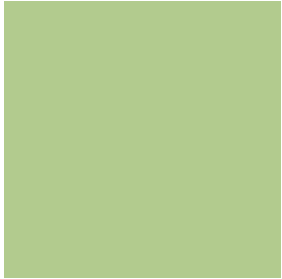




Investment Opportunities in ► DAIRY, MEAT, FEED AND POULTRY SECTORS IN TAMIL NADU



Animal Husbandry Department
Government of Tamil Nadu

PREFACE

Animal husbandry and dairying constitutes an important economic activity in Tamil Nadu, supporting the economy for nearly 60% of the rural population. Rural employment and incomes can be boosted by the growth of this sector. Moreover, they provide the much needed balanced nutritious food and improve the house holds food security. The contribution of livestock sector to the Gross State Domestic Product (GSDP) is 5.47% and that to the Agriculture and allied activities is 45.62%. During 2006-07 the gross value of output of livestock which was Rs.11,535.23 crore in the State increased to Rs.64,166.34 crore during 2016-17 (Source: Department of Economics and Statistics; Advance estimates at current prices). Livestock sector is likely to emerge as an engine of growth in rural areas. As many pockets/clusters in the State largely rely on this sector as one of the major sources of income, it is important to increase the incomes generated through livestock so as to achieve the goal of doubling farmers incomes by 2022.

Consumption of livestock products is directly influenced by income levels. There is a large scope for export of livestock products in the global market. This is providing opportunities to livestock farmers to increase their incomes. Milk production has grown at more than 39 per cent, Egg production has grown at more than 116 per cent and Meat production has grown at more than 173 per cent during the period 2006-07 to 2017-18 in Tamil Nadu.



INTRODUCTION

Animal Husbandry sector plays a crucial role in the welfare of rural population. A majority of farmers depend on animal husbandry for their livelihood. With increase in production of livestock products, livestock rearing is also considered as an avocation with high export potential.

Through the systematic implementation of a forward looking breeding policy for cattle, there are 61.46 lakh breedable age female cattle in the State. Sheep and Goat farming have very good cost benefit ratio which is high in comparison to other livestock rearing. The number of animals slaughtered in Tamil Nadu is witnessing an increasing trend in the last 5 years. With a 31.9% increase in the number of Sheep, 22.25% in Goats and 19.53% increase in poultry slaughtered since 2012-13. This has resulted in an increase of 11.9%, 10.6% and 21.7% in Sheep, Goat and Poultry meat production respectively. The department is striving to improve mutton and chavon production by improving the “per animal production”.

Poultry rearing is an important avocation in the State. Poultry rearing is well entrenched as a commercial activity in the districts of Namakkal, Salem, Erode and Coimbatore. Thanks to the initiatives taken by the Government of Tamil Nadu, poultry rearing is gaining momentum in the other Districts of Tamil Nadu. Though poultry farming has developed into a big industry, eco-friendly backyard poultry rearing is also practiced in the State as a profitable traditional backyard enterprise. The Government of Tamil Nadu is actively encouraging rearing Native Chicken rearing since there is a special liking for Native chicken eggs and Meat among the meat eating population.

The State provides livestock disease diagnosis control and eradication services through a network of 26 Animal Disease Intelligence Units. Disease Free Status is achieved in collaboration with Tamil Nadu Veterinary and Animal Sciences University and through initiatives like “Compartmentalisation” of disease free flocks to facilitate international trade in livestock and livestock products.

LIVESTOCK POPULATION



8.81
Million



0.78
Million



4.79
Million



8.14
Million



0.18
Million



117.35
Million



ESTIMATED LIVESTOCK PRODUCTS

MILK	2012-13	2013-14	2014-15	2015-16	2016-17
Production (In 000' Tonnes)	7005	7049.19	7132.47	7243.53	7556.35
II) Per Capita Availability of Milk / Day Gms.					
Tamil Nadu	260	258	259	258	266
The recommendation of ICMR is 250 Gms/Day					

EGG	2012-13	2013-14	2014-15	2015-16	2016-17
Production (In Millions)	11933.35	14123.53	15925.32	16125.19	16682.39
II) Per Capita Availability of Egg/Year (Nos.)					
Tamil Nadu	162	188	211	210	214
The recommendation of ICMR is 180 eggs/year					

MEAT PRODUCTION	2012-13	2013-14	2014-15	2015-16	2016-17
Meat Production * (million Kgs.)	462	464.52	491.93	544.47	572.94
Livestock & Poultry slaughtered * (million Nos.)	229.39	244.37	232.89	279.90	285.62
Poultry Slaughtered (in million Nos.)	222.36	237.05	224.90	271.67	276.33

*including Broiler





Farmers
(includes farmers rearing cattle, sheep, poultry, pig and other ruminants)

Milk co-operatives, Milk Federations, Dairy Plants, Cold storages and processing units for poultry, and animal products both in Government and Private sectors

Individuals and Institutions involved in providing health care for animals

Individuals and industries involved in production of feed, fodder blocks, food supplements for animals, poultry and fisheries and manufacturing of equipments, producers of ingredients used in these sectors.

Training and research institutions involved in training, research and development in the field of genetics, animal health and animal products.

Industries involved in research and development of industrial goods, machines for storage, preservation and processing of animal products.

Governments (Central and State) and other field agencies (KVKs, NGOs, SHGs, Societies, Cooperatives, Banks, Statutory bodies like NDDDB).





FOOD PROCESSING POTENTIAL in Tamil Nadu

Food processing is considered as one of the fastest growing industries in Tamil Nadu. The growth of the industry is supported by the availability of a large raw material production base. The estimated milk production, which was 54.74 lakh Metric Tonnes (LMT) during 2005-06 in Tamil Nadu increased to 77.42 LMT during 2017-18. Likewise, the estimated egg production which was 62,225 lakh numbers during 2005-06

has increased to 1,74,161 lakh numbers during 2017-18 and the estimated meat production (including poultry meat) which was 1,18,616 MT during 2005-06 increased to 6,03,352 MT during 2017-18.

Tamil Nadu stands second in egg production, 4th in meat production and 9th in Milk Production in the country. With a majority of the population consuming



products of animal origin, there is a good opportunity for increasing the processing capacity of meat by establishing facilities for egg and meat processing. With a steady increase in production of livestock products, the scope for investments in food processing sector is enormous.

With total consumption of the food and beverage segment in India expected to increase from US\$ 369 billion to US\$1.142 trillion by 2025, output of the food processing sector (at market prices) is expected to increase to US\$ 958 billion for the same period. **(Ministry of Food Processing**

Industries (MoFPI) by Ernst & Young LLP (EY) and Confederation of Indian Industry (CII)). It is evident that a synergy between the animal husbandry sector with food processing can provide immense opportunities in processing, food retail, transport, logistics and related infrastructure sectors to players in the food processing value chain.

Among the segments which are growing at a very fast pace in India, the segments of Dairy food Savory snacks / Ready meals, Pet food, and Bakery are witnessing high growth opportunities for existing as well as new industry players.



INHERENT ADVANTAGES of Tamil Nadu

Positive industrial climate and strong macro economic indicators

Innovative advertisements, rise in supermarkets and e-commerce boom - easy access of products to consumers

Rising urbanization - Changing lifestyles

Increase in tourism and travel

Good production base for raw materials.





Promised quality standards, health benefits of products

Human capital

Affluence of working population - increase in disposable income

Changes in taste and preference of consumers





INITIATIVES TAKEN

for Development of Animal Husbandry Sector

Ensuring livestock health through well spread out Veterinary Infrastructure :

- Veterinary Services like health cover, disease prevention, clinical services, disease eradication and breeding support are provided through
- 6 Polyclinics, 22 Clinician Centres, 145 Veterinary Hospitals and 2,601 Veterinary Dispensaries, 875 Upgraded Subcentres.

- Disease prevention and eradication through 26 Animal Disease Intelligence Units and 2 Poultry Disease Diagnostic Labs and a Veterinary Epidemiology Centre.
- 11 livestock farms, including 3 sheep farms. and one poultry farm that function as live gene banks.

Forward Looking Policy Initiatives

- Keeping the goal of doubling farmers incomes in mind





- Implementing flagship Schemes like “Free distribution of Milch Cows and “Free distribution of Goats and Sheep” to poor women in rural areas,
- Fodder Development Programme to augment fodder growth in farmers own lands
- Scheme for Poultry Development to establish commercially viable broiler / Native Chicken farms with the aim of increasing per capita income in industrially backward regions and to encourage entrepreneurship at village level
- Infrastructure Improvement programmes to provide enabling environment for delivery of veterinary services
- Livestock Health and Disease control programmes to control livestock diseases
- Outreach programmes with an inbuilt component for skill development
- Expanding and improving breeding coverage, small ruminant improvement programmes etc..



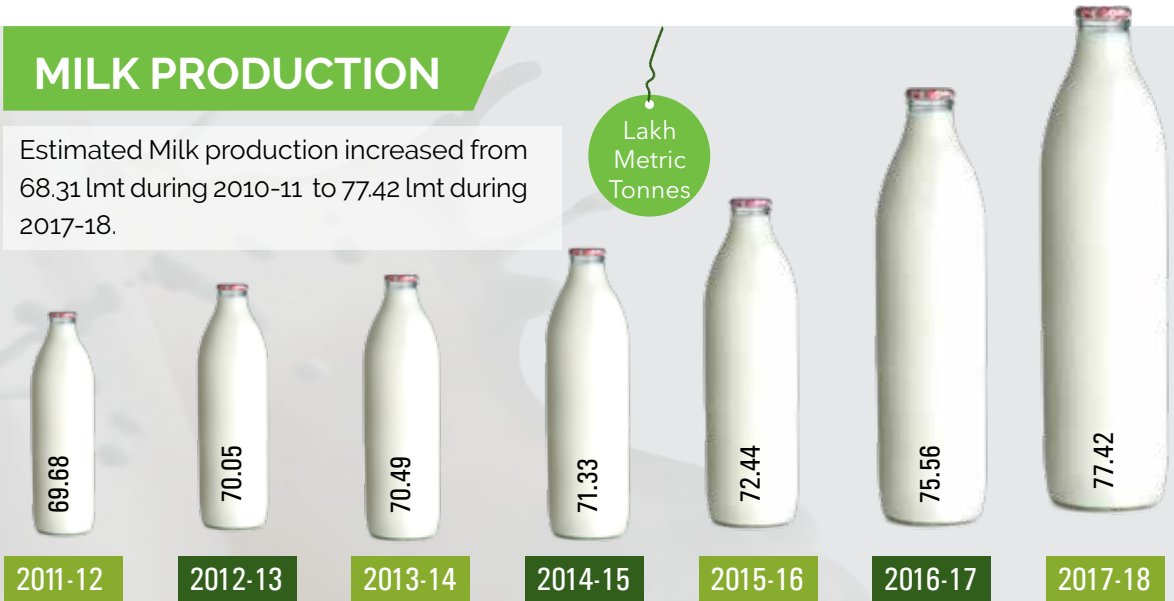
PRODUCTIVITY TRENDS

of Livestock Products

MILK PRODUCTION

Estimated Milk production increased from 68.31 lmt during 2010-11 to 77.42 lmt during 2017-18.

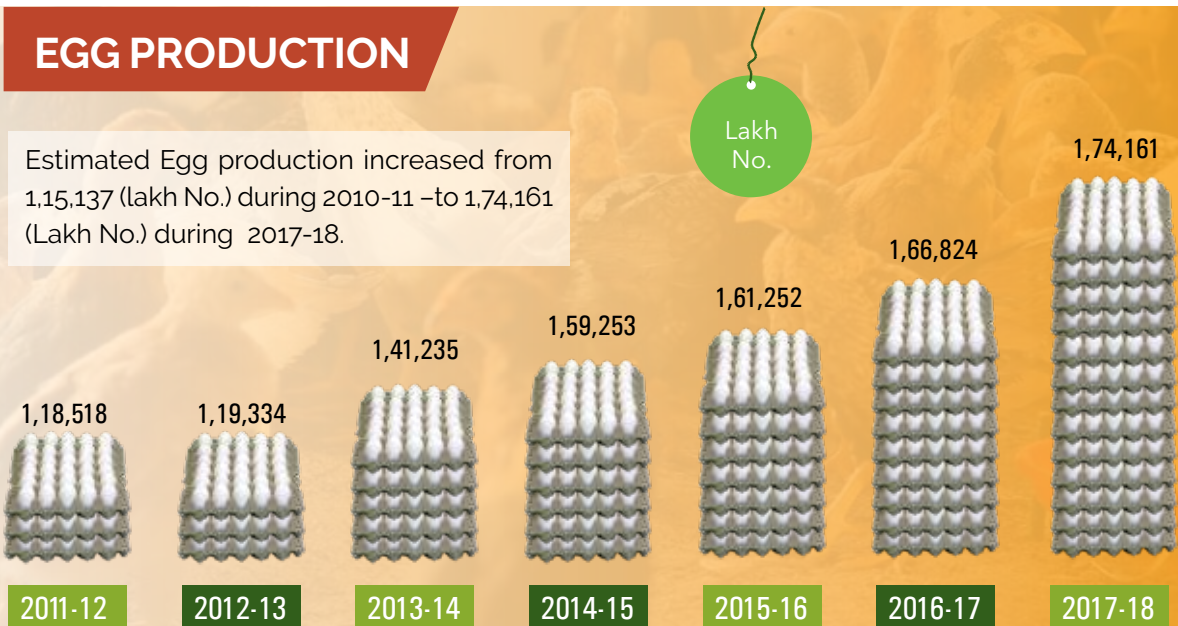
Lakh
Metric
Tonnes



EGG PRODUCTION

Estimated Egg production increased from 1,15,137 (lakh No.) during 2010-11 -to 1,74,161 (Lakh No.) during 2017-18.

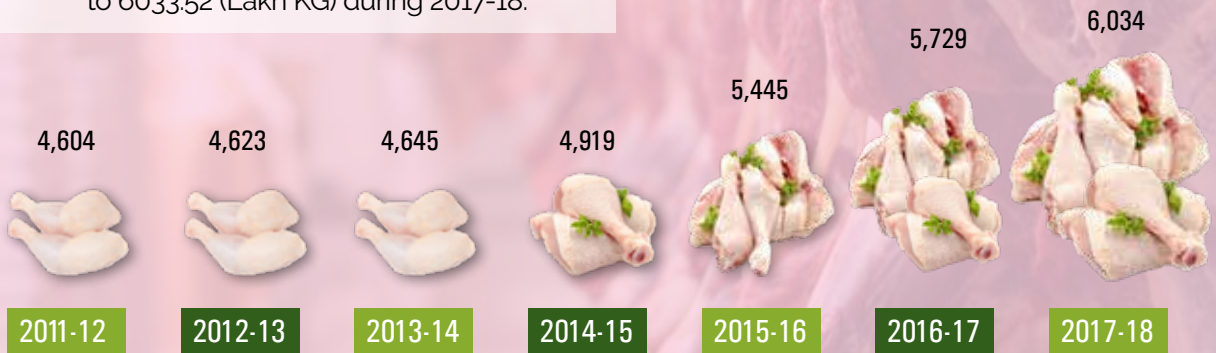
Lakh
No.



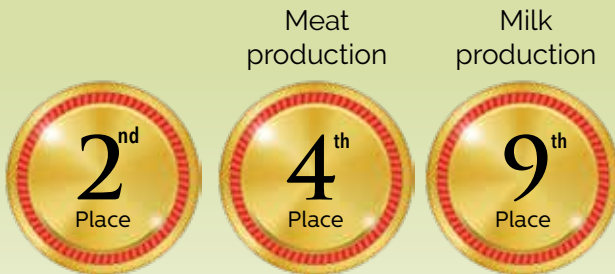
MEAT PRODUCTION

Estimated Meat production (Including poultry) increased from 4,668 (Lakh KG) during 2010-11 to 6033.52 (Lakh KG) during 2017-18.

Lakh KG



TAMIL NADU'S RANK AMONG STATES IN ANIMAL PRODUCTIVITY



Per Capita Availability

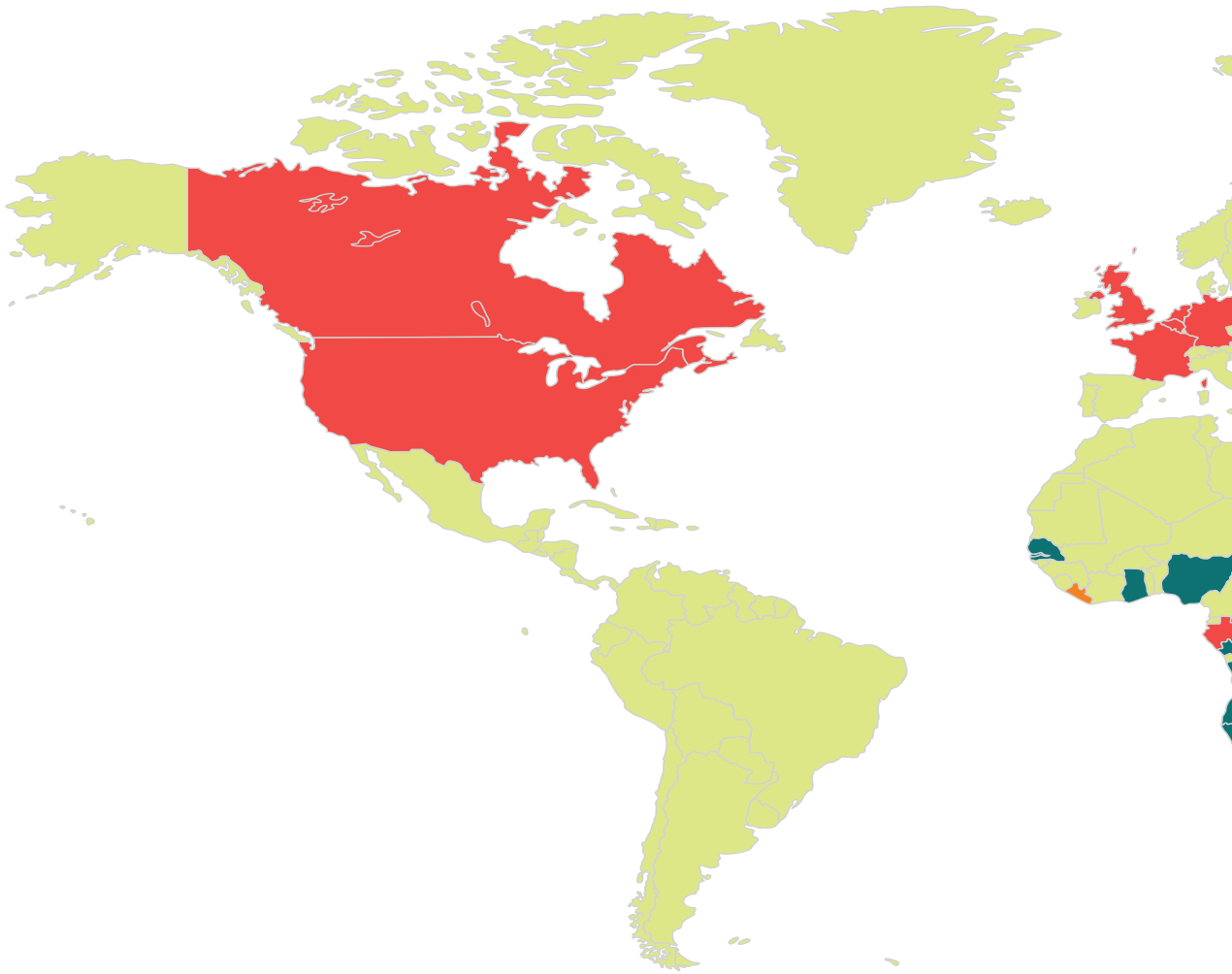
	2005-06	2017-18
Milk (per day)	231 Gram	266 Gram
Egg (per annum)	100	214

During 2006-07 the gross value of output of livestock which was Rs.11,535.23 crore in the State increased to Rs.47,559.71 crore during 2015-16.



EXPORT of Livestock Products

This sector provides a continuous flow of essential food products like milk, meat, eggs besides draught power, raw materials like wool and hides for industries, and manure. Buffalo meat is a prominent livestock product exported from the various ports of Tamil Nadu. Besides buffalo meat, Dairy products and poultry products are also exported.



BUFFALO MEAT

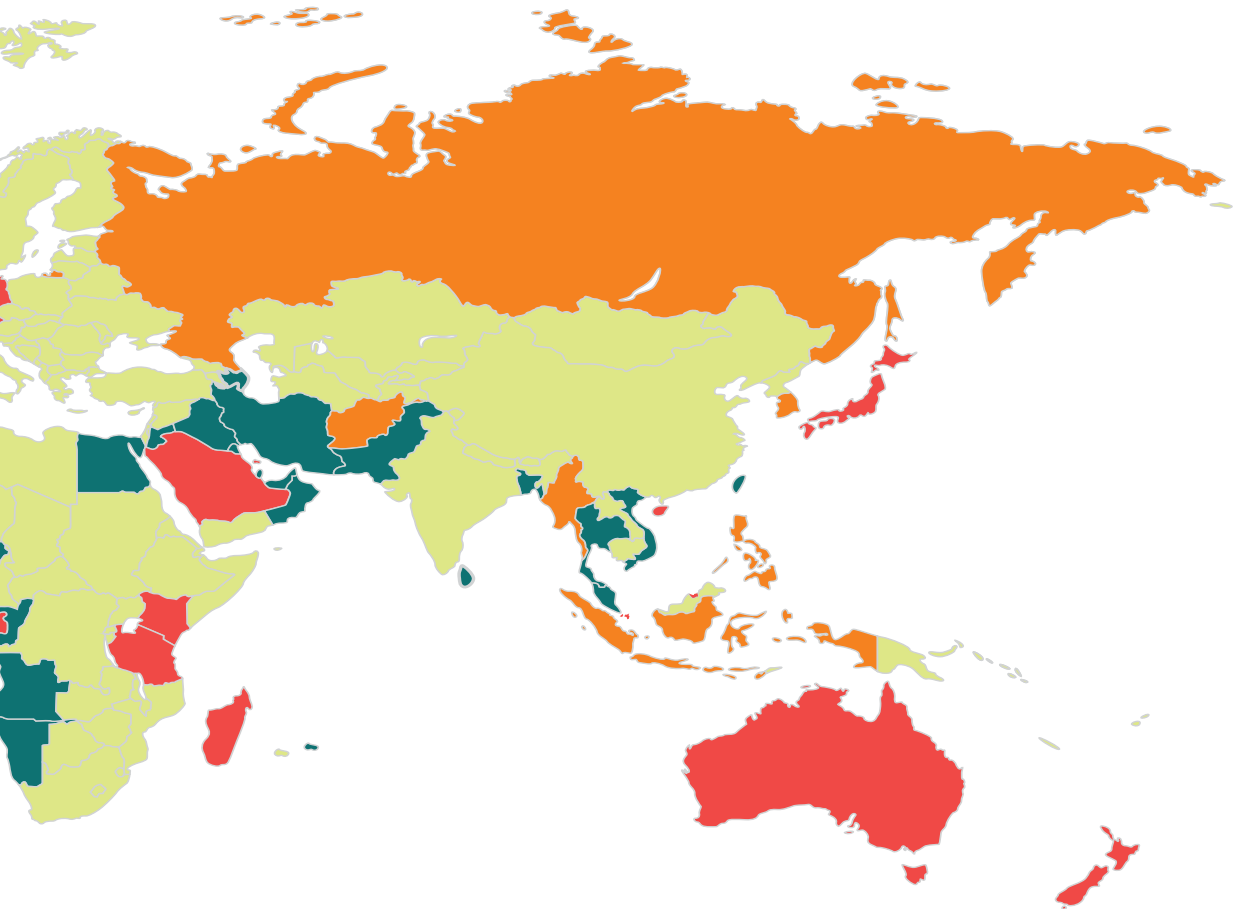
- Asian countries (Bangladesh, Maldives, Pakistan, Srilanka, Azerbaijan)
- Middle Eastern Asian countries (Egypt, Iraq, Iran, Jordon, Kuwait, Oman, Qatar, UAE)
- Far Eastern countries (Malaysia, Hongkong, Taiwan, Thailand, Vietnam)
- African countries (Angola, Congo, Gambia, Ghana, Mauritius, Namibia, Senegal)

DAIRY PRODUCTS

- Australia, Newzealand and European countries (Belgium, Canada, France, Netherland, Germany, UK, USA)
- Middle East Asian countries (Bahrain, Oman, Qatar, Saudi Arabia, Kuwait, UAE)
- Far East countries (Hongkong, Malaysia, Japan, Singapore, Brunei)
- Asian countries (Srilanka, Bangladesh Maldives)
- African countries (Gabon, Kenya, Madagascar, Nigeria, Tanzania)

POULTRY MEAT

- Asian countries (Afghanistan, Maldives)
- Middle Eastern countries (Bahrain, Iran, Iraq, Kuwait, Oman, Saudi Arabia)
- Far Eastern countries (Hongkong, Indonesia, Japan, Korea, Myanmar, Philippines)
- Western countries (Germany, Netherland, Russia)
- African countries (Jordan, Kenya, Liberia, Nigeria)

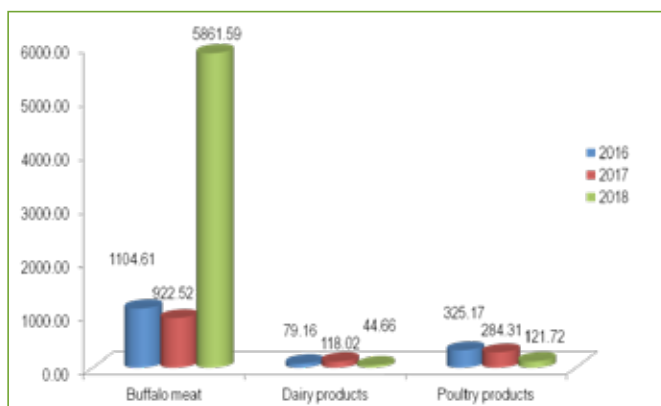


Export of Livestock Products

Year	Buffalo Meat		Dairy Products		Poultry Products (Rs in cr)
	Quantity (in tons)	Value (Rs in cr)	Quantity (in tons)	Value (Rs in cr)	
2016	63948	1104.61	2950.1	79.16	325.17
2017	57813	922.52	3507.3	118.02	284.31
2018 (upto July)	306672	5861.59	1508.13	44.66	121.72

Source: DGCIS

Value of Export of Livestock Products (Rs.in crore)



Export of Livestock Products (in tons)





Food Processing levels in Tamil Nadu

A systematic survey of the levels of Food processing has not been conducted for Tamil Nadu covering all the sub sectors like Milk, Meat, Eggs and Poultry meat. However, it would be appropriate to adopt the levels surveyed for the Country as a whole. The processing levels for perishables in India are approximately 6% for poultry sector, 21% for Meat sector and approximately 35% for Dairy sector

Availability of Registered food processing units

According to Annual Survey of Industries (ASI), the total number of registered food

processing factories in the country is 37,175. Andhra accounts for 25% of the total registered food processing units followed by Tamil Nadu (14%), Telangana (10%), Maharashtra (8%) and Punjab (7.5%).

Sl No	State	No. of Food Processing Units
1.	Andhra Pradesh	5,735
2.	Tamil Nadu	5,161
3.	Telangana	3,716
4.	Maharashtra	3,077
5.	Punjab	2,792

Source : ASI



OPPORTUNITIES FOR INVESTMENT IN DAIRY PROCESSING SECTOR in Tamil Nadu

Aspirations of the Government of Tamil Nadu

To usher in a radiant second white revolution and achieve double digit growth in milk production

To remain among the least cost producer of milk globally

Aim for happy animals, wealthy farmers, healthy consumers

To at least double the surplus milk processed under organized sector

To make available clean and safe milk to every consumer





Establishing infrastructure for preserving raw milk & developing rural markets

Manufacturing and marketing food machinery and packaging materials processing machinery

Animal insurance, transportation, processing, packaging, preservation of milk and value added products.

INVESTMENT OPPORTUNITIES

Retailing of dairy products ses.

Establish a business liason and local partnerships for investments thru PPP / FDI.



OPPORTUNITIES FOR INVESTMENT IN FEED AND FODDER PRODUCTION

Aspirations of the Government of Tamil Nadu

To bridge the gap between supply and demand of feed, fodder and fodder seeds

To introduce advanced feeding technologies

To improve feed manufacturing infrastructure.

Efficient utilization of available resources by technology interventions.

Creation of assured market for feed & fodder.

More fodder, more production, wealthy farmers, healthy consumers.





Establish a business liason and enter into suitable local partnerships

Creation of infrastructure for conservation and storage of dry fodder and fodder banks

Establishment of fodder banks and fodder seed banks at strategic locations

Establishing Mini and major cattle feed plants, compound feed manufacturing units, complete feed block making units

Establishing feed analytical laboratories

INVESTMENT OPPORTUNITIES



OPPORTUNITIES FOR INVESTMENT IN MEAT AND MEAT PRODUCTS SECTOR

Aspirations of the Government of Tamil Nadu

Address the increasing demand for processed food, adequate infrastructure, processing facilities and skill development.

Growth in meat production through higher yield rates per animal

Develop infrastructure facilities of abattoirs with world class hygienic standards.

Reduce high wastage levels 2.7% in meat and 6.7% in poultry due to lack of cold storages and preservation techniques.

Complete utilisation of byproducts like blood, bones, hair and organs (edible and in-edible).





INVESTMENT OPPORTUNITIES

Establishing commercial meat animals farms

Refrigerated transport of carcasses and / or meat

Establish a business liason and local partnerships for investments thru PPP / FDI.

Cold storage facilities, by product processing, Carcass utilization plants.

Establishing a meat value chain including cost effective satellite slaughter houses

Retail outlets to market cut meats, value added products.

Establishing Quality assurance laboratory for certification and authentication.





OPPORTUNITIES FOR INVESTMENT IN POULTRY PRODUCTION

Aspirations of the Government of Tamil Nadu

FOR THE BACKYARD / UNORGANIZED SECTOR

Backyard poultry as a tool for addressing livelihood, poverty alleviation and nutritional issues

Ensure complete health coverage to birds in backyard/ small sector

Sustainable growth ensuring feed/ ingredient supply (backward linkage)

Substantial increase in processing (forward linkage)

FOR THE COMMERCIAL / ORGANIZED SECTOR

Upgrade technology

Epidemic / Pandemic mitigation





Establishment of cold storage facilities to store eggs / poultry meat.

Poultry and poultry products processing equipment manufacturing units

Retail outlets for poultry meat products and by products

Establishing egg/poultry meat processing plants in rural areas and towns

Establish a business liason and local partnerships for investments thru PPP / FDI.

INVESTMENT OPPORTUNITIES



GOAT & SHEEP BREEDS OF TAMIL NADU

Madras Red



Mecheri



Nilgiris



Vembur



Kanni Goat



Ramnad White



Coimbatore



Kodi Goat



Kilakaraisal



Katchakatti



Salem Black



Trichy Black



Chevadu



Varieties of Aseel Birds





Animal Husbandry Department Government of Tamil Nadu

