



## **EXPLORATIVE STUDY ON GROWTH AND PROSPECTS OF ORGANIC FOOD MARKET IN INDIA WITH REFERENCE TO GOVERNMENT SCHEMES**

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### **ABSTRACT:**

The prominence of organic food in India has consistently been ascending, with many individuals selecting to devour them to decrease their openness to pesticides or with an end goal to be greater climate well-disposed or both. In any case, a great many people have hardly any familiarity with the guidelines behind organic food in India and what the different logos and certificates mean. India's organic food market is seeing an exceptional change, riding the flood of expanded shopper cognizance and a developing inclination for better, supportable food decisions. As additional individuals become mindful of the potential wellbeing gambles related with synthetic substances and pesticides in traditional cultivating, the interest for organic products is soaring. With an emphasis on quality, supplement content, and ecological effect, the organic food market in India is ready for dramatic development. This study aimed to analyse growth and prospects of Organic Food market in India.

**Key Words:** Food, Sustainable, Market, Organic

### **Introduction:**

Over the most recent few years, India has seen monstrous development in the organic food industry. Organic food alludes to products that are delivered without the utilization of man-made composts, pesticides, development controllers, and anti-infection agents in domesticated animals. What's more, organic food additionally guarantees that severe development guidelines are complied with concerning the effect on soil, water, and air.

#### **1.1 Objectives of the Study**

The main objectives of the study are following:

1. To study the growth of Organic food market in India post Covid.
2. To analyse the prospect of Organic food market in India.
3. To find out the initiatives and schemes of Indian government to support the Organic food market.

#### **1.2 Research Methodology**

The study is entirely based on the secondary data. The data are collected through published sources like Text books, Journals, Magazines and through the Blogs and Articles published in websites.

### **Factors Driving Growth in the Organic Food Industry**

The central point driving the interest for organic food in India is the expansion in wellbeing mindfulness among the youthful age and millennial, high discretionary cashflow, rising ubiquity, and solid financial development. Indian customers definitely stand out to the supplement content and the nature of the food they eat, prompting expanded use on organic wellbeing and health products. Added to this, the development of the Indian organic food industry is being advanced quickly by major areas of strength for the of the government.

### **2.1 Job of Government in the organic food industry**

The Indian government offers monetary help under different schemes to ranchers who are taking on organic cultivating. A portion of the schemes are the Public Undertaking on Organic Cultivating (NPOF), the Public Cultivation Mission (NHM), the Public Venture on Administration of Soil Wellbeing and Fruitfulness (NPMSH&F), and that's just the beginning. "Agri-Udaan" is another worth added drive by the Government of India that is designated to bring more land under organic cultivating. A few Agri-tech organizations have approached to assist the government with further developing the Indian organic food industry utilizing innovations like man-made intelligence, AI, Large information, and that's only the tip of the iceberg.

### **2.2 Request versus Supply of organic food in India**

The organic food industry in India is currently at a maturing stage. There is an expansion sought after from the purchasers, however the stock is low. There are three significant purposes behind this. In any case, organic products are evaluated high. This makes market entrance troublesome. The second explanation for the low inventory of organic food is that supply chains of organic food from organic ranches to home grown buyers are not immovably settled. Thirdly, there is an absence of information about organic products among potential clients prompting a low stock.

### **2.3 Impending extent of Indian organic food industry**

The pattern of careful eating is involving again because of an expanded number of shoppers who decide to take on a totally substance free way of life and have moved towards eating normal and organic. This shift is seen principally due to the mindfulness spread by a ton of wellbeing subject matter experts, NGOs, and organic food producers. The Indian organic food industry at present estimated at 6000 crores is supposed to develop at a CAGR of 25%, arriving at a worth of US\$ 2,091 Million by 2024. In view of this, a great deal of more current organic brands that follow conventional handling methods are entering the market consistently. The organic food industry is supposed to develop at a CAGR of north of 25% in the following three years. This measurement has offered a colossal extension and chance for new companies to go into the organic food business and turn out commonly for the development of the business.

## **Prospects of Organic Food Market in India**

### **3.1 Changing shopper ways of behaving**

Lately, purchasers in India have shown a recognizable change in their food inclinations. They are progressively worried about the dietary benefit and nature of the food they eat, driving them to investigate organic other options. This adjustment of conduct comes from a longing to focus on their wellbeing and prosperity, as well as a developing familiarity with the hindering impacts of substance loaded cultivating rehearses on the climate. As per a report, the Indian organic food market arrived at a worth of \$1,278 million of every 2022. The projections are considerably more noteworthy, with gauges showing that the market is supposed to arrive at a worth of \$4,602 million by 2028, mirroring a build yearly development rate (CAGR) of 23.8% during the time of 2023-2028. These figures underline the enormous potential and promising eventual fate of the organic area in India.

### **3.2 Government backing and drives**

Perceiving the monetary and ecological advantages of organic cultivating, the Indian government has found a way huge ways to advance and support the organic food market. Determined to support ranchers' pay and understanding the vision of a \$5 trillion economy, the government has laid out a public level helpful society for organic products. This drive effectively works with conglomeration, marking, and promoting at a huge scope, while likewise furnishing ranchers with reasonable testing and certificate administrations. By making a steady biological system, the government is engaging ranchers to take advantage of the popularity and premium valuing related with organic products.

### **3.3 Internet business changing the organic market**

The ascent of web based business plays had a critical impact in reshaping the organic food market in India. Online stages devoted to organic products have arisen as advantageous and available objections for purchasers looking for better and reasonable food choices. These stages offer an extensive variety

of organic food, drinks, and family products, giving purchasers the simplicity of doorstep conveyance and the capacity to investigate a different cluster of organic decisions. Moreover, the online business area in India has seen significant development as of late. The comfort and assortment presented by web based shopping have reverberated with buyers, prompting a huge expansion in e-staple deals. As per reports, the e-basic foods section experienced around 75% development during the lockdown time frame alone. This pattern is supposed to proceed, with the market projected to observe a faltering \$200 billion leap by 2024, driven by new sections and the extending base of online customers in India.

### **3.4 Ecological effect and economical cultivating rehearses**

One of the center standards of the organic food market is its accentuation on feasible cultivating rehearses. Organic cultivating techniques advance soil wellbeing, biodiversity, and water protection while decreasing dependence on manufactured composts and pesticides. Organic ranchers focus on conventional and regular strategies, guaranteeing the drawn out feasibility of rural land and the security of biological systems. With a projected outstanding development rate, the organic food market in India is set to make a critical commitment to the country's economy while advancing a better and more reasonable future.

### **Schemes of the Indian Government:**

India's organic food market has seen dramatic development after the pandemic. As per the 2022 study led in 187 nations rehearsing organic agribusiness by the global asset information from the Exploration Organization of Organic Farming (FiBL) and Worldwide Alliance of Organic Horticulture Developments (IFOAM), organic food in India is developed in 2.6 Mn hectares, fifth biggest on the planet. The report additionally uncovered that the portion of land utilized for organic cultivating in all out agribusiness land is 1.5%, and over the most recent decade, India expanded its organic horticulture land under development by 145.1%. The Monetary Study 2022-2023 notices that India has 4.43 Mn organic ranchers, the most elevated on the planet.

According to the Horticultural and Handled Food Products Commodity Improvement Authority (APEDA), Service of Trade and Businesses, Government of India: "India delivered around 2.9 Mn MT (2022-23) of guaranteed organic products, which incorporates all assortments of food products to be specific Oil Seeds, fiber, Sugar stick, Oats and Millets, Cotton, Heartbeats, Fragrant and Restorative Plants, Tea, Espresso, Natural products, Flavors, Dry Natural products, Vegetables, Handled foods and so forth. The production isn't restricted to the eatable area yet in addition produces organic cotton fiber, utilitarian food products and so on. Among various states, Madhya Pradesh is the biggest maker, trailed by Maharashtra, Rajasthan, Karnataka, and Odisha.

As far as items, fiber crops are the single biggest classification, trailed by Oil Seeds, Sugar yields, Grains and Millets, Restorative/Natural and Sweet-smelling plants, Flavors and toppings, New Organic product Vegetable, Heartbeats, Tea and espresso."

To support and speed up the development of the Organic Food Area in India, the Government of India has taken a few drives.

**4.1 Paramparagat Krishi Vikas Yojana (PKVY)**, sent off in 2015, is a lengthy part of Soil Wellbeing The executives (SHM) under the Midway Supported Plan (CSS) Public Mission on Economical Horticulture (NMSA). PKVY targets supporting and advancing organic cultivating, thusly bringing about the improvement of soil wellbeing. The plan advances organic cultivating through the reception of the organic town by group approach (with at least 20 Ha size) and the Participatory Assurance Framework (PGS) For India (PGS-India) type of organic certificate that includes makers and shoppers during the time spent accreditation. PGS-India is a locally significant quality confirmation drive that stresses the interest of partners and works outside the casing of outsider certificate.

Monetary help of INR 50,000 for every Ha for quite some time is given to the rancher. Under PKVY starting around 16 November 2022, 32,384 bunches totalling 6.4 Lakh Ha region and 16.1 Lakh ranchers have been covered. Furthermore, 8 States fostered their own brands for organic products. Up to this point, INR 1854.01 Cr has been delivered under the plan up to 2022-23. Since the send off of

the plan in 2015-16, an area of 11.85 Lakh Ha has been brought under organic cultivating, and the government expects to add one more 6.00 Lakh Ha region to organic through PKVY during the period from 2022-23 to 2025-26. Under this plan, the government has additionally started an Enormous Region Confirmation (LAC) program beginning around 2020-21 to distinguish Customary Organic Regions like slopes, islands, ancestral or desert belts without any set of experiences of GMO and agrochemical use to change them into ensured organic production center points. The government has confirmed 14,491 Ha in the Vehicle Nicobar and Nancowry gathering of islands in the Andaman and Nicobar Islands. This region is the main huge adjacent domain to be deliberated with organic affirmation under LAC.

**4.2. Mission Organic Worth Chain Improvement for North East District (MOVCDNER)**, which became functional in 2015-16 as a sub-mission under the Public Mission on Feasible Horticulture (NMSA), means to foster yield item unambiguous organic worth chain and address holes in organic harvest production, wild yield reaping, organic animals the executives and handling, and so on. Starting around 2015-16, under MOVCDNER, 1.73 Lakh Ha region has been covered under organic cultivating by creating 379 Ranchers Makers Association (FPOs)/Ranchers Makers Organizations (FPCs) including 1.89 Lakh ranchers.

Likewise, 7 NE States fostered their own brands for organic products. Up to this point, INR 919.42 Cr has been delivered under the plan. Under MOVCDNER, monetary help of INR 10000/Ha for a considerable length of time is accommodated preparing, handholding and ICS documentation, and ranchers are given help of INR 32500/Ha for a considerable length of time for off-ranch/on-ranch organic data sources. Under the plan, need-based help is likewise accommodated different parts.

**4.3. Jaivik Kheti** organic web based business gateway of the Service of Agribusiness and Ranchers Government assistance, alongside MSTC, straightforwardly interfaces ranchers with retail as well as mass purchasers. The entryway additionally goes about as an information stage, facilitating contextual investigations, recordings, best cultivating rehearses, and so on, and joins different partners like provincial gatherings, nearby gatherings, individual ranchers, purchasers, government organizations and info providers for the comprehensive turn of events and advancement of organic cultivating.

**4.4. The Public Program for Organic Production (NPOP)**, carried out by APEDA, is associated with the license of Accreditation Bodies, fixing norms for organic production and bundling, advancement of organic cultivating and advertising and so on. With acknowledgment from the certify accreditation groups of India, Indian organic products are acknowledged by the bringing in nations.

**4.5. Production Connected Impetus Plan for Food Handling Industry (PLISFPI)** was endorsed by the Association Bureau on Walk 31, 2021, with a spending plan of INR 10,900 Cr for execution from 2021-22 to 2026-27. The Plan was sent off to help the production of worldwide food fabricating champions. The second part of the plan specifies that Imaginative/Organic products of SMEs, including Free roaming - Eggs, Poultry Meat, and Egg Products in these sections, are likewise covered. To additional help the development of the business, the principles on least deals and commanded venture are not appropriate to elements chosen for making imaginative/organic products. Up to this point, 14 applications have been chosen under this classification.

### Conclusion:

As the green wave clears the country over, it is pivotal for all partners, from ranchers to retailers, to embrace this developing business sector and work together to fulfill the rising need for organic products. By supporting manageable cultivating works on, encouraging development, and guaranteeing openness, India can lead the way in making a powerful and flourishing organic food biological system that benefits the two customers and the climate.

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