such as groundnuts, raisins, and unbranded dates, while the organised segment is steadily gaining share, driven by changing consumer preferences and channel expansion.

- **Domestic Distribution within India**

Nuts and dry fruits are distributed domestically through a multi-tier supply chain involving farm-gate traders, mandis, small processors, local wholesalers, importers, distributors, organised retail chains, e-commerce platforms, and institutional buyers. The unorganised segment, comprising farm-gate intermediaries, mandis, small-scale processors, and loose-product retailers, is estimated to account for approximately 65–70% of total market volumes. This segment is characterised by fragmented supply chains, limited branding, variable quality standards, and price-driven competition.

At the same time, the organised segment—comprising branded packaged nuts and dry fruits, roasted and flavoured products, nut mixes, coated nuts, and premium dry fruit offerings—accounts for an estimated 30–35% of the market and is expanding at a faster pace than the unorganised sector. Growth in organised distribution is supported by increasing consumer preference for standardised quality, food safety certifications, value-added formats, and convenience packaging, along with the rapid expansion of modern trade formats, e-commerce platforms, and direct-to-consumer (D2C) brands.

Geographically, domestic distribution of nuts and dry fruits exhibits a well-defined regional concentration. Western and northern India account for a significant share of trade and consumption, driven by higher urbanisation, purchasing power, and traditional consumption patterns. Maharashtra and Gujarat function as key trading and processing hubs, particularly for imported nuts, dates, and value-added products. Rajasthan and Delhi NCR serve as major wholesale and redistribution centres, supplying northern and central India.

Southern states such as Tamil Nadu, Karnataka, and Telangana represent important consumption as well as processing markets, supported by organised retail penetration and institutional demand from the food processing and hospitality sectors. Eastern and northeastern regions account for a relatively smaller share of domestic volumes, though demand is gradually increasing with improving retail access and urbanisation.

Consumption is geographically widespread, with higher per-capita consumption in urban and semi-urban centres, and demand exhibiting seasonal peaks during festive periods, weddings, and gifting cycles. Institutional demand from food processing, bakery, confectionery,

hospitality, and catering sectors also contributes meaningfully to domestic distribution volumes.

- **Export Profile**

A. Treenuts

Product	Major Export Destinations
Almonds	*In-Shell:* USA, UK, Maldives *Shelled:* Angola, Australia, Bahrain Islands
Walnuts	*In-Shell:* Turkey, UAE, Iraq *Shelled*: UAE, Singapore, Seychelles
Cashews	*In-Shell:* Vietnam, Sri Lanka, Bangladesh *Shelled*: UAE, Japan, Netherlands
Hazelnuts	*In-Shell:* Australia, Canada *Shelled*: Sri Lanka
Pistachios	*In-Shell: UAE, Singapore, Sri Lanka* *Shelled*: Sri Lanka, Nepal, UK
Macadamias	*Shelled*: UAE
Pine Nuts	Nil / negligible exports
Brazil Nuts	*In-Shell:* Malaysia *Shelled*: Oman

B. Groundnuts

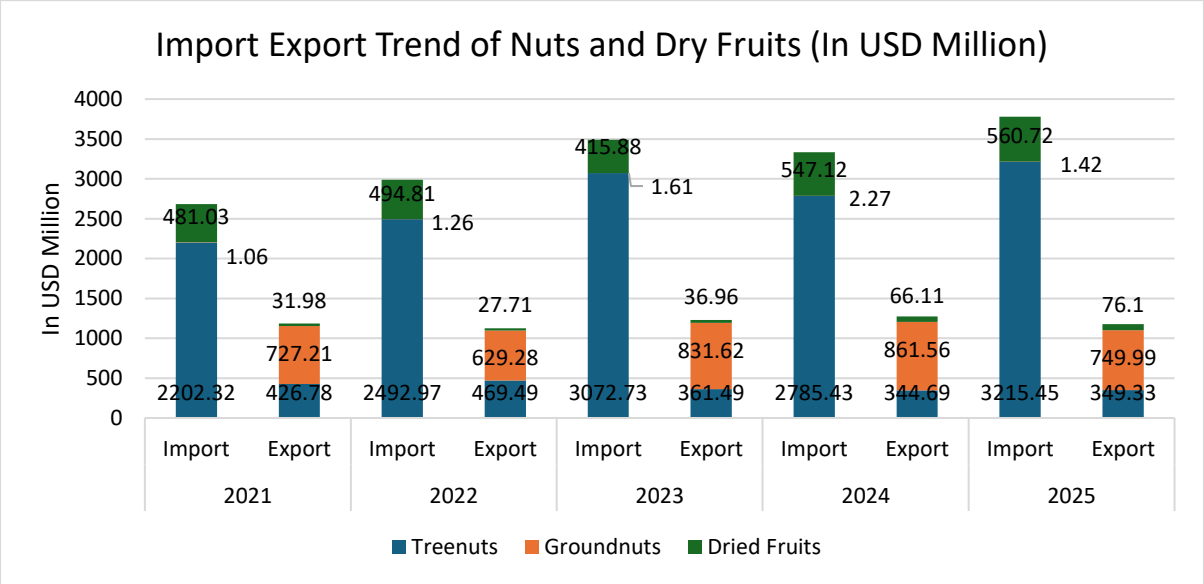
Product	Major Export Destinations
Groundnuts	Indonesia, Vietnam, Philippines

C. Dry Fruits

Product	Major Export Destinations
Dried Grapes	Morocco, Saudi Arabia, Bangladesh
Dates	Singapore, Nepal, UAE
Figs	Nepal, USA, Canada
Dried Apricots	Nepal, Turkey, USA
Dried Prunes	Canada, Australia, Sri Lanka
Dehydrated Berries	USA, Canada, Australia

Trade Dynamics

India's nuts and dry fruits trade reflects a structurally differentiated pattern across product categories, with a pronounced import dependence in certain segments and a strong export orientation in others. Over the period from 2021 to 2025, total imports of nuts and dry fruits increased from USD 2,684.41 million to USD 3,777.59 million, while exports fluctuated within a narrower range, from USD 1,185.97 million in FY 2021 to USD 1,175.42 million in FY 2025. This trend indicates a widening trade deficit for the category, primarily driven by rising imports.



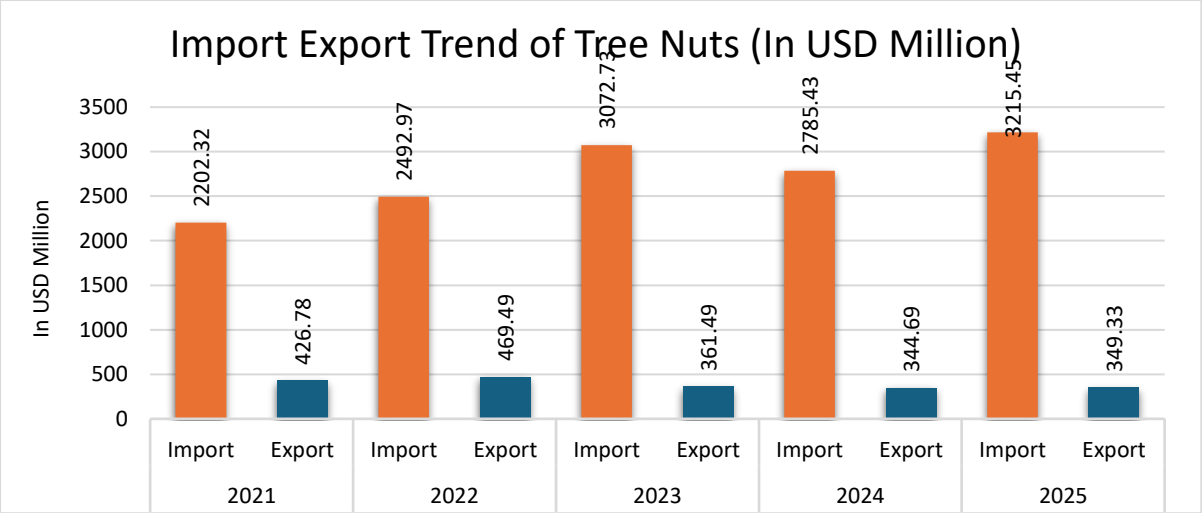
Source: MEIDB, Infomerics Analytics & Research

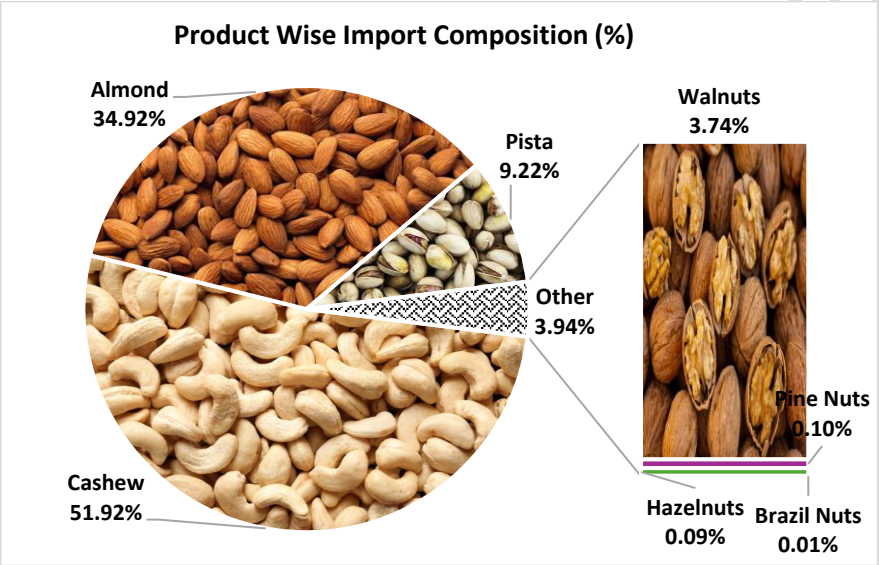
The data exhibits clearly differentiated dynamics across segments. Tree nuts constitute the largest segment in terms of trade value and remain structurally import-dependent due to agro-climatic constraints, limited domestic production of key varieties, and strong consumption demand driven by urbanisation and changing dietary preferences. As a result, this segment consistently records a significant trade deficit.

Groundnuts, in contrast, are predominantly export-oriented and represent India's strongest segment within the category. Supported by favourable agro-climatic conditions, large cultivation area, and established processing and export infrastructure, groundnuts consistently generate a substantial export surplus, with imports remaining negligible.

Dry fruits occupy an intermediate position, characterised by moderate import dependence and a gradually improving export profile. Imports are driven by demand for products such as dates, figs, and raisins, while exports, though relatively small, have shown steady growth, reflecting increasing value addition and niche market penetration. Overall, the segment-wise variation highlights the divergent supply-demand fundamentals within India's nuts and dry fruits trade.

- **Treenuts**



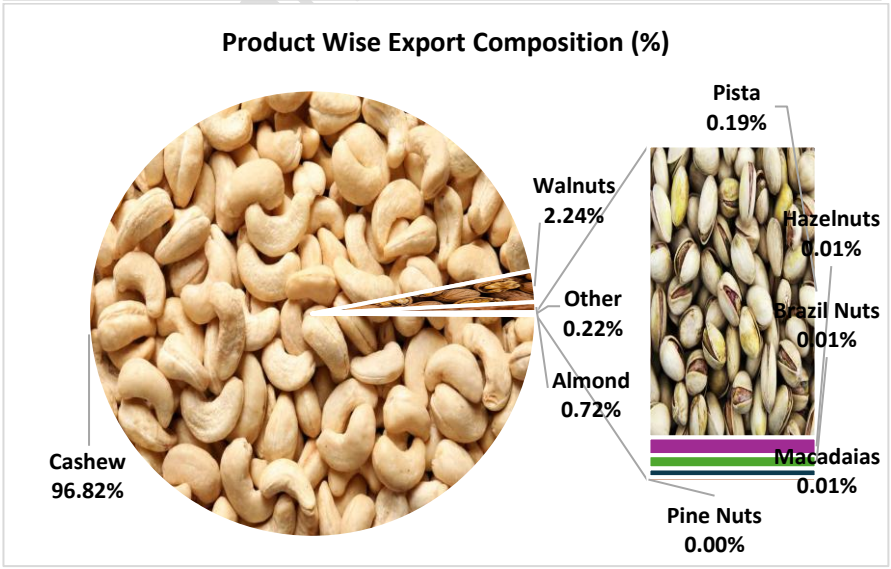


Top Countries

USA

Iran

Tanzania



Top Countries

UAE

Vietnam

Japan

Source: MEIDB, Infomerics Analytics & Research

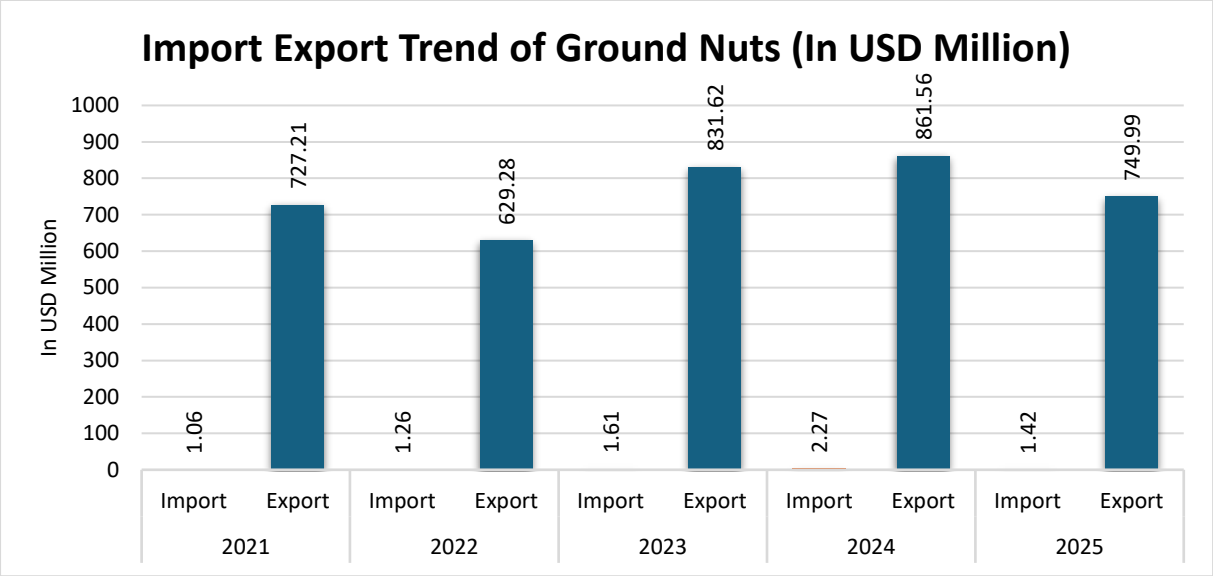
Tree nuts account for the largest share of India's trade in the nuts and dry fruits category, highlighting their critical role in overall consumption and trade flows. During the period from FY 2021 to FY 2025, the segment remained structurally import-oriented, driven by agro-climatic constraints, limited domestic production of key varieties, and steadily rising consumer demand. Imports of tree nuts increased from USD 2,202.32 million in 2021 to USD 3,215.45 million in 2025, indicating sustained demand growth despite a temporary moderation in FY 2024.

An analysis of the product-wise trade composition in FY 2025 further underscores India's dependence on imports for tree nuts. Cashew accounted for the largest share of imports at USD 1,669.43 million, followed by almonds at USD 1,122.83 million and pistachios at USD 296.53 million. Imports of other varieties, including walnuts (USD 120.19 million), hazelnuts, macadamias, pine nuts, and Brazil nuts, remained relatively limited in value. This concentration indicates that a significant portion of import dependence is driven by a few high-consumption varieties.

Exports of tree nuts in FY 2025 stood at USD 349.33 million and were primarily led by cashew, which accounted for USD 338.22 million of total exports, reflecting India's established processing and export capabilities in this segment. Exports of other tree nuts remained negligible, with almonds at USD 2.51 million, walnuts at USD 7.84 million, pistachios at USD 0.66 million, and marginal exports of hazelnuts, macadamias, pine nuts, and Brazil nuts. This skewed export composition indicates limited diversification of India's tree nut export basket.

Overall, the widening gap between imports and exports highlights a persistent trade deficit in the tree nuts segment, largely driven by high imports of almonds, cashews, and pistachios. While India has demonstrated export strength in processed cashew, the limited export presence in other tree nut categories underscores the need for targeted initiatives aimed at domestic cultivation where feasible, productivity enhancement, and value-added processing to improve export competitiveness and reduce import dependence over the medium to long term.

- **Groundnuts**



Top Importing Countries **Top Exporting Countries**

Tanzania **Russia** **Malaysia** **Indonesia** **Vietnam** **Philippines**

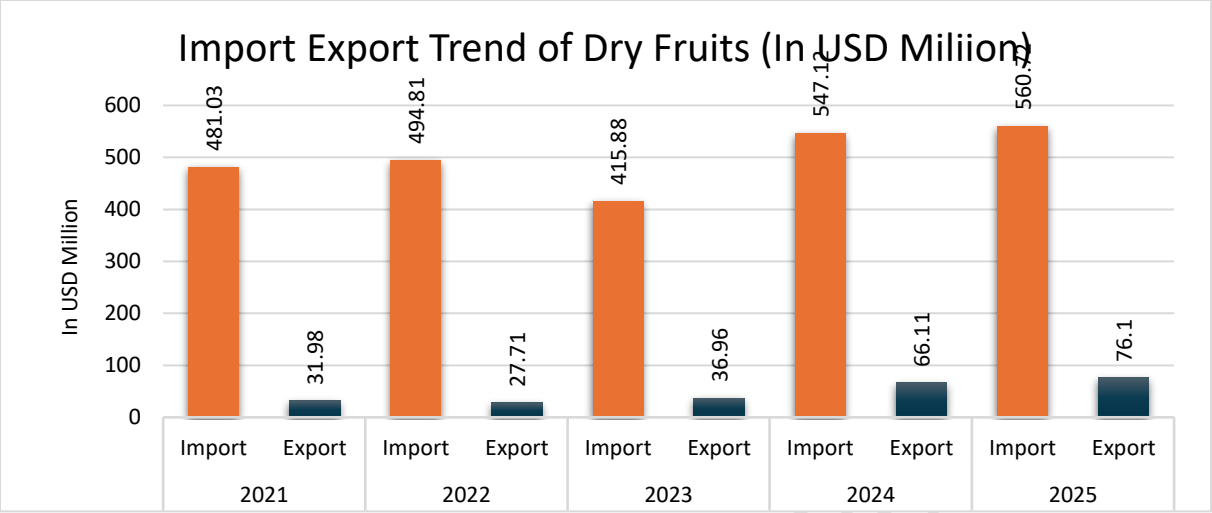
Source: MEIDB, Infomerics Analytics & Research

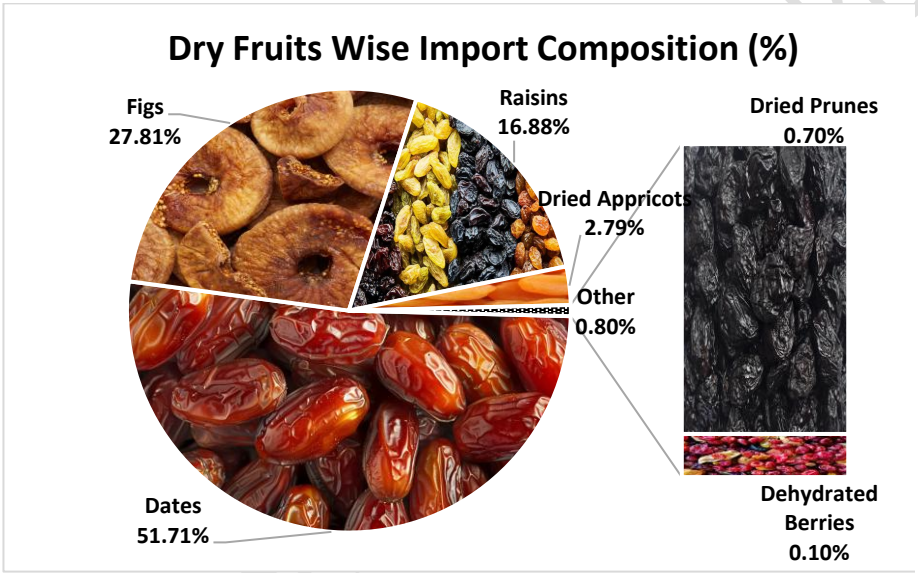
Groundnuts constitute a key export-oriented segment within India's nuts and oilseeds trade, supported by strong domestic production, established processing capabilities, and consistent demand from international markets. Over the period from FY 2021 to FY2025, India has remained a net exporter of groundnuts, with exports significantly exceeding imports, reflecting the country's comparative advantage in cultivation and processing.

Imports of groundnuts remained negligible throughout the period under review, increasing marginally from USD 1.06 million in FY2021 to USD 1.42 million in FY 2025, indicating limited dependence on overseas sourcing. In contrast, exports demonstrated relative resilience despite year-on-year fluctuations. Exports declined from USD 727.21 million in FY 2021 to USD 629.28 million in 2022, before recovering to USD 831.62 million in 2023 and further increasing to USD 861.56 million in FY 2024. In FY 2025, exports moderated to USD 749.99 million, reflecting variability in global demand, pricing trends, and crop output.

Overall, the sustained export surplus in groundnuts underscores India's strong position in global groundnut trade. The segment benefits from favourable agro-climatic conditions, large cultivation area, and a well-developed export ecosystem. While export values remain subject to cyclical fluctuations, groundnuts continue to represent a structurally export-led category, contributing positively to India's agricultural trade balance.

- **Dry fruits**



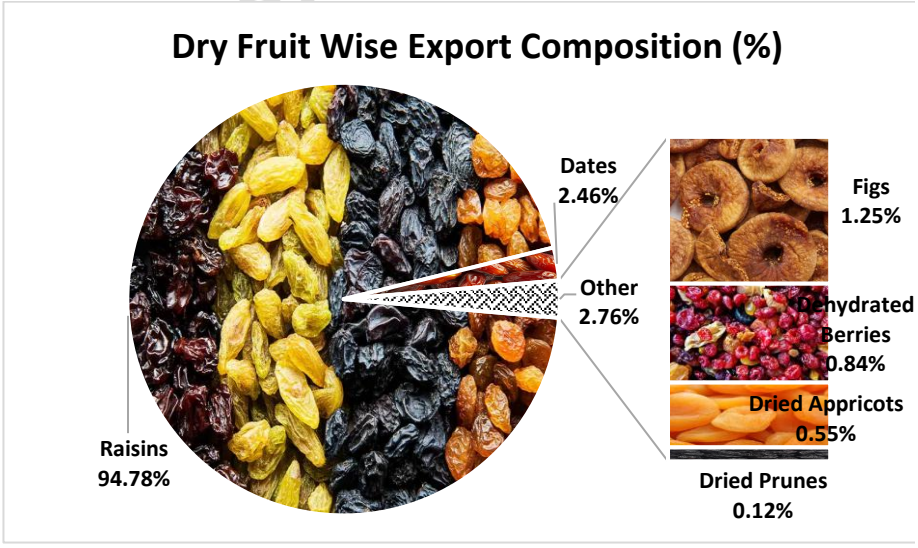


Top Countries

Afghanistan

UAE

Iraq



Top Countries

Morocco

Saudi Arabia

Bangladesh

Source: MEIDB, Infomerics Analytics & Research

Dry fruits form a significant segment within India's nuts and dry fruits category and have remained structurally import-oriented over the period from FY 2021 to FY 2025. The segment's trade dynamics are shaped by limited domestic availability of certain products, dependence on specific producing geographies, and rising consumption driven by changing dietary habits and increasing preference for convenience and health-oriented foods. Imports of dry fruits increased from USD 481.03 million in 2021 to USD 560.72 million in FY 2025, reflecting sustained growth in domestic demand, despite interim moderation in FY 2023.

An analysis of the product-wise trade composition in FY 2025 highlights the concentration of imports in a few key dry fruit categories. Dates accounted for the largest share of imports at USD 289.96 million, followed by figs at USD 155.94 million and raisins at USD 94.67 million. Imports of other dry fruits, including dried apricots (USD 15.67 million), dried prunes (USD 3.90 million), and dehydrated berries (USD 0.58 million), remained relatively limited. This concentration underscores India's reliance on imports for specific dried fruit varieties, particularly dates and figs.

Exports of dry fruits in FY 2025 stood at USD 76.10 million and were predominantly driven by raisins, which accounted for USD 72.13 million of total exports, reflecting India's relatively stronger production and processing capabilities in this category. Exports of other dry fruits remained marginal, with dates at USD 1.87 million, figs at USD 0.95 million, dried apricots at USD 0.42 million, dried prunes at USD 0.09 million, and dehydrated berries at USD 0.64 million. The export profile thus remains highly concentrated, with limited diversification across product categories.

Overall, the significant gap between imports and exports indicates a persistent trade deficit in the dry fruits segment, largely driven by high imports of dates and figs. While exports, particularly of raisins, have shown improvement in recent years, the limited export presence across other dry fruit categories highlights the need for enhanced domestic processing, quality improvement, and value addition to strengthen export competitiveness and reduce import dependence over the medium to long term.

Processing and Value Addition in the Nuts and Dry Fruits Industry

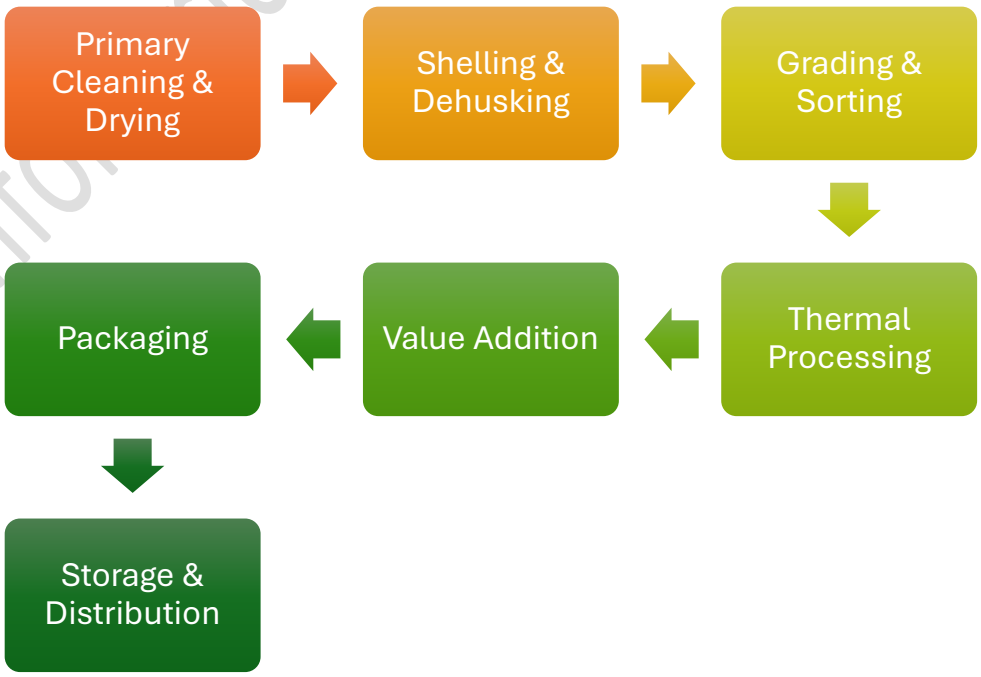
Processing of nuts and dry fruits constitutes a critical intermediate stage in the industry value chain, enabling the conversion of raw agricultural produce into safe, shelf-stable, graded and value-added products suitable for domestic consumption as well as export markets. Processing activities play a key role in reducing post-harvest losses, ensuring compliance with food safety standards, enhancing shelf life, and supporting product differentiation.

Globally, the nuts and dry fruits processing industry has witnessed steady growth, supported by increasing consumer preference for healthy snacks, plant-based diets, functional foods and convenience products. Processing has increasingly shifted from basic cleaning and grading towards value-added formats such as roasted and flavoured nuts, nut mixes, coated products, nut butters, pastes, flours and ingredient applications for bakery, confectionery and dairy alternatives.

In India, nuts and dry fruits processing spans a wide spectrum, ranging from small, labour-intensive units engaged in basic shelling, drying and loose distribution to organised processors operating mechanised shelling, roasting, optical sorting and packaging facilities catering to organised retail, institutional buyers and export markets.

Scope of Processing Activities

Processing of nuts and dry fruits typically includes one or more of the following activities, depending on the product category and end-use application. The extent of processing varies by category. Products such as cashews and groundnuts undergo extensive processing and grading, while products such as almonds, pistachios and walnuts are often imported and processed primarily for retail packaging, roasting and blending.



Key Processing Activities at different stages

Processing Stage	Key Activities	Output / Value Added
Primary Cleaning & Drying	Cleaning, sun/mechanical drying, removal of foreign matter	Reduced moisture content and lower post-harvest spoilage
Shelling & Dehusking	Manual or mechanised shelling and peeling	Conversion into edible kernels
Grading & Sorting	Size grading and colour sorting (manual or optical)	Uniform quality and price differentiation
Thermal Processing	Roasting, blanching and frying	Improved taste profile and enhanced shelf life
Value Addition	Flavouring, coating, mixing and grinding	Premium, differentiated and value-added products
Packaging	Vacuum or modified atmosphere packaging (MAP), retail packs	Extended shelf life and brand positioning
Storage & Distribution	Cold or dry storage and logistics	Market-ready products for domestic and export markets

Structure of Processing Industry – India vs Global

Parameter	India	Global Markets
Industry Structure	Predominantly unorganised	Largely organised
Technology Adoption	Low to Moderate	Moderate Automation
Labour Intensity	High	Moderate to low
Value-added Share	Lower	Higher
Compliance & Traceability	Gradually improving	Well-established
Branding & Retail Focus	Growing	Mature

Source: Infomerics Analytics & Research

Global Processing Landscape

At a global level, processing capacity is concentrated near major producing regions as well as consumption centres. The global industry is characterised by increasing automation, investment in food safety infrastructure, traceability systems and compliance with international standards such as HACCP, ISO 22000 and equivalent certifications.

Global processors are increasingly focusing on premiumisation, flavour innovation and functional product development, supported by rising demand from organised retail, food service and ingredient manufacturers.

Indian Processing Landscape

India occupies a significant position in the global processing ecosystem for select categories, particularly cashews, groundnuts and raisins, supported by domestic agricultural production, imported raw materials and a large processing workforce.

The Indian processing industry remains predominantly unorganised, especially in basic shelling, drying and loose-format processing. However, the organised processing segment has been expanding steadily, driven by increasing food safety requirements, branding, value-added product demand and growth in organised retail and e-commerce channels.

Cashew processing represents one of the most established segments, with India historically functioning as a major processor of raw cashew nuts into kernels for domestic consumption and exports. Groundnut processing benefits from large domestic production and includes roasting, snack manufacturing, oil extraction and export-oriented grading. Raisin processing is concentrated in regional clusters with established dehydration and sorting infrastructure.

Value Addition and Margin Expansion

Value addition is a key driver of profitability in the processing segment. Transition from bulk or loose products to branded, packaged and flavoured formats enables processors to capture higher realisations and access organised retail and export markets.

Processed products such as nut mixes, coated nuts, nut butters and ingredient supplies for bakery and confectionery applications command higher margins compared to raw kernels, albeit requiring higher capital investment, quality control and regulatory compliance.

Key Trends and Growth Outlook in Nuts and Dry Fruits Processing

The nuts and dry fruits processing industry is being shaped by rising health awareness, premiumisation, automation, regulatory compliance and channel diversification. In India, processing activity is expected to grow faster than raw consumption, supported by increasing packaged food penetration and export opportunities.

Over the medium to long term, the processing segment is expected to witness sustained growth, driven by urbanisation, rising disposable incomes, evolving dietary preferences and the gradual shift from loose to packaged consumption. The industry is also expected to see increasing formalisation and consolidation as organised players expand capacity and market share.

5. Market Dynamics

5.1 Key Growth Drivers

The Indian nuts and dry fruits industry is expanding on account of rising health consciousness, premiumisation of diets, growth of organised retail and e-commerce, and expanding use in food processing and gifting. At the same time, the sector remains exposed to climate variability, import dynamics, and logistics/quality challenges. The table below summarises the principal market drivers and their directional impact over near (1–2 years), medium (3–4 years) and longer (5–7 years) horizons.

Market Drivers and Impact Assessment

(All values represent directional impact based on industry estimates and qualitative analysis)

Drivers	Impact		
	1-2 Years	3-4 Years	5-7 Years
1. Rising health awareness and nutritional demand	High	High	High
2. Premiumisation and diversification of diets	Medium	High	High
3. Expansion of organised retail and e-commerce channels	High	High	High
4. Growth in food processing, confectionery, and gifting demand	Medium	High	High
5. Cultural, festive and traditional consumption patterns	High	High	High
6. Policy support, export promotion, and FDI inflows	Medium	Medium	High
7. Innovation in packaging, value-added products and blends	Medium	High	High

Source – Infomerics Analytics & Research

Detailed Overview

1. **Rising Health Awareness and Nutritional Demand**
   Increasing awareness of the nutritional benefits of nuts and dry fruits—rich in proteins, healthy fats, vitamins, and antioxidants—is driving consumption across age groups. Consumers are increasingly integrating nuts into daily diets, smoothies, breakfast cereals,

and meal replacements. Over the medium term, demand is expected to be sustained by health-driven consumption and wellness trends.

2. **Premiumisation and Diversification of Diets**
   With rising disposable incomes and evolving lifestyles, consumers are opting for premium, organic, and exotic nut varieties. Cashews, almonds, pistachios, walnuts, and specialty berries are witnessing higher adoption in gourmet, ready-to-eat, and festive offerings. The trend toward diversified consumption and gifting is expected to expand product portfolios and pricing tiers over the next 3–7 years.
3. **Expansion of Organised Retail and E-commerce Channels**
   Retail modernisation, hypermarkets, supermarkets, and online grocery platforms are increasingly influencing buying patterns. E-commerce platforms enable wider product reach, bundling options, and subscription-based models, particularly in urban and semi-urban markets. Enhanced retail penetration and digital commerce adoption are expected to be key growth enablers over the medium and long term.
4. **Growth in Food Processing, Confectionery, and Gifting Demand**
   Nuts and dry fruits are extensively used in processed foods, bakery and confectionery products, health snacks, and seasonal gifting. Rising consumption in institutional catering, hotels, and festive packaging sectors contributes to consistent demand. Product innovations such as spiced mixes, flavoured nuts, and ready-to-eat packs are expected to drive growth in high-value segments.
5. **Cultural, festive, and traditional consumption patterns**
   Deep-rooted cultural practices, religious festivals, and gifting traditions continue to support baseline demand for nuts and dry fruits across households. Seasonal spikes during festivals such as Diwali, Eid, and weddings ensure demand stability, while premium gifting formats are expected to enhance value growth over the medium to long term.
6. **Policy Support, Export Promotion, and FDI Inflows**
   Government programs such as export incentives, APEDA schemes, and agricultural credit support for nut cultivation encourage production, processing, and global competitiveness. Policies aimed at improving cold chain logistics, packaging standards, and quality certification enhance export potential, particularly to the Middle East, Europe, and Southeast Asia.
7. **Innovation in Packaging, Value-Added Products, and Blends**
   Advances in packaging—such as vacuum-sealed packs, portion-controlled sachets, and recyclable materials—enhance shelf life and consumer convenience. Development of mixed nut packs, flavoured nuts, and ready-to-eat products supports differentiation and higher margins. Over the next five years, product innovation is expected to be a major driver for domestic and international market expansion.

5.2 Challenges and Threats

The Indian nuts and dry fruits industry faces several challenges that could affect production, pricing, and market expansion. These include climatic and supply-side vulnerabilities, import dependencies, quality control concerns, and logistics inefficiencies. The table below summarises the principal challenges and their directional impact over the near, medium, and long term.

Market Challenges and Impact Assessment

(All values represent directional impact based on industry estimates and qualitative analysis)

Challenges and Threats	Impact		
	1-2 Years	3-4 Years	5-7 Years
1. Climate variability affecting crop yields	High	High	Medium
2. Supply chain and logistics inefficiencies	Medium	Medium	Medium
3. Price volatility due to import/export dynamics	High	Medium	Medium
4. Quality and safety compliance requirements	Medium	High	High
5. Dependence on key producing regions and labour	Medium	Medium	Medium
6. Competition from global players and substitutes	Medium	High	High

Source – Infomerics Analytics & Research

Detailed Commentary on Key Challenges

1. **Climate Variability Affecting Crop Yields**
   Nut and dry fruit production is highly sensitive to monsoon patterns, temperature fluctuations, and drought conditions. Irregular rainfall, rising temperatures, and pest incidences can reduce yields of almonds, cashews, walnuts, and pistachios, creating supply constraints and price volatility in both domestic and export markets.
2. **Supply Chain and Logistics Inefficiencies**
   Limited cold chain infrastructure, inadequate warehousing, and fragmented transportation networks can lead to post-harvest losses, reduced shelf life, and higher distribution costs. Improving logistics, storage, and processing facilities remains critical to maintaining product quality and market competitiveness.
3. **Price Volatility Due to Import/Export Dynamics**
   India imports certain nuts (e.g., cashews from Vietnam, almonds from the US) while also

exporting to global markets. Fluctuations in international prices, currency exchange rates, and trade policies can impact profitability and pricing strategies. Global demand-supply imbalances may also affect long-term stability.

4. **Quality and Safety Compliance Requirements**
   Consumers and regulatory bodies increasingly demand traceability, food safety certifications (FSSAI, ISO, HACCP), and adherence to international standards. Failure to comply can lead to rejection in export markets, recalls, and reputational risks. Investments in quality control systems and certifications are therefore essential.
5. **Dependence on Key Producing Regions and Labour**
   Production is concentrated in select states (e.g., almonds in Jammu & Kashmir, cashews in Kerala and Maharashtra, walnuts in Himachal Pradesh). Labor shortages during peak harvest seasons and regional disruptions can constrain supply. Mechanisation and efficient labour management are needed to mitigate these risks.
6. **Competition from Global Players and Substitutes**
   International suppliers and alternative snack products (e.g., roasted seeds, granola mixes) compete with domestic nuts and dry fruits. Competitive pricing, brand positioning, and product differentiation are required to maintain market share domestically and globally.

6. PESTEL Analysis of the Industry

Factor	Key Insights and Implications
Political	• Government schemes like PMKSY (Pradhan Mantri Krishi Sinchayee Yojana), National Horticulture Mission, and Mission for Integrated Development of Horticulture promote cultivation, irrigation, and processing of nuts and dry fruits. • Export promotion policies by APEDA (Agricultural and Processed Food Products Export Development Authority) incentivize global trade and support FDI in cold chain and processing infrastructure. • State-specific horticulture missions (e.g., Jammu & Kashmir for almonds, Kerala for cashews) provide subsidies, technical assistance, and quality certification support. • Regulatory support for food safety, quality certifications, and export standards strengthens domestic competitiveness and market access.
Economic	• Rising disposable incomes and premiumisation trends boost domestic consumption of nuts, dry fruits, and value-added products. • Exports contribute significantly to revenue; India is a major exporter of cashews, almonds, and pistachios, with demand from the Middle East, Europe, and Southeast Asia. • Price volatility due to import dependencies (almonds from the US, cashews from Vietnam) and global commodity fluctuations impacts profitability. • Inflation, labor costs, and interest rate variations influence processing, packaging, and retail margins. • Growth of organised retail and e-commerce channels expands market reach and sales efficiency.
Social	• Rising health awareness and demand for functional foods are driving consumption across age groups. • Changing lifestyles, urbanisation, and gifting traditions increase demand for packaged nuts, trail mixes, and festive assortments. • Growing consumer preference for organic, natural, and ethically sourced products supports premiumisation. • Awareness campaigns by NGOs and industry bodies enhance acceptance of nutritionally rich snacks. • Social trends like snacking culture, meal replacements, and plant-based diets drive higher consumption of nuts and seeds.
Technological	• Adoption of advanced processing, roasting, and packaging technologies improves shelf life, quality, and hygiene standards. • Automated sorting, grading, and shelling machines reduce labor dependency and enhance operational efficiency.

	• Innovative packaging—vacuum packs, portion-controlled sachets, and eco-friendly materials—meets consumer convenience and sustainability expectations. • Value-added product innovation (flavored nuts, nut butters, mixed packs) supports differentiation and higher margins. • Digital platforms, IoT-enabled cold chains, and traceability systems improve supply chain transparency and reduce losses.
Environmental	• Climate variability, droughts, and changing monsoon patterns affect yield, quality, and supply consistency of key nut crops. • Sustainable farming practices, water management, and soil conservation are increasingly promoted under government schemes and ESG initiatives. • Organic and chemical-free cultivation trends reduce environmental impact and enhance exportability to regulated markets. • Packaging sustainability and reduction of post-harvest losses are critical to comply with evolving environmental expectations. • Carbon footprint reduction in processing and cold chain logistics is becoming a competitive differentiator.
Legal	• FSSAI regulations mandate stringent food safety, labeling, and hygiene standards for domestic and export markets. • Mandatory traceability for exports ensures compliance with global quality standards and import regulations in target countries. • Labor laws, agricultural produce regulations, and pesticide residue limits impact production, processing, and trade. • Intellectual property protections for branded nuts, organic certifications, and trademarks safeguard market positioning. • Compliance with packaging, labeling, and environmental norms is increasingly enforced by both domestic and international regulators.

7. Government Initiatives, Policy Support and Regulatory Framework

The nuts and dry fruits industry in India operates within a comprehensive regulatory and policy framework designed to ensure food safety, quality assurance, fair trade practices, and global competitiveness. The sector is governed through a combination of food safety regulations, legal metrology requirements, taxation and trade policies, as well as government-supported development and export promotion initiatives. The key regulatory and policy measures applicable to the industry are summarised below.

1. Food Safety and Standards Authority of India (FSSAI)

The Food Safety and Standards Authority of India ("FSSAI") is the principal regulatory body responsible for ensuring food safety, hygiene, licensing, and quality standards for businesses operating in the dry fruits and nuts sector.

- **Product Standards:** FSSAI classifies dry fruits and nuts as processed food products. Such products are required to comply with prescribed quality standards relating to cleanliness, wholesomeness, and freedom from contaminants such as mould, insects, shells, or other extraneous matter. Uniformity in appearance, texture, and flavour is also mandated to ensure consistency and consumer safety.
- **Hygiene and Sanitation:** Under Schedule 4 of the Food Safety and Standards Act, 2006, food business operators involved in processing, packaging, storage, and distribution of dry fruits must maintain hygiene and sanitation standards. This includes clean processing environments, pest control, adequate ventilation, sanitised equipment, and personnel training on food safety practices.
- **Licensing and Registration:** All food business operators are required to obtain the relevant FSSAI registration or licence based on the scale of operations, turnover, and nature of activities, including imports and e-commerce operations. Licensing involves periodic renewals, inspections, and audits to ensure ongoing compliance with food safety norms.

2. Legal Metrology Act, 2009

The Legal Metrology Act, 2009 ensures accuracy, fairness, and transparency in trade practices, particularly for products sold by weight such as dry fruits and nuts. Key requirements include:

- Registration under the Legal Metrology Act for packaged commodities
- Compliance with prescribed standards for weights, measures, and labelling
- Model approval certification for weighing and measuring instruments
- Importer registration (LMPC licence) for packaged dry fruits
- Licences for dealers, manufacturers, and repairers of weights and measures, as applicable

- Periodic renewal of licences and compliance audits

These measures ensure accurate measurement, transparent pricing, and consumer protection.

3. Government Development and Infrastructure Support

- **Mission for Integrated Development of Horticulture (MIDH):** The MIDH scheme provides support for orchard development, quality planting material, and creation of post-harvest infrastructure, including packhouses, cold storage facilities, and processing units. Recent expansions under MIDH include hydroponics, aquaponics, vertical farming, and precision agriculture to improve productivity, reduce post-harvest losses, and enhance supply consistency.
- **Agriculture Infrastructure Fund (AIF) and Allied Programmes:** The AIF and associated schemes facilitate financing for cold storage, grading units, packhouses, testing facilities, and logistics infrastructure, thereby improving supply chain efficiency and supporting both domestic distribution and export operations.

4. Export Promotion and Trade Facilitation

The Agricultural and Processed Food Products Export Development Authority ("APEDA") supports the industry in expanding export potential through:

- Financial assistance for packhouses, cold chains, refrigerated transport, pre-shipment treatment, and testing facilities
- Export readiness programmes, including quality certification and compliance support
- Promotion of value-added products and supply chain enhancements
- Guidance for compliance with regulations of importing countries

These initiatives enable adherence to international standards and facilitate market access for Indian dry fruits globally.

5. Industry Representation and Policy Advocacy

Industry bodies such as the National Dried Fruits Council of India (NDFC(I)) and the All India Cashew Association (AICA) actively engage with policymakers on matters relating to regulatory reforms, quality standards, traceability, logistics efficiency, and trade facilitation. These forums provide coordinated representation and support policy dialogue to enhance competitiveness and compliance.

6. Taxation and Trade Policy Environment

- **Goods and Services Tax (GST):** Dry fruits are currently subject to GST. Industry stakeholders have represented for rationalisation of GST rates to improve affordability and consumption.

- **Import Duties**: Certain dry fruits, such as walnuts, attract high import duties. Industry proposals advocate rationalised duty structures, including fixed per-kilogram duties, to stabilise prices and balance domestic and imported supply.
- **Production-Linked Incentive (PLI) Proposals:** Stakeholders have proposed PLI-style incentives for domestic processing to encourage value addition, reduce import dependence, and support investment in processing infrastructure.

7. Quality, Traceability, and Export Compliance

Export-oriented operations are required to comply with quality standards and certifications mandated by importing countries. This includes adherence to processing, packaging, labelling, and testing norms. APEDA and related institutions provide guidance and support to exporters in meeting these requirements.

8. Technology and Digital Transformation

The Indian nuts and dry fruits industry is undergoing a rapid transformation driven by technological innovation and digitalization. From advanced processing and sorting machinery to smart packaging, cold-chain automation, IoT-enabled monitoring, and digital supply-chain management, technology is reshaping operational efficiency, quality assurance, and market access. These developments are enhancing product consistency, reducing post-harvest losses, improving traceability, and enabling the production of value-added and premium offerings for domestic and export markets.

1. **Advanced Sorting, Grading & Quality Control**
   Advanced sorting and grading technologies, including optical and laser-based systems, are increasingly being adopted to ensure precise separation of nuts and dry fruits by size, colour, and quality. These systems, combined with hygienic cleaning, steam treatment, and sterilization processes, are helping processors maintain consistent quality, reduce post-harvest losses, and meet international food safety standards, thereby strengthening export readiness.
2. **Automation in Processing & Packaging**
   Automation in processing and packaging is gaining momentum across the sector. Fully and semi-automated lines are now being used for weighing, filling, sealing, and labelling of products, while innovations in packaging—such as resealable pouches, eco-friendly materials, single-serve snack packs, and premium gifting assortments—are enhancing convenience and appeal for modern consumers. These technologies improve throughput, hygiene, and shelf-life, while supporting the growing demand for value-added products.
3. **Cold-Chain Infrastructure & Preservation Technologies**
   Cold-chain infrastructure and preservation technologies are becoming essential to maintain product quality over long supply chains. Controlled-atmosphere storage, temperature- and humidity-monitored cold storage facilities, and refrigerated transport help prevent rancidity, microbial spoilage, and quality degradation. Real-time monitoring of storage conditions ensures optimal preservation, reduces losses, and supports both domestic distribution and export markets.
4. **Digital Traceability & Supply-Chain Transparency**
   Digital traceability and supply-chain transparency are increasingly critical as exporters and domestic brands seek compliance with global quality standards. Batch-level tracking, IoT-enabled monitoring, and cloud-based platforms allow real-time oversight from farm to processor to retailer, enabling efficient recall management and enhancing consumer trust. These systems also provide valuable data for quality assurance, inventory management, and regulatory reporting.

5. **Industry 4.0 & Smart Manufacturing**

   Industry 4.0 and smart manufacturing practices are being integrated into processing operations, with robotics, AI-based quality checks, and predictive maintenance systems improving operational efficiency and reducing human error. Data analytics tools support demand forecasting, production scheduling, and inventory optimization, allowing processors to better align supply with market demand and minimize costs.

6. **R&D & Innovation in Value-Added Products**

   Research and development are driving innovation in value-added products. Process innovations in roasting, flavoring, and shelf-life extension, along with the development of nutraceutical and health-focused formulations, are enabling the creation of premium, ready-to-eat, and convenience-oriented offerings. This supports product differentiation, helps capture new consumer segments, and improves margins for manufacturers.

7. **Digital Sales, Distribution & After-Sales Support**

   Digitalization is also transforming sales, distribution, and after-sales services. E-commerce platforms, B2B marketplaces, QR-coded verification, and mobile-based service management are enhancing market reach and operational efficiency. AI-enabled demand forecasting, customer relationship management, and analytics tools are strengthening engagement with both institutional buyers and end consumers, enabling better supply alignment and improved brand loyalty.

8. **Sustainability & Resource Optimization**

   Sustainability and resource optimization are increasingly embedded in operations across the sector. Energy-efficient dryers, water-recycling systems, and recyclable or eco-friendly packaging are helping reduce environmental footprint. Digital monitoring of energy and water consumption enables compliance with ESG standards and supports cost efficiency, while high-quality packaging and process optimization allow the industry to meet the growing expectations of conscious consumers and international markets.

9. Competitive Landscape

The Indian nuts and dry fruits industry operates in a diverse and competitive ecosystem comprising large domestic processors, organised retail players, export-oriented aggregators, MSME-based processors, and international importers. Competition is increasingly shaped by quality differentiation, processing efficiency, supply-chain robustness, and brand positioning, rather than only price. Companies are investing in advanced processing, value-added product portfolios, cold-chain logistics, digital traceability, and international certifications to strengthen market share, expand exports, and enhance consumer trust.

9.1 Key Factors Shaping Competition

1. **Technology-Led Differentiation & Processing Efficiency**
   Competition is increasingly driven by the use of advanced processing and packaging technologies such as optical sorters, laser grading systems, automated roasting lines, and nitrogen-flush or vacuum packaging. These capabilities improve product uniformity, reduce contamination risks, and extend shelf life. Firms with superior technology deliver consistent quality and achieve higher margins in both domestic and export markets.
2. **Vertical Integration & Control Across the Value Chain**
   Players that integrate sourcing, processing, packaging, and distribution gain clear competitive advantages through tighter quality control, reduced procurement costs, and enhanced traceability. Integrated firms can scale value-added products—roasted, flavoured, coated nuts, mixes, and gift assortments—while meeting stringent food-safety norms required by institutional buyers and exporters.
3. **Pricing Power, Import Dependence & Cost Competitiveness**
   The industry remains sensitive to global price movements because India imports a significant share of nuts such as almonds, walnuts, and pistachios. Competitive advantage depends on managing sourcing relationships, efficient logistics, and cost-effective operations without compromising grade specifications. Firms that balance quality with price competitiveness retain institutional clients and premium retail visibility.
4. **Digitalisation, Traceability & Supply-Chain Transparency**
   The adoption of IoT-based monitoring, cloud-led inventory systems, and QR-coded traceability is becoming a key differentiator. Digital tools ensure transparency across sourcing, storage, and quality checks, enabling compliance with stringent export regulations and building consumer trust—particularly important in premium and health-focused product categories.
5. **Quality Assurance, Certifications & Food Safety Compliance**

Consistent grading, freshness, uniform size, and contamination-free supply are central to competitive positioning. Firms with strong quality systems and certifications (ISO, HACCP, FSSAI, USDA Organic) gain preference from retailers, e-commerce platforms, and export markets. This shifts competition from purely price-led offerings to reliability and safety-driven differentiation.

6. **Supply Chain Resilience & Cold-Chain Infrastructure**
   Given the perishable nature of nuts and dry fruits, companies with robust cold storage, controlled-atmosphere warehousing, and refrigerated logistics significantly outperform competitors. Strong supply-chain capabilities reduce spoilage, ensure year-round availability, and support premium SKUs where quality loss directly impacts brand perception.
7. **Expansion into Value-Added & Ready-to-Eat Categories**
   As consumer demand shifts toward convenient, health-oriented, and flavoured products, firms innovating in ready-to-eat snacks, premium blends, coated nuts, and gifting ranges gain market share. Value addition improves margins and allows companies to move beyond commodity-grade competition.
8. **Distribution Strength & Brand Visibility**
   Wide retail penetration, strong e-commerce integration, and sustained brand marketing are key determinants of competitiveness. Companies with nationwide distribution networks, efficient last-mile delivery, and established B2B/B2C channels benefit from better consumer loyalty and faster market expansion.

9.2 Competitive Strategies

The competitive environment in India's nuts and dry fruits industry is shaped by product differentiation, supply-chain control, origin-based branding, and expansion into value-added formats. Companies increasingly adopt multi-pronged strategies—including import diversification, backward integration into sourcing, advanced quality assurance systems, digital distribution, and premiumisation—to safeguard margins in a volatile global commodity environment. The shift from a fragmented, trader-driven model to organised, brand-led participation has intensified competition across sourcing, processing, packaging, distribution, and consumer engagement. Key Competitive strategies are:

1. **Multi-Origin Sourcing & Direct Procurement Integration**
   Companies increasingly diversify sourcing across major origins (US, Turkey, Iran, Vietnam, Afghanistan, Africa) to mitigate price volatility and climatic risks. Many are also integrating directly with growers, cooperatives, and packers through long-term contracts and farm-level procurement systems. This combination ensures supply stability, improves traceability, reduces intermediary margins, and enhances consistency in quality specifications.
2. **Product Premiumisation & Value-Added Innovation**
   Firms are expanding beyond raw nuts into flavoured, roasted, coated, and blended products, along with trail mixes, health mixes, functional formulations, and ready-to-eat snack formats. Premiumisation strengthens margins, differentiates brands, and enables deeper penetration in urban, health-conscious, and gift-oriented consumer segments.
3. **Investment in Advanced Processing, Grading & Packaging Technology**
   Competitive positioning is reinforced through adoption of optical sorters, infrared grading, automated roasting and seasoning systems, MAP/nitrogen-flush packaging, and strong food-safety frameworks (FSSC 22000, HACCP). These investments improve shelf life, reduce contamination risks, enhance uniformity, and meet stringent requirements of organised retail, e-commerce, and export channels.
4. **Omnichannel Brand Building Across Retail & E-Commerce**
   Organised players are strengthening consumer-facing brands through presence across modern trade, quick-commerce platforms, marketplaces, and D2C websites. Digital branding, influencer-led campaigns, subscription models, and nutrition-focused communication help build premium positioning and recurring demand.
5. **Segment Diversification into Gifting, Institutional & HoReCa Markets**
   Companies are expanding into corporate gifting, festive assortments, hotels, airlines, bakeries, and food-processing industries. Customised bulk packs and seasonally curated assortments help reduce dependence on retail seasonality and increase overall sales stability.
6. **Supply-Chain & Cold-Chain Optimisation**

To preserve quality and reduce wastage, firms invest in port-based warehouses, controlled-atmosphere storage, and distribution hubs near key consumption markets. Temperature-controlled logistics, real-time monitoring, and efficient distribution planning enhance product quality and improve retailer service levels.

7. **Pricing Efficiency, Hedging & Market Intelligence**
   Given exposure to global price fluctuations, firms adopt forward contracts, staggered procurement, and data-driven hedging strategies. Integrated market intelligence systems help manage volatility and maintain competitive pricing compared to traders and import-driven players.
8. **Strengthened Traceability, Compliance & Food-Safety Leadership**
   Enhanced traceability—through QR codes, blockchain-led documentation, and origin-linked quality reporting—helps companies meet APEDA guidelines, import regulations, and retailer audits. Compliance leadership is becoming a key competitive differentiator, especially for export-oriented processors.
9. **Strategic Partnerships, Co-Branding & Product Co-Development**
   Partnerships with global origin cooperatives, flavour houses, and food-technology firms enable accelerated product innovation, specialised processing capabilities, and faster entry into premium or niche categories. These collaborations help Indian brands compete effectively with global entrants.

9.3 Barriers to Entry

The Indian nuts and dry fruits industry is characterised by a combination of structural, regulatory, and market-driven barriers that limit new entrants from rapidly scaling operations. The sector's dependency on global sourcing, stringent quality standards, capital-intensive post-harvest infrastructure, and the need for strong brand trust reinforce the dominance of established importers, processors, and branded players. As consumer preferences shift toward premium, traceable, and value-added products, entry barriers have intensified across sourcing, compliance, supply chain management, and distribution. Key barriers include:

1. **High Dependence on Imports and Volatile Global Pricing**
   India relies heavily on imported almonds, walnuts, pistachios, cashews, cranberries, and blueberries. New entrants face exposure to currency fluctuation, freight volatility, and international price cycles. Import-dependent procurement also requires strong relationships with origin suppliers, which new players typically lack, making cost competitiveness difficult.
2. **Capital-Intensive Quality, Sorting & Packaging Infrastructure**
   Setting up optical sorters, X-ray/IR graders, roasting lines, nitrogen-flush packaging, and food-safety compliant facilities requires significant upfront investment. Established players already operate automated units with FSSC 22000/HACCP certifications, creating a high entry threshold for smaller or unorganised firms seeking entry into organised retail.
3. **Regulatory Compliance & Traceability Requirements**
   Compliance with FSSAI standards, APEDA export protocols, pesticide-residue limits, and retailer-specific audits requires strong quality systems. Increasing emphasis on traceability and origin authentication (QR-based tracking, batch-level documentation) raises both cost and capability barriers for new entrants.
4. **Strong Incumbent Relationships with Global Origin Suppliers**
   Large Indian importers maintain long-standing ties with growers and cooperatives in the US, Turkey, Iran, Vietnam, and African markets. These partnerships ensure priority allocation, favourable pricing, and access to premium grades. New entrants struggle to secure reliable supply, particularly during global shortages or climatic disruptions.
5. **Brand Loyalty and High Marketing Costs**
   Organised brands have invested significantly in premium positioning, health-driven communication, influencer marketing, and D2C channels. Competing with established consumer trust—especially in almonds, cashews, raisins, and trail mixes—requires sustained marketing expenditure, which acts as a barrier for newcomers.
6. **Cold Chain, Warehousing & Logistics Competencies**
   Maintaining quality in nuts, berries, and seeds requires controlled-atmosphere storage, port-based warehousing, temperature-monitored logistics, and moisture-control systems.

Building such a supply chain is expensive and operationally specialised, limiting entry to players with strong logistics capabilities.

7. **Working Capital Intensity Due to Bulk Import Cycles**
   Imports are typically purchased in large container-load quantities to optimise freight and maintain inventory for seasonal demand (festive, wedding, winter). This ties up substantial working capital. New players without strong balance sheets struggle to compete with established firms that hedge and purchase efficiently.
8. **Difficulty in Scaling Value-Added and Differentiated Products**
   Value-added segments—flavoured nuts, mixes, coated nuts, and functional blends—require R&D capabilities, consistent seasoning profiles, automated lines, and food technologist expertise. New entrants find it challenging to match the consistency, innovation pipeline, and SKU breadth of incumbent brands.

9.4 Consolidation Trends

The Indian nuts and dry fruits industry is gradually moving from a fragmented trading ecosystem toward a more consolidated, brand-led structure. Increasing compliance requirements, growing demand for packaged products, and the need for scale-efficient sourcing and processing are accelerating consolidation among importers, processors, and retail-facing brands. Key consolidation trends in the industry are:

- **Shift Toward Organised and Branded Players**
  A steady consumer shift from loose to packaged dry fruits is driving consolidation, as organised companies with strong distribution, branding, and food-safety compliance outcompete small traders. This is expanding the share of national brands and integrated processors.
- **Rising Capital & Compliance Requirements**
  Investment in cold chain, automated sorting, nitrogen-flush packaging, and FSSAI/traceability standards is increasing. Larger players can absorb these costs more efficiently, prompting smaller processors to merge, partner, or outsource to integrated operators.
- **E-Commerce and Quick-Commerce Driven Concentration**
  Digital and quick-commerce platforms prefer compliant, consolidated suppliers for reliability, fulfilment capability, and SKU consistency. This naturally reduces supplier fragmentation and strengthens the position of a few large, tech-enabled brands.
- **Strengthening of Import Linkages and Origin Contracts**
  Long-term sourcing relationships in the US, Middle East, Turkey, Vietnam, and Afghanistan are consolidating procurement power with larger importers. Smaller traders increasingly rely on these origin-linked aggregators for stable supply.
- **Entry of FMCG, Health-Food, and D2C Players**
  Large FMCG and investor-backed health-food brands are expanding into nuts and value-added dry fruit mixes through acquisitions and brand extensions. Their scale, marketing capability, and pan-India reach are accelerating consolidation across premium and value-added segments.

9.5 Key Industry Players

The nuts and dry fruits industry in India exhibits a moderately fragmented market structure. The industry comprises a large unorganised segment consisting of traditional traders, importers, mandis, and regional processors, alongside an organised segment that includes integrated processors, branded packaged food companies, value-added snack manufacturers, and e-commerce-led participants. The organised segment has witnessed increased participation in recent years, supported by growing consumer preference for packaged and hygienic products, wider penetration of organised retail formats, and increased adoption of online and quick-commerce distribution channels.

Within this industry landscape, certain organised players operate across different stages of the value chain, including sourcing, processing, packaging, and distribution of nuts, dry fruits, and allied products. Key industry participants include Proventus Agrocom Limited, Aelea Commodities Limited and Leo Dry Fruits & Spices Limited. Brief profiles of these entities are set out below.

- **Proventus Agrocom Limited**

  Proventus Agrocom Limited is engaged in the business of sourcing, processing, packaging, and distribution of dry fruits, nuts, seeds, berries, and related food products. The Company operates across multiple stages of the agri-commodity value chain, including bulk trading and retail-oriented branded product offerings.

  The Company commenced operations in bulk trading of agro-produce and subsequently expanded into sourcing, secondary processing, packaging, bulk sales, white-labelling, and retail distribution. A significant portion of the Company's dry fruits, nuts, seeds, and berries are imported and sold directly by the Company, as well as supplied to its subsidiaries engaged in retail brand operations.

  The Company has a presence in the APMC market at Navi Mumbai and undertakes bulk sales through a network of brokers and distributors across multiple states. It has developed sourcing relationships with domestic and international suppliers located in regions such as the United States, Chile, and Afghanistan.

  Consumer-facing products are marketed under the brand "ProV" through subsidiaries, including ProV Foods and Proventus Retail. These subsidiaries undertake processing, packaging, and retail distribution of dry fruits, nuts, seeds, berries, and related products through offline retail channels, e-commerce platforms, and direct-to-consumer modes. Processing operations are supported by facilities located in Navi Mumbai, which operate in compliance with FSSC 22000 standards.

  In addition to its core operations, group entities include Proventus Commodities DMCC, engaged in bulk trading of dry fruits, and Pro-Nova Bio Technologies Private Limited, which undertakes processing of agro-waste such as shells and skins into bio-fuel briquettes.

- **Krishival Foods Limited**

  Krishival Foods Limited is an Indian food processing company engaged in the sourcing, processing, packaging, and marketing of nuts and dry fruits. The Company procures raw materials from established origins such as California and Goa, supporting quality consistency across its product portfolio. Its offerings include value-added cashews (including premium and flavoured variants), dry figs, California-origin almonds (plain and salted), and pistachios, catering primarily to organized retail and branded consumer segments. Krishival operates with a brand-focused business model supported by processing and packaging capabilities, a relatively strong balance sheet, and conservative leverage. The Company is positioned as an organized participant in the nuts and dry fruits segment of the Indian food processing industry, with emphasis on product quality, sourcing reliability, and balance sheet strength.

- **Leo Dry Fruits & Spices Limited**

  Leo Dry Fruits & Spices Limited is engaged in the manufacturing/processing, trading, and marketing of spices, dry fruits, frozen and semi-fried products, and other grocery items. The Company markets its products under the brand names "VANDU" for spices, dry fruits, and grocery products, and "FRYD" for frozen and semi-fried food products.

  The Company operates through two primary business verticals, namely trading and manufacturing/processing. Under the trading vertical, the Company deals in whole spices and dry fruits in bulk quantities on an unbranded basis, as well as packaged products under its own brands. Under the manufacturing/processing vertical, the Company undertakes activities such as cleaning, grading, blending, grinding, and packaging of blended spices and select grocery products.

  The Company's manufacturing and processing facility is located at A-812, MIDC Khairane, Thane-Belapur Road, TTC Industrial Area, Koperkhairane, Thane, Maharashtra. The facility operates under a valid licence issued by the Food Safety and Standards Authority of India under the Food Safety and Standards Act, 2006, and is located in proximity to the local APMC market to facilitate procurement of raw materials.

  The Company sources raw materials such as whole spices primarily from domestic markets and supplements procurement through international sources based on quality, pricing, and availability considerations. Certain grocery products, including ghee and seasonings, are sourced from third-party manufacturers or wholesalers and marketed under the Company's brand. The Company does not have long-term supply arrangements with such vendors.

  Leo Dry Fruits & Spices Limited caters to customers across B2B, B2C, and Direct-to-Consumer (D2C) segments. Distribution is undertaken through wholesalers, distributors, super stockists, e-commerce platforms, and the Company's own website. The Company is also registered as a supplier to institutional customers, including police canteens, defence canteens, and the Canteen Stores Department for pan-India supply. The Company also acts as a distributor for select third-party products pursuant to exclusive distribution

arrangements. Its operations are currently concentrated primarily in the state of Maharashtra.

9.6 Company Positioning

Adon Agro Commodities Private Limited was incorporated on January 24, 2022 and is headquartered in Vashi, Navi Mumbai, Maharashtra. The Company is engaged in the sourcing, importing, processing, packaging, and distribution of dry fruits and allied agro commodities. Over time, the Company has transitioned from a trading-centric model to an integrated operating structure encompassing trading as well as in-house processing and value addition.

Product Portfolio

The Company operates in the dry fruits and healthy snacking segment and offers a diversified product portfolio comprising nuts, dry fruits, and value-added snack products. Key product categories include:

- **Dry Fruits and Nuts:** Almonds, cashews, pistachios, walnuts, raisins, dried dates, apricots, anjeer (figs), and assorted dry fruit mixes. These products are offered in multiple grades and variants depending on size, colour, cut, and processing requirements.
- **Processed and Value-Added Variants:** The Company offers products in various processed forms, including whole, halves, quarters, broken, shelled, roasted, salted, flavoured, powdered, and mixed assortments. Processing activities such as cleaning, grading, shelling, cracking, sorting, mixing and packaging are undertaken in-house, depending on the SKU and customer requirement.
- **Assorted and Customised Offerings:** The Company provides customised assortments of dry fruits, nuts, and seeds, including mixed packs and curated combinations developed for retail sale, institutional supply, and gifting purposes. Product sizes and packaging formats vary across bulk packs, retail packs, and gift packs.
- **Snack and Ready-to-Consume Products:** In addition to plain dry fruits, the Company offers select ready-to-consume snack products and chips, catering to evolving consumer preferences for convenience and healthy snacking.

Sourcing and Processing

The Company sources a significant portion of its raw materials through imports from international suppliers across regions such as Asia, the Middle East, and North Africa. Procurement decisions are based on quality parameters, availability, and pricing. Imported and domestically procured raw materials are processed in-house to meet product-specific and customer-specific requirements.

The establishment of in-house processing capabilities has enabled the Company to expand its product range from bulk, unprocessed dry fruits to value-added and customised products. This shift has supported greater control over quality, consistency, and product differentiation.

Distribution Channels and End-Use Segments

Adon Agro Commodities distributes its products through multiple channels, including:

- Bulk B2B sales to traders and wholesalers
- Wholesale and retail supply to stores and distributors
- Institutional sales to corporate and bulk consumers
- Direct supply to end consumers through physical and/or online retail channels

In addition, the Company has developed a dedicated **corporate and festive gifting vertical**, under which it offers curated dry fruit hampers, festive and seasonal gift packs, customised assortments, and client-specific packaging solutions for corporate customers, events, and festivals. Corporate gifting and festive demand represent a significant consumption segment within the dry fruits industry and form a material component of the Company's current product and revenue mix.

Industry Positioning

Through its integrated operating model combining sourcing, trading, processing, packaging, and multi-channel distribution, Adon Agro Commodities Private Limited is positioned in alignment with the evolving structure of the Indian dry fruits industry. The Company's focus on value-added products, customised offerings, and diversified sales channels differentiates it from pure trading entities and reflects its transition to a trading-plus-processing business model.

9.7 Financial Performance Analysis

The financial performance analysis of Adon Agro Commodities Limited presents an overview of its operational and profitability trends over FY23 to FY25, with additional insights for FY26 based on unaudited financials for the period from April 2025 to November 2025.

Figures are in INR lakhs (Except for ratios and percentages)

Key Indicators	Adon Agro Commodities Limited			
	As at November 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Revenue from Operations	22015.16	10303.55	7256.71	2233.48
Total Income	22076.09	10304.02	7291.60	2233.48
EBITDA	2331.92	1044.70	249.38	47.29
EBITDA Margin (%)	10.59	10.14	3.44	2.12
Restated PAT	1673.55	722.09	178.98	8.60
PAT Margin (%)	7.58	7.01	2.45	0.39
Current Ratio (Times)	1.96	1.32	1.28	0.80
Tangible Net worth	3186.04	1210.42	485.68	21.19
Total Debt	727.03	474.34	695.84	0.00
Debt Equity Ratio (Times)	0.23	0.39	1.43	0.00
ROCE (%)	80.02	69.90	37.18	122.03
Return on Net Worth (%)	76.13	85.15	70.62	81.17

Source: Restated Financial Statements as provided by the Company.

Formula Used:

- EBITDA: Total Operating Income - Operating Expenses (excluding Depreciation & Amortisation, Interest, and Taxes)
- EBITDA Margin: (EBITDA/Total Operating Income) *100
- PAT Margin: (Profit after Tax/Total Income) *100
- Current Ratio: Current Assets /Current Liabilities
- Tangible Net Worth: Share Capital + Reserve & Surplus – Intangible Assets -Deferred Tax Assets – Misc Expenditure not written off – Revaluation Reserves
- Return on Net Worth (RONW): (Profit After Tax /Average Tangible Net Worth) *100
- Total Capital Employed: Fixed Assets + Intangible Assets +Net Working Capital
- Return on Capital Employed (ROCE): (Earnings before Interest & Taxes/Average Capital Employed) *100

The revenue from operations of Adon Agro Commodities Limited increased significantly from INR 2,233.48 lakh in FY2023 to INR 7,256.71 lakh in FY2024 and further to INR 10,303.55 lakh in FY2025. Revenue from operations for the eight months period ended November 30, 2025 stood at INR 22,015.16 lakh. The increase in revenue during the period under review was primarily attributable to growth in trading volumes of agro commodities and expansion of the Company's customer base. Correspondingly, total income increased from INR 2,233.48 lakh in FY2023 to INR 7,291.60 lakh in FY2024 and further to INR 10,304.02 lakh in FY2025 and stood at INR 22,076.09 lakh for the eight months period ended November 30, 2025.

EBITDA of the Company increased from INR 47.29 lakh in FY2023 to INR 249.38 lakh in FY2024 and further to INR 1,044.70 lakh in FY2025. EBITDA for the eight months period ended November 30, 2025 stood at INR 2,331.92 lakh. EBITDA margin improved from 2.12% in FY2023 to 3.44% in FY2024 and further to 10.14% in FY2025 and stood at 10.59% for the eight months period ended November 30, 2025. The increase in EBITDA and EBITDA margin during the period under review was primarily on account of higher scale of operations and improvement in operating efficiencies.

The Company's restated profit after tax increased from INR 8.60 lakh in FY2023 to INR 178.98 lakh in FY2024 and further to INR 722.09 lakh in FY2025. Restated profit after tax for the eight months period ended November 30, 2025 stood at INR 1,673.55 lakh. Consequently, the PAT margin increased from 0.39% in FY2023 to 2.45% in FY2024 and further to 7.01% in FY2025 and stood at 7.58% for the eight months period ended November 30, 2025. The increase in profitability was primarily attributable to the growth in revenue and improvement in operating margins.

The current ratio improved from 0.80 times in FY2023 to 1.28 times in FY2024 and further to 1.32 times in FY2025 and stood at 1.96 times as at November 30, 2025, indicating improvement in the Company's liquidity position primarily due to increase in current assets and better working capital management. The Company's tangible net worth increased significantly from INR 21.19 lakh in FY2023 to INR 485.68 lakh in FY2024 and further to INR 1,210.42 lakh in FY2025 and stood at INR 3,186.04 lakh as at November 30, 2025, primarily due to increase in retained earnings on account of higher profitability.

The Company had no borrowings in FY2023. Total debt increased to INR 695.84 lakh in FY2024 and stood at INR 474.34 lakh in FY2025 and INR 727.03 lakh as at November 30, 2025. The debt-equity ratio improved from 1.43 times in FY2024 to 0.39 times in FY2025 and further to 0.23 times as at November 30, 2025, primarily due to the increase in the Company's net worth.

Return on Capital Employed was 122.03% in FY2023, 37.18% in FY2024 and 69.90% in FY2025 and stood at 80.02% for the eight months period ended November 30, 2025. Return on Net Worth was 81.17% in FY2023, 70.62% in FY2024, 85.15% in FY2025 and stood at 76.13% for

the eight months period ended November 30, 2025. The movement in these return ratios during the period under review was primarily attributable to changes in profitability and increase in the Company's capital base.

Overall, the financial performance of the Company during the period under review indicates significant growth in scale of operations, improvement in profitability margins, strengthening of net worth and liquidity position, and relatively moderate reliance on external borrowings, reflecting the Company's improving operational and financial position.

9.8 Peer Benchmarking Analysis

The financial risk profile of Adon Agro Commodities Limited ("Adon") has been assessed in comparison with Proventus Agrocom Limited, Krishival Foods Limited and Leo Dry Fruits & Spices Limited based on FY25 audited financials. For FY26, as full-year financials are not available, the analysis for Adon has been prepared using restated financial data for the period from April 2025 to November 2025 and is indicative of interim performance. Accordingly, FY26 figures are not directly comparable with full-year FY25 data or with peers where different cut-off periods have been considered.

Figures are in INR lakhs (Except for Ratios and percentages)

Key Indicators	Adon Agro Commodities Limited		Proventus Agrocom Limited		Krishival Foods Limited		Leo Dry Fruits & Spices Limited	
	FY 26 (till Nov'25)*	FY 25	FY 26 (till Sep'25)	FY 25	FY 26 (till Sep'25)	FY 25	FY 26 (till Sep'25)	FY 25
Revenue from Operation	22015.16	10303.55	38960.40	58155.96	11619.03	20223.24	5345.60	8731.11
Total Income	22076.09	10304.02	38988.26	58421.48	12071.47	20630.51	5358.92	8735.22
EBITDA	2331.92	1044.70	889.98	1026.44	1282.57	2116.01	820.64	1482.13
EBITDA Margin (%)	10.59	10.14	2.28	1.76	11.04	10.46	15.35	16.98
PAT	1673.55	722.09	668.37	740.13	1020.22	1354.55	475.97	816.40
PAT Margin (%)	7.58	7.01	1.71	1.27	8.45	6.57	8.88	9.35
Current Ratio (Times)	1.96	1.32	3.16	4.66	3.82	5.54	2.31	2.22
Tangible Net worth	3186.04	1210.42	13255.20	12512.34	14382.62	13509.66	6842.94	6366.97
Total Debt	727.03	474.34	2606.02	2215.56	3348.20	2000.25	3293.44	2113.14
Debt Equity Ratio (Times)	0.23	0.39	0.20	0.18	0.23	0.15	0.48	0.33
ROCE (%)	80.02	69.90	5.38	6.44	5.77	11.56	8.37	33.69
Return on Net Worth (%)	76.13	85.15	5.19	6.12	7.32	10.54	7.21	25.64

Source: Company filings and publicly available financial statements. Consolidated financial information has been used wherever available; otherwise, standalone financial information of the respective company has been considered.

Based on the FY25 financials, Adon Agro Commodities Limited reported revenue from operations of INR 10,303.55 lakhs, positioning it as a mid-sized company within the peer

group. Proventus Agrocom Limited operated at a significantly larger scale with revenue from operations of INR 58,155.96 lakhs, while Krishival Foods Limited reported revenue of INR 20,223.24 lakhs. Leo Dry Fruits & Spices Limited reported revenue from operations of INR 8,731.11 lakhs, which is slightly lower than that of Adon Agro. This indicates that Adon Agro operates at a moderate scale within the peer set, larger than Leo but smaller compared to Proventus and Krishival.

In terms of operating profitability, Adon Agro reported an EBITDA margin of 10.14% in FY25. Among the peers, Proventus Agrocom Limited reported a significantly lower EBITDA margin of 1.76%, whereas Krishival Foods Limited reported an EBITDA margin of 10.46%, which is broadly comparable to Adon Agro. Leo Dry Fruits & Spices Limited reported the highest EBITDA margin of 16.98% within the peer group. At the net level, Adon Agro reported a PAT margin of 7.01%, which is higher than Proventus Agrocom Limited (1.27%) and Krishival Foods Limited (6.57%), though lower than Leo Dry Fruits & Spices Limited (9.35%), indicating healthy profitability relative to most peers.

With respect to liquidity, Adon Agro reported a current ratio of 1.32 times in FY25, indicating adequate short-term liquidity, though lower compared to its peers. Proventus Agrocom Limited, Krishival Foods Limited, and Leo Dry Fruits & Spices Limited reported current ratios of 4.66 times, 5.54 times, and 2.22 times, respectively. The comparatively lower current ratio of Adon Agro may indicate relatively tighter working capital management or higher utilization of short-term liabilities in its operations.

In terms of capital structure, Adon Agro reported total debt of INR 474.34 lakhs with a debt-to-equity ratio of 0.39 times in FY25. In comparison, Proventus Agrocom Limited and Krishival Foods Limited reported debt-to-equity ratios of 0.18 times and 0.15 times, respectively, indicating relatively lower leverage, while Leo Dry Fruits & Spices Limited reported a debt-to-equity ratio of 0.33 times. Although Adon Agro's leverage is higher than most peers, it remains at a manageable level.

In terms of return ratios, Adon Agro reported ROCE of 69.90% and Return on Net Worth (RoNW) of 85.15% in FY25, which are significantly higher than those reported by its peers. Proventus Agrocom Limited reported ROCE and RoNW of 6.44% and 6.12%, respectively, while Krishival Foods Limited reported 11.56% and 10.54%. Leo Dry Fruits & Spices Limited reported comparatively stronger return ratios among peers with ROCE of 33.69% and RoNW of 25.64%, though still lower than Adon Agro. This indicates that Adon Agro demonstrates strong capital efficiency and generates higher returns relative to its equity base compared to most peers.

9.9 SWOT Analysis

Strengths (Internal / Competitive Advantages)	Weaknesses (Internal / Limitations)
✔ **Integrated Operating Model** The Company operates an integrated business model encompassing sourcing, importing, in-house processing, packaging, and distribution of dry fruits, enabling greater control over product quality, customisation, and value addition compared to pure trading entities. ✔ **Diversified Product Portfolio** The Company offers a broad range of dry fruits, nuts, processed variants, assorted mixes, and ready-to-consume snack products, catering to bulk, wholesale, retail, institutional, and gifting segments. ✔ **In-house Processing Capabilities** The establishment of in-house processing activities such as cleaning, grading, shelling, cracking, sorting, mixing and packaging allows the Company to move beyond bulk trading into higher-margin value-added products. ✔ **Multiple Distribution Channels** The Company has expanded its sales channels to include bulk B2B trading, wholesale and retail supply, institutional sales, direct-to-consumer formats, and corporate gifting, reducing dependence on any single channel. ✔ **International Sourcing Network** The Company maintains sourcing relationships with overseas suppliers across regions such as Asia, the Middle East, and North Africa, supporting product availability across different dry fruit categories.	✘ **Relatively Limited Operating History** Incorporated in 2022, the Company has a comparatively short operating track record, which may limit historical performance assessment and long-term benchmarking. ✘ **Dependence on Imports** A significant portion of raw materials is imported, exposing the Company to foreign exchange fluctuations, international logistics disruptions, and changes in import regulations or duties. ✘ **Working Capital Intensity** The dry fruits business is working capital intensive due to bulk procurement requirements, inventory holding, and price volatility in global commodity markets. ✘ **Scale of Operations** Compared to established national brands and large integrated players, the Company operates at a relatively smaller scale, which may impact bargaining power with suppliers and logistics partners.

Opportunities (External / Market Realities)	Threats (External / Sector Challenges)
Growing Demand for Packaged and Value-Added Dry Fruits Increasing consumer preference for packaged, hygienic, and value-added food products supports expansion in processed, flavoured, and customised dry fruit offerings. **Expansion of Retail and E-commerce Channels** Growth in organised retail, online platforms, and quick-commerce creates opportunities to increase direct-to-consumer sales and brand visibility. **Corporate and Festive Gifting Segment** Rising demand for corporate gifting, festive hampers, and customised assortments presents opportunities to scale the Company's gifting vertical. **Product Diversification and New SKUs** The Company can further expand into additional nut varieties, seeds, health mixes, and innovative snack formats aligned with evolving consumer preferences. **Geographic Expansion** Opportunities exist to expand distribution into additional domestic markets and selectively explore export opportunities for processed and packaged products.	**Commodity Price Volatility** Prices of dry fruits and nuts are subject to fluctuations due to climatic conditions, global supply-demand dynamics, and geopolitical tensions, including conflicts involving the United States, Israel, Iran and the broader Middle East region, which may disrupt supply chains and impact procurement costs and margins. **Intense Competition** The industry is highly competitive, with participation from unorganised traders, regional processors, and established branded players, exerting pressure on pricing and margins. **Regulatory and Compliance Risks** Changes in food safety regulations, import policies, customs duties, or quality standards may increase compliance costs or impact sourcing. **Logistics and Supply Chain Disruptions** Dependence on international sourcing exposes the Company to risks related to shipping delays, port congestion, and freight cost volatility. **Shifts in Consumer Preferences** Rapid changes in consumer demand, taste preferences, or health trends may require continuous product adaptation and innovation.

10. Future Outlook

The future outlook for the Indian nuts and dry fruits industry remains strongly positive, supported by sustained structural demand, improving supply-chain integration, and continued formalisation. Rising disposable incomes, accelerated urban consumption, and the shift toward healthier snacking are expected to deepen penetration across both metropolitan and Tier II/III markets. Consumption will also rise as nuts, seeds, and berries become a regular component of packaged foods, bakery, confectionery, dairy alternatives, nutraceuticals, and ready-to-eat products, creating stable institutional demand.

Supply-side dynamics are anticipated to improve with increased orchard productivity, expanded post-harvest infrastructure, scientific grading and sorting, and better cold-chain logistics. Government-backed programmes for horticulture development, GI tagging, export facilitation, and quality certification are expected to support long-term capacity enhancement. At the same time, India's strategic positioning as a major processing and value-addition hub—supported by investments in roasting, flavouring, packaging, and private-label manufacturing—will continue to attract organised players. However, the industry remains dependent on imports for several key products such as almonds, pistachios and certain berries, and geopolitical tensions in key producing regions, including recent conflicts involving Iran and Israel, may intermittently disrupt supply chains and create short-term price volatility. The rise of integrated players that manage procurement, processing, branding, and omnichannel distribution is expected to improve sourcing diversification and supply chain resilience over the medium term.

Digital transformation will remain a critical growth catalyst. Wider adoption of traceability solutions, data-driven procurement tools, blockchain-based quality assurance, automated grading, and AI-enabled demand forecasting will enhance transparency and reduce wastage. E-commerce and quick-commerce channels will continue expanding the consumer base, especially for premium and flavoured variants. Online-first brands are expected to scale rapidly due to favourable unit economics, subscription models, and targeted digital marketing.

In the broader market landscape, premiumisation will advance through increased demand for exotic nuts and berries, organic and residue-free variants, functional blends, and customised nutritional mixes. Institutional procurement by hotels, airlines, cafés, and FMCG companies

will further strengthen as India's food services and packaged foods industries expand. Export opportunities are likely to grow gradually, supported by trade agreements, improved quality compliance, and India's evolving role as a processing hub for global private-label brands.

Overall, the industry is projected to expand steadily over the medium term, driven by sustained consumer preference shifts, supportive policy reforms, improved supply-chain efficiency, and rising participation of organised players. While price volatility and import dependence will continue to influence margins, the long-term trajectory indicates strong growth, deeper market penetration, and higher value addition across the value chain.

Best Regards,

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