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GAIN Report #IN0047

## India

## Livestock and Products

## Annual

## 2000

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### Report Highlights:

**Slow but steady growth in buffalo meat exports encourages continued investment in modern slaughter house facilities.**

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Includes PSD changes: Yes  
Includes Trade Matrix: Yes  
Annual Report  
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## *PART I - SITUATION AND OUTLOOK*

### **Production**

Bucking the trend of slow but steady growth, Indian livestock numbers are expected to remain relatively flat in the coming year as drought conditions in various parts of the country have led to the tighter availability of fodder and feed grains. Continued commercialization and capitalization of the dairy sector and export-oriented meat plants are expected to support renewed growth in the longer term. The driving force is growing numbers of water buffalo, which now account for about 40 percent of India's 313 million cattle population. Strong growth in buffalo numbers is attributed to the animal's higher milk yield, higher milk fat content and fewer restrictions on slaughter.

Although the Government of India provides some funding for animal health and research programs, development of the meat sector is largely driven by the private sector. An estimated seven slaughter houses in India have adopted HACCP and/or ISO 9000 standards. These export-oriented operations have established disease-free zones in their catchment areas, in which a variety of services are provided (e.g., vaccination, breeding and feeding). Despite increasing capitalization of the meat export and dairy sectors, consumption of compound feed constitutes hardly 4 percent of the 88 million tons of feed grains consumed annually.

### **Consumption**

Slaughter of livestock remains largely a small-scale operation, run primarily by members of India's Muslim population. There are thousands of street-shop slaughter houses which cater to the consumer's preference for "wet" meat. The market for fresh/chilled or frozen meat is virtually nonexistent due to the poor development and reliability of the local infrastructure. While investment in cold storage systems is expanding, it will likely take some time before Indian consumers accept with confidence the safety and quality of frozen meat products.

Religious sensitivities severely limit demand for beef in India, with the slaughter of cows banned in all but two of the country's 27 states. However, nearly 25 percent of the population consumes beef and surprisingly, per capita consumption of beef (1.7 kg) is higher than that of poultry (850 grams) or mutton (700 grams). The average retail price for beef is estimated at \$1.35/kg compared to poultry at \$1.69/kg and mutton at \$2.02/kg

### **Trade**

Indian exports of bovine meat are forecast to reach 200,000 tons in 2001, up from an estimated 190,000 exported in 2000. Exports in 1999 are estimated at 175,000 tons, about 13 percent higher than 1998 exports. A decline in 1999 exports to traditional markets in the Middle East was offset by increased exports to the Philippines, Thailand and Mauritius. Future growth in exports is expected to be supported by economic recovery in Asia and an expansion in sales to new markets in Africa. It now appears that access to the Russian market could take longer than earlier anticipated. India prohibits imports of beef owing to religious sensitivities. However,

limited opportunities exist for quality meat cuts to meet the demands of wealthy Indians and the rising number of local and foreign tourists served by the luxury hotels.

Trade in live bovine animals is effectively banned however, imports for breeding purposes are permitted under license from the Department of Animal Husbandry. Due to concerns regarding the TSE group of diseases, since August 1999 the Government of India has banned imports of live cattle, buffalo, sheep and goat: bovine, ovine and caprine embryos/ova/semen; fresh meat, meat products, tissue/organ (other than milk), meat and bone meal of ruminant origin from countries where incidences of TSE diseases have been reported. The scientific basis of this notification has been questioned by US and Canada under the auspices of WTO-SPS committee and a response from the GOI is expected by fall 2000.

## PART II - STATISTICAL TABLES

## Commodity, Meat, Beef and Veal, PSD Numbers

PSD Table							
Country:							
Commodity:							
		1999		2000		2001	UOM
	Old	New	Old	New	Old	New	
Calendar Year Begin							(MONTH/YEAR)
Total Cattle Beg. Stks	306967	306967	312572	312572	0	313774	(1000 HEAD)
Dairy Cows Beg. Stocks	127790	127790	130150	132800	0	134000	(1000 HEAD)
Beef Cows Beg. Stocks	0	0	0	0	0	0	(1000 HEAD)
Production (Calf Crop)	45350	45350	46150	45200	0	45800	(1000 HEAD)
Intra EC Imports	0	0	0	0	0	0	(1000 HEAD)
Other Imports	5	5	2	2	0	2	(1000 HEAD)
TOTAL Imports	5	5	2	2	0	2	(1000 HEAD)
TOTAL SUPPLY	352322	352322	358724	357774	0	359576	(1000 HEAD)
Intra EC Exports	0	0	0	0	0	0	(1000 HEAD)
Other Exports	0	0	0	0	0	0	(1000 HEAD)
TOTAL Exports	0	0	0	0	0	0	(1000 HEAD)
Cow Slaughter	1250	1250	1400	1400	0	1300	(1000 HEAD)
Calf Slaughter	3000	3000	2900	2900	0	2800	(1000 HEAD)
Other Slaughter	8500	8500	8700	8700	0	9100	(1000 HEAD)
Total Slaughter	12750	12750	13000	13000	0	13200	(1000 HEAD)
Loss	27000	27000	26000	31000	0	25800	(1000 HEAD)
Ending Inventories	312572	312572	319724	313774	0	320576	(1000 HEAD)
TOTAL DISTRIBUTION	352322	352322	358724	357774	0	359576	(1000 HEAD)
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0	(1000 MT CWE)
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0	(1000 MT CWE)

**Commodity, Meat, Beef and Veal, PSD Meat**

PSD Table							
Country:	India			0.65	<-Conversion factor for CWE		
Commodity:	Meat, Beef and Veal						
		1999		2000		2001	UOM
	Old	New	Old	New	Old	New	
Calendar Year Begin		01/1999		01/2000		01/2001	(MONTH/YEAR)
		9		0		1	
Slaughter (Reference)	12750	12750	13000	13000	0	13200	(1000 HEAD)
Beginning Stocks	0	0	0	0	0	0	(1000 MT CWE)
Production	1660	1660	1700	1700	0	1740	(1000 MT CWE)
Intra EC Imports	0	0	0	0	0	0	(1000 MT CWE)
Other Imports	0	0	0	0	0	0	(1000 MT CWE)
TOTAL Imports	0	0	0	0	0	0	(1000 MT CWE)
TOTAL SUPPLY	1660	1660	1700	1700	0	1740	(1000 MT CWE)
Intra EC Exports	0	0	0	0	0	0	(1000 MT CWE)
Other Exports	220	270	250	290	0	310	(1000 MT CWE)
TOTAL Exports	220	270	250	290	0	310	(1000 MT CWE)
Human Dom. Consumption	1440	1390	1450	1410	0	1430	(1000 MT CWE)
Other Use, Losses	0	0	0	0	0	0	(1000 MT CWE)
TOTAL Dom. Consumption	1440	1390	1450	1410	0	1430	(1000 MT CWE)
Ending Stocks	0	0	0	0	0	0	(1000 MT CWE)
TOTAL DISTRIBUTION	1660	1660	1700	1700	0	1740	(1000 MT CWE)
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0	(1000 MT CWE)
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0	(1000 MT CWE)

**Commodity, Meat, Beef and Veal, Export Trade Matrix**

Export Trade Matrix		Meat		
Country:			Units:	Metric Tons
Commodity:			Partial Begin:	Jan
			Partial End:	
Exports for	1998	1999	1999	2000
	Full	Full	Partial	Partial
U.S.	179	200		
Others				
Malaysia	40054	42000		
U.A.E.	37649	36500		
Philippines	26383	30000		
Iran	13525	16500		
Jordan	6576	7500		
Kuwait	4544	4500		
Mauritius	3395	3500		
Yemen Rep	2865	3500		
Lebanon	2638	3000		
Gabon	2120	3500		
Total for Others	139749	150500	0	0
Others not listed	14028	24000		
Grand Total	153956	174700	0	0