MARKET REPORT

India Cake Market
Size, Share, Trends & Forecast

2026-2031 | Product Type, Format, Category, Distribution Channel & Region

Executive Summary

The India cake market was valued at **USD 2.10 billion** in 2025 and is estimated to grow from **USD 2.38 billion** in 2026 to **USD 4.42 billion** by 2031, representing a CAGR of **13.22%** during 2026-2031.

- Growth is supported by rising disposable incomes, urbanization, social-media influence, premiumization and expansion of quick-commerce delivery.
- Customized cakes, corporate gifting, protein-enriched and egg-free recipes are broadening the consumer base.
- North India remains the largest regional market, while South India is identified as the fastest-growing region.



India Cake Market Size and Forecast

Key Report Takeaways

- **Sponge cakes** held 32.11% of market share in 2025; cupcakes are forecast to grow at 14.33% CAGR to 2031.
- **Whole cakes** commanded 56.53% share in 2025; sliced formats are projected to grow at 13.71% CAGR through 2031.
- **Packaged cakes** captured 66.08% revenue share in 2025; artisanal cakes are expected to register 15.28% CAGR to 2031.
- **Supermarkets/hypermarkets** led distribution with 36.02% share in 2025; online retail is projected at 13.76% CAGR.
- **North India** accounted for 29.22% of 2025 sales; South India is projected to expand at 15.12% CAGR to 2031.

Market Trends & Growth Drivers

DRIVER	(~) % IMPACT ON CAGR FORECAST	GEOGRAPHIC RELEVANCE	IMPACT TIMELINE
Rising disposable incomes among urban middle class	+2.8%	National, with early gains in Delhi, Mumbai, Bangalore	Medium term (2-4 years)
Rising social media and food trends	+2.1%	Urban centers, tier-1 and tier-2 cities	Short term (≤ 2 years)
Celebration culture and westernization of desserts	+1.9%	National, stronger in South and West India	Long term (≥ 4 years)
Growth of corporate gifting culture during festivals	+1.4%	Urban centers, corporate hubs	Medium term (2-4 years)
Adoption of customization and personalization in cakes	+1.7%	Metro cities, expanding to tier-2 cities	Short term (≤ 2 years)
Emergence of functional/eggless protein cakes	+1.3%	Health-conscious urban segments	Long term (≥ 4 years)

Source: Mordor Intelligence

Drivers Impact Analysis

Rising Disposable Incomes Among the Urban Middle Class

Increasing disposable incomes are supporting demand for premium cakes, with consumers shifting from budget-friendly options toward branded and higher-quality products. Tier-2 cities such as Jaipur and Coimbatore are emerging as important growth markets, while organized players are introducing localized flavours and artisanal bakeries are expanding in malls and high-street locations.

Growth of Corporate Gifting During Festivals

Corporate gifting is increasing demand for branded cakes in premium packaging. Cakes benefit from shelf life, portability and presentation advantages, while organized players gain from bulk festive orders, stronger logistics and consistent quality.

Customization and Personalization

Urban consumers increasingly seek photo-printed designs, themed cakes and personalized messages. Cloud kitchens are using tools such as 3D printing and AI-assisted design to offer more intricate products with faster delivery.

Functional, Eggless and Protein Cakes

Health and fitness trends are supporting demand for functional and eggless cakes. Brands are experimenting with protein enrichment, reduced sugar, soy-based binders and alternative sweeteners to address changing consumer preferences.

Market Restraints

Restraints Impact Analysis*

RESTRAINT	(~) % IMPACT ON CAGR FORECAST	GEOGRAPHIC RELEVANCE	IMPACT TIMELINE
Rising health consciousness curbing sugar intake	-1.8%	Urban centers, health-conscious demographics	Medium term (2-4 years)
Price wars and fragmentation in unorganized bakeries	-1.2%	Local markets, tier-2 and tier-3 cities	Short term (≤ 2 years)
Supply-chain challenges in hot and humid climates	-0.9%	Pan-India, particularly severe in the summer months	Short term (≤ 2 years)
Stricter Food Safety and Standards Authority of India (FSSAI) rules on additives raising compliance cost	-0.7%	National, affecting all organized players	Long term (≥ 4 years)

Health Consciousness and Sugar Intake

Growing health awareness is influencing demand for traditional high-sugar cakes. The report notes greater interest in lower-sugar alternatives and reformulation as brands respond to changing consumer preferences and regulatory attention.

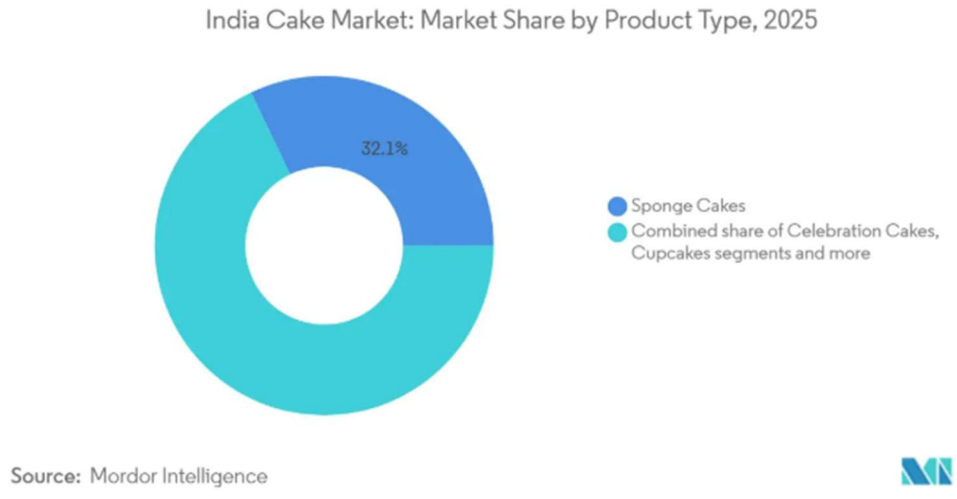
Supply-Chain Challenges in Hot and Humid Climates

High temperatures create spoilage and transport risks for cakes, increasing the importance of cold-chain logistics, route optimization and improved packaging. Rising fuel costs add further pressure, particularly for mid-sized bakeries.

Segment Analysis

By Product Type

Sponge cakes were the largest product category in 2025, accounting for **32.11%** of the market. Cupcakes are among the fastest-growing categories and are projected to expand at a CAGR of **14.33%** from 2026 to 2031.



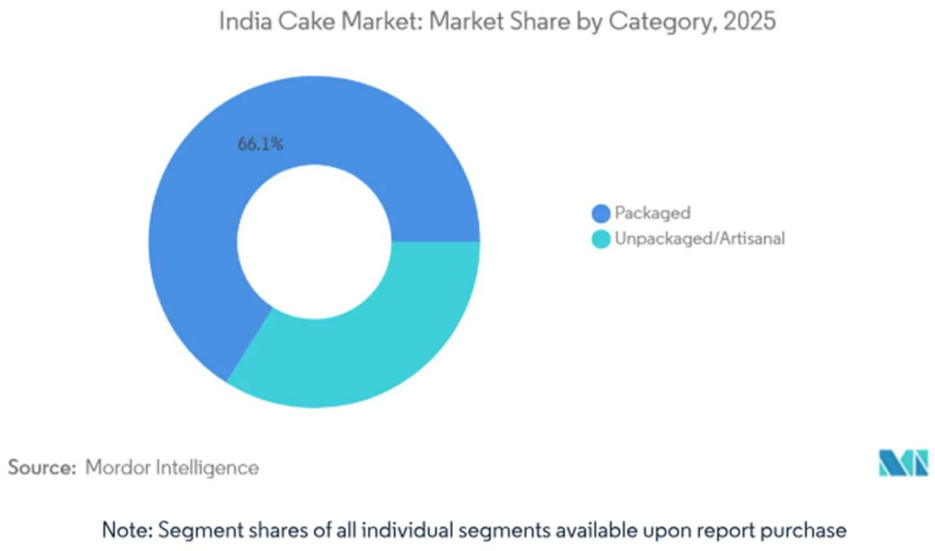
India Cake Market Share by Product Type, 2025

By Format

Whole cakes held **56.53%** of market share in 2025, supported by celebrations, festivals, gifting and customization. Sliced cakes are projected to grow at **13.71%** CAGR through 2031 as consumers increasingly seek portion-controlled, convenient and on-the-go formats.

By Category

Packaged cakes accounted for **66.08%** of market share in 2025, supported by availability, brand trust, consistency and shelf life. Artisanal cakes are projected to grow at **15.28%** CAGR between 2026 and 2031 as premiumization, personalization and boutique formats gain traction.



India Cake Market Share by Category, 2025

By Distribution Channel

Supermarkets and hypermarkets accounted for **36.02%** of market share in 2025. Online retail channels are expected to grow at **13.76%** CAGR, supported by digital payments, quick delivery and broader reach for smaller bakeries and artisanal brands.

Regional Analysis

- **North India:** 29.22% share in 2025, supported by urban population density, celebration culture and corporate demand.
- **South India:** fastest-growing region at 15.12% CAGR, supported by affluent technology-sector consumers, premium artisanal demand and strong café culture.
- **West India:** benefits from Mumbai's high-spending consumer base and Gujarat's manufacturing capabilities, with strong quick-commerce penetration.
- **East India:** remains less penetrated but is showing growth in tier-2 cities such as Bhubaneswar and Guwahati, with localized flavours helping attract new consumers.

Regulatory Landscape

The report places the Indian cake market under the Food Safety and Standards Authority of India (FSSAI) framework. Commercial bakers and packaged cake manufacturers require registration or licensing through FoSCoS, while packaged products are subject to rules covering permitted additives, product standards and mandatory labelling. Cross-border sourcing is also affected by customs classifications for pastries and cakes.

Competitive Landscape

The report characterizes competition as moderate, with the top five packaged cake suppliers accounting for **over 50%** of revenue in the organized segment. Competitive strategies include capacity expansion, cold-chain upgrades, direct-to-consumer platforms, AI-driven demand forecasting and development of low-sugar, vegan and protein-rich products.



Market Concentration - India Cake Market

Market Opportunities & Future Outlook

- Manufacturing scale-up and broader packaged-food capacity can improve supply reliability in underpenetrated cities and during peak celebration periods.
- Faster local fulfilment and cloud-kitchen models support short shelf-life products and quick-commerce use cases.
- Digital discovery, personalization and premium formats offer opportunities for both packaged and artisanal brands.
- Automation, AI and IoT can help reduce waste, improve consistency and support customized, egg-free and functional cake portfolios.

Recent Industry Developments

- **February 2026:** Britannia Industries launched Britannia Cake Fudge It Choco Brownie alongside a digital campaign.
- **January 2026:** ITC announced plans to expand fresh packaged foods, including cakes with about a 30-day shelf life, through cloud kitchens across six cities.
- **October 2024:** Karnataka Milk Federation, through Nandini, launched 18 bakery products across slice cakes, bar cakes and muffins.