

The Indian FMCG sector – Q4FY26

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The growth of the FMCG companies is likely to expand into rural regions and adopting digital technologies alongside e-commerce solutions, such as rapid delivery services



Projected market size (FY30)¹
INR 58 tn

17%
**Compounded annual growth rate*
Indian FMCG sector CAGR* (FY25-30)¹

INR 49 tn
Indian food processing market size (FY26)¹

INR 25 tn
FMCG generated revenue (FY25)¹

Segmental performance

The growth of the FMCG market revenue is fueled by the adoption of e-commerce and digital connectivity services, supported by widespread smartphone use, credit and debit cards and online banking

FY25 FMCG revenue share

Urban ¹	Rural ¹
62% FY25 vs 65% in FY22 ²	38% FY25 vs 35% in FY22 ²

Projected market size

INR 3.6 tn Projected beauty and personal care market by FY30 ¹	INR 434 bn Expected healthy snack market by FY34 ¹
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Key growth factors¹:

- Increased rural spending
- Tax reliefs
- Growing consumption across staples and non-staples.

Performance snapshot

Trends

- Rapid adoption of quick commerce¹**
INR 910 bn (2029)
 Driven by rising demand for ultra-fast delivery
- Expansion in e-commerce market⁴**
INR 31 tn (2030)
 Focus towards private-label and unbranded products
- Growing focus on health, fitness and wellness³**
150% (2024-26)
 Protein related orders is growing in q-commerce platform
- Biodegradable packaging is increasing⁵**
23% CAGR 2025-35
 Driven by food services, FMCG and personal care demand

Challenges

- Product launch inefficiency¹**
Low rural internet penetration
 Only 4 per cent achieved 1 per cent market penetration
- Intensifying competition from direct-to-consumer (D2C)¹**
 Traditional FMCG players may face stronger pressure from D2C and regional players
- Sustainability-linked cost burden¹**
 Green initiatives are becoming essential, but they also require long-term investments which may pressure near-term costs

Outlook

INR 5.6 tn D2C market by 2030, driven by rise in internet adoption and aspirational consumption ⁶	INR 334 bn Aim to generate revenue from food processing industry by FY27 ⁷	+ The fast-moving healthcare goods sector expected to grow at CAGR of 20 per cent by 2030 ¹	+ FMCG giants are poised to benefit from India's growing pet food market, fueled by increased pet ownership ¹
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Key takeaways

In 2025, FMCG companies boosted digital advertising, dedicating 53–60 per cent of their media budgets to digital platforms¹	Household and personal care products comprise 50 per cent of the FMCG market due to frequent purchases¹	Indian dairy industry expected market size is INR 57 tn by 2033 with CAGR of 12.35 per cent (2025-33)⁸	Rural India leads in premium FMCG, with affordable and super-premium products rising to 51 and 42 per cent of volumes¹
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Source: 1) FMCG Industry in India, IBEF, February 2026; 2) FMCG Infographic, IBEF, May 2024; 3) India's Kitchens Turn into Mini Gyms as Protein Orders Soar 150%, IBEF, May 2026; 4) How Consumer Buying Behaviour Is Shaping E-commerce in India, IBEF, April 2026; 5) India's Bio-Packaging Industry: Scaling Sustainable Alternatives to Plastic, IBEF, April 2026; 6) India's direct-to-consumer (D2C) growth is powered by Tier 2, 3 cities, with 66% new orders in FY26, IBEF, April 2026; 7) PLI scheme for food processing industry emerges as key driver of growth in India's sector, IBEF, April 2026; 8) Food processing, MoFPI

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