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

Animal Husbandry Department
Government of Tamil Nadu
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.
## ESTIMATED LIVESTOCK PRODUCTS

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</thead>
<tbody>
<tr>
<td>Production (In 000’ Tonnes)</td>
<td>7005</td>
<td>7049.19</td>
<td>7132.47</td>
<td>7243.53</td>
<td>7556.35</td>
</tr>
</tbody>
</table>

### II) Per Capita Availability of Milk / Day Gms.

| Tamil Nadu | 260 | 258 | 259 | 258 | 266 |

The recommendation of ICMR is 250 Gms/Day

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<tbody>
<tr>
<td>Production (In Millions)</td>
<td>11933.35</td>
<td>14123.53</td>
<td>15925.32</td>
<td>16125.19</td>
<td>16682.39</td>
</tr>
</tbody>
</table>

### II) Per Capita Availability of Egg/Year (Nos.)

| Tamil Nadu | 162 | 188 | 211 | 210 | 214 |

The recommendation of ICMR is 180 eggs/year

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<tbody>
<tr>
<td>Meat Production * (million Kgs.)</td>
<td>462</td>
<td>464.52</td>
<td>491.93</td>
<td>544.47</td>
<td>572.94</td>
</tr>
</tbody>
</table>

| 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
MAJOR STAKEHOLDERS

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

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.

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.

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

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

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

Changes in taste and preference of consumers

Afluence of working population - increase in disposable income

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

Animal Husbandry Department

Government of Tamil Nadu
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.

EGG PRODUCTION

Estimated Egg production increased from 1,15,137 (lakh No.) during 2010-11 to 1,74,161 (Lakh No.) during 2017-18.
Estimated Meat production (Including poultry) increased from 4,668 (Lakh KG) during 2010-11 to 6033.52 (Lakh KG) during 2017-18.

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.
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.
DAIRY, MEAT, FEED AND POULTRY SECTORS IN TAMIL NADU

Investment Opportunities in

BUFFALO MEAT
- Asian countries (Bangladesh, Maldives, Pakistan, Sri Lanka, Azerbaijan)
- Middle Eastern Asian countries (Egypt, Iraq, Iran, Jordan, Kuwait, Oman, Qatar, UAE)
- Far Eastern countries (Malaysia, Hong Kong, Taiwan, Thailand, Vietnam)
- African countries (Angola, Congo, Gambia, Ghana, Mauritius, Namibia, Senegal)

DAIRY PRODUCTS
- Australia, New Zealand and European countries (Belgium, Canada, France, Netherlands, Germany, UK, USA)
- Middle East Asian countries (Bahrain, Oman, Qatar, Saudi Arabia, Kuwait, UAE)
- Far East countries (Hong Kong, Malaysia, Japan, Singapore, Brunei)
- Asian countries (Sri Lanka, 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 (Hong Kong, Indonesia, Japan, Korea, Myanmar, Philippines)
- Western countries (Germany, Netherlands, Russia)
- African countries (Jordan, Kenya, Liberia, Nigeria)
## Export of Livestock Products

<table>
<thead>
<tr>
<th>Year</th>
<th>Buffalo Meat</th>
<th>Dairy Products</th>
<th>Poultry Products</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Quantity</td>
<td>Value</td>
<td>Quantity</td>
</tr>
<tr>
<td>2016</td>
<td>63948</td>
<td>1104.61</td>
<td>2950.1</td>
</tr>
<tr>
<td>2017</td>
<td>57813</td>
<td>922.52</td>
<td>3507.3</td>
</tr>
<tr>
<td>2018 (upto July)</td>
<td>306672</td>
<td>5861.59</td>
<td>1508.13</td>
</tr>
</tbody>
</table>

*Source: DGCIS*

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

![Graph showing the value of export of livestock products](image)

### Export of Livestock Products (in tons)

![Graph showing the export of livestock products in tons](image)
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%).

<table>
<thead>
<tr>
<th>Sl No</th>
<th>State</th>
<th>No. of Food Processing Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Andhra Pradesh</td>
<td>5,735</td>
</tr>
<tr>
<td>2.</td>
<td>Tamil Nadu</td>
<td>5,161</td>
</tr>
<tr>
<td>3.</td>
<td>Telengana</td>
<td>3,716</td>
</tr>
<tr>
<td>4.</td>
<td>Maharashtra</td>
<td>3,077</td>
</tr>
<tr>
<td>5.</td>
<td>Punjab</td>
<td>2,792</td>
</tr>
</tbody>
</table>

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

To atleast double the surplus milk processed under organized sector

To make available clean and safe milk to every consumer

Aim for happy animals, wealthy farmers, healthy consumers

Aim for happy animals, wealthy farmers, healthy consumers

Aspirations of the Government of Tamil Nadu
INVESTMENT OPPORTUNITIES

- 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.
- Retailing of dairy products ses.
- Establish a business liaison 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
Establishing Mini and major cattle feed plants, compound feed manufacturing units, complete feed block making units.

Establishing feed analytical laboratories.

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.

INVESTMENT OPPORTUNITIES

INVESTMENT OPPORTUNITIES

DAIRY, MEAT, FEED AND POULTRY SECTORS IN TAMIL NADU

Investment Opportunities in Government of Tamil Nadu

Animal Husbandry Department

Government of Tamil Nadu
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.
- 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.
- Growth in meat production through higher yield rates per animal.
- Complete utilisation of byproducts like blood, bones, hair and organs (edible and in-edible).
Establishing commercial meat animals farms

Refrigerated transport of carcasses and/or meat

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.

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

INVESTMENT OPPORTUNITIES

Investment Opportunities in

DAIRY, MEAT, FEED AND POULTRY SECTORS IN TAMIL NADU
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

FOR THE COMMERCIAL / ORGANIZED SECTOR

- Sustainable growth ensuring feed/ingredient supply (backward linkage)
- Upgrade technology
- Substantial increase in processing (forward linkage)
- Epidemic / Pandemic mitigation

DAIRY, MEAT, FEED AND POULTRY SECTORS IN TAMIL NADU

Investment Opportunities in
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  Kilakarisal  Katchakatti
Salem Black  Trichy Black  Chevvadu

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

Government of Tamil Nadu
Varieties of Aseel Birds
Animal Husbandry Department
Government of Tamil Nadu