INDIA SEAFOOD FACTSHEET

Opportunities for Icelandic Exporters Under TEPA

Iceland

Embassy of Iceland
New Delhi

Nordic Council of Ministers

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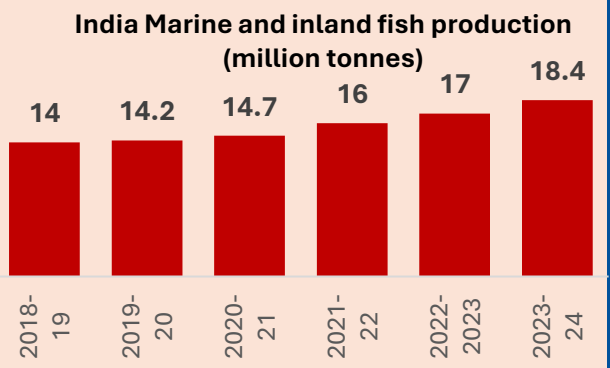
India’s Seafood Landscape

India is primarily an export powerhouse (seafood exports ~USD 7–8 billion/year).[1] Imports are niche and concentrated in premium urban retail and institutional demand from HORECA (hotels, restaurants, catering).

- India's burgeoning consuming class, now exceeding 300 million people with rising disposable incomes, demonstrates an unprecedented willingness to spend on experiential dining and premium food experiences.
- Young professionals and millennials, who constitute over 60% of the dining-out population, prioritize quality, authenticity, and international cuisines, driving average spending per dining occasion up by 40% over the past five years.
- India’s imports of prepared/preserved fish (HS 1604) are tiny (~USD 1 million in 2023)[2], indicating white-space rather than saturation—ideal for premium positioning and B2B HORECA.
- The HORECA segment (hotels, restaurants, and catering) in Tier-1 cities such as Mumbai, Delhi-NCR, Bengaluru, and Chennai accounts for the major share of India’s demand for imported premium seafood, driven by consistent quality requirements and preference for international varieties.



Source: Department of Fisheries, Government of India

Growth engines of seafood import

Demand channels

- The HORECA segment (hotels, restaurants, and catering) in Tier-1 cities such as Mumbai, Delhi-NCR, Bengaluru, and Chennai accounts for the largest share of India’s demand for imported premium seafood, driven by consistent quality requirements and preference for international varieties.
- Premium retail and e-grocery platforms (e.g., Nature’s Basket, Foodhall, Blinkit, BigBasket) have expanded imported seafood offerings, supported by the rapid growth of organized food retail and cold-chain logistics across major urban centers.

Growth in cold chain infrastructure

- Growth in cold chain investment: India’s cold-storage capacity is estimated at 37–39 million metric tonnes (2023), with >70% concentrated in perishable food categories, indicating readiness for imported frozen seafood distribution (National Centre for Cold Chain Development, 2023).[3]
- India operates over 8,000 cold-chain facilities, including reefer container hubs in Mumbai (JNPT), Mundra, Kochi, and Chennai.

Consumption hotspots

- Southern and western coastal states (Kerala, Tamil Nadu, Karnataka, Maharashtra, Goa) account for over 60% of national seafood consumption.
- Regional cuisines in southern and western India already incorporate seafood daily, ensuring cultural acceptance and steady base demand.

1. Ministry of Commerce and Industry
2. ITC Trade Map
3. National Centre for Cold Chain Development, 2023)

Segment in focus

NORTH ATLANTIC FISH SPECIES

North Atlantic fish, including species such as cod, haddock, halibut, and salmon, have carved out a selective but steadily expanding niche within India's premium seafood segment. While not yet mainstream, these fish are increasingly sought after by high-end hotels, European and Japanese specialty restaurants, and gourmet retailers catering to globally exposed consumers.

Current market position

Salmon leads in consumer awareness, while other North Atlantic species are gradually gaining visibility across premium retail and deli channels.

HORECA channel dominance: ~85-90% of imported North Atlantic fish is absorbed by premium hotels, fine dine restaurants, and specialty outlets — particularly those serving European, Japanese, and fusion menus.

Retail presence: The Atlantic fish has presence in select high-end retail environments. These include premium e-commerce platforms like SweetStuff, specialized delis, and modern gourmet stores in metros, where globally aware consumers are open to experimenting with authentic cold-water fish varieties.

Emerging demand drivers: The revival of airline catering, cruise tourism, and international hotel chains in India is supporting steady uptake of premium Atlantic whitefish fillets and value-added formats such as frozen portions and smoked products.

TEPA impact for Iceland

30%
Standard duty

Exports under TEPA

Zero duty for most products

Example of Salmon

Immediate Elimination from Oct 2025	Phased Duty Elimination
No Salmon product benefits from immediate duty elimination	Within 7 years for non value added Salmon and 10 years for value added salmon products

Source: Internal analysis based on TEPA Appendix 2.C.1

Key Atlantic Fish Species Tariff –line Codes with TEPA Benefits

Tariff –line Code	Product Description	Standard Duty (India)	India's Offer to Iceland
03025100, 03036300, 03047100	Atlantic cod (chilled, frozen, filleted)	30%	E7
03021400	Atlantic Salmon	30%	E7
03031300	Atlantic Salmon – Fresh/Chilled	30%	E7
16041100	Prepared/Preserved Salmon	30%	E10
03025200, 0303640, 03047200	Haddock (chilled, frozen, filleted)	30%	E7
03022100, 03044300	Halibut (chilled, frozen, filleted)	30%	E7
03033100	Halibut (frozen)	30%	E7
03028990 03048990 03038990	Redfish (chilled, filleted, frozen)	30%	For frozen variant EIF, for chilled and filleted E7
03028990, 03048990, 03038990	Greater Argentine (chilled, filleted, frozen)	30%	For frozen variant EIF, for chilled and filleted E7

E7: *Progressive duty elimination over 7 years*
E10: *Progressive duty elimination over 10 years*
EIF (immediate duty-free): *Immediate duty elimination when agreement coming into force*

Source: Internal analysis based on TEPA Appendix 2.C.1

Opportunities & Challenges:

Opportunities

- Growing interest among chefs and procurement heads in authentic cold-water species such as cod, haddock, and halibut to add variety to European, Japanese, and cruise menus.
- Expansion of premium travel segments driving demand for high-quality, easy-to-prepare frozen and chilled whitefish portions.
- TEPA immediately eliminate duty for some Icelandic origin fish products (example; Frozen Redfish), narrowing the cost gap that currently favors other suppliers such as Australia(Australia enjoys an FTA with India since 2022 for their fish supplies).
- Emerging scope for semi-processed, smoked, or ready-to-cook formats tailored for institutional buyers and boutique retail.

Potential Challenges for New Exporters

Supplying chilled variants remains challenging due to long sea transit times from Iceland, which can reduce remaining shelf life upon arrival. All imported seafood is subject to microbiological testing, heavy-metal residue checks, and shelf-life validation at port inspection points.

Documentation gaps (e.g., catch certificates, freezing logs, traceability records) frequently lead to port clearance delays of 7–15 days, increasing costs for chilled and frozen shipments.

FSSAI approval is mandatory for every new SKU and importer, with testing at accredited laboratories often taking 2–3 weeks, delaying market entry for small consignments.

FSSAI = Food Safety and Standards Authority of India
SKU= Stock Keeping Unit

Note: *Redfish and Greater Argentine are not traded under a dedicated HS code, they fall under the "others" category under HS chapter 3.*

Segment in focus
CRUSTACEANS

India is one of the world's top crustacean producers and exporters, mainly shrimp (Litopenaeus vannamei and black tiger prawn). Domestic production exceeds 900,000 tonnes annually, and exports cross USD 7 billion, led by frozen shrimp. Imports of crustaceans are relatively small compared to domestic production , India is a net exporter of shrimp, though niche imports exist for high-value, cold-water species

Current market position

The market for imported crustaceans is still niche, largely limited to premium hotels, fine-dining restaurants and high-income urban consumers.

Imports focus on specialty crustaceans (e.g., cold-water prawns, lobsters, crabs) that India does not produce in large volumes. Domestic shrimp production and export priorities limit reliance on imported shrimp.

The dominant crustacean production in India is shrimp (farm-based aquaculture) rather than imported cold-water species

TEPA impact for Iceland

30%
Standard duty

Exports under TEPA

Zero duty for select products

Immediate Duty Elimination from Oct 2025	Phased Duty Elimination
Frozen Norway lobster (03063400	Frozen crabs (03061400 - 7 years), processed shrimp/prawn (16052100 - 10 years)

Source: Internal analysis based on TEPA Appendix 2.C.1

Key Crustacean Tariff –line Codes with TEPA Benefits

Tariff –line Code	Product Description	Standard Duty (India)	India's Offer to Iceland
03061400	Frozen Crabs	30%	E7
03061610	Accelerated Freeze-Dried (AFD) cold-water shrimps and prawns,	30%	E7
03061690	Other frozen" "cold-wacer shrimps and prawns	30%	E7
03063300	Live, fresh, or chilled crabs	30%	Exclusion / No Benefits
03063400	Norway Lobsters (Nephrops Norvegicus)	30%	Eif
03069500	Shrimps And Prawns	30%	E10
16052100	Shrimps and prawns that are prepared or preserved and are not in an airtight container	30%	E10

E7: *Progressive duty elimination over 7 years*
E10: *Progressive duty elimination over 10 years*
EIF (immediate duty-free): *Immediate duty elimination when agreement coming into force*

Source: Internal analysis based on TEPA Appendix 2.C.1

Opportunities & Challenges:

Opportunities

- Rising consumer incomes, greater urbanisation, and shifting dietary preferences towards protein-rich seafood are fuelling growth in crustacean consumption and luxury imports.
- Growth of HORECA (hotels, restaurants & catering) in Tier-1 cities ensures demand for premium crustacean imports (e.g., lobster, crab) for fine dining, international cuisine and specialty dining segments.
- While domestic production of crustaceans is relatively smaller, value-added processed formats (frozen, peeled crab, premium prawns) may create opportunities in India's import-dependent luxury dining segment.
- Iceland's reputation for sustainably sourced, clean-label crustaceans provides a differentiating advantage in India's premium import segment, where authenticity, traceability, and consistent cold-water quality are growing procurement priorities among HORECA buyers.

Potential Challenges for New Exporters

Domestic shrimp aquaculture is extremely competitive, making imports of standard shrimp less viable; imported crustaceans must occupy differentiated product niches (cold-water species, lobster, crab) to succeed.

Infrastructure gaps (cold-chain, live-seafood logistics) is a major concern. In-land distribution to restaurants and retail often faces temperature fluctuations, affecting product quality and shelf life.

Additional lab testing are often requested for heavy metals, residues, or microbiological contaminants even if the product is already certified by EFTA authorities.

Consumer education and menu integration are needed to expand demand.

Segment in focus

Valued Added Seafood Products

Retail sales of processed seafood in India was valued at ~ USD 80 million in 2024. During the 2019 to 2024 period, this market grew at a CAGR of ~16% from ~USD 38 million in 2019 (~19% between 2019-2020) and most recently, retail sales of processed seafood have increased ~14% annually from USD 70 million in 2023.[4]

Frozen processed seafood was the largest category of processed seafood in the Indian market with retail sales of USD 74 million in 2024.[5] The remaining retail sales of processed seafood was within the shelf stable seafood category with ~USD 7 million, representing an 8.4% market share in 2024.[6]

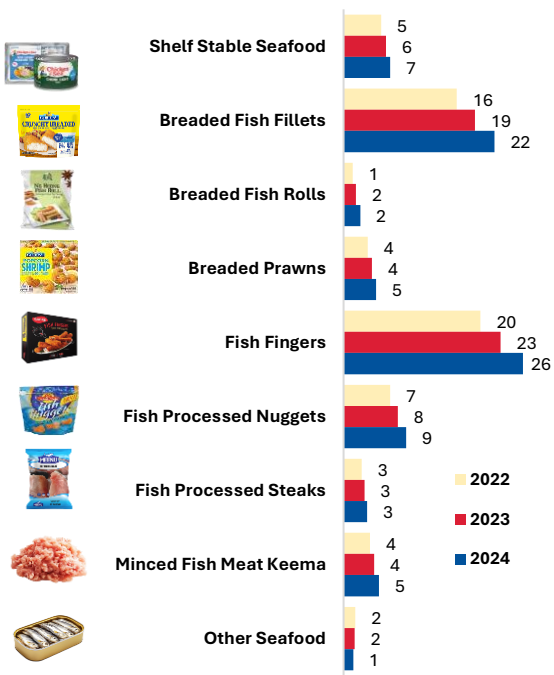
Current market position

In the frozen processed seafood category, primary frozen products include fish fingers which led retail sales with values of ~ USD 26 million in 2024, followed by breaded fish fillets with retail sales of ~USD 22 million in 2024.[7]

The strong performance of frozen items such as fish fingers and breaded fillets indicating a shift toward ready-to-cook, easy-to-prepare seafood among urban consumers.

The processed seafood segment is experiencing growth due to the changing consumer preferences and their willingness to experiment. Niche products such as breaded fish rolls witnessed an ~22% annually from USD 1 million in 2019 to USD 2.4 million in 2024 indicating openness to newer, premium seafood formats beyond traditional options[8].

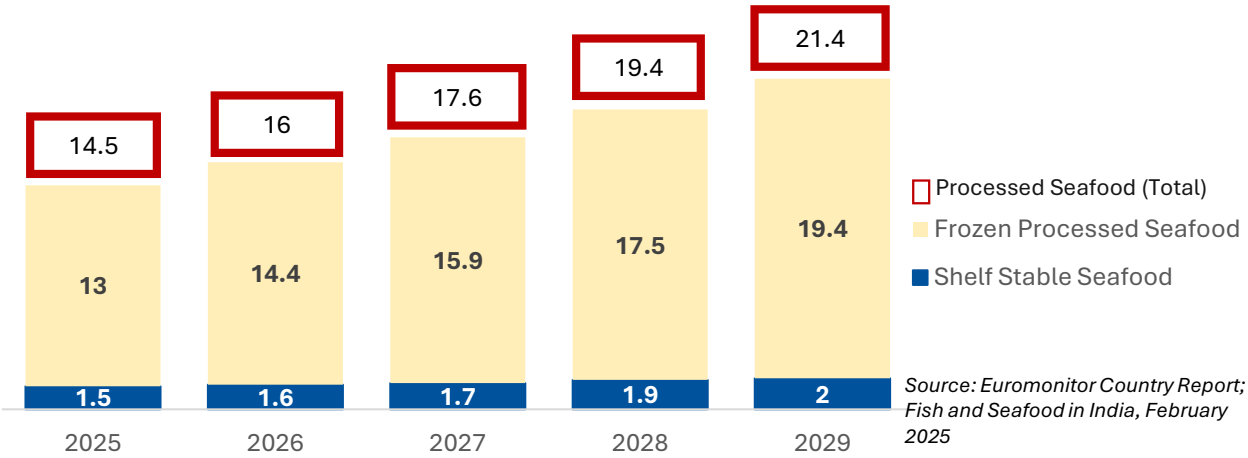
Processed seafood retail value sales by product category (in USD million)



Source: T&A compilation using various industry reports

4. Department for Promotion of Industry and Internal Trade
5, 6, 7, 8. Agriculture and Agri-Food Canada

Processed seafood volume sales forecast by product category (in '000 tonnes)



Source: Euromonitor Country Report; Fish and Seafood in India, February 2025

TEPA impact for Iceland

Phased Duty Elimination
Prepared or preserved sprats, tunas, mackerels and anchovies (16041320-16041600 – duty elimination in 10 years), prepared or preserved caviar (16043100) – duty elimination in 7 years

Key Processed Seafood Tariff –line Codes with TEPA Benefits

Tariff –line Code	Product Description	Standard Duty (India)	India's Offer to Iceland
16041100	Prepared or preserved Salmon	30%	E10
16041410	Prepared or preserved Tunas	30%	E10
16043100	Prepared or preserved Caviar	30%	E7
16051000	Prepared or preserved Crab	30%	E10
16053000	Prepared or preserved Lobster	30%	E10
16055100	Prepared or preserved Oysters	30%	E10
15042020	Refined or non-refined Fish Lipid Oil	30%	E7

E7: *Progressive duty elimination over 7 years*
E10: *Progressive duty elimination over 10 years*

Source: Internal analysis based on TEPA Appendix 2.C.1

Opportunities & Challenges:

Opportunities

- Upscale restaurants, hotels, and airline caterers are key entry channels for value-added Icelandic seafood (smoked salmon, cod fillets, fish fingers, surimi, and ready-to-eat packs). Culinary westernization and the rise of sushi, seafood buffets, and health-oriented menus have strengthened this demand.
- Demand for high-quality, trusted-origin processed seafood is rising in India, especially across ready-to-eat, smoked, frozen, and marinated categories. Iceland can differentiate its offering by highlighting its North Atlantic provenance, sustainable resource management, and strong traceability standards.
- India's expanding cold chain infrastructure, driven by government incentives and private investment (e.g., cold storage capacity in Tier-1 and Tier-2 cities), enables importers to handle frozen processed seafood efficiently. Online grocery platforms (Blinkit, BigBasket, Amazon Fresh) increasingly feature imported ready-to-cook seafood.

Potential Challenges for New Exporters

India remains an extremely price-sensitive market. Nordic processed seafood must target high-income niches - luxury retail, gourmet chains, and five-star hotels, as broad-based mass penetration remains limited.

Frozen or chilled seafood shipped from Iceland may take 4–6 weeks by sea, plus customs time. This reduces the remaining shelf life for retailers, especially for chilled (not frozen) variants. Retailers in India then hesitate to stock them, fearing spoilage or low consumer turnover.

Indian retail and HORECA buyers are more familiar with Southeast Asian brands and domestic seafood products. Icelandic brands currently lacks visibility, requiring sustained investment in marketing, sampling, and chef partnerships.

- Growth in India's ready-to-cook segment presents opportunities for Icelandic frozen fillets, portion cuts, and pre-marinated products, which appeal to premium retail buyers seeking convenience without compromising on quality and provenance.

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