

A Study on Growth and Instability of Poultry Farms in Namakkal District (Tamilnadu)

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<<< Abstract

India is a developing country primarily has an agricultural economy. If agriculture blooms, the country prospers. Agriculture is a diversified subject covers such activities as farming, forestry, animal husbandry and fishery including agro-based industries in broader concept. Rural development improves the quality life of the weaker sections and gives way for participation and involvement of the masses in the process of decision making in economic and social life of and society. They provide livelihood to and million of rural house holds in the sub marginal level both land less and small landholders. They prove to be the best way to alleviate rural poverty and reduce income disparities. Industrial sector depends on agriculture for their raw material and allied products. Poultry and egg are popular food articles of high nutritional value and so and major break through have been achieved in egg production and broiler stock. This due to integrated development of breeding feeding, marketing, healthcare and nutrition etc. Poultry farming by providing additional income to the agricultures helps them to earn more and helps the nation to develop with out any wide disparities in the of income.

Key words: *nutritional, agriculture, egg consumption, livelihood*

1. INTRODUCTION

Milk is an animal product and cannot by any means included in strict vegetarian diet. It serves the purpose of meat to a very large extent. In medical language, it is classified as animal food. A layman does not consider milk to be animal food. On the other hand, eggs are regarded by the layman as a flesh food. In reality they are not. Now days, sterile eggs also produced. The hen is not allowed to see the cock and yet it lays egg. A sterile egg never develops in to a chick. Therefore, he who can take milk should have no objection in taking sterile eggs. - Mahatma Gandhi.

Poultry is generally constructed to mean, Eggs and chicken meat through its domain is vast and varied. What was once a product of the backyard of and poultry has achieved phenomenal growth with a high rate of productivity with adoption of the latest technology. India is perhaps the only country in the developing world that can boost up a self sufficient breeding capacity with sophisticated spf (specific pathogen free) Technology and full fledged research operations combined with training facilities comparable to the best in the world. The production technology adopted by the poultry industry is high grade with an annual production of 17,000 million. India is the largest egg producer in the

world. There are about 60,000 families directly dependent on the poultry farming with half of a million engaged in support operation like hatcheries and food mills, vaccine and medicine laboratories. Transportation. Distribution and retailing of poultry meat. The national institute of nutrition has recommended that a balanced diet should contain 30 gms of eggs and 30 gms of meat per head per day which mean an annual per capita consumption of 180 eggs and 10.8 kg of meat. This calls for tenfold growth in the layer sector and a manifold growth in the broiler sector. In the poultry sector, there are different areas which offer enormous opportunities for growth like fast foods. There is great scope for export lot table eggs, day- old chicks, poultry breeding stock, processed chicken meat products, vaccines, medicines and such other requirements to the other requirements to the other developing countries. The poultry sector the capacity to grow with in a short span and at a low cost. It is one of the most effective tools to fight mal- nutrition and unemployment. What is required now is support and encouragement by the government.

POULTRY: Young student encyclopedia defines poultry as, Birds raised for their meat and eggs are called poultry. Chickens, Ducks, geese, guinea' fowl, pheasants and pigeons can all be poultry birds.

2. OBJECTIVES OF THE STUDY

- (a) To give a detailed profile of the poultry farmers in NAMAKKAL district.
- (b) To analyze the profitability of the poultry farmers.
- (c) To review the factors influencing the growth, instability and profitability of the poultry farmers.

3. HYPOTHESIS

1. The size of the firm is not depending on profit.
2. Profitability is not influenced by the educational qualifications of the respondents/farmers/ entrepreneurs.
3. The source of capital (ie: owned our borrowed) has no significance over the profit.
4. The size of the family has no relation with profit earned.
5. Ancillary occupations/business has no affect on the business.

4. METHODOLOGY

This study is an emperical study based on survey method. The data collected for the study both primary and secondary data collected from journals and magazines. Primary data were collected directly from the farmers through personnel interview method aided by a schedule.

5. FIELD WORK

The field work was carried out during JAN-JUN 2009. Each interview took about half-an hour to one hour. Approximately 120 poultry farm entrepreneurs were interviewed for collecting data. The interview was conversational in style and respondents were made to feel at home and easy.

6. LIMITATIONS

Estimation of the total profit/loss for the previous years was difficult. Most of the farmers do not keep correct accounts of their receipts and expenditures or any other statistical data. Most of them are given by the respondents only from their memory which may not be accurate. However, every effort has been taken by both researcher to collect the data as accurate as possible.

7. RESEARCH METHODOLOGY

7.1 DATA COLLECTION

After identifying and defining the rearch problem and determining specific information required to solve problem, the researchers task is to look for the type and sources of data, Which may yield the defined results. Generally, the researcher straight away resorts to survey method for data collection. Ie: they go for primary data.

7.1.1 PRIMARY DATA

Primary data may pertain to socio-economic characteristics of the entrepreneur attitudes and opinions, their awareness, knowledge and other related aspects, like education, monthly expenditure etc.

7.2 DATA COLLECTION METHOD

Sources of data are primary data, which is gathered by the researcher with the help of questionnaire. The respondents are belonging to poultry farm farmers.

7.3 SAMPLING TECHNIQUES

The researcher selected probability-sampling method. Under which stratified techniques was used. As the poultry farms being large, the project time being limited, it was decided to choose this particular technique. In stratified sampling, the sample units are selected either proportionately or disproportionately. Here the researcher adopted disproportionate stratification by selecting 25 samples from each.

8. DATA ANALYSIS TOOLS

Interpretation and analysis of data was conducted by means of percentage and chi-square test.

(a) PERCENTAGE

Percentage refers to a special kind of ratio. Percentages are used in making comparison between the or more series of data. Percentages are used to describe relationships. Since the percentages reduce everything to a common base and there by allow meaningful comparisons to a common base and there by allow meaningful comparisons to be made.

(b) CHI-SQUARE TEST

The quantity χ^2 describes the magnitude of discrepancy between theory and observation. With the help of χ^2 test we are in a position to find whether to change or whether it results from the inadequacy of the theory to fit the observed fact.

The quantity χ^2 is defined as
$$\frac{\sum (E_o - E_e - (E_o - E_e)^2)}{F_e}$$

Where O = Observed frequency
 E = Expected frequency

(c) BAR DIAGRAM

Bar diagram is the most common type of diagram used in practice. A bar is a thick line whose width is shown merely for attention. When the number of item is large, lines may be drawn instead of bars to economize space.

(d) PIE DIAGRAM

This type diagram is used to show the partitioning of a total into component parts. The pie chart is so called because the entire graph entire graph look like pie and the components resemble slices cut from pie.

9. GROWTH OF POULTRY INDUSTRY IN INDIA

The scientific poultry keeping in India was first initiated and advocated by Christian missionaries. The major step towards scientific poultry management was taken in 1939 with the establishment of divisions of poultry research at the Indian veterinary institute (IVRI) at izathayar in U.P. There was and fantastic growth in poultry production since 1974 and hence the consumption of eggs has increased several times today. India stands as the fourth largest poultry production country in the world. Andhra Pradesh leads in poultry production followed by Tamilnadu. There are more than 100 traders in NAMAKKAL, Erode, Rasipuram are some of the main areas of poultry production in Tamilnadu. A team of scientists led by late Dr.S.G.Iyer achieved a major break through in the year 1940 with in the development of vaccine against the dreaded in the year 1940 with in the development of vaccine against tht dreaded Ranikhet (New castle) disease. It gave long immunity to the birds were certainly better than desi-fowls and this attracted the attention of government officials to introduce several model poultry forms in various parts of the country. It happened more during the world war-ii when army authorities started setting up number of forms with improved birds of egg type to meet egg demand of defence personnel. This helped to and great deal in popularizing poultry farming in the surrounding areas.

10. CONSUMPTION

The per capita availability of poultry products is currently estimated atleast than 30 eggs and 400 grams of poultry meat per year. Judged by any yard stick, This level of consumption to and predominantly Buddhist neigh boring country like srilanka with per capita consumption is about 40 eggs and china about 100 eggs. The economic problems facing most of the developing countries are almost similar in terms of rural brand awareness, low purchasing power and inadequate marketing infrastructure. As much as 75 to 80 of al eggs and broilers produced in the country find their way mainly into urban markets, thus catering to some 25% of the population. The existing distribution

channels and weighed in favour of four metro cities and a few larger towns, where demand is high. A vast hinterland of rural is neglected because of their widely scattered demand.

11. EXPORT OPPORTUNITIES

A New avenue for poultry exports has opened with the setting up of processed and further processed poultry units, which have made available a wide range of INDIAN – style chicken based delicacies and dressed chicken. There is sizeable market for such products worldwide. So, the export market is there, as also the poultry product, what is missing is the proper climate to tap the growing demand overseas. The setting up of the new ministry for food processing industries at the center gives hope for boosting of poultry exports. Industry sources estimate that poultry exports can for India RS 400 crores a year with in the next five years. Among positive steps that can be immediately taken in this direction includes the provision of cash incentives and logistics support.

12. INPUT INDUSTRY

Poultry in India has come a long way since the first commercial chick was hatched in November 1962 in the Delhi based Ranishaver poultry breeding Ltd., At the same time was started the commercial production of balanced compounded feed as well as modern vegetarian medicines and vaccines so very essential for successful of equipment for hatching and incubating, feeding, mixing and commercial housing. Today and network of over 500 commercial feed mills, veterinary pharmaceuticals and equipment manufacturers has made poultry farming and dynamic agri- business. These commercial activities have been duly supported by research and development up from education and research institutions. The infra structure base is getting wildered in response to the growing demand for various inputs needed for expanded intensive poultry production.

13. INDIA'S EGG MARKETING REVOLUTION

Moving expanded egg consumption in India, from only 6 eggs per person in 1973 to about in 1980, representing a total of 13,000 million eggs in

1982, witnessed the closure of thousands of poultry farms with result that the egg consumption have declined to around 14 per person for the year.

It is estimated that since 1980, poultry farms have gone out of business and that many others have reduced the size of their flocks. Despite a contraction output in 1981 whole – sale process barely moved from a level, which was well below production costs. Producers felt that the decline in their fortunes had not been due to over production but to whole sale traders who profited at the expenses of egg producers. In an attempt to correct the situation, Mr.B. Vasudev Rao, a pioneer of India's poultry industry called for egg producers to unite under the slogan 'OUR PRODUCE – OUR PRICE'.

Against this decreased economic background and order to stabilize egg prices at reasonable levels, poultry farmers form various statements in Hyderabad in 19th February 1982 and decided to set up a national egg co-ordination committee (NECC) nominating Mr.B.V.Rao as first chairman. The aim of NECC is to ensure that egg prices to producers will cover the cost of production and give them a reasonable profit on their investment and labor.

14. THE NECC STRUCTURE

The NECC is a non-profit making body, registered under the societies act. The supreme policy making power of the NECC rests with the general body which comprises of representatives of poultry farmers from various states, union territories, egg and poultry traders, Poultry breeding farms, hatcheries, feed manufacturers, equipment manufacturers, pharmaceutical companies and various other organizations interested in the poultry industry. The NECC had set-up zonal offices in the main egg consuming and producing centers. Each office will co-ordinate the activities of 5 to 10 local committees, regarding the movement, storage of egg, price trends, public an honorary chairman selected by the NECC chairman.

15. BENEFITS OF POULTRY FARMING

The poultry farming is very versatile agrobusiness, it can be adopted under any circumstances

to provide many benefits like:-

- (1) It was source of high quality human food. Egg is not only supports in nutritive value, nut also it is very easily digested and cab be served indifferent ways. Of this also used in many ways like binders and levering agents in baking and furnishes” richness” in ice-cream, sauces, curlards and candues.
- (2) Poultry farming is highly adaptable under various conditions. For example it fits well in mixed farming system to provide continuous income to the farmers during their lean periods and also helps to engage their family labor profitable through out the year.
- (3) It provides employment avenues. There are many diversified types of business allied poultry farming like egg production, broiler production, production of . All these business can be developed as rural industries which will have many avenues of employment of rural side particularly among educated un employed and under- employed persons
- (4) Poultry waste is an excellent source of organic manure, which can be utilized for growing field crops. It is estimated that of the poultry manure is utilized properly, it can produce more food grains them the birds consume as feed.
- (5) It serves as source of raw materials for industrial products.Eggs have many industrial uses in preparation of vaccines, varnished printers land, soap and shampoo etc. Eggshells are used as minerals in animal feed. Endocrine glands of birds are used for preparation of hormones and any other biological preparations.

Table: Profit For The Respondents/Month

Profit. Rs	No of Respondents	Percentage
Up To 5000	23	29
5000-10,000	44	24
10,000-20,000	19	24
above 20,000	37	20
Total	120	100

Among the total respondents contacted 7 respondents spend up to Rs. 20,000 monthly, 35 respondents spend between Rs. 20,000 -40,000

Growth of Poultry Farms in Namakkal District 2001-2009

Year	Total Birds (In Lakhs)	Percentage of Growth
2002	84.85	89.90
2003	93.50	103.00
2004	107.25	115.50
2005	133.75	—
2006	5.60	3.80
2007	9.22	3.96
2009	7.14	13.64

and 53 respondents spend Rs. 40,000 to 60,000 and remaining 23 spend above Rs. 60,000. The expenses include charges such as food, lighting , injection and other expenses.

If it is said in percentage 8% of them are in category Rs. 20,000- 40,000,Rs. 40,000- 60,000 and above Rs. 60,000 respectively.

The above table reveals that out of the respondents who are incurring profit 23 of them fall under the range of RS. 5 000,29 fall under the range of RS. 5000-10,000 and of them fall under the range of RS. 10,000- 20,000 and above R.S 20,000 respectively.

16. FINDINGS

1. The poultry study area in Namakkal district only 50% is cultivable. As agriculture bring them less income due to lack of proper irrigation system and non-fertility of land, the people of this area have accepted poultry farming as an ancillary occupation.
2. Among the 120 respondents interviewed, only 23 respondents were illiterate, where as remaining 97 respondents are literate.
3. Majority of the respondents have taken poultry farming as ancillary occupation . Only 36% do poultry farming as main occupation. Reasons for ancillary occupation is the farmers get manure to agricultural land.
4. Though the farmers get reasonable income from the sale of eggs, they have to incur expenses for the maintenance of the farm such as vaccination, lighting, feed etc., as a result of which they get a comparatively lesser net income.
5. Facilities like free transportation, medical aid, feeds in exchange of eggs etc are given feed

suppliers/Dealers and they do it in proper time.

6. From the industry data in Namakkal district, it is evident that number of farms closed in the period 1995-2001 is 1200 and new farms opened in the same period is 150. The reason behind that small size farms unable to with stand the rise in feed cost and other working capital expenditures. Where as for large size farms, even though they get a price increase of eggs for a short period of time, they get good amount of profit, which enables them to run the farm traders/ supplied . They produce the feeds of their own by purchasing the raw materials from market, which reduces the feed cost much. This

is the main reason large size farms can able to survive and earn profit in the present scenario.

From the profitability analysis the following findings are drawn:-

- (a) The size of firm is depend on profit
- (b) The relationship between profit and education is not significant
- (c) Number of members in the family is not significant in the profit earning capacity.
- (d) Sources of capital whether owned or borrowed have insignificant relation with profit.
- (e) Nature of occupation (ie: whether ancillary or main) has no consideration to profit.

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