

**Required Report:** Required - Public Distribution

**Date:** November 07, 2022

**Report Number:** IN2022-0093

**Report Name:** Food Service - Hotel Restaurant Institutional

**Country:** India

**Post:** New Delhi

**Report Category:** Food Service - Hotel Restaurant Institutional

**Prepared By:** Mark Rosmann, Shivani Pandey and Uma Patil

**Approved By:** Rhiannon Elms

**Report Highlights:**

India's hospitality sector, which was severely impacted by the COVID-19 pandemic, has now recovered to pre-pandemic conditions and sales. The hotel, restaurant and institutional sector owes its rapid recovery to domestic travel and a return to in-person dining and catered events. By the end of 2022, a continued reduction in COVID-19 cases combined with improved consumer confidence for dining out, will drive demand for imported food products. Opportunities for U.S. exporters continue to remain in high-value consumer-oriented food products, including tree nuts, fresh fruits, wines, distilled spirits, condiments, and processed foods. However, high food price inflation, a sharp weakening of the rupee, and continued supply chain challenges may impact demand for imported food products in India.

### Executive Summary:

With its 1.4 billion population, India is expected to overtake China as the most populous country in the world in 2023. The median age in India is 28 years, with more than 50 percent of the population below age 25, and more than 65 percent are below 35 years. As one of the world's fastest growing economies, India is currently fifth-largest economy in the world, having overtaken the United Kingdom, and is now behind only the United States, China, Japan, and Germany, according to International Monetary Fund projections (IMF). India is expected to become the third largest over the next 15 years. According to the IMF, India's gross domestic product (GDP) is expected to reach 7.4 percent by the end of fiscal year (FY) (April-March) 2022/23. However, due to global economic conditions, persistent food price inflation, and the weakening of the Indian rupee (INR) India's economy is estimated to grow by 6.1 percent in fiscal year (FY-April-March) 2023/24, a decline from the previous 6.9 percent estimate.

Indian processors, importers, distributors, wholesalers, retailers, food service operators, hotels, and restaurants all contribute to its massive, yet developing agribusiness sector. In 2021, India imported \$33.6 billion in bulk, intermediate, consumer oriented, and agricultural related products a 41 percent growth from 2020 (\$23.8 billion).

### Imports of Consumer-Oriented Products:

Led by tree nuts, spices, and processed and fresh fruits, consumer-oriented foods are among the fastest growing segments of imported agricultural products. In 2021, India imported \$6.14 billion in consumer-oriented products, with the United States maintaining a 16 percent share. This demand for imported food products continues to grow as consumers favor high quality and gourmet products from professional brand-oriented importers, modern retailers, e-retailers, and food service entities.

Although most imported foods are directed toward retail channels, there are significant opportunities for importing products via the hotel restaurant and institutional (HRI) sector, where there is high demand for incorporating high-quality ingredients. Most four- and five-star hotel chains maintain boutique restaurants serving premium global cuisines (Chinese, Japanese, Italian, Mexican, etc.) which require distinct food products, ingredients, and beverages that are not domestically produced. Many of these hotel chains utilize central purchasing departments to procure tree nuts, meats, cheeses, alcoholic beverages, fresh fruits and consumer-oriented products through importers or wholesale markets. Additionally, chefs, and restaurant and bar managers are increasingly driving the selection of food ingredients, including imported products, through food trade shows and direct outreach to suppliers.

While opportunities for imported foods are improving in the HRI sector, challenges that inhibit rapid growth include high tariffs, certain import restrictions, price sensitivity, and strong competition from the domestic food industry.

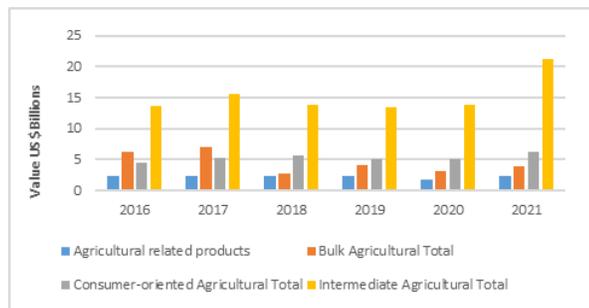


Figure 1: India: Agricultural and Related Product Exports (All Origins)

### Food Service, Hotel Restaurant & Institutional:

In 2021, India's HRI sector was valued at \$61.4 billion, achieving a compound annual growth rate (CAGR) of 10 percent. The sector is estimated reach \$110 billion by 2025, and expected to maintain a 10.5 percent CAGR in the 2022-2027 period. India's expanding youth population, which comprises of 65 percent of its population, is largely responsible for driving this growth. Rising disposable incomes, aspiration for better lifestyles, increased tourism, changing consumer

habits, and high interest in imported products and new cuisines are key factors driving the HRI sector. The sector includes the organized segment (standalone, quick service restaurants [QSR] and chain restaurants) with a 35 percent market share, and the unorganized segment at 65 percent. There is strong interest from international food service companies to enter the Indian market, and these firms are creating new and innovative menus suitable for local tastes.

India's HRI sector is valued at over \$250 billion, contributes nearly 10 percent to the country's GDP and generates 43 million jobs. Despite pandemic related challenges, FY 2021/22 saw the opening of 36 new hotels in the sector, a total of 5,539 rooms achieving a 339 percent revenue per available room growth year-on-year.

**Quick Facts Calendar Year 2021**

**Imports of Consumer-Oriented Products:** US \$6.14 billion

**List of Top Import Growth Products in India:**

- Tree Nuts (in shell - almonds, pistachios, and walnuts)
- Fresh Fruits (Apples, Pears, Table Grapes, Non-Local/ Seasonal Fruit)
- Dairy products (mainly the cheese products for the use of HRI sector)
- Food Preparations
- Processed fruits
- Distilled spirits
- Sauces, Condiments and Vinegar
- Cocoa and Cocoa Preparations

**Food Industry by Channels (U.S. billion) 2021:**

Food Industry Output	\$400 billion (2022)
Food Exports	\$51.4 billion
Food Imports	\$33.6 billion
Retail	\$800 billion
Food Service	\$64 billion

**Top Indian Hotel Chains (Five Star and Above):**

- Taj Group of Hotels - Indian Hotels Company Limited
- ITC Group of Hotels - ITC Limited
- Oberoi Hotels - East India Hotels Limited
- The Leela Palace
- The Lalit Hotels

**Top American Hotel Chains in India:**

- Marriott International
- Hilton Hotels & Resorts
- Hyatt Hotels Corporation

**GDP/Population (2020):**

- Population (billions): 1.4 billion
- GDP (billions USD): \$3.17 trillion (nominal)
- GDP per capita (USD): \$2,321.1 (nominal)

**Sources:** Trade Data Monitor and Annual Survey of Industries

### SWOT Analysis:

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• U.S. products held in high regard</li> <li>• Demand for U.S. cuisine and restaurant franchises</li> </ul>	<ul style="list-style-type: none"> <li>• Limited awareness of range and value of U.S. products</li> <li>• Inadequate infrastructure for product handling</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• Growth potential for imported ingredients and intermediate products in high-end hotels and restaurants</li> <li>• Changing consumer habits and shift toward healthier foods</li> <li>• Growing tourism sector</li> </ul>	<ul style="list-style-type: none"> <li>• High tariffs, non-tariff barriers</li> <li>• Product substitutes and competition from local and international suppliers</li> <li>• Value of the Indian rupee against the U.S. dollar</li> </ul>

## SECTION I: MARKET SUMMARY

### General Economy and Policy Environment

India is Asia's third largest economy behind China and Japan with a projected growth rate of 6.8 percent in 2022 as per the [IMF's annual World Economic Outlook report](#) released in October 2022. Despite the fears of the world slipping into recession due to the inflation, Russia-Ukraine war, and the lingering Covid-19 pandemic, it is expected that India will still emerge as the strongest major economy with 7 percent growth rate in 2023. While the Government of India (GOI) continues to make improvements to facilitate the ease of doing business (India is currently ranked at 63 out of 190 countries in the World Bank's 2020 Ease of Doing Business Report), it continues to raise tariffs for select imported food and agricultural commodities and impose restrictions on imports. Market access challenges continue for imported food products, despite domestic efforts to improve the business investment climate and support India's own exports. Strong competition from the domestic industry and neighboring international markets also remains an important barrier for imported food products. Additionally, the global container shortage and severe port congestions and have contributed to significant supply chain disruptions, in particular food and agricultural product imports. Moreover, reduced international and domestic tourism resulted in lower market penetration for the traditionally tourist-heavy Indian states such as Punjab, Rajasthan, Madhya Pradesh, Kerala, and Goa. Moreover, the depreciating value of [Indian rupees to 81.93 against U.S. dollar](#), as of September 28, 2022, almost 10 percent down from last year is another concern which may negatively impact on the Indian HRI sector and reduce the overall imports due to the increasing prices and lower demand.

India's "Self-Reliant India" (Atmanirbhar Bharat) policy, related to "Make in India" campaign that emphasizes local sourcing, and the high price sensitivity of the Indian consumer all pose significant challenges for imported food products and ingredients. Similar campaigns such as "Vocal for Local" have been prioritized by the Indian government to considerable effect and have been given significant media attention. The Make in India/Vocal for Local campaigns have led to increase demand for locally sourced ingredients from retail stores.

India continues to maintain a surplus in agricultural trade in bulk, intermediate, consumer-oriented, and agricultural-related products. Food and agricultural exports increased from \$39.8 billion in 2017, to \$51.4 billion in 2021. In 2021, India imported \$33.6 billion in bulk, intermediate, consumer oriented and agricultural related products a 41 percent growth from 2020 (\$23.8 billion). Consumer-oriented foods remain among the fastest growing segment of imported agricultural products, and reached \$6.14 billion in 2021, with the United States maintaining a 16 percent share. The United States remains the largest supplier of consumer-oriented food products to India, led by tree nuts, specifically in-shell almonds. Although the demand for imported products is growing, the business climate for such product is challenging. The challenges include import restrictions, newer regulations, high tariffs, cold chain infrastructure, etc. The U.S. exporters should conduct a proper

due diligence when exporting products to India. For additional information on India's agricultural market, see [USDA Foreign Agricultural Service's Exporter Guide 2021](#), and the International Agricultural Trade Report from October 2017: [Growing Opportunities for U.S. Agricultural Exports in India](#).

### **Hotel, Restaurant, and Institutional (HRI) Service Sector Overview**

The Indian hospitality industry was witnessing tremendous growth before the outbreak of the COVID-19 pandemic. The industry was severely affected in 2020-2021 during the first and second waves of the infection which brought heavy restrictions, nationwide complete and partial lockdowns, and travel bans. According to the [Federation of Hotel & Restaurant Associations of India \(FHRAI\)](#), 25-30 percent of the organized sector hotels (around 60,000 hotels and 500,000 restaurants) have closed permanently.

In March 2022, the food service market witnessed a sharp demand recovery as travel and hospitality resumed. Moreover, the ease in travel and hospitality restrictions and improving inbound and international tourism also contributed to the sector's journey towards growth.

India's hospitality sector was valued at US \$61.4 billion in 2021, achieving a CAGR of 10 percent. According to the [FHRAI report](#), the sector has made a steady progress in Q1 (January-March) of 2022 with steady increase in average room rates particularly from leisure category travelers. In Q2 (April-June) of 2022, the sector has recorded a stellar 44.6 percent revenue growth and 64.7 percent occupancy rate at a pan-India level. Overall, the business is improved by 70-80 percent of the pre-COVID era. The growth was primarily driven by the demand for weddings, social events, leisure and business travel, and big-ticket MICE (Meetings, Incentives, Conferences, and Exhibitions) events. The sector has witnessed significant growth in the month of July-August 2022 and the trend is expected to continue as the industry is approaching the peak demand festive season. The luxury hotel category has reported that the occupancy and room rates are currently surpassing pre-COVID levels.

According to local sources, the sector is expected to reach US \$110 billion by 2025 and maintain a 10.5 percent CAGR in the 2022-2027 period. Factors including rising middle & affluent class consumers, improved living standards and high aspiration levels, increased purchasing power of domestic travelers, developing air travel networks, and relaxed visa restrictions continue to drive growth. Moreover, the weakening rupee and [Indian Goods and Services Tax \(GST\) council's](#) rate cut from 28 percent to 18 percent for luxury hotels and 18 percent to 12 percent for mid-scale hotels has made India an inexpensive tourist destination for international travelers.

### **West and South India Trends**

In August-September 2022, FAS India visited Ahmedabad, Goa, Hyderabad, and Chennai to meet with the local food service industry contacts including luxury category five and four-star hotel

properties (IHCL, Hyatt, Marriott, and ITC group hotels), high-end standalone restaurants and specialty restaurant chains. The local contacts reported more than 90 percent recovery in the occupancy and room rates with resumption in the corporate travel, events, and revenge spending towards travel and restaurant dining. Local contacts also mentioned about the longer duration of stays as travelers continue to combine business and holidays. Certain luxury hotels have already crossed their revenue when compared to pre-2019 levels and reported that out of their total revenues, 45-50 percent are from the F&B sections with increased customer footfall in their inhouse restaurants. Brands at different positioning levels are showing different signs of recovery with smaller hotel groups including Ginger, Lemon tree etc. reporting 60 percent revenues in Q2 of 2022 already when compared to last year at the same period. The online food delivery business is also contributing to the growth of the in-house restaurant revenues. Demand for continental and international cuisine is increasing with more diners asking for the fusion foods/menu options. Contacts also reported that, the in-house guests prefer small individual packets of milk, youghert, buttermilk, juices, cereals, with whole fruits, etc. due to the concerns over hygiene and easy to carry along from the breakfast or lunch/dinner buffets.

When discussing challenges of imported food and beverage procurement, contacts reported a few issues including availability of imported foods and beverages, consistent supplies, price fluctuations, increased import restrictions, high tariffs, and supply chain issues, etc. Most hotels have started to procure locally available food ingredients to avoid sourcing difficulties, but as the supply chain issues resolve the contacts will start procuring the imported food ingredients. Local contacts also reported that the industry is running in employee deficit condition and retaining the existing employees is a challenge, plus increasing labor cost is another issue.

## Tourism

Over the last decade, India has strengthened its position as a key tourism destination. According to [India Tourism Statistics 2022 report](#), India ranked 54 in the global travel and tourism development index in 2021, and is expected that by 2030 India will be amongst top five business travel markets.

The beginning of 2022 is showing a few signs of recovery, however the Russia-Ukraine war and its impact at a global level is again hammering the industry with other factors such as increasing fuel costs, high airfares, inflation, etc. Tourism and hospitality industry is one of the largest service industries in India. The country offers diverse geographical areas, world heritage sites, adventure and amusement parks, cruises, and medical tourism. Local hospitality sector contacts reported that weather conditions at different tourist destinations play an important role in determining the inflow of the domestic and international tourists. The contacts expect that the Q3 (July-September) and Q4 (October-December) of 2022 will experience peak in the number of tourist arrivals.

**Table 1: India: Key Indicators of the Travel and Tourism Industry**

International Tourist Annual Arrival	15,542,900 persons
International Tourist Inbound Receipts	USD \$27.4 million

Average Receipt per Arrival	USD \$452 per person
Travel and Tourism Industry GDP (% of total)	USD \$96.4 million (3.6 percent)

Source: World Tourism Organization and World Travel and Tourism Council 2019

## Section II: MARKET ENTRY ROADMAP

### Entry Strategy

Key factors to consider before entering or introducing products into the Indian market:

#### Can your product come into India and the local laws?

- Study India's varied, complex laws and regulations to determine if your product has market access.
- Review [FAS GAIN](#) policy and market reports, including specific commodity information on custom duties or sanitary requirements.
- Consider engaging a market research firm to assist with market entry, better understand the trade challenges and opportunities, and navigate the complex regulatory environment.

#### Find the Right Partner

- Identify a reliable importer/distributor who services the food retail sector.
- Avoid conflicts of interest – i.e., a partner who can ensure that all channels are followed within Indian laws.
- Consider whether participating in an Indian trade show or collaborating/participating in USDA endorsed promotional activities would be effective in finding a dependable importer/distributor/partner. This includes online/virtual trade shows in the short term, due to COVID-19 related travel challenges.

#### Secure Payment Terms

- Until establishing a successful working relationship, U.S. companies or exporters may wish to consider vehicles such as an irrevocable Letter of Credit, advance payment, or payment at sight.
- FAS India offices do not have the authority to mediate contractual disputes or serve as a collection agent when differences over payment or other commercial issues arise. For information about local legal services, refer to GAIN Report [IN6155](#).

### Market Structure and Distribution Channels

Consumer attitudes are shifting toward increased quality and healthier eating habits, propelled in part by the pandemic. Established economic trends including greater household income and increased tourism have resulted in an Indian population willing to try new, innovative food and beverage products. The well-travelled Indian consumers are constantly demanding for authentic international cuisines with a fine dining experience, which in turn suggests strong demand for the

imported foods and beverages. However, highly complex regulatory requirements, recurrent food labeling laws, continued long-term rupee depreciation, and susceptible distribution infrastructure such as cold chain environment continue to prevent large-scale market growth.

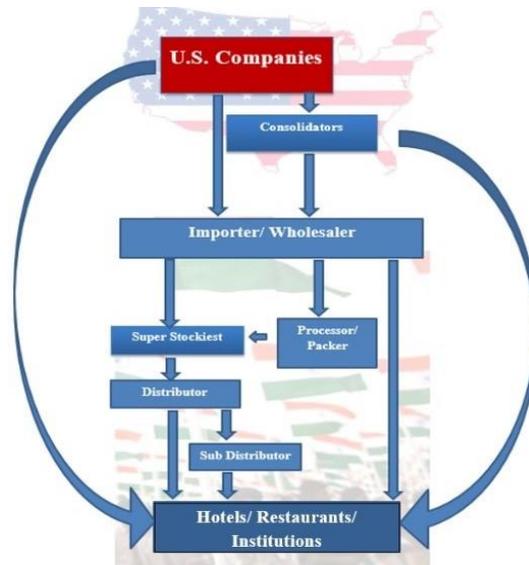


Figure 22: Distribution Channels

Developing trends such as e-commerce/product deliveries, and an inclination toward healthy eating were already on the rise, but the COVID-19 pandemic accelerated such consumption habits. Middle and upper-income consumers are inclined to toward online shopping through e-commerce retailers due to affordability and ease. Conversely, the pandemic has created a unique hindrance for U.S. exporters attempting entry into the Indian market due to supply chain disruptions and the inability to travel. Due diligence is advised to U.S. companies, bearing mind the current global and domestic situations in trade, public health, and other sanitary/phytosanitary concerns.

### Sub-Sector Profiles - Indian Hotel Sector

**Organized Hotels:** India has a vast hotel sector, but only a small percentage are considered four stars or above. The overwhelming majority of hotels are small, traditional outlets that provide inexpensive accommodations and usually source all their food ingredients locally. According to the survey conducted by Federation of Hotel and Restaurant Associations of India, there are over 2.5 million hotel rooms in over 100,000 hotels and resorts across India constituted as “organized” or “modern.” In general, the market for domestic guests is nearly three times bigger than that for the international guests.

Some hotels obtain special licenses that enables them to purchase food and beverage products (and other items such as equipment and furniture) duty free subject to their foreign exchange earnings. Hotels typically use duty-free licenses to purchase items with the highest import tariffs and may

not use the licenses to purchase food products.

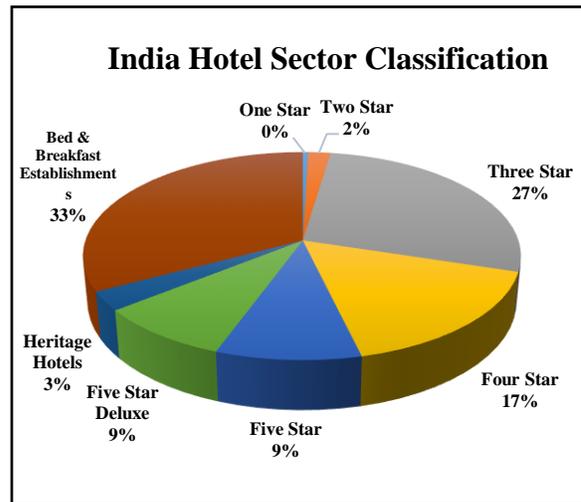


Figure 3: Classification of Indian Hotels  
Source: Ministry of Tourism, Government of India

**Restaurants:** A large percentage of the restaurant sector in India is “unorganized” consisting of small restaurants and street-side stalls. According to the Federation of Hotels and Restaurant Associations of India, there are approximately 1,137 restaurants in the “organized” or modern sector, defined as restaurants with more than twenty seats and a restaurant menu. There are an estimated 63 foreign restaurant brands across India compared to 57 in 2015.<sup>1</sup> The COVID-19 epidemic has impacted negatively on the restaurant business, with many establishments shutting their doors temporarily or permanently. As a result of the pandemic, most of the restaurants have implemented online delivery system on their own or partnering with third party apps. This adaptability of the newer technologies is paving the way for recovery and growth of the Indian restaurant industry. It is expected that the industry will record US \$899 billion sales by the end of 2022.

The Indian foodservice delivery sector has grown to \$5.2 billion in FY 2020 and is further expected to expand to \$13 billion by FY 2023.<sup>2</sup> In addition, the Indian cloud kitchen market is also expected to grow from \$400 million in 2019, to over \$1 billion by the end of 2022 and is expected to exhibit a CAGR of 15.45 percent during 2022-2027. The Indian cloud kitchen market is driven by the demand for online delivery services and is further supported by the rising disposable income earning households, the penetration of smartphones, access to internet, and evolving consumer preferences. According to the local contacts, the food ordering value has been increased by 50-60 percent since the lockdown and is expected to increase further in coming years. Most of this growth is contributed from the Tier 1 and Tier 2 cities with more youth. Hyperlocal delivery and

<sup>1</sup> See: GAIN [IN7160](#).

<sup>2</sup> Source: Kuckreja, Samir, and Reid, Jasper, 2021. [India Food Service Delivery Report 2021 Summary](#).

cloud kitchens have also played a vital role and sustained most of the restaurants and hotels during the during first and second COVID-19 pandemic waves.<sup>3</sup> With the increasing penetration of food delivery services, the concept of cloud kitchens or delivery-only outlets, or “virtual restaurants” has gained significant momentum in India.

**Institutional:** The institutional food service sector comprises of catering services for event organizers, Indian armed services, railways, shipping industry, airlines, hospitals, schools, government meal programs, prisons, along with government and corporate offices. Cost is a major consideration, and procurement of most food and beverage requirements, including the imported products, are purchased through local importers or distributors rather than directly from product origin.

The COVID-19 impact on the institutional sector was severe, much like India’s hotel and restaurant components. However, certain traditional institutional events and practices are returning, such as in-person meetings, incentives, conferencing, exhibitions, business events (including conventions and trade shows), social and sporting events. India’s domestic airline industry, which was completely shut down during the first and second COVID-19 wave, has exhibited tremendous recovery.

### SECTION III: COMPETITION

High import duties, opaque labeling requirements, increasing import restrictions and the depreciating rupee are major factors impacting Indian food and beverage importers. Within the HRI sector, India’s domestic food industry remains the primary competitor for U.S. foods and beverages. In addition, certain third-country competitors enjoy advantages over the United States such as seasonality of certain crops/products, lower freight costs due to their proximity to India, and preferential trade agreements that give advantage over the United States.

Product Category	Total Imports (\$ Million) CY 2021	Major Supply Sources	Strengths of Key International Suppliers	Advantages (A) and Disadvantages (D) of Local Suppliers
Animal or Vegetable Oils, Fats and their products	17,462	Indonesia Argentina Ukraine Malaysia Brazil	Major production hubs and competitive prices	Local production is inadequate, and more than 40 percent of total edible oil consumption is dependent on imports. (A)
Leguminous Vegetables, Dried Shelled/Pulses	2,095	Canada Myanmar Tanzania Mozambique Brazil	Price competitiveness, freight advantage and the ability to produce specific varieties of pulses in demand in India.	Historically, about 20 percent the total demand for pulses was met through imports. However, record domestic harvests in the last two years has resulted in import restrictions imposed by the Indian government, including quantitative restrictions on pea and other pulse imports, which since 2018 have limited sales. (D)

<sup>3</sup> Source: HVS. [HVS Monday Musings: Growth of Cloud Kitchens in India](#). July 25, 2021.

Edible Fruits and Nuts; peel of citrus fruit or melons	3,655	USA Côte d'Ivoire Tanzania Afghanistan Guinea-Bissau	Growing market demand, preference for specific quality, popular at certain holidays	Domestic production of some of the major fruits and nuts is insignificant. (A)
Sugars and sugar confectionery	318	Brazil Germany USA Netherlands UAE	Price competitiveness	India is a large producer, consumer and usually a net exporter of sugar. (D)
Coffee, Tea, Mate, and Spices	900	Vietnam Sri Lanka Indonesia Madagascar Nepal	Price competitiveness and proximity to India	Most imports are for re-export to other regions. (A)
Dairy products: birds' eggs; natural honey; edible products of animal origin	30	France Germany Italy Denmark UK	Price competitiveness, sanitary requirements	Domestic production is not keeping pace with demand. (A) Indian import protocols are very stringent and effectively prohibit imports of many products from the United States. (D)

Source: Trade Data Monitor

## SECTION IV: BEST PRODUCT PROSPECTS

**Table 3A: Products Present in Market and have Good Sales Potential**

Product Types	Import Value (\$ Million) CY 2021	U.S. Market Share (%)	Impacting Factors
Almonds, Fresh or Dried, In Shell and Fresh Or Dried, Shelled	976	79.1	United States with 79 percent market share of imported almonds has a supplier advantage.
Chocolate & Cocoa Products	274	1.2	Strong preference for recognized brands. Competition from domestic and international suppliers.
Beverages, Spirits and Vinegar	808	35.3	Increased consumption and lack of domestic production of alcoholic and non-alcoholic beverages.
Pistachios, In Shell, Fresh or Dried	126	20.41	Better quality compared to competitors. High perceived health benefits and usage in traditional sweets and gifting during festivals.
Processed Fruit	11.1	2.0	Significant demand growth in imported dried fruits, including cranberries and blueberries. Better quality compared to competitors. High perceived benefits and usage in traditional sweets and bakery sector.

Source: Trade Data Monitor

**Table 3B: Products Not Present in Significant Quantities but have Good Sales Potential**

Product Types	Import Value (\$ Million) CY 2021	U.S. Market Share (%)	Limiting & Impacting Factors
Tree Nuts (Except Almonds)	1,558	4.19	India imports a large variety of tree nuts such as pistachios from the United States and Iran, and walnuts from Chile. Limited awareness for other tree nuts such as hazelnuts and pecans.

Leguminous Vegetables, Dried Shelled/Pulses	2,095	0.4	About 20 percent of India's total demand for pulses previously was met through imports. The Indian government imposes quantitative restrictions on imports of peas and other pulses. Retaliatory tariffs remain on U.S. lentils and chickpeas and have limited sales, but opportunities exist for other pulse and legume crops.
Sugars and sugar confectionery	318	4.66	India is a large producer, consumer, and exporter of sugar. Indian consumers consume many sweets; innovative and new products in sugar confectionery are always preferred by consumers of all ages and class.
Fresh Fruits (Except Apples)	617 million	5.0	Retaliatory tariffs on U.S. apples, seasonal availability of domestic fresh fruits and imports from other preferred destinations limit U.S. market share. Enhanced market access for U.S. cherries however offers strong potential for growth.
Poultry Meat & Products. (ex. eggs)	0.5	21.0	Nascent market demand for U.S. chicken due to high tariffs, but limited competition and lower tariffs on turkey and duck present strong sales potential.

Source: Trade Data Monitor

Table 4: India: Top Consumer-Oriented Product Imports					
Top Consumer-Oriented Products Imported from the World			Top Consumer-Oriented Products Imported from the United States		
Description	US Dollars (Millions)		Description	US Dollars (Millions)	
	2020	2021		2020	2021
Cashew Nuts, Fresh or Dried, In Shell	1,080	1,125	Almonds, Fresh or Dried, In Shell	804	772
Almonds, Fresh or Dried, In Shell	926	976	Walnuts, Fresh or Dried, In Shell	20	30
Apples, Fresh	199	378	Pistachios, in shell, fresh or dried	15	25
Dates, Fresh or Dried	225	240	Apples Fresh	40	25
Whiskies	134	183	Food preparations nesoi	17	20
Total	2564	2902	Total	895	871

Source: Trade Data Monitor

### Products Not Present Because They Face Significant Barriers

The Indian government has placed various trade restrictions that have prevented marketed access for U.S. food products. Except for pork and pork products, poultry meat and products, most animal and livestock-derived food product imports are effectively banned due to established Indian import requirements. This includes certain sub-categories in the Harmonized Tariff Schedule under Chapters 2, 3, 4, 5, 16 and 21 (e.g., milk and dairy products, certain seafood, sheep, and goat products, and pet foods). Furthermore, imports of beef are banned due to religious considerations.

Certain products if allowed (e.g., gourmet cheeses) may have good sales potential for the food processing, retail, and HRI sectors.

Effective July 8, 2006, the Government of India's Foreign Trade Policy (2004-2009) specified that all imports containing products of modern biotechnology must have prior approval from the Genetic Engineering Approval Committee (GEAC), Ministry of Environment, Forests and Climate Change. The policy also made a biotech declaration mandatory. Soybean oil and canola oil derived from select events are the only genetically engineered food products currently approved for import into India.

For more information on India's biotech import policy, please refer to: USDA FAS India GAIN report [Agricultural Biotechnology Annual 2021](#).

## SECTION V. POST CONTACT

**Office of Agricultural Service**  
**Embassy of the United States of America**  
Chanakyapuri, New Delhi,  
Pin code - 110 021, India  
Phone: +91-11-24198000  
Email: [agnewdelhi@fas.usda.gov](mailto:agnewdelhi@fas.usda.gov)  
Web: [US Embassy, New Delhi](#)  
Twitter: [@USDAIndia](#); Instagram: [@tasteofamericain](#)

**Office of Agricultural Affairs**  
**American Consulate General**  
C-49, G-Block, Bandra Kurla Complex,  
Bandra E, Mumbai - 400 051  
Phone: +91-22-26724000  
Email: [agmumbai@fas.usda.gov](mailto:agmumbai@fas.usda.gov)  
Web: [American Consulate General Mumbai](#)  
Twitter: [@USDAIndia](#); Instagram: [@tasteofamericain](#)

**For additional information please visit the FAS websites & useful FAS India GAIN reports**

- [FAS Homepage](#)
- [FAS India Food Processing Report](#)
- [FAS India Retail Foods Report](#)
- [FAS India Online Grocery Market](#)
- [FAS India Exporter Guide](#)
- [FAS India Plant-based Meat Substitutes Market](#)
- [Food and Agricultural Trade Show Calendar 2021](#)

### Attachments:

No Attachments