

Required Report: Required - Public Distribution

Date: March 17, 2022

Report Number: IN2022-0012

Report Name: Livestock and Products Semi-annual - 2022

Country: India

Post: New Delhi

Report Category: Livestock and Products

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Report Highlights:

FAS New Delhi forecasts carabeef (which is derived from the Asian domestic water buffalo) and beef (bovine) production to rise in 2022 to approximately 4.5 million metric tons (MMT), an increase of nearly seven percent from the market year (MY) 2021 estimate of 4.2 million metric tons. India's 2022 carabeef and beef consumption is forecast at 2.9 MMT, representing a nearly five percent increase from last year's estimate of about 2.8 million metric tons. The third wave impact of COVID-19 (December 2021-February 2022) on the economy has not been as severe as the previous waves, and this should help strengthen household and hotel-restaurant-institutional (HRI) demand for high-protein animal meat in 2022. Carabeef and beef exports for 2022 are forecast at about 1.6 MMT on expected steady demand from Egypt, Malaysia, and Middle Eastern markets. [Note: Carabeef and beef production are reported in carcass weight equivalent (CWE)].

EXECUTIVE SUMMARY

The expansion of India's dairy sector is spurring an increase in the cattle (bovine and Asian domestic water buffalo) herd. For marketing year (MY) 2022 (January-December) and herein cited as 2022, FAS New Delhi (Post) is raising the total cattle stock number to 306.9 million head, as compared to 305.5 million heads in 2021. Post forecasts carabeef (which is derived from the Asian domestic water buffalo) and beef (bovine) production to rise in 2022 to approximately 4.5 million metric tons (MMT).

Post attributes the increase in the herd number to the combination of a healthy calf-crop, benefitting from the good reproductive success of dairy animals (which includes water buffaloes), along with generally favorable weather and ample fodder supplies in 2021. These factors also support higher meat production.

Beginning in 2021, the Indian government has sought to make certain that the country's dairy and meat industries remain unaffected by COVID-19 lockdown measures. The government has ensured that the inter/intra state movement of animals to slaughterhouse/meat processing facilities has remained unhindered. With the normalization of the meat slaughter business in 2021, industry sources report higher carcass weight equivalent numbers compared to 2020 when slaughtering operations were affected due to COVID-19 lockdown restrictions.

India's 2022 carabeef and beef consumption is forecast at 2.9 MMT, representing a nearly five percent increase from last year's estimate of roughly 2.8 million metric tons. There is strong consumer demand for carabeef, driven largely by its affordable pricing. The impact of third wave of COVID-19 (December 2021-February 2022) has not been as severe as the previous waves; this should bolster recovery in household and hotel-restaurant-institutional (HRI) demand for high-protein animal meat in 2022.

Post's 2021 carabeef and beef export volume is lowered to 1.4 MMT based on the Indian government's reported export figures available from January-December 2021. India's 2022 carabeef and beef exports is forecast at just shy of 1.6 MMT on the expected steady demand from Egypt, Malaysia, and Middle Eastern markets.

COMMODITIES:

CATTLE

PRODUCTION

Production, Supply and Distribution (PSD)

Table 1. India: Commodity, Animal Numbers, Cattle, PSD						
Animal Numbers, Cattle Market Years Begins	2020 Jan 2020		2021 Jan 2021		2022 Jan 2022	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
India						
Total Cattle Beg. Stocks (1000 HEAD)	303200	303200	305500	305500	306700	306900
Dairy Cows Beg. Stocks (1000 HEAD)	126500	126500	127650	127650	128650	128650
Beef Cows Beg. Stocks (1000 HEAD)	0	0	0	0	0	0
Production (Calf Crop) (1000 HEAD)	69400	69400	69800	69800	70000	70100
Total Imports (1000 HEAD)	0	0	0	0	0	0
Total Supply (1000 HEAD)	372600	372600	375300	375300	376700	377000
Total Exports (1000 HEAD)	0	0	0	0	0	0
Cow Slaughter (1000 HEAD)	0	0	0	0	0	0
Calf Slaughter (1000 HEAD)	0	0	0	0	0	0
Other Slaughter (1000 HEAD)	35800	35800	38600	38650	40000	40500
Total Slaughter (1000 HEAD)	35800	35800	38600	38650	40000	40500
Loss and Residual (1000 HEAD)	31300	31300	30000	29750	29000	28500
Ending Inventories (1000 HEAD)	305500	305500	306700	306900	307700	308000
Total Distribution (1000 HEAD)	372600	372600	375300	375300	376700	377000

Note: Post data is not official USDA data.

India has the world's largest live cattle inventory, followed by Brazil and China in terms of absolute numbers. The national cattle herd is composed of a combination of bovine dairy cattle (*Bos taurus* and *Bos indicus*) and the Asian domestic water buffalo (*Bubalus bubalis*). For 2022, FAS New Delhi is raising the total cattle stock number to 306.9 million head as compared to 305.5 million head in 2021 (see, [GAIN-INDIA - IN2021-0100 – Livestock and Products Annual – 2021](#)).

Industry and government sources anticipate that India's cattle herd will experience robust growth over the next decade thanks to improved breeding, nutrition, and animal health. With the bettering of the reproductive health of animals, calf crop numbers will march upwards. The increase in herd numbers is driven by growing demand for animal protein (both in the form of dairy and meat products).

MEAT, BEEF AND VEAL

PRODUCTION

Production, Supply and Distribution

Meat, Beef, and Veal Market Years Begins India	2020 Jan 2020		2021 Jan 2021		2022 Jan 2022	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Slaughter (Reference) (1000 HEAD)	35800	35800	38600	38600	40000	40500
Beginning Stocks (1000 MT CWE)	0	0	0	0	0	0
Production (1000 MT CWE)	3760	3760	4100	4195	4250	4475
Total Imports (1000 MT CWE)	0	0	0	0	0	0
Total Supply (1000 MT CWE)	3760	3760	4100	4195	4250	4475
Total Exports (1000 MT CWE)	1284	1280	1550	1425	1600	1575
Human Dom. Consumption (1000 MT CWE)	2476	2480	2550	2770	2650	2900
Other Use, Losses (1000 MT CWE)	0	0	0	0	0	0
Total Dom. Consumption (1000 MT CWE)	2476	2480	2550	2770	2650	2900
Ending Stocks (1000 MT CWE)	0	0	0	0	0	0
Total Distribution (1000 MT CWE)	3760	3760	4100	4195	4250	4475

Note: Post data is not official USDA data.

With the Indian economy recovering in 2022, carabeef and beef production is revised higher by seven percent to approximately 4.5 MMT as compared to roughly 4.3 MMT in 2021 (see [GAIN-INDIA-IN2021-0100 – Livestock and Products Annual – 2021](#)).

While vast segments of the Indian economy retrenched during the COVID-19 second wave (March-May 2021), the country's livestock dairy and meat industries weathered the second wave better than other economic sectors. The Indian government throughout 2021 and into early 2022 has not only ensured that the country's meat and dairy industries remain unaffected by state COVID-19 lockdown measures, but also made sure that the movement of animals to slaughterhouse/meat processing facilities remains unhindered. Meat production and processing operations throughout the country have continued to operate as normally as possible.

The carcass weight equivalent of animals' post-slaughter has increased as compared to MY 2020 numbers when slaughtering operations were affected due to COVID-19 lockdown restrictions. The Indian government's measures, geared to maintaining and facilitating essential food and agricultural product processing, minimized losses while contributing to improving the marketing and slaughter of otherwise unproductive water buffaloes.

Most Indian states continue to prohibit the slaughter of live cattle (i.e., bovine animals) of all ages, including both female and male calves. For a reduced number of states, however, there are some very limited exceptions that permit authorized bovine cattle slaughter (see, [GAIN-INDIA - IN5085 \(July 7, 2017\) – Cattle Slaughter Legislations](#) and [GAIN-INDIA - IN2021-0100 – Livestock and Products Annual – 2021](#)).

CONSUMPTION

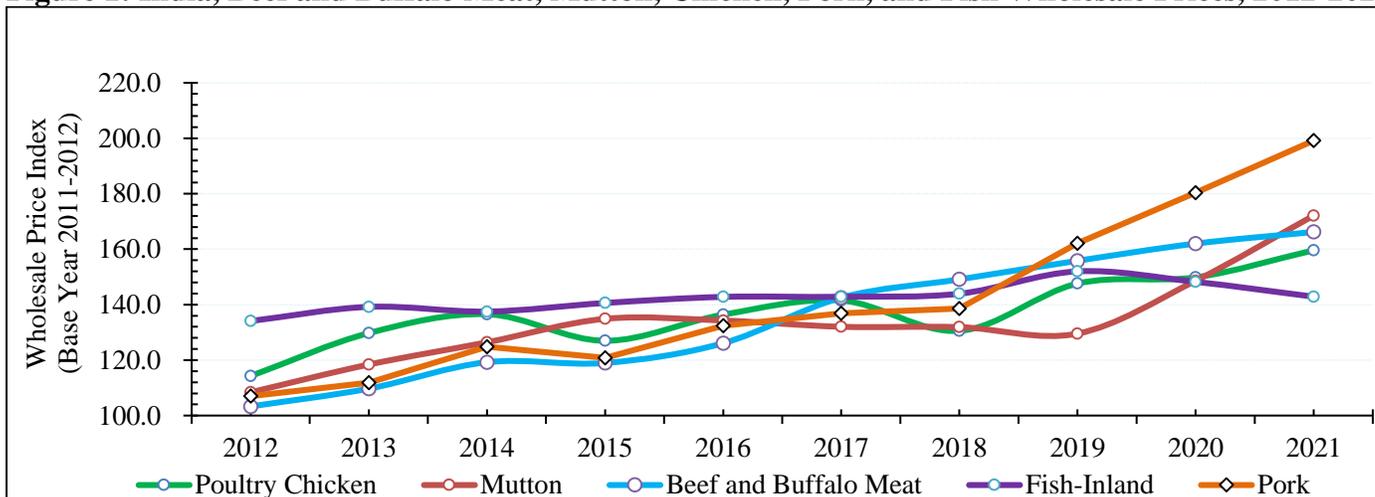
India's 2022 carabeef and beef consumption is forecast at 2.9 MMT, representing a five percent increase above the 2021 estimate of roughly 2.8 million metric tons. There were no production and or supply disruptions for carabeef resulting from COVID-19 lockdown measures.

Growing urbanization, rising middle class and their incomes are expected to boost consumer demand for carabeef. With India having come through the third wave of the pandemic largely unscathed, household and hotel-restaurant-institutional (HRI) demand for high-protein animal meat in 2022 should strengthen.

Consumption Preferences: Indian carabeef is sought out as it complements other meats (e.g., pork, poultry, sheep/lamb, mutton/goat) well in combined meat (mixed grill) offerings. It is used also as an ingredient in value-added products (e.g., sausage, salami, and hamburgers). Although most of India's Hindu-majority population forgoes carabeef and beef consumption, the country's Muslim and Christian populations do consume it in volume.¹ Indian Muslims, however, prefer for religious reasons that all meat and meat products be halal certified.

Prices: The wholesale price index (WPI) for beef and buffalo meat (carabeef) in 2021 rose 2.5 percent, (figure 1). Beef and carabeef price increases in 2021 were modest compared to those for other meats, which should make the former relatively more affordable. In comparison, the wholesale price index for goat meat (classified in India as mutton) and pork have risen 16 percent and 10 percent on relatively tight domestic supplies and strong consumer demand. Poultry meat's WPI was higher at 41 percent in the first quarter of 2021 due to COVID-19 production disruptions but eased to 10 percent in the last quarter with the resumption of supply. The WPI for fresh water or inland fish (both from wild caught and aquaculture) remained moderate at four percent in the fourth quarter.

Figure 1: India, Beef and Buffalo Meat, Mutton, Chicken, Pork, and Fish Wholesale Prices, 2012-2021



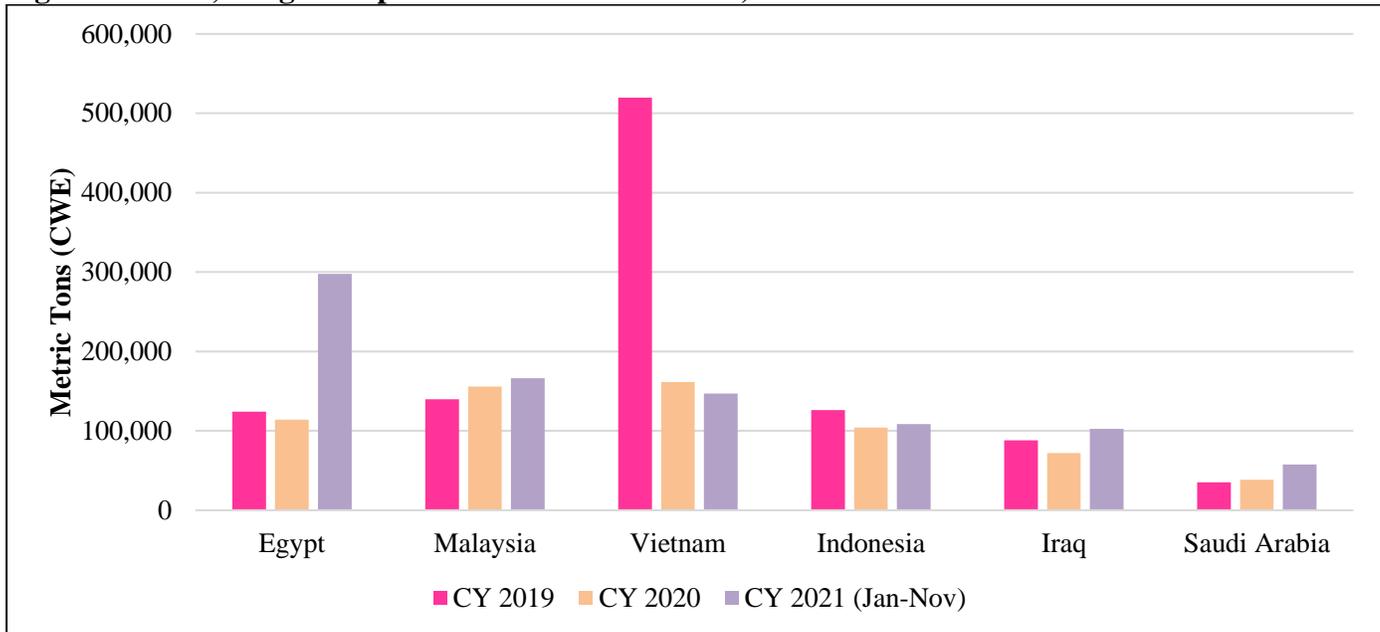
Note: There is only a single base year for the commodities (poultry/chicken, mutton (goat), beef and buffalo meat, fish (inland), and pork. The prices referenced are wholesale index prices, not retail prices.

Source: Ministry of Commerce and Industry, Trade Data Monitor, and FAS New Delhi office research.

¹ India counts with a population of 1.3 billion growing at 1.04 percent (Central Intelligence Agency, July 2021 estimate). Hindus (79.8 percent) make up the bulk of the country's population; followed by Muslims (14.2 percent), Christian's (2.3 percent), Sikh (1.7 percent), other and unspecified 2 percent (2011 estimate).

TRADE

Figure 2: India, Largest Export Markets for Carabeef, 2019-21



Source: Trade Data Monitor and FAS New Delhi office research.

Exports: Post's 2021 carabeef and beef export volume is lowered to 1.4 MMT based on the Indian government's reported export figures available from January-December 2021. India's 2022 carabeef and beef exports are forecast at 1.6 MMT on expected steady demand from Egypt, Malaysia, and Middle Eastern markets.

Trade sources report that exports to South Asia will remain under pressure in 2022 as drop in exports to Vietnam have not recovered to pre-pandemic levels. However, exports to the Middle East markets (especially Egypt, Saudi Arabia, Iraq, and United Arab Emirates) and South Asia (Malaysia, Hong Kong, and Philippines) will remain good and help offset an expected drop in shipments to Vietnam (figure 2).

Imports: India restricts imports of carabeef and beef to protect domestic producers. India's import certification requirements and documentation for livestock products are available at: <http://dadf.gov.in/trade> (see also, [GAIN-INDIA - IN2021-0100 – Livestock and Products Annual – 2021](#)).

Attachments:

No Attachments