

## **PRODUCTION AND MARKETING OF POULTRY FARM PRODUCTS**

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### **ABSTRACT**

*The Poultry industry is the fastest growing sector of India's agriculture. To get the full impact of its rapid escalation, it would be interesting to trace the evolution of poultry development in India. In the absence of any perceptible increase in labour absorption capacity by the industrial sector, the future remains bleak with regard to rural employment position. Poultry keeping, apart from providing subsidiary income and employment, can also contribute in mitigating the problem of malnutrition in the country.*

### **INTRODUCTION**

Among the agriculture allied industries poultry industry is the fastest growing sector of India's agriculture. To get the full impact of its rapid escalation, it would be interesting to trace the evolution of poultry development in India. In the East, poultry keeping dates back to very early times. As mentioned earlier, India and the neighboring countries are considered to be the original home of the jungle fowl, from which the domestic birds have descended. From India, it is said to have migrated westward reaching Greece in 525 BC. During the Iranian invasion these birds were carried to Palestine from where they slowly trickled into several parts of Europe including Italy, and then managed to reach the British Isles. By the beginning of the Christian era, it had widely spread over the western parts of Asia and eastern parts of Europe from where it is reported to have gradually made its way to other countries including Australia, America, Russia and Japan.

The multi-colored fowls were the earliest poultry reared by the hill tribes and other people. The jungle fowls were very small in size and laid only about 30 eggs per year. No care was taken regarding their housing, feeding and disease control. The fowls usually picked up what was available on the ground such as waste grains, grass seeds and insects, escaped from predators by flying off and slept mostly on trees, roof tops or lofts in huts. It is a famous Indian breed, was highly prized by lovers of cock fighting all over the world. The Christian Missionaries were the first to start scientific poultry farming in India, towards the beginning of the 20th century. The first mission poultry farm was established in Etah, U.P. in 1912 and the first poultry exhibition was held at Lucknow in December 1912. The exotic breeds were far superior in terms of performance to those of the desi fowls. Poultry farming was mostly a

backyard venture upto 1957. The first organized effort to develop poultry was made in that year when second Five Year Plan was launched. Rs 2.8 crores were sanctioned by the government to develop poultry.

An All India Poultry Development Project was initiated wherein regional centers were set up at Bangalore, Bombay, Bhubaneshwar, Delhi and Simla to acclimatize good quality stock under their respective agro-climatic conditions. Their functions were also included promoting poultry farming extensively and provide training facilities to the officers of the neighboring states. Day old chicks of White Leghorn and Rhode Island breeds from reputed breeding farms in USA were imported as a foundation stock. Along with it all the necessary equipments were also imported. Besides, 269, poultry extension cum development centers, each with a unit of 100 layers of improved breeds were set up in different parts of the country. The period between the second and the fourth Five Year Plans was actually the turning point in the history of the poultry industry in the country. Intensive Poultry Development Programme was introduced in Third Five Year Plan to provide all the essential inputs and services to local farmers in the form of a package deal. Along with the poultry boom, the growing menace of poultry diseases had also to be tackled in this period, leading to the inclusion of poultry science as a, subject in the Agricultural Universities.

The middle and late seventies recorded a tremendous progress in the poultry industry. Central Avian Research Institute, Izatnagar, near Bareilly (U.P.) was established in 1979 to provide strong research support to the poultry industry both in the public as well as private sector. The poultry production had risen to 6,500 million, broilers to 30 million and eggs to 13,000 million amounting to 400%, 650% and 50% increase respectively. Some of the factors which flavored the growth and development of the poultry farming in the country were: small initial investment, short generation interval of poultry as compared to other livestock, availability of quality chicks, quick, assured and better returns compared to other livestock species, availability of trained manpower, better understanding and knowledge of the improved and scientific methods of feeding, management and health control, easy loan facilities; and poultry's nutritive value and economic feasibility.

## NEED FOR THE STUDY

The enigmatic feature of over dependence of labour force on agricultural sector is a cause for concern for its pernicious consequences like unemployment, under employment and poverty. In the absence of any perceptible increase in labour absorption capacity by the industrial sector, the future remains bleak with regard to rural employment position. Only recently there is awareness among academics as well as planners, that allied activities in the rural areas can be a potential source for providing productive employment. Apart from dairying which has attracted considerable attention, another relatively ignored activity is poultry rearing. Poultry keeping, apart from providing subsidiary income and employment, can also contribute in mitigating the problem of malnutrition in the country. The past research by the agricultural economists has almost ignored this allied activity i.e., poultry. Time and again, this lacuna in agricultural, economics research has been pointed out by the academics and expert bodies. But, our understanding of the potentialities of poultry farming is very limited due to the paucity of research on economics of poultry farming. This study, therefore, proposes conduct a study on the broiler chicken market Swathi and Savithri poultries , in Orissa State.

## OBJECTIVES OF THE STUDY

The specific objectives set fourth for the present study are as follows:

- To review the growth of poultry farming in India.
- To study the Socio-economic background, investment and employment pattern of the selected sample Poultry Farm Limited farmers.
- To analyze the production and marketing of Poultry Farm products.
- To suggest measures for the improvement of Poultry Farm.

## METHODOLOGY AND DATA

For the present study is conducted in the state of Orissa. It is purposively selected, mainly because of the concentration of large number of poultry farms. Further, it is one of the major districts in which consumption of broiler chicken is relatively higher. The rapid strides that accumulated in the sector of commercial poultry farming in recent years in the state and the immense potentialities for its future development provide vast scope for conducting a fruitful study of poultry farming. Hence, The study area has many small and few large poultry farms. For the purpose of the present study, a complete list of poultry farms is obtained from the chicken marketing centre of state Animal Husbandry Department, of Orissa.

The required data for the present study is collected both from primary and secondary sources. Primary data is collected through the 'Survey Method' with the help of a specifically designed questionnaire. The questionnaire has a comprehensive list of items of information on poultry farming, in consonance with the objectives of the study. Some of the items included in the questionnaire are Socio-economic factors of farmers, various items of costs incurred, returns from sales, prices of various poultry products. Further information is also collected from the broiler chicken traders, feed manufacturers, company and chicken consumers. This information is useful for cross checking the relevant information given by the sample poultry farmers.

Since the 1970s, global production, consumption, and trade of poultry meat have grown faster than that of any other meat. During the 1990s, when demand growth slowed for other meats, including fish, demand growth for poultry meat accelerated and poultry continued to lead the expansion of meat trade. Although demand for poultry meat was strong relative to demand for other meats in developed countries during the 1990s, the rapid global gains in poultry meat supply, demand, and trade were led by gains in developing countries. Expansion has been most rapid in the developing Asia region, including China, South Asia, and Southeast Asia, as well as in Latin America. The emergence of the poultry sectors in developing countries, such as India, has the potential to affect global and U.S. markets for poultry products, feeds, and related inputs. With a population of more than 1 billion and real per capita incomes now growing 3-4 percent annually, India constitutes a large potential market for poultry meat. Poultry production and consumption in India appear to be expanding rapidly, fueled by rising incomes as well as changes in the structure of poultry, production and marketing. The key structural change spurring production growth is the emergence of integrated producers, which are combining breeding, feed Milling, contract growing, and marketing activities, and fostering improved productivity and reduced

marketing costs. Although the country's expanding poultry sector now relies on local supplies of corn and soybean meal, it is unclear whether India will evolve over the longer term as an importer, or as a competitive producer, of poultry and feed. Development of the sector may depend on the pace of change in the structure of poultry production and marketing, as well as government policies toward production and trade of Poultry and feeds. Poultry are in integral part of agricultural live stock. Livestock play a significant role in the economic life of rural India. Together with crop production, they contribute considerably to the rural economy. Judged by their numbers, the importance of live stock to India's national economy will be considerable. Apart from the contribution, they make to the national income, the live stock industries can also be a potential earner of foreign exchange earnings. The live stock industry is of crucial importance for bettering nutritional standards, particularly of the rural people.

In livestock the importance of 'Poultry' enterprise is significant. The term 'Poultry' refers to domestic fowls which are reared for their flesh, eggs or feathers and includes chicken, ducks, geese, turkeys etc., though they have been domesticated for several thousands for years, it is only during the present century that poultry keeping has become such an important and highly specialized production activity. Poultry birds are part of Animal Husbandry. Since Animal Husbandry is part of agriculture, poultry is also considered as part of agriculture. In agriculture, land holdings are called as agricultural farms. Though poultry units are started under sole trader. Partnership or company farm, they are generally called as poultry farms.

## IMPORTANT FINDINGS OF THE STUDY

The information relating to the year of establishment of poultry by farmers is revealed that it is clear from the data out of 50 farmer's 22 farmers representing 44 per cent established in the year 2007 – 2008. While the 14 farmers representing 28 per cent were established in the year 2006 – 2007 and in the year 2008 – 2009 also same proportion of farmers established the poultries. However, in the year 2005 -2006 the established poultry industry could not figure in the study area. The study also covered type of organization established by farmers. It is interesting to note from the data all the poultry's are sole proprietors. There was not Joint Hindu Family, partnership, co-operative society, Joint stock company type of organizations.

It is observed from the data 26 farmers representing 52 per cent depending on wells for water. While 24 farmers covering 48 per cent are taking water from tube wells. The data relating to the number of dependents in the house holds of sample farmers shows that as many as 27 farmers (54 per cent) have 3 – 4 dependents each; where as 23 farmers (46 per cent) have 5 – 6 dependents each. An insight in to the analysis reveals that majority of farmers have less house holds dependents.

Most of the farmer i.e., 33 (66 per cent) have stated that they are self motivated to take up the poultry farming. While 17 farmers covering per cent of the total farmers were inspired by their relatives to take up the poultry farming as they are reaping attractive profits from the poultry farming. It is observed that most of the farmers stated that the low competition is prime reason for entering the poultry farming followed by availability market potentiality, easy to establish and run, high profit margin, ready market for product. On the whole, it can be concluded that low competition and market potentiality are the main reasons for entering poultry farming by poultry farmers.

Large proportion of farmers stated that high cost of feeding is major problem in the chicken production. It is followed by lack of support from the Govt., disease out break , scarcity of electricity , non-availability of quality feed are the main problems in chicken production. The foregone analysis reveals that high feed cost, lack of support from the Government, disease out break are dominating problems in the chicken production.

As stated by the farmers perishable product is the major influencing factor of the price fluctuation. The next influencing factor is seasonal fluctuation in demand is other major influencing factor on chicken prices. According to the farmers statement chicken disease, decrease in consumption factors is also considerably effecting the price fluctuation. However, the influence of over production, entry of traders from other areas very less in influencing the price fluctuations

It is observed from the study over production is main reason for low price, lack of support from the government the next reason for existence of lower prices in the market. There is also some other reasons for low price in the market, such as low consumption, lack of adequate demand, availability of substitute product are also reasons for the low prices in the market.

About 47.7 per cent of sample traders possess experiences in the field of chicken trading varying between 6 – 10 years and 6 farmers representing 45.7 per cent of total were in experience group of 16 – 20 years. There is only one trader who had the experience below 5 years. On the whole, majority of the traders in all 4 categories were in the experience group of 6 – 10 years. It is evident from the data almost all the respondents have stated that they are self motivated to take-up the poultry farming. The traders stated that higher margin is the dominant motivating factor behind the selection of chicken business as their main occupation followed by personal contacts with poultry easy to operate, self-employment and having good customer relations. The forgone analysis reveals that higher margin; personal contacts with poultry are main important dominant factors to start chicken trade for two sample traders.

The information relating to the different sources of fund of sample trader is covered in the study it reveals that 15 per cent of the total traders met their need from own funds. Zero Per cent of the total traders obtained loans from private source like money lenders, friends and relatives etc., while zero per cent from banks and other institutions. The study indicates that the margin is varying between 0 – 5 per cent. There was no margin above 5 per cent. Majority of the traders stated that they improved the chicken business by maintain good quality. Improve in sales to other dominating factor in improving the business. The trader also stated that they are practicing low profit margin. However, good customer relation and reasonable price is also considerable methods which are practicing by the chicken traders.

Around 60 per cent of the traders expressed that to demand is very high on Sunday. The respondents are also stated in the case of holidays, festivals, marriages, the demand for chicken is very high. There are 69 consumers constituting 46 per cent were buying chicken twice in week. There were 40 respondents representing 26.67 per cent, whose weekly consumption only once. There were 25 consumers constituting 16.67 per cent, whose weekly consumption of chicken four times in week. There were 16 respondents representing 10.67 per cent whose buy trice in week. With regard to monthly expenditure of consumers the

study shows that out of 150 samples 94 consumers, representing 62.67 per cent reported the expenditure, on chicken purchase.

Regarding the price of opinions of consumers about their information on sources of chicken prices reveals that 44.77 per cent of the sample consumers depend on chicken shops as a source of price information. As many as 75 consumers representing 50 per cent stated that the chicken prices were very high. While 25.33 per cent reported that the prices were low. Only 16 per cent of the consumers (8.67 per cent) opined that the prices were high. Most of the consumers representing 46.67 per cent of total sample stated that they occasionally observed price difference from shop to shop. Around 22 per cent of the consumer opined that they have observed price difference in same times. Only 16 per cent of the consumers are observed existence of price difference from shop to shop. 15.33 per cent of the respondents expressed that frequently they have observed price difference.

## CONCLDING REMARKS

One of the problems in the poultry industry today is the improper disposal of an increasing volume of poultry slaughter house wastes, produced in the course of dressing over 300 million birds per year. The quantity of poultry wastes presently produced is estimated at 1,20,000 tones per year at the current level of production. The slaughtering operations are conducted manually and scattered all over the country. It is estimated that poultry waste will double during the next five years. To overcome this hazard, it is necessary to process the poultry wastes to recover economically valuable and protein rich by-products like blood meal, feather meal and meat meal to be recycled into livestock feed. For such a treatment, centralized slaughtering of birds has to be organized so that poultry offal in adequate quantities can be made available for rendering on a commercial scale. Another useful by-product of poultry is the poultry manure. It is a mixture of faeces and urine excreted by poultry birds. The manure is very rich in plant nutrients and has a high fertilizer value. The average poultry manure composition is as follows: Nitrogen -1.0 -1.8 percent Phosphate .1.4 -1.8 percent, Potash -0.8 -0.9 percent It has been estimated that 40 laying birds produce about one tone of poultry manure per year. The poultry manure can also be recycled for use in cattle feed up to 50% of the concentrate ration. This is already being practiced in USA and other European countries, but not in vogue in India. The poultry manure is high in protein content. The term poultry applies to a wide variety of bird species like chicken (domestic fowl), duck, turkey, geese, pigeon, guinea fowl, pheasants, quail and other game birds. In India, poultry, is very often used as synonymous to chicken as they are more commonly found in our country and are of great importance for meat and egg. Chicken, and upto certain extent, ducks are kept for commercial production of both eggs and meat. Turkey, guinea fowl, geese and others are maintained for meat. In comparison to other livestock, poultry farming requires less investment to start the farming on commercial scale. Agricultural laborers, marginal and small farmers, will profit adequately if they start this business on a small scale. The average investment on fixed capital and total cost of rearing 100 chicks to the point of lay, works out to be very less.

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