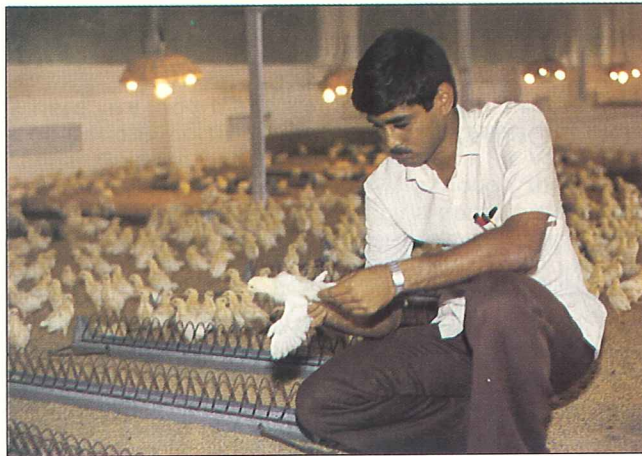


# India Moving Into The Fast Lane

**With government support to help build infrastructure and provide export incentives, the Indian industry has the potential to help solve many of the country's problems.**



**G**lobalisation is all set to make an indelible impact on the Indian economy. Hardly any sector of this developing economy will remain unaffected. Poultry is no exception. In fact, the elimination of trade barriers among nations, a fallout of GATT and globalisation, will have a rejuvenating and invigorating effect on the Indian industry.

Indigenous research and breeding programmes, including absorption of state-of-the-art technologies, are the hallmarks of the Indian poultry industry which ranks fifth and twenty-second in the world's egg and chicken meat production respectively. The high quality research undertaken by some of the best Indian scientists has paid rich dividends. This corroborated by the fact that Indian layers have achieved a performance of 310 eggs hen-housed/year while the broilers attain 1500g weight in a mere 40 days - a feat that matches the best achieved in developed countries. With 12 research and breeding organisation and more than 500 hatcheries in its fold, the Indian industry has finally come out of the shell and is about to enter the fast lane.

Hitting a 10% average growth rate, egg production in India rose to more than 28,000 million eggs in 1993 from 17,800 million in 1987. The broiler sector too achieved an impressive 15% growth rate: chicken processed moved up from 230 million birds in 1987 to 425 million birds in 1992.

The per capita consumption of poultry products in India however, still leaves a lot to be desired. While the per capita consumption of eggs hovered around 33 in 1993, as against the 180 eggs per capita consumption recommended by the National Institute of Nutrition (NIN), the consumption of chicken meat is a mere 440g, as against 11kg per capita consumption of all meats

recommended by NIN. Because of the religious taboos which discourage consumption of certain other types of meat, not to speak of their limited supply, chicken meat which is acceptable to all religions should contribute 9kg if not more, of the 11kg of meat consumption recommended by NIN, according to the Indian poultry industry's estimate. These figures reveal a huge potential for growth of poultry in India, just to meet domestic needs alone.

If India's actual egg consumption is to be realised, based on NIN's recommendations, the country's production should go up six times. Similarly, broiler production too should be stepped up by nearly 20 times if the nutrition levels recommended by NIN are to be attained. According to the objectives set out by the National Egg Coordination Committee (NECC), India's voluntary body that ensures a remunerative price to the farmers and promotes egg consumption in the country, India should be able to achieve the per capita egg consumption of 180 eggs by the year 2015. The Indian poultry industry's projected per capita broiler meat consumption of 9kg is expected to be reached by 2025 AD.

According to industry projections, India will be producing about 60,313 million eggs and 986 million broilers/year by 1998. This still leaves a considerable void which needs to be filled.

At present, India is producing 126 million commercial layers. If the existing production facilities are upgraded, which is easily possible, the country can increase its production of layers to 378,000 million increasing production by 3024 times. Similarly, production of commercial broilers too can be increased up to 41,18 million by improving the existing physical facilities.

From the above, it is evident that India cannot only take care of its future poultry requirements, but can also become a major player in the international market, given its huge potential surplus production.

Technically the Indian poultry industry compares with the best in the world. Decades of research, much of it pioneered by the leading integrators has placed the



industry on a firm footing. Whether in the field of genetic research, vaccines, feeds, equipment or processing, the industry is poised to take on any competition the world over.

Research of any kind involves huge costs - which can be recovered only when the fruits of research are placed in the hands of commercial producers. Since the present requirement of the Indian poultry industry is hardly 13,000 layer GPs and 70,000 broiler GPs, it is difficult to recover the cost of research running into crores of rupees from this limited market. Consequently, the indigenous breeders are at a disadvantage compared with importers of grandparent breeding stock.

Knowing the way the multinational corporations operate through the formation of cartels, international breeders can dump their stock in the Indian market to undermine the products of indigenous research and subsequently boost up the price.

Besides, once Trade Related Intellectual Property Rights (TRIPS) comes into force and patents are introduced, the cost of imported grandparent stock will not only go up but also the right to multiply the parents may be restricted.

The move to facilitate imports of GPs, therefore requires a careful reconsideration by the government of India. The problems confronting the industry have to be viewed in the wider perspective of expanding global markets with the dismantling of existing tariff barriers. In a book 'The East Asian Miracle - Economic Growth and Public Policy', published recently by the World Bank, the bank's researchers studied the economic miracles that took place in Japan, Hong Kong, South Korea, Singapore, Taiwan, Indonesia, Malaysia and Thailand and concluded that the rapid agricultural productivity and output growth in these countries is largely because of agricultural extension services, low direct and indirect taxation, good infrastructure and heavy investments in rural areas. These factors stand good for poultry too.

It is time for India to have a well thought-out trade



policy, which facilitates a free and open trade, encourages healthy competition while, at the same time, ensuring a 'level playing field', without compromising on the fundamental rights of the State. The Indian industry can advance by leaps and bounds, given the conditions listed by the World Bank team during their research of East Asian countries.

With foreign markets opening up, thanks to GATT, India can certainly take a substantial share of the world poultry trade in the ensuing years.

With trade barriers being done away under GATT, the Indian industry will go all out to exploit foreign markets. With its low production costs, India will not encounter any major obstacles in the export market. Until the developed countries do away with the subsidies however, the Indian government should provide the necessary incentives to the Indian exporters to ensure fair competition in the export market.

Meanwhile, the industry is making a serious bid to develop the required infrastructure on its own as this is

absolutely necessary if the country is to make any significant impression not only in the export market but also in domestic consumption. Significant investments in infrastructure, be it in a chain of dry warehousing or cold storage plants, are being planned as these are a must if the industry is to make quantum leaps. As international funding is becoming more and more prominent in India's industrial projects, finding funds for the infrastructural projects will not be a major problem. During April-June 1994, 160 Indian companies raised Rs.16 billion (more than US\$500m) from the primary market. In July 1994 alone, Rs.9 billion (nearly US\$300m) was raised from this financial market. The potential for raising funds from this source is so high that nearly 700 more companies are applying to raise capital from the primary market this year. This being so, raising funds for infrastructural projects from the Indian primary market will not be a problem.

If the Indian government extends a little support - especially in infrastructure building and fiscal incentives for exports, a new era will dawn on the Indian poultry industry which has the potential to solve many of the problems afflicting the country, such as malnutrition, unemployment, poverty and so on - and has the capacity to build a more healthy and prosperous India. — Dr B.V. Rao, Venkateshwara Hatcheries Limited, Pune, India.

## Solar Energy-Powered Brooder-Grower

India's first solar energy-powered, chicken brooder, based on modern poultry concepts, has been designed and installed recently by the All India Women's Conference in Delhi.

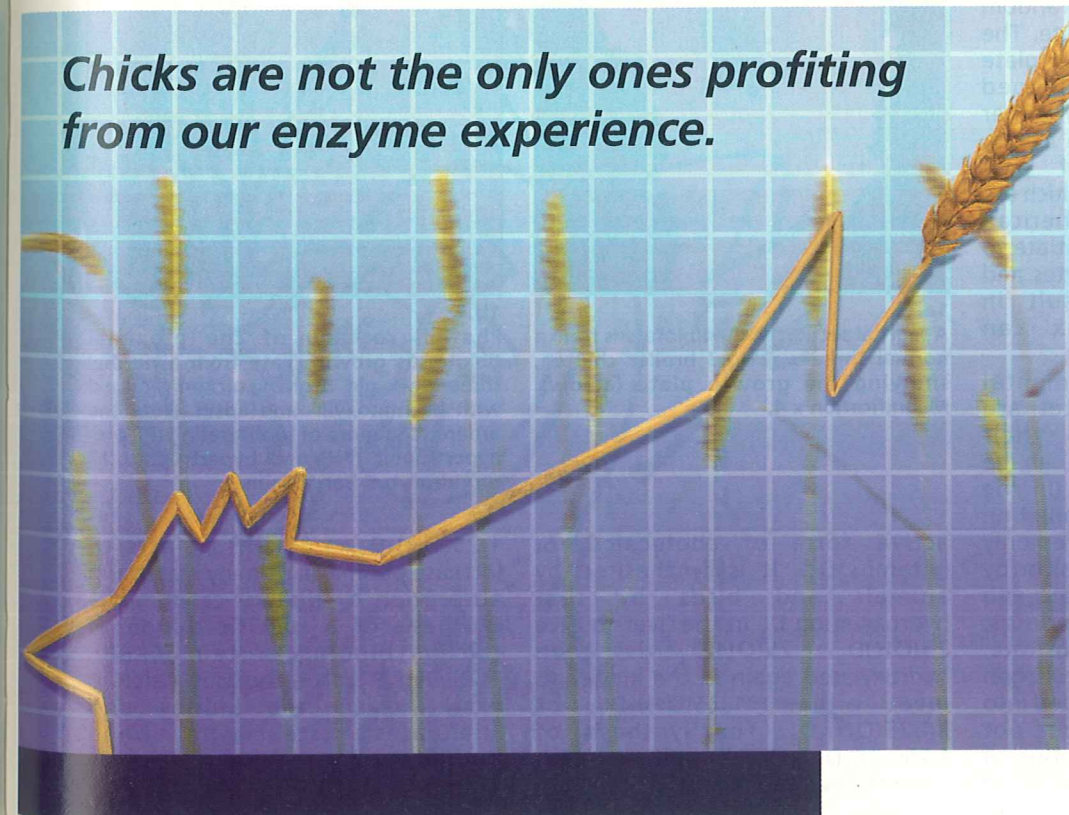
The 1200 bird capacity brooder-grower was developed under a project funded by the Ministry of Non-Conventional energy Sources. The brooder-grower will help rear birds up to eight weeks under controlled conditions, until they weigh two kg, sufficient to cater to the needs of the expanding poultry market.

The rearing conditions under different periods of growth are met in four compartments of the AIWC chicken brooder.

The unit is fitted with an active solar water heating system for winter heating; an evaporative cooling-based air washer and sun shades for cooling during summer and an air-change unit for monsoon months, to give maximum comfort to the birds.

In addition, there are double walls and a hollow block roof, topped with mud and brick tiles, which not only keep the cost of construction down, they also reduce the cooling and heating loads. (Poultry Times of India).

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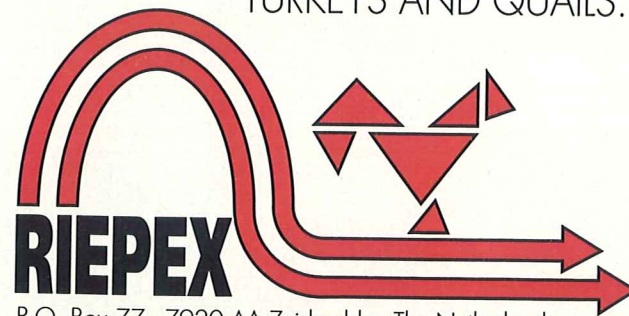


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