Catching the Wave:

India's Rise in Seafood Trade

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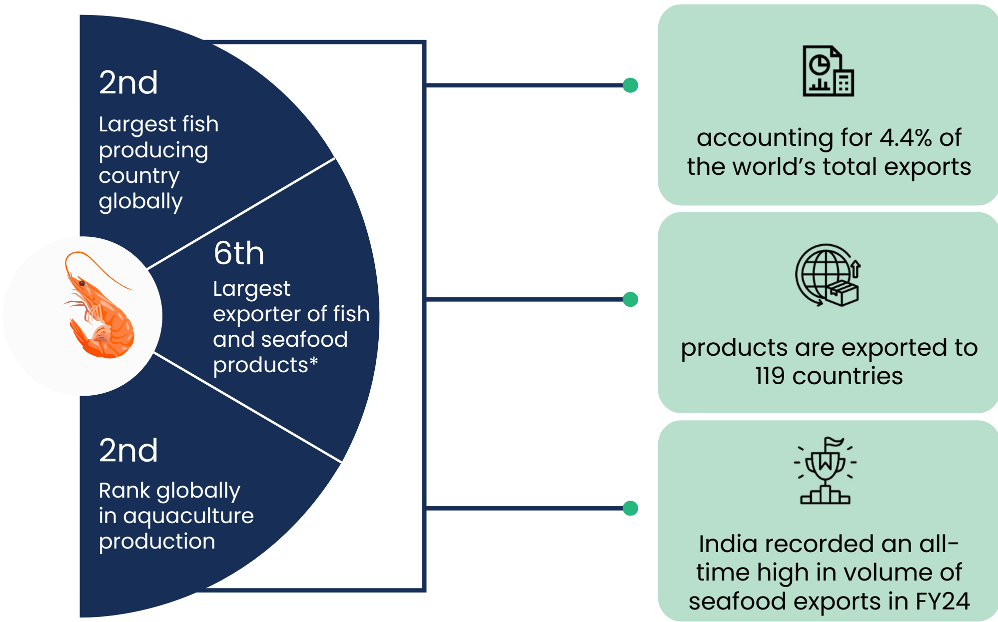
India's Seafood Industry: Anchoring Global Leadership

India is steadily emerging as a powerhouse in the global seafood industry. Its 11,099 km coastline and extensive inland water systems create one of the most diverse marine and freshwater ecosystems worldwide. This resource base supports a strong production system across capture fisheries and aquaculture.

India's seafood industry offers a diverse and high-value portfolio of marine products—ranging from fish, shrimp, squid, cuttlefish, octopus, and crabs—catering to global demand through extensive exports.

Together, all these factors position India as a key driver in shaping the future of global seafood trade.

India is a significant player in the global seafood industry



Source: Dun & Bradstreet Research

*(*Exports HS Code 03: Fish and crustaceans, molluscs, and other aquatic invertebrates)*

Driving Growth Through Policy and Technology

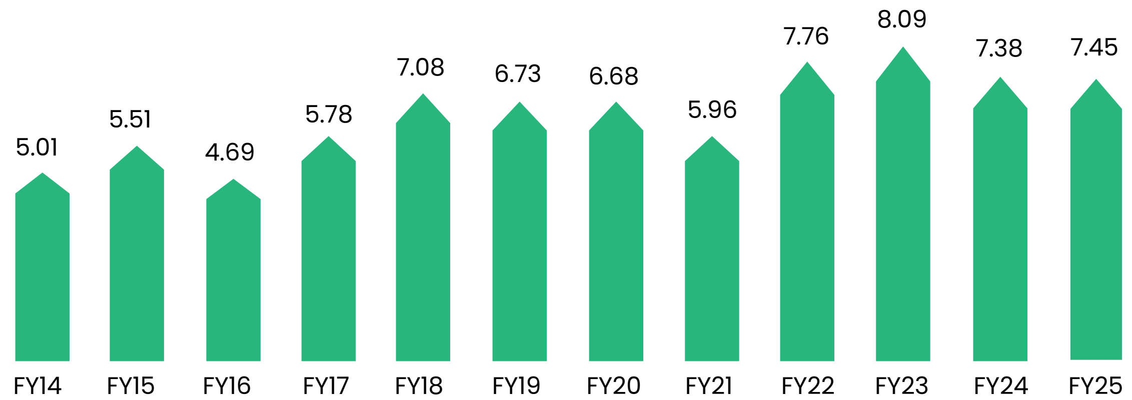
Positive policy measures and technological advancements have been key drivers of growth in India's seafood industry. For FY26, the fisheries sector received its highest-ever annual budgetary allocation of $324 million (₹2,703.68 crore). The Union Budget also introduced a framework for sustainable utilization of fisheries resources from the Exclusive Economic Zone (EEZ) and high seas, focusing on regions like Lakshadweep and the Andaman & Nicobar Islands.

Flagship schemes such as the Blue Revolution and Pradhan Mantri Matsya Sampada Yojana (PMMSY) have streamlined operations and addressed inefficiencies. On the technology front, advanced tools like satellite-based vessel communication systems, Oceansat data, and Potential Fishing Zone advisories are being deployed. Additionally, GIS mapping of marine landing centers and fishing grounds is enabling better resource planning and management.

From Record Highs to Resilience, India's Seafood Export Journey

India's seafood exports have shown remarkable strength in recent years, reaching an all-time high of 1.78 million metric tonnes valued at US$7.38 billion in FY24. Despite a slight dip in export volumes to 1.69 million metric tonnes, the industry stabilized at US$7.45 billion in FY25, navigating global challenges.

India - Export Trend of Marine Products (US$ in bn)

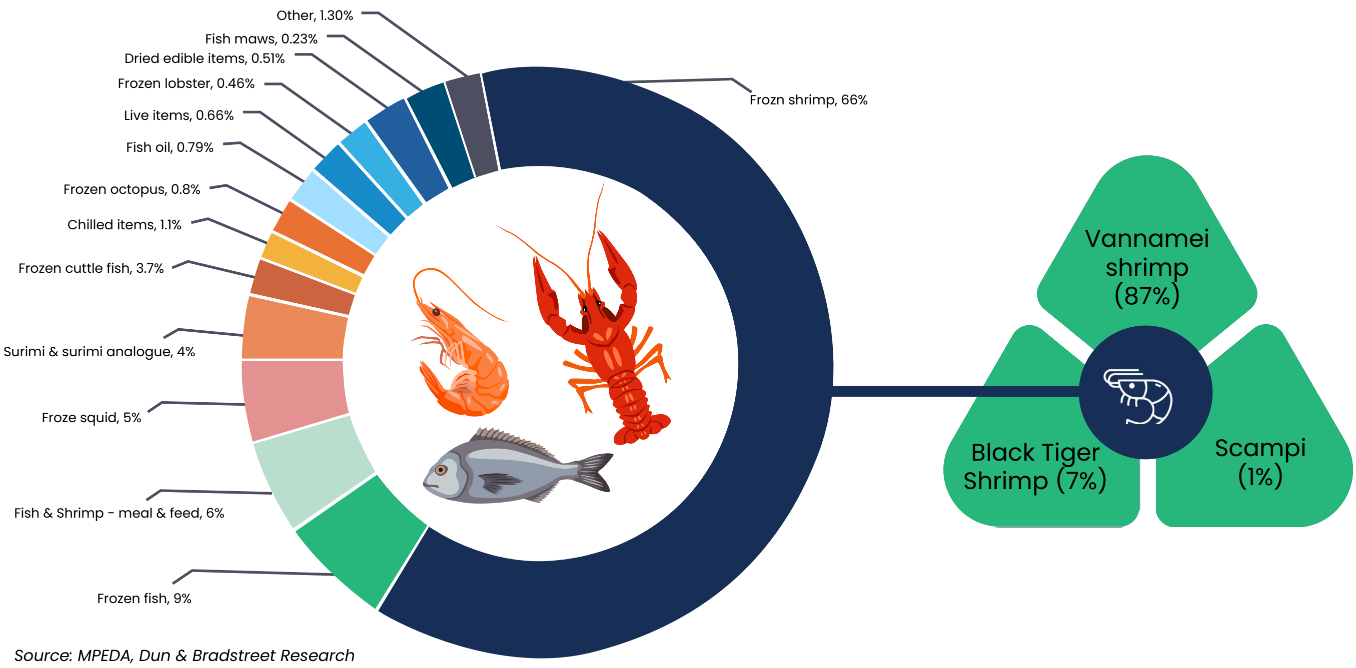


Source: MPEDA

Frozen shrimp continues to dominate India's seafood export basket, contributing $5.17 billion, or 70% of total export revenue in FY25. In comparison, FY24 saw 716,004 metric tonnes of frozen shrimp shipped, earning $4.88 billion and accounting for 66% of overall export earnings.

This consistent performance underscores the pivotal role of shrimp in sustaining India's leadership in global seafood trade. In addition to shrimps, other major exports include frozen fish, fish and shrimp - meal and feed, frozen squid, surimi and surimi analogue products, frozen cuttlefish, chilled items, frozen octopus, fish oil, live items, dried edible items, frozen lobster, fish maws, etc.

Species-wise exports from India (in FY24 by value US$)



Source: MPEDA, Dun & Bradstreet Research

India's Dominant Position in Global Shrimp Exports

India's global edge is most evident in its commanding role in shrimp exports. India ranks as the second-largest exporter of shrimp after Ecuador. This leadership reflects India's strong production capabilities and competitive pricing in the international market.

On the demand side, the United States continues to be the dominant export destination, accounting for over one-third (36%) of India's seafood export value in FY25. China was the second-largest market with 17% share, followed by the European Union (15%), Southeast Asia (13%), Japan (6%), and the Middle East (4%).

Geopolitical shifts are creating fresh opportunities for Indian seafood exporters. China's halt on Japanese seafood imports opens a demand gap India can leverage. Additionally, with nearly half of India's seafood exports already going to markets beyond the US and China, diversification potential is strong — especially critical amid rising US tariff pressures.

World's Major Shrimp Exporting Countries

Rank	Country
1	Ecuador
2	India
3	Vietnam
4	Indonesia
5	Argentina

Major Seafood Export Destination For India _FY25

Rank	Country	% share of seafood exports (by value in US$)
1	US	36%
2	China	17%
3	EU	15%
4	Southeast Asia	15%
5	Middle East	4%

Source: Dun & Bradstreet Research

Global Seafood Outlook and India's Advantage

With shrimp being India's leading export seafood product, it positions India well amid the rising demand and changing dietary habits across the world. Strong aquaculture clusters — such as the one in Andhra Pradesh — along with improved hatchery capacity, cold chain infrastructure, and feed efficiency enhance India's export competitiveness. Growing demand for sustainable and responsibly farmed seafood further strengthens India's global standing.

Top Export Markets	Current Trend
United States	Higher tariffs on Indian seafood have reduced competitiveness, leading buyers to shift to Latin American and Southeast Asian suppliers
China	China's reinstated ban on Japanese seafood has sharply increased its reliance on alternative suppliers, and India is emerging as a major beneficiary
European Union	Mandatory sustainability certifications and traceability compliance favor Indian exporters who meet these standards, enabling access to premium EU markets
Japan	Revival of tourism and high-end dining culture has increased demand for premium seafood grades, which India can supply
Vietnam	Vietnam's role as a redistribution hub has increased demand for raw material; India's competitive pricing strengthens its position
Canada	Buyers are diversifying away from US and seeking traceable, value-added products, which Indian exporters are increasingly offering
UAE	Strong Middle East consumption and re-export markets; India's halal-certified offerings align well with regional preferences
Thailand	Regional sourcing for processing and redistribution continues to support Indian exports
Spain	Seasonal consumption and Mediterranean cuisine trends sustain demand for Indian tiger shrimp
Saudi Arabia	Rising seafood consumption and preference for frozen shrimp create opportunities for Indian suppliers

Source: Dun & Bradstreet Research

Challenges Reshaping India's Seafood Export Strategy

While India's long-term outlook remains promising, recent trade developments across major markets are reshaping India's seafood export landscape. The table below outlines key updates in leading destinations and their implications for Indian exporters.

Market	Key Updates	Implications for Indian Exporters
United States	Tariffs surged to ~58% post-Aug 2025, eroding price competitiveness.	Pushes exporters to pivot toward alternative markets and premium segments; accelerates innovation in value-added products.
China	No tariff changes; Japan's seafood ban creates a major demand gap. Exports up 16% (Apr–Aug FY26); shrimp/prawn exports up 25% to US$468 mn.	Strong growth trajectory; China emerging as a hub for consumption and processing/re-export, offering scale opportunities.
European Union	EU strengthened trade ties with India: approved 102 new Indian processing units (total now 604) and activated the India–EFTA trade deal, signaling confidence in Indian seafood quality.	EU exports are expected to grow by ~20%; Belgium, Spain, and Italy to remain dominant destinations. Enhanced compliance will reinforce India's reputation and unlock high-value markets like Norway and Switzerland.
Japan	Imports remain stable with a strong preference for frozen shrimp and stringent quality standards, reinforcing its position as a premium-grade market.	Reliable premium-grade destination; meeting compliance ensures long-term access. Additional opportunity arises from China's ban on Japanese seafood.

Source: Dun & Bradstreet Research

In the immediate aftermath of the recent US tariffs on India, exporters, especially smaller ones, faced liquidity stress as tariff-loaded consignments were already enroute, even as many seafood processing units suspended operations grappling with sudden costs.

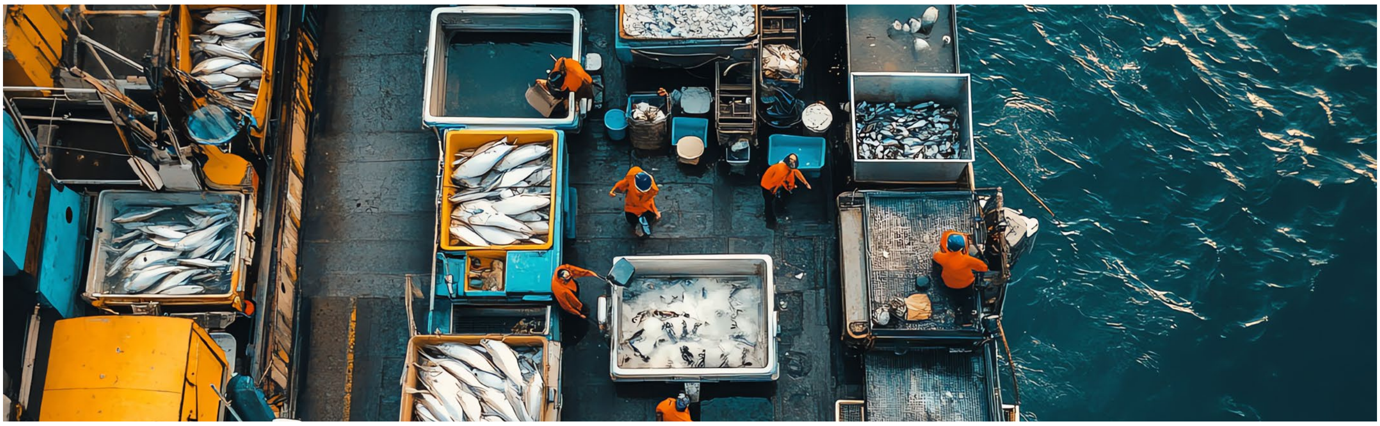
Although diversification efforts may help curtail the short-run impact of tariffs, they are unlikely to immediately replace the entire market share of US consumers. Moreover, rising pricing pressures from logistics and container costs, especially on long-haul routes in addition to costs related to regulatory compliances, increased production and currency fluctuations continue to saddle exporters.

Lengthy cash conversion cycles, tighter working capital and stringent fulfilment schedules have further aggravated operational strain.

What's Next: Strategic moves for Indian exporters

With tariff shocks and shifting trade dynamics, Indian seafood exporters must adopt forward-looking strategies to sustain growth. Beyond market diversification, the focus should shift toward premium processed products, sustainable aquaculture practices, and value-added offerings.

These levers will help strengthen margins, meet evolving global standards, and position India competitively in high-value international markets.



Market Diversification

- Indian exporters need to actively capitalize on regional trade pacts and preferential tariffs under FTAs to secure long-term access and competitive pricing advantages.
- Entering premium categories like organic seafood and specialty products for health-conscious consumers in developed markets will enable exporters to create a differentiated positioning.

Value Addition

- Exporters need to shift their focus from raw frozen shrimp to premium processed offerings — breaded, cooked, marinated, and ready-to-eat products — to capture higher margins and meet convenience-driven global demand.
- They need to offer tailored flavor profiles and portion sizes for specific markets (e.g., Mediterranean seasoning for EU, spicy variants for ASEAN) to enhance buyer loyalty.
- Investing in eco-friendly, visually appealing packaging can drive strong brand identity to stand out in competitive shelves and online platforms.

Sustainable Practices

- Implementing blockchain-based traceability and securing global certifications (ASC, BAP) can help exporters meet stringent compliance norms and build trust with premium buyers.
- Transitioning to low impact farming techniques, reducing antibiotic use, and embracing renewable energy solutions will help exporters align with global sustainability benchmarks.
- Exporters need to market sustainability efforts proactively to position Indian seafood as ethically sourced and environmentally responsible, appealing to conscious consumers and retailers.

Closing Insights

India's seafood sector stands at a critical juncture, buoyed by structural strengths yet navigating a rapidly evolving trade landscape. Expansion opportunities are opening in markets where regulatory barriers are easing, and demand is rising.

At the same time, the preference for premium, processed, and responsi bly sourced seafood is accelerating worldwide, creating space for differentiated offerings beyond traditional frozen exports.

However, risks remain. Tariff volatility in the US, rising logistics costs, and currency fluctuations continue to weigh on margins. Compliance expectations in high-value destinations are tightening, making traceability and sustainability non-negotiable for long-term access.

Priorities for Indian exporters in the next two quarters:

- **Strengthen market presence.** Deepen penetration in emerging and reopened markets.
- **Focus on differentiation.** Invest in product innovation and branding to capture premium segments.
- **Ensure long-term credibility.** Make sustainability and quality assurance your differentiator in key global markets.

These steps will help navigate near-term challenges while positioning Indian exporter for stronger global competitiveness.

About Drip Capital

Drip is a financial technology company building modern infrastructure to make trade finance and B2B commerce easy and accessible for small businesses worldwide. Its AI native, predictive underwriting and processing engine streamlines credit assessment and automates end-to-end transaction workflows. To date, Drip has facilitated more than $8 billion in cross-border trade for 11,000 businesses across 60 countries.

Working to close the $1.8 trillion global trade finance gap, Drip enables small and midsize businesses to trade with confidence across borders. The company has built a strong partner ecosystem—including leading capital providers such as Barclays, TD Bank, and the IFC, as well as logistics firms, insurance brokers, and B2B invoicing platforms—to expand distribution and impact. Drip is backed by global investors including Accel, Sequoia, Wing VC, Sumitomo Mitsui Banking Corporation and Y Combinator.

Drip Capital Offerings

At Drip Capital, we empower businesses with fast, flexible, and collateral-free solutions for both working capital and procurement, designed to support every stage of global trade.

In India

1 — We support Exporters through innovative Receivable Financing

- Disburse funds within 24 hours
- Credit lines of up to US $3M
- Flexible repayment terms of up to 150 days
- Collateral free working capital

2 — We also support Exporters by giving them access to funds against the PO

- Get up to 60% advance payment even before shipmen
- Collateral free working capita
- Get finance in the form of turnover boost
- Improve supplier relationship by timely payments & improve Margins via bulk purchase & cash discounts
- Enhance credibility & business growth by timely order fulfillment

3 — We Support Importers through innovative procurement solutions

- Procurement Limits of up to US $3M
- Get up to 90 days to pay when you procure your goods
- Improve margins with cash discounts through supplier prepayments
- Paperless digital process

In the USA

4 — We help US buyers manage payables with flexible financing

- Credit lines up to US $3M
- Unsecured structure — no collateral or upfront UCC filing required
- Repayment terms up to 120 days
- Drip pays your suppliers—in the US or overseas—directly
- Designed to work alongside existing senior credit facilities

For more information, please call: +91-9987-779-334 or e-mail us at trade@dripcapital.com

Visit our website: www.dripcapital.com

This newsletter has been prepared by Drip Capital and its knowledge partner Dun & Bradstreet India.