

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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## India

### Livestock and Products Annual

**2016**

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**Report Highlights:**

India's CY 2017 water buffalo meat (*carabeef*) and beef production is projected to increase marginally by two percent to 4.4 million tons carcass weight equivalent (CWE) due to population growth and moderate export demand. CY 2017 *carabeef* exports are projected at 2 million tons CWE on moderate export demand from the Middle East, Africa, and Southeast Asia.

## **Executive Summary:**

India's CY 2017 cattle (*Bos taurus* or *Bos indicus*) and water buffalo (*Bubalus bubalis*) population is estimated at 303.4 million head. CY 2017 *carabeef* and beef production is projected to increase marginally by two percent to 4.4 million tons CWE due to population growth and moderate export demand. CY 2017 *carabeef* exports are projected to increase to 2 million tons CWE on moderate demand from the Middle East, Africa, and Southeast Asia. CY 2016 *carabeef* exports are lowered to 1.95 million tons on slow export pace.

## **Commodities:**

Animal Numbers, Cattle  
Meat, Beef and Veal

## **Production:**

India's cattle and water buffalo population in CY 2017 is estimated at 303.4 million head. CY 2017 *carabeef* and beef production is forecast to increase marginally by 2.3 percent to 4.4 million tons CWE due to population growth and moderate export demand. CY 2016 *carabeef* production level estimates are lowered to 4.3 MMT CWE on slow export pace. The cattle and water buffalo population is likely to remain strong over the next decade based on strong growth in the dairy sector. The animals are raised for dairying purpose only and mostly by small and marginal farmers.

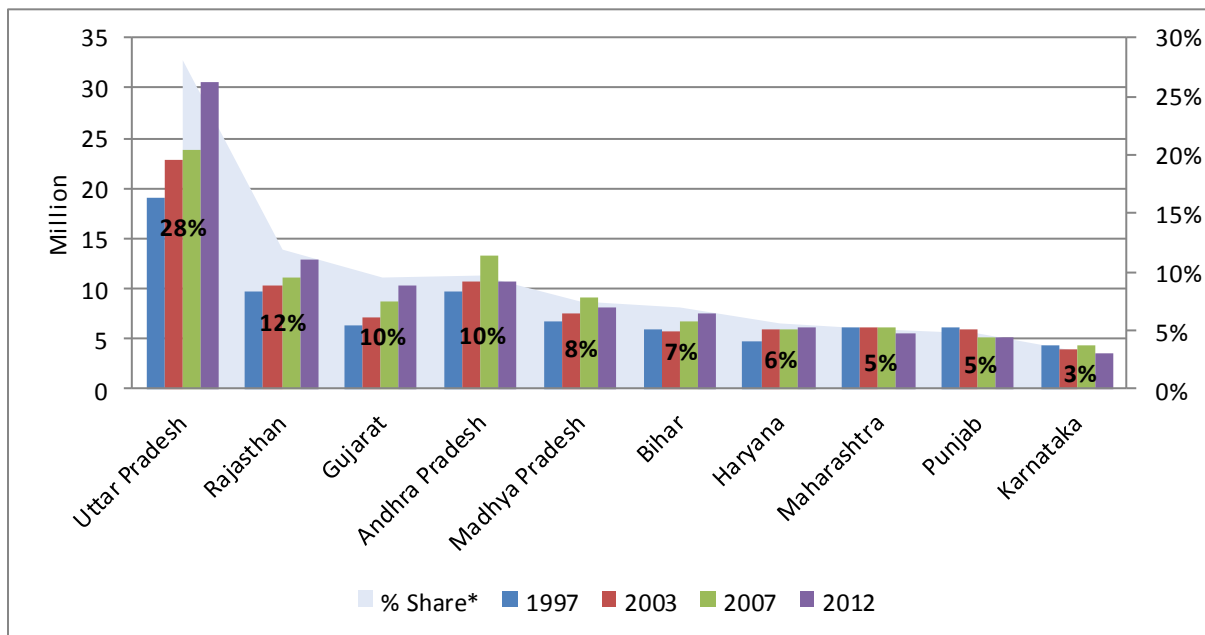
Since most Indian states restrict or prohibit cow slaughter due to religious sensitivities, India's *carabeef* sector mainly depends on unproductive water buffalo and water buffalo bulls from the dairy sector. In 2015, several India states, including Maharashtra and Haryana, enacted stringent cattle slaughter legislation to completely prohibit the cattle slaughter. However, industry sources indicate that these legislations have not had a major impact on the *carabeef* trade and supply chain. All Indian states except Kerala, West Bengal, and northeastern states prohibit the slaughter of cattle of any age, including for both female and male calves (see [IN5085](#)).

India's major *carabeef* producing states include Uttar Pradesh, Andhra Pradesh, Maharashtra, and Punjab. The state of Uttar Pradesh also has the country's largest water buffalo population (Figure 1). Overall, India's water buffalo population of 108.7 million head in year 2012 has grown at about 1.3 percent per year from year 1997 to 2012. In fact, water buffaloes contribute more than 56 percent of India's total milk production. The water buffaloes are preferred by some farmers due to the price premium for high-fat milk and since spent water buffaloes can be sold for slaughter.

State government disease control programs as well as improved veterinary services and other farm management programs have helped mitigate animal losses and maintain disease-free status for slaughter animals. However, the reoccurrence of foot-and-mouth Disease (FMD) outbreaks remain a major challenge for the *carabeef* sector. In addition to restricting exports to certain countries, FMD causes significant economic losses due to reduced milk yield and meat production. According to industry sources, there is also pressure on overall profit margins since raw hide prices in domestic markets have

declined substantially due to lesser demand from tanneries in certain leather clusters. Raw hides and skins and wet blue exports are also minimal due to high export taxes.

**Figure 1: India: Uttar Pradesh has Country’s largest Buffalo Population**



\* Percent share of India’s total water buffalo population as per Livestock Census, 2012.

Source: DAHDF, Government of India.

### Consumption:

CY 2016 and CY 2017 beef and *carabeef* consumption estimates are projected at 2.35 and 2.4 million tons CWE on population growth. Due to its affordability, *carabeef* is the second most consumed animal protein after chicken meat. However, *carabeef*/beef per capita consumption is comparatively low largely due to limited *carabeef*/beef consumption amongst the majority of Hindu population, which represents approximately 80 percent of India’s population. The *carabeef* is mainly consumed by the Muslim population and certain sections of the Hindu population. *Carabeef* consumption is reportedly higher in Kerala, Assam, West Bengal, Goa, and northeastern states. While most Indian consumers prefer fresh over frozen meat products, the lack of cold chain infrastructure also limits the large-scale availability of chilled and frozen meat products.

### Processing:

The modern slaughter houses with processing facilities primarily cater to the export market and are regulated by the Food Safety and Standards Authority of India (FSSAI) within the Ministry of Health and the Agricultural and Processed Food Products Export Development Authority (APEDA) within the Ministry of Commerce and Industry. FSSAI regulates slaughter, meat processing, and imported meat and meat products through the regulation entitled: Food Safety and Standards Rules and Regulation, 2011. APEDA provides guidance to help the industry improve sanitary and hygiene practices for exported meat products. As per APEDA, there are 66 approved Indian establishments that operate as

both an abattoir and meat processing facility and 34 meat processing facilities, all of which are focused on exports. The Ministry of Food Processing Industries also implements various schemes for the establishment or modernization of abattoirs, cold chain operations, and food surveillance. For further details, please refer to FAS GAIN Report [IN4080](#).

While still regulated by FSSAI, the domestic carabeef market is mostly in the unorganized sector. Products for the domestic market are largely sourced from the approximately 4,000 slaughterhouses approved by Municipal Corporation (local bodies) and approximately 25,000 unregistered, small scale corner shops. Unlike export-oriented facilities, the local slaughter houses producing meat for the domestic market often lack sufficient infrastructure for the hygienic production of *carabeef*. In addition, India's *carabeef* industry does not provide for any grading system for red meat production.

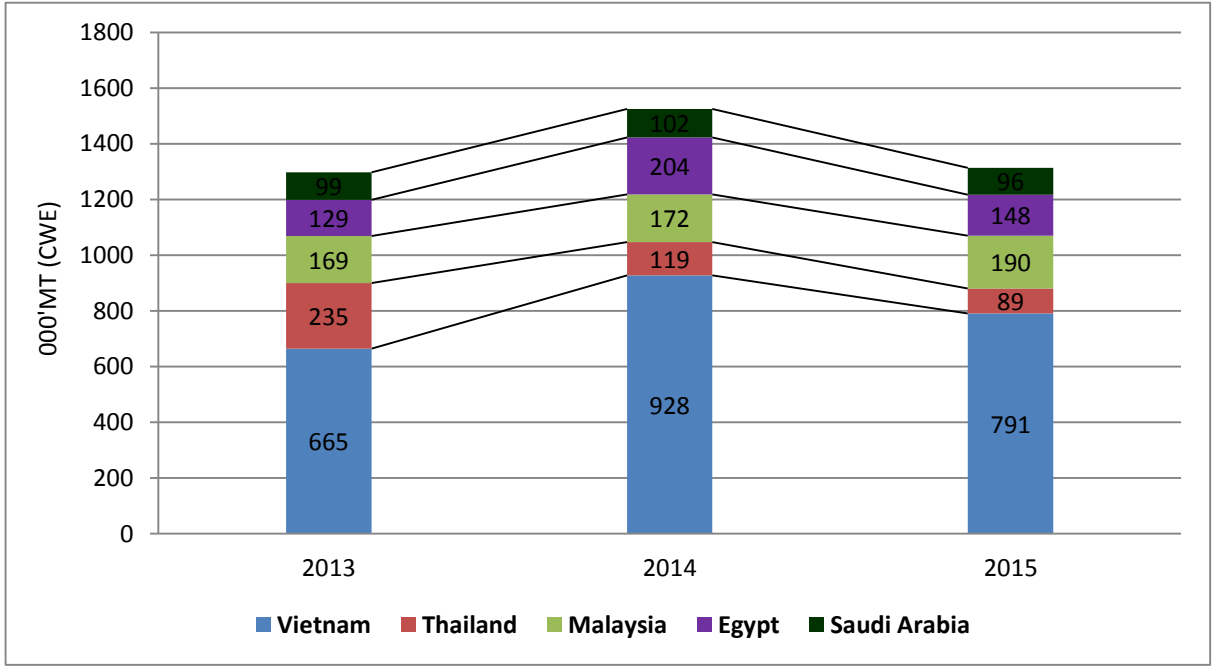
### **Trade:**

CY 2017 *carabeef* exports are projected to increase to 2.0 million tons CWE, up 2.1 percent in comparison to previous year, on moderate export demand from Middle East, Africa, and Southeast Asia. Although Indonesia has recently opened its market for Indian *carabeef*, the industry expects only marginal growth in exports over the previous year. CY 2016 *carabeef* exports are lowered marginally to 1.95 million tons on slow export pace. The CY 2015 export figure is amended to 1.806 million tons on revised customs data.

India's top five *carabeef* export destinations are Vietnam, Thailand, Malaysia, Egypt, and Saudi Arabia (see Figures 2 and 3). In 2015, Vietnam was the largest destination for Indian *carabeef*, accounting for 44 percent of total Indian exports at 7.91 million MT followed by Malaysia (11 percent), Egypt (8 percent), Saudi Arabia (5.3 percent) and Thailand (4.9 percent). By region, India's largest share of exports is destined to Southeast Asian countries (63 percent in CY 2015) followed by Middle East (24 percent in CY 2015) and Africa (see Figure 4). According to industry sources, Indian *carabeef* exports have been affected by the subdued economic environment in Middle East and North African countries as well as volatile export demand from Southeast Asian countries, including Vietnam. Major importing countries in the Southeast Asian region include Vietnam, Malaysia, Philippines, and Thailand. In the Middle East and North Africa, Egypt, Saudi Arabia, and the United Arab Emirates are the major importers of Indian *carabeef*.

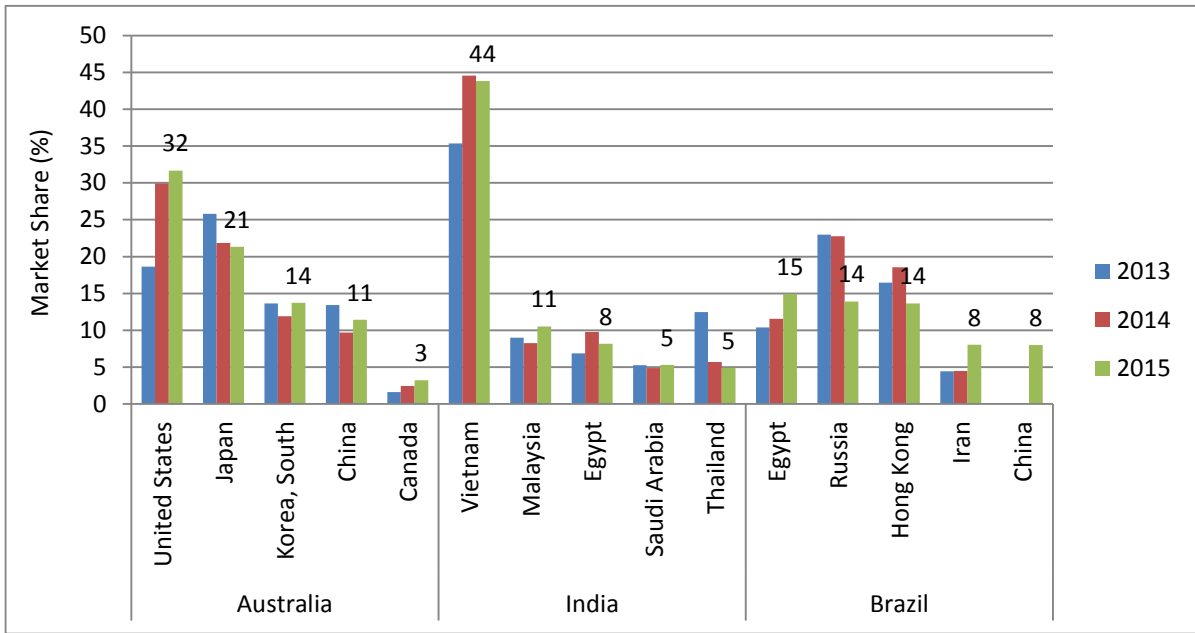
India's exports mainly include frozen, boneless *carabeef*. According to industry sources, most exported *carabeef* is sold in wet markets, while a portion is processed into canned meat, sausage, salami, burgers, and other processed food. According to industry sources, the state of Uttar Pradesh is the largest exporter of *carabeef*, followed by Punjab and Maharashtra. From 2005 to 2015, India's *carabeef* export volumes grew at a compound annual growth rate of 11.3 percent. However, the value of Indian *carabeef* exports is significantly lower than that of Australia, Brazil, the United States, and other major exporting countries. In addition, India does not have market access to developed country markets such as Japan, South Korea, Singapore, the United States, and the European Union due to sanitary issues, especially its endemic FMD status. Indian *carabeef* is therefore exported to different markets and purchased by different consumer segments than beef from other major exporting countries (see Figures 3 and 4).

### **Figure 2: India's Top Five Carabeef Export Markets**



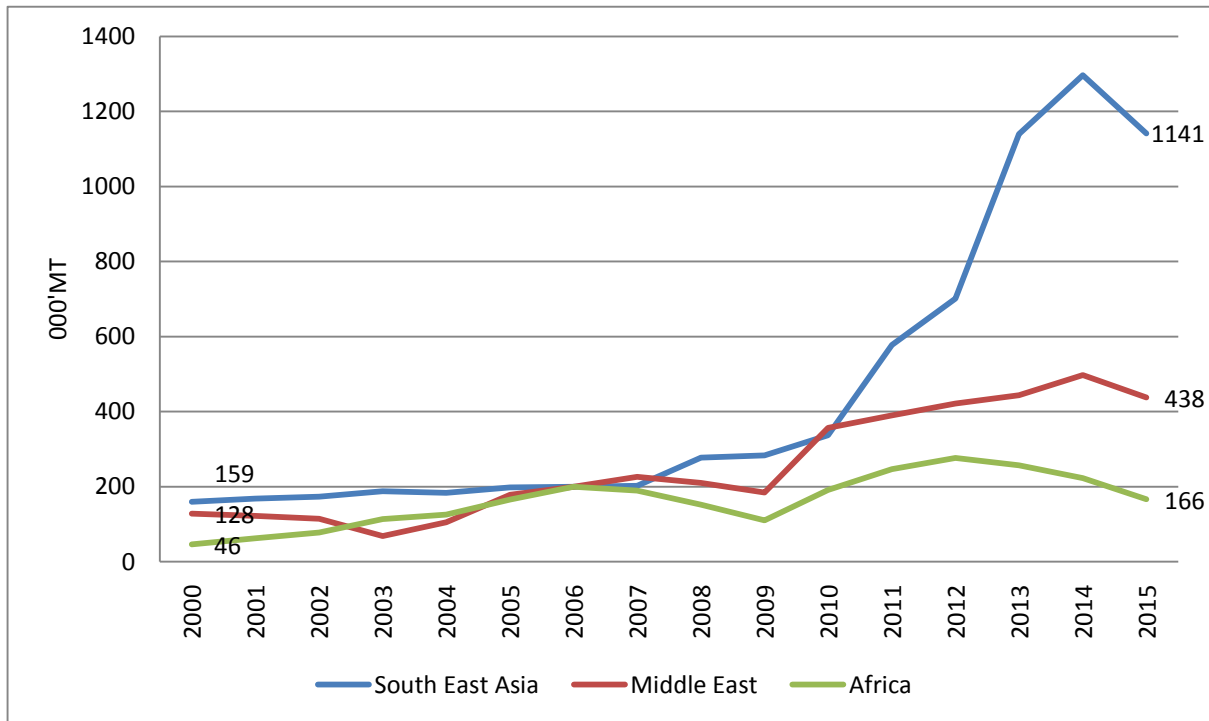
Source: Global Trade Atlas

**Figure 3: Top Five Export Markets of Australia, India and Brazil, 2013 - 2015**



Source: Global Trade Atlas

**Figure 4: India's Carabeef Exports by Region**



Source: Global Trade Atlas

## Policy:

### Carabeef Meat Production Programs and Policy

The Ministry of Agriculture's DAHDF helps state governments better control animal diseases, such as foot-and-mouth disease, Rinderpest, Peste des Petits, and Brucellosis. In addition, DAHDF also funds efforts to upgrade livestock genetics, improve feed and fodder, and develop processing and marketing infrastructure. DAHDF also monitors livestock disease outbreaks by administering a web-based animal disease reporting system based on submissions from Indian states. DAHDF's programs relating to the bovine sector primarily focus on development of the dairy sector. An area of focus is the National Dairy Plan, which seeks to improve dairy production through breed improvement, artificial insemination, fodder development, and expanding milk procurement systems at the village level. For further details on programs and policy please refer to FAS GAIN Reports [IN5106](#) and [IN4080](#).

### Trade Policy

**Imports:** DAHDF regulates all meat product imports through the [Livestock Importation Act, 1898](#). In order to import meat products, the required documentation includes a sanitary import permit issued by DAHDF and a veterinary certificate certified by an exporting country's competent authority. Indian import certification requirements and documentation for livestock and livestock products, including germplasm, are available at: <http://dahd.nic.in/dahd/trade.aspx>. However, India prohibits the export and import of beef since cattle slaughter is banned in most Indian states due to religious sensitivities. Tariffs for selected livestock products are show in Table 3. Information on import procedures are provided below:

[Procedure for Import of Livestock notified under clause \(b\) of Section 2 of Livestock Importation Act, 1898](#)

[Procedure for import of live-stock products notified under Section 2\(d\) and section 3A of the Live-stock Importation Act](#)

[Sanitary Requirement \(veterinary health certificate\) for import of various livestock products.](#)

[Guidelines for import/ export of bovine germplasm](#)

[Proforma for submitting proposals for introduction of live Aquatic Organisms](#)

[Import Health certificate for import of Dogs for Commercial purpose into India](#)

[Import Health certificate for import of Pet Dogs into India](#)

[Animal health certificate for import of in vivo bovine embryo in to India](#)

[Veterinary certificate for import of skin/hides into India](#)

[Veterinary certificate for import of milk and milk products](#)

[Veterinary Certificate for Import of Canine Semen into India](#)

[Veterinary Certificate for Import of Equine Semen into India](#)

[Veterinary Certificate for Import of Ovine / Caprine Semen into India](#)

[Animal Health Certificate for Import of Porcine Semen into India](#)

[Veterinary Certificate for pork and pork products into India](#)

**Exports:** All exported meat products must be sourced from abattoirs and meat processing plants registered with APEDA. Export shipments are subject to compulsory microbiological and other testing for the issuance of animal health certificate by the certified GOI agency. The GOI has given the following agencies authority to issue health certificates:

1. All State Directorates of Animal Husbandry
2. Export Inspection Agencies (EIAs)
3. Directorate of Marketing and Inspection (DMI)
4. Deonar abattoir, Mumbai (for chilled sheep and goat meat only)
5. Ghazipur abattoir, Delhi (for *carabeef*, sheep, and goat meat)
6. Perumbur abattoir, Chennai (for *carabeef*, sheep, and goat meat)

**Production, Supply and Demand Data Statistics:**

**Table 1. India: Commodity, Animal Numbers, Cattle, PSD**

Animal Numbers, Cattle Market Begin Year	2015		2016		2017	
	Jan 2015		Jan 2016		Jan 2017	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
India						
Total Cattle Beg. Stks	301100	301100	302600	302600	0	303350
Dairy Cows Beg. Stocks	125000	125000	127000	127000	0	129000
Beef Cows Beg. Stocks	0	0	0	0	0	0
Production (Calf Crop)	67000	67000	68000	68000	0	69000
Total Imports	0	0	0	0	0	0
Total Supply	368100	368100	370600	370600	0	372350
Total Exports	0	0	0	0	0	0
Cow Slaughter	0	0	0	0	0	0
Calf Slaughter	0	0	0	0	0	0
Other Slaughter	37000	37000	38500	38750	0	39500
Total Slaughter	37000	37000	38500	38750	0	39500
Loss	28500	28500	28500	28500	0	28000
Ending Inventories	302600	302600	303600	303350	0	304850
Total Distribution	368100	368100	370600	370600	0	372350

(1000 HEAD)

**Table 2. India: Commodity, Meat, Beef and Veal, PSD**

Meat, Beef and Veal Market Begin Year	2015		2016		2017	
	Jan 2015		Jan 2016		Jan 2017	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
India						
Slaughter (Reference)	37000	37000	38500	38500	0	39500
Beginning Stocks	0	0	0	0	0	0
Production	4100	4100	4300	4300	0	4400
Total Imports	0	0	0	0	0	0
Total Supply	4100	4100	4300	4300	0	4400
Total Exports	1806	1806	1950	1950	0	2000
Human Dom. Consumption	2294	2294	2350	2350	0	2400
Other Use, Losses	0	0	0	0	0	0
Total Dom. Consumption	2294	2294	2350	2350	0	2400
Ending Stocks	0	0	0	0	0	0



<b>Total Distribution</b>	4100	4100	4300	4300	0	4400

(1000 HEAD) ,(1000 MT CWE)

**Table 3. India: Tariffs for Selected Livestock Products, 2016**

HS CODE	ITEM DESCRIPTION	BASIC	CVD	SPL CVD	TOTAL DUTY WITH 2+1%EC	IMPORT POLICY
<b>01012100-01019090</b>	LIVE HORSES, ASSES, MULES & HINNIES	30	0	4	36.136	Restd
<b>01022100 - 01029090</b>	LIVE BOVINE ANIMALS	30	0	4	36.136	Restd
<b>01031000-01039200</b>	LIVE SWINE	30	0	4	36.136	Restd
<b>01041010 - 01042000</b>	LIVE SHEEP & GOATS	30	0	4	36.136	Restd
<b>01051100 - 01059900</b>	LIVE POULTRY I.E. FOWLS OF THE SPECIES GALLUS DOMESTICUS, DUCKS, GEESE, TURKEYS AND GUINEA FOWLS	30	0	4	36.136	Restd
<b>02011000 - 02013000</b>	MEAT OF BOVINE ANIMALS, FRESH AND CHILLED	30	0	0	30.90	R SanP
<b>02021000 - 02023000</b>	MEAT OF BOVINE ANIMALS, FROZEN	30	0	4	36.136	R SanP
<b>02031100-02031900</b>	MEAT OF SWINE, FRESH, OR CHILLED	30	0	0	30.90	Fr SanP
<b>02032100-02032900</b>	MEAT OF SWINE, FROZEN	30	0	4	36.136	Fr SanP
<b>02041000 - 02045000</b>	MEAT OF SHEEP OR GOATS, FRESH CHILLED OR FROZEN	30	0	0	30.90	Fr SanP
<b>02061000</b>	EDIBLE OFFAL OF BOVINE ANIMALS, FRESH OR CHILLED	30	0	0	30.90	R SanP
<b>02062100 - 02069090</b>	EDIBLE OFFAL OF BOVINE ANIMALS, SWINE, GOATS, HORSES, ASSES, MULES OR HINNES, FRESH, CHILLED OR FROZEN	30	0	4	36.136	R SanP
<b>02071100</b>	MEAT, & EDIBLE OFFAL, OF THE POULTRY OF HEADING 0105, NOT CUT IN PIECES, FRESH OR CHILLED	30	0	0	30.90	Fr SanP
<b>02071200</b>	MEAT, & EDIBLE OFFAL, OF THE POULTRY OF HEADING 0105, NOT CUT IN PIECES, FROZEN	30	0	4	36.136	FrSanP

<b>02071300</b>	CUTS & OFFAL, FRESH OR CHILLED	100	0	0	100.00	Fr SanP
<b>02071400</b>	CUTS & OFFAL, FROZEN	100	0	4	108.00	Fr SanP

Note: CVD: Countervailing Duty, SPL CVD: Special Countervailing Duty, EC: Education Cess, Restd:  
Restricted, R SanP: Restricted Sanitary Permit, Fr SanP: Free Sanitary Permit