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# I. Poultry Industry in India

Poultry is one of the fastest growing segments of the agricultural sector in India today. While the production of agricultural crops has been rising at a rate of 1.5 to 2 percent per annum, that of eggs and broilers has been rising at a rate of 8 to 10 percent per annum. As a result, India is now the world's fifth largest egg producer and the eighteenth largest producer of broilers. The Potential in the sector is due to a combination of factors - growth in per capita income, a growing urban population and falling real poultry prices. Poultry meat is the fastest growing component of global meat demand, and India, the world's second largest developing country, is experiencing rapid growth in its poultry sector. In India, poultry sector growth is being driven by rising incomes and a rapidly expanding middle class, together with the emergence of vertically integrated poultry producers that have reduced consumer prices by lowering production and marketing costs. Integrated production, market transition from live birds to chilled and frozen products, and policies that ensure supplies of competitively priced corn and soybeans are keys to future poultry industry growth in India. There are number of small poultry dressing plants in the country. These plants are producing dressed chickens. In addition to these plants, there are five modern integrated poultry processing plants producing dressed chicken, chicken cut parts and other chicken products. These plants will manufacture egg powder and frozen egg-yolk for export.

## ***Areas of Production:***

*Over all, Tamil Nadu counts for maximum egg production. In Andhra Pradesh, Hyderabad is the city with maximum poultry and hatcheries. Besides the state of Andhra Pradesh, Vishakhapatnam, Chittoor, Karnataka, Tamil Nadu, Maharashtra, Gujarat, Madhya Pradesh, Orissa and North Eastern States are the major egg contributors.*

## **India Facts and Figures :**

The country has exported 5,44,985.06 MT of Poultry products to the world for the worth of Rs. 687.31 Crores/ 98.42 USD Millions during the year 2018-19.

**Major Export Destinations (2018-19) :** Oman, Maldives, Japan, Vietnam Soc Rep & Indonesia.

## **1.1 Transformation from a Backyard Activity to a Major Commercial Activity**<sup>[59]</sup>

The poultry sector in India has undergone a paradigm shift in structure and operation. A significant feature of India's poultry industry has been its transformation from a mere backyard activity into a major commercial activity in just about four decades. This transformation has involved sizeable investments in breeding, hatching, rearing and processing. Farmers in India have moved from rearing non-descript birds to today rearing hybrids such as is Hyaline, The industry has grown largely due to the initiative of private enterprise, minimal government intervention, considerable indigenous poultry genetics capabilities, and considerable support from the complementary veterinary health, poultry feed, poultry equipment, and poultry processing sectors. India is one of the few countries in the world that has put into place a sustained Specific Pathogen Free (SPF) egg production project.

## **1.2 Regional Variation in Poultry Development**

Another important aspect of poultry development in India is the significant variation in the industry across regions. The four southern states - Andhra Pradesh, Karnataka, Kerala and Tamil Nadu - account for about 45 percent of the country's egg production, with a per capita consumption of 57 eggs and 0.5 kg. of broiler meat. The eastern and central regions of India account for about 20 percent of egg production, with a per capita consumption of 18 eggs and 0.13 kg. of broiler meat. The northern and western regions of the country record much higher figures than the eastern and central regions with respect to per capita availability of eggs and broiler meat.

## **1.3 Growing Production of Eggs and Broilers**

Table eggs and broiler meat are the major end products of the poultry sector in India. Presently production of eggs is estimated to number about 37 billion, that of broilers 895 million, and that of poultry meat 735,000 tonnes. In addition, organized facilities have been set up over the years for the manufacture of egg powder and frozen, processed broiler meat essentially to cater to export markets and markets in the metropolitan areas of India.

## **1.4 Increasing Scale of Operation**

The growth of the poultry sector in India is also marked by an increase in the size of the poultry farm. In earlier years broiler farms had produced on average a few hundred birds (200-500 chicks) per cycle. Today units with fewer than 5,000 birds are becoming rare, and units with 5,000 to 50,000 birds per week cycle are

common. Similarly, in layer farms, units with a flock size of 10,000 to 50,000 birds have become common. Small units are probably finding themselves at a disadvantage because of high feed and transport costs, expensive vaccines, and veterinary care services and the non-availability of credit. Some small units are reported to be shifting from layer to broiler production because output in broiler units can be realized in six weeks.

## **1.5 Structure of the Poultry Industry**

The structure of India's poultry industry varies from region to region. While independent and relatively small-scale producers account for the bulk of production, integrated large-scale producers do account for a growing share of output in some regions. Integrators include large regional firms that incorporate all aspects of production, including the raising of grandparent and parent flocks, rearing DOCs, contracting production, compounding feed, providing veterinary services, and wholesaling.

## **1.6 Concentration of Poultry Units Around Cities and Urban Centers**

There has also been a growing tendency for poultry units to be concentrated around urban areas because of the existence of ready markets for the end products of poultry production.

## **1.7 Low Per Capita Consumption**

Even though India is the world's fifth largest egg producer and the eighteenth largest producer of broilers, its per capita consumption of these products is poor - 37 eggs and 1 kg. of poultry meat per capita per annum. Here, again, there is considerable variation in per capita consumption between rural and urban areas and also across the region. Per capita consumption of eggs is only 7.7 per annum in rural areas compared with 17.8 per annum in urban areas.

## **1.11 Issues Relating to Animal Welfare and Environmental Pollution**

Issues relating to animal welfare and environmental pollution by poultry units have been of increasing concern in developed countries such as the U.S. and the European Union (E.U.). But in India these issues have not yet emerged as critical although they are discussed at length in various seminars and forums on poultry production. Considering globalization and the international trade in poultry

products, however, these issues may assume significance in a few years because of pressures from importing countries such as those in the E.U.

## **1.12 Constraints on the Growth of the Poultry Industry**

A major constraint affecting the growth of the poultry industry in India is the lack of basic infrastructure such as storage and transportation, including cold chain. As a result, there are wild price fluctuations in the prices of poultry products, i.e., eggs and broilers. Another constraint to growth is an inefficient marketing system. The presence of so many market intermediaries harms both the producer and the consumer. A third problem relates to the price availability of feed resources. Maize or corn plays a major role in broiler production, as it constitutes 50 to 55 percent of broiler feed. As the broiler industry is growing at the rate of 15 percent per annum, the demand for maize is thus likely to increase. Presently India grows only 11 million tonnes of maize and only 5 million tonnes are available for poultry, which is not sufficient if the current growth rate of the industry is to be maintained.

## **1.13 Policy Measures**

The policy measures that are required to improve the poultry industry must involve: (a) improving infrastructure facilities, which will help not only to stabilize the price of poultry products in the domestic market, but will also make them available in remote areas; (b) creating an efficient marketing channel that will help provide remunerative prices to producers (in other words, India's marketing set-up should also grow along professional lines); and (c) increasing maize production, which will involve using GM (genetically modified) seed varieties or, alternatively, will necessitate finding other sources of feed ingredients that can replace maize.