

## POULTRY FARM-THE FOURTH KIND FARM

Dr. Pulidindi Venugopal\*

Swati Malhotra

Anuj Saini

Shubham Rastogi

### **Abstract**

Poultry, a surge in the agricultural sector of India and it is occurring at a much faster pace, which could be accounted from the increment in the per annum growth rate of agri products and eggs, which are 1.5-2% and 8-10%, respectively. India is at the fifth place for the largest production of eggs. The rise in national income is a sign of economic growth and prosperity and also it is due to decline in prices of poultry products. Table eggs constitute as one of its most important product in India. The upliftment of this poultry sector could also be comprehended from the fact that the poultry farms are increasing, both in numbers and size in so many areas. Therefore, to provide high quality low-priced eggs and broiler by biotechnological treatment of poultry waste feathers for feed production thereby obtaining cheaper feed and reducing the cost is an innovative approach. Thus providing services for the nearby poultry farms and processing plants by cleaning their feather waste and using it as a raw material for our feed production and also reducing the load of feather waste pollution on environment and thereby creating an eco-friendly and sustainable business.

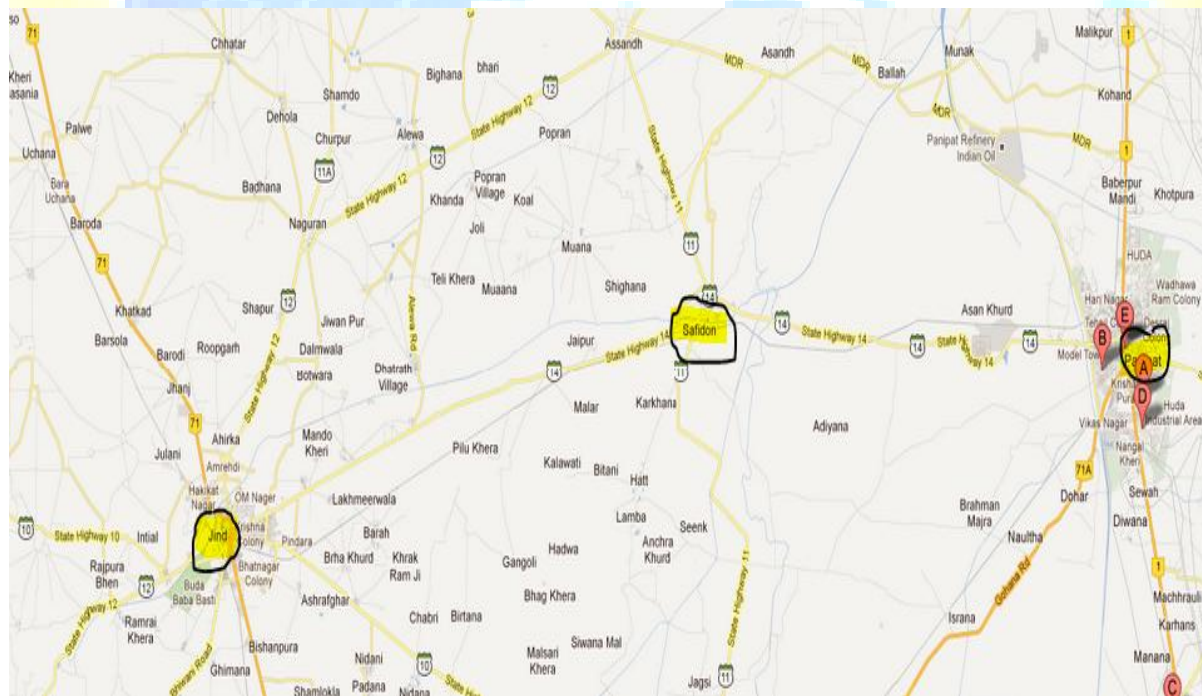
**Keywords:** poultry; agriculture; egg; biotechnological; feathers; feed; innovative; business

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\* Professor VIT Business School, VIT University

## Introduction

The transition of poultry industry in India, from the ethnic into the most commercialised one, occurred in a matter of just few decades. Rising incomes, coupled with emergence of vertically integrated production systems, contract growing, and marketing activities bringing about much needed economies of scale and thereby sustained profit margins along with technological development have been the major planks for this transformation. Hence there is a need to gain a better understanding of the prospects for the poultry industry, by assessing supply/demand structure; production and consumption trends; consumer demand and preferences; price scenario, income and price elasticity and factors affecting poultry demand; performance and costs; marketing and then to take advantage of the factors that led to the success of poultry in some regions for growth prospects in other less developed regions. Considering the wide gap between the recommended and actual levels of consumption/ availability of poultry meat and eggs, there exists an ample scope for furthering the poultry industry (Saran S. et al., 2005).



## Need for study

Safidon is a town which lies between two major districts in Haryana, Jind and Panipat. The town is on the course of rapid growth and development as recently many plans are approved by the government which will be implemented in near future. There are as of now no big poultry farms

in that place and the only two small farms which are present cannot cater to the increasing demands of people for egg and chicken which, in today's scenario, is required at every occasion and also general daily consumption. Most of these needs are thus taken care by supply from the two districts which are well connected through roads and takes around two hours to reach. Thus, the intention is to set up a poultry farm in Ratakhera, Safidon and thus look after the demands of egg and chicken. To sustain the business, provision of low cost chicken and eggs to get an edge over the competitors and get established as an Industry. The strategy for reducing the cost is by biodegradation of poultry feathers waste and making animal feed from it (Kumar E.V. et al.,2011) which is rich in protein and is equivalent to the costly soyabean feed traditionally used by farmers (Brandelli A.,2008). Also the feathers will be obtained from other farms in the two districts where a paid clean up service by clearing their feather waste will be provided (Gupta R. et al., 2006). Thus, raw materials from other farms itself are obtained. By producing this new feed for almost ZERO price, the compensation of which can be done in the selling price of the products and reduce their cost for more market space.

### Objective

- To provide high quality low-priced eggs and broiler by biotechnological treatment of poultry waste feathers for feed production thereby obtaining cheaper feed and reducing the cost.
- To provide services for the nearby poultry farms and processing plants by cleaning their feather waste and using it as a raw material for feed production.
- To reduce the load of feather waste pollution on environment and thus look for eco-friendly and sustainable business.

### Scope

- To be one of the major player in the Indian Egg Industry.
- To contribute towards Indian economic growth.
- To look for more eco friendly approach towards a sustainable business.

### Company Location

We intend to set up our farm in a village called Rathakhera near Safidon town. Reasons being:

1. Cheaper land
2. Good ground water supply available
3. Climatic conditions are warm and ideal for poultry
4. Connected well by roads to our target.



### Indian Bird Variety:

The **Kadakhnath** is a wild breed of chicken and can suit itself to any new conditions. The meat obtained from it imparts strength to the human and is dark in colour. Its meat has also got huge therapeutic properties.



**Brahmas** are found predominantly in Asia and have their origin in the Brahmaputra region, India and are also known as "Gray Chittagongs." They seem to have inherited from the Jungle fowl and Cochin.



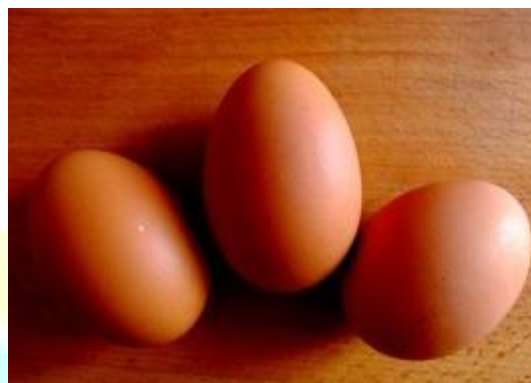
Brahmas are famous for their cold sustainability, and is used as food as well. They are huge and bulky in size because of their plumage, which are massive and predominant in leg region.

**Aseels** are mainly used for cock quarrel, where the cocks are awarded for their vigour.

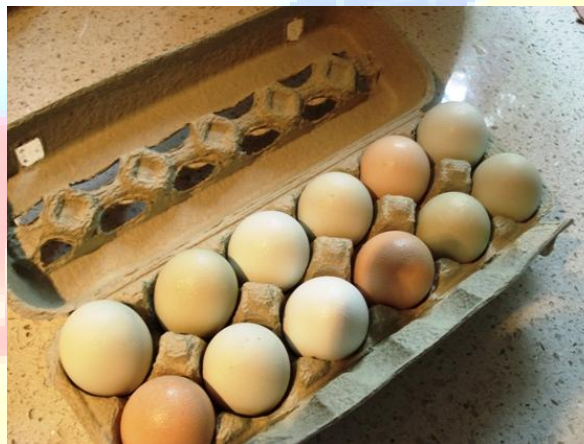


**Free Range Eggs**

<b>Nutrition Facts</b>	
Serving Size 1 egg (50g)	
Serving per Container 12	
<b>Amount Per Serving</b>	
<b>Calories 70</b>	Calories from Fat 45
<b>% Daily Value*</b>	
<b>Total Fat 5g</b>	<b>8%</b>
Saturated Fat 1.5g	<b>8%</b>
Polyunsaturated Fat 1g	
Monounsaturated Fat 2g	
Trans Fat 0g	
<b>Cholesterol 185mg</b>	<b>60%</b>
<b>Sodium 70mg</b>	<b>3%</b>
<b>Potassium 70mg</b>	<b>2%</b>
<b>Total Carbohydrate 0g</b>	<b>0%</b>
<b>Protein 6g</b>	<b>13%</b>
Vitamin A 6% • Vitamin C 0%	
Vitamin D 10% • Calcium 2%	
Iron 4% • Thiamin 0%	
Riboflavin 10% • Vitamin B-6 4%	
Folate 6% • Vitamin B-12 8%	
Phosphorus 10% • Zinc 4%	
Not a significant source of Dietary fiber or Sugars	
* Percent Daily Values are based on a 2000 Calorie diet. Your daily volumes may be higher or lower depending on your calorie needs.	
	Calories    2,000    2,500
Total Fat	Less than 65g    80g
Sat fat	Less than 20g    25g
Cholesterol	Less than 300mg    300mg
Sodium	Less than 2,400mg    2,400mg
Potassium	3,500mg    3,500mg
Total Carbohydrate	300g    375g
Dietary Fiber	25g    30g
Protein	50g    65g
Calories per gram	
Fat 9 - Carbohydrate 4 - Protein 4	



**Brown Eggs produced by Kadaknath Variety**



**Hypothesis**

There should be a vertical co-ordination in the supply chain of raw materials, feather wastes, in order to avoid any difficulties in the afore-said plan and also to minimize the transaction costs, thus favouring a tremendous growth potential in the highly competitive market.

### Service methodology

Teams consisting of 7-8 labourers will be hired to provide cleaning services to near-by farms. Poultry farms and processing plants produce tons of feather waste every day. Hence, we would provide cleaning services to these farms by clearing of the feather waste.

We intend to collect waste feathers from surrounding poultry farms from Jind and Panipat and provide a clean up service to them by safely disposing their feather waste. We will use this for our animal feed production (Cheng-gang C. et al., 2008) (Gushterova A. et al., 2008)

Some herbs and extra machinery will be required for making them palatable and need to convert them into bullets.

Year	Quantity of feathers collected	Expected feed obtained	Cost per service
1 <sup>st</sup>	20 kg	11-15 kg	Rs 200
2 <sup>nd</sup>	20 kg	11-15 kg	Rs 200
3 <sup>rd</sup>	20 kg	11-15 kg	Rs 250
4 <sup>th</sup>	25 kg	13-17 kg	Rs 250
5 <sup>th</sup>	25 kg	13-17 kg	Rs 250

This amount will be utilised for:

- Biodegradation of poultry waste (Singh C.,2004)
- Transportation Charges

### Poultry feather waste



**Market Analysis and Interpretation**

There has been gradual rise in the number of people eating chicken and the frequency at which they are consuming it in agriculture driven state of Haryana. So setting up a poultry farm could turn out to be a profitable venture provided it is carefully planned and executed. Market analysis is thus very important. So one need to know about their-

1. Local Competitors
2. SWOT analysis
3. Target area and market
4. Pricing strategy

**SWOT ANALYSIS**

<b>STRENGTHS</b>	<b>WEAKNESS</b>
Quality Product Best price Good market availability in nearby towns and villages Free Range Chicken Healthy Product No hormonal injections Advertising and promotion Home delivery available	Selling will be limited as people will not buy Brahma and kadagnath daily
<b>THREATS</b>	<b>OPPORTUNITIES</b>
Competition from other farms Many new concept farms are coming up for ex- Kansal Agro farms going for 100% organic farming Retailers might be reluctant to change their trusted source	Spread across other major cities of Haryana- Gurgaon, Rohtak and Faridabad and also other nearby states  Distribute our product in association with mass merchandisers(Wol-mart)

**Our measures to overcome our weakness and threats**



We are aware of the fact that people are not going to buy kadagnath and Brahma everyday and thus we have just set targets of selling 1400-1600 birds per month which is just about 50-60 birds per day during 1<sup>st</sup> year and later close to 2000-2500 birds per month which is around 80-90 birds per day pertaining to the demand is easily achievable.

Competition is understandable. We don't have huge competition in local as there are very few poultry farms selling such quality products but competition will be intense when we spread our business to cities such as panipat and Gurgaon and other states including Delhi and Rajasthan as there are many such farms available in these places. As we offer lower rates for equivalent products we anticipate better market share.

**Target Villages (basically for eggs):** Assandh, Haat, Sheela khedi, Kheda khemavati, Sigana, Muana, Singhpura, Dariyapur, Karkhana, Badarghad, Malar, Rojla, Bagad, Budakheda, Kurad and Kusindhu

**Target Cities:** Jind, Panipat, Karnal, Gurgaon (future prospect), Rohtak (future prospect) and Delhi (future prospect).

**Bulk orders:** Marriages, Birthday or other occasions

### Pricing

Keeping in view of the stiff competition prevalent in the market, of the nearby Safidon district, the penetration pricing strategy seems to be appropriate and which is actually implemented in order to lure more and more customers, and thus getting affix to the local market.

### Local Competitors

Poultry Farms	Products	Address
Diamond Poultry and Breeding Farm	eggs and chicken	Hatt Road, Safidon ,Jind
Maan Poultry Farm	eggs and chicken	Vill-Gogripur Po-Gogripur, Panipat 132001, Haryana
Bhanwala Poultry Farm	eggs, meat and chicken	VPO Dhigana, Jind 126102, Haryana
Mandeep Poultry Farm	eggs and chicken	VPO Naultha Pana Duddan Teh Israna, Panipat 132103, Haryana

Nandal Poultry Farm	eggs and chicken	Vill Dahar, Panipat 132145, Haryana
Sangwan Poultry Farm	eggs and chicken	Vill Bapoli Po Bubka, Panipat 136132, Haryana
Khurana poultry farm	eggs and chicken	Vill-Faiz Alipur Majra Po Choura Teh-Gharaunda, Panipat 132001, Haryana
Jagdish poultry Farm	eggs and chicken	Vpo Badhana Teh Alewa Vpo Badhana Teh Alewa Vpo Badhana Teh Ale, Jind 126111, Haryana
Boora Poultry Farm	eggs and chicken	Vpo Intal Khurd, Teh, Jind 126102, Haryana
Kansal and Kansal agro Farm	White Eggs and odourless eggs	No. 27, Virat Nagar, Panipat, Haryana-132 103, India

### Distribution channels

The different channels for sale of live chicken:

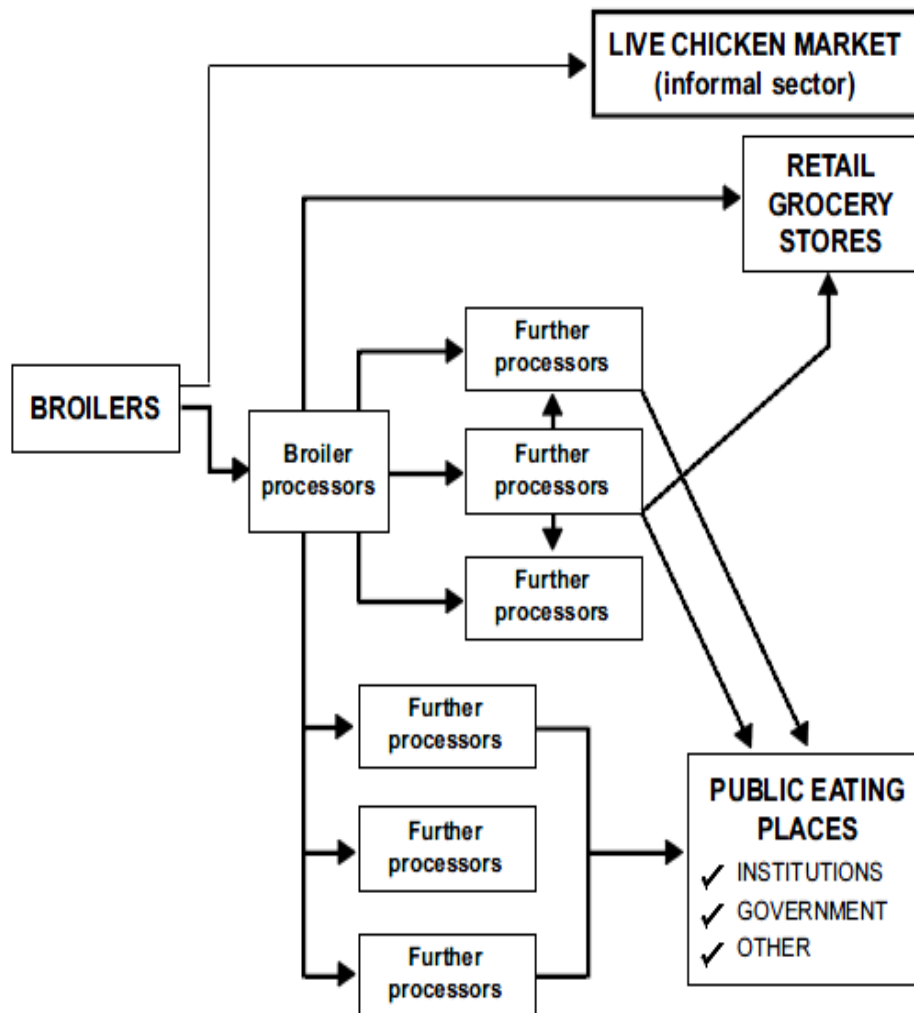
#### Formal Sector

- Broiler Processors

#### Informal sector

- Live Chicken markets

Broiler processing



The distribution channel for eggs is basically divided into two sectors:

**Formal sector:** The eggs are graded and packaged and sold to:

- Retailers
- Wholesalers
- Franchise stores
- Processing

- Export

**Informal Sector:** The eggs need not be graded and packaged and are sold directly to:

- Informal convenience shops
- Hawkers
- Spent-hen depots

### Findings

The rise in demand, change in consumption patterns, and economic growth of the nation are some of the driving forces which could be held responsible for the rapid insurgence of poultry industry in India. (Mehta R.et al., The poultry industry in India). The avian flu outbreak because of inadequate warehousing is one of the resisting factors hampering the poultry sector growth. But on the other hand, the advent of recombinant DNA technology and also the advanced high-tech instruments, aiding positively in this sector, are highly influential. Intervention of Foreign Direct Investment in this sector has contributed to its rapid growth but due to lack of transportation and other specific inadequacies, that limits its upheaval.

### Conclusion and suggestions

Hence after pondering over and doing all the necessary analysis, the plan if carefully implemented could really work well, be it the economic welfare of the society or in terms of profits. But, after looking the myriad advantages this venture can offer there is a flip side as well, which calls for proper management of the stock gathered and also complying with the strict regulations laid down in order to avoid any hazard resulting from bird's feathers such as avian flu, which is most rampant and has drastically affected most of the Asian countries. Thus self containment is necessary.(ASSOCHAM)

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