CHAPTER - VI

SUMMARY, FINDINGS AND CONCLUSION

This chapter has been made to describe the Summary of findings and conclusion. A few suggestions are also given in this chapter in order to strengthen the poultry entrepreneurship in Tamil Nadu state.

6.1 SUMMARY OF FINDINGS

The present study was undertaken with the objectives (i) to analyze the performance of poultry industry in India and Tamil Nadu in terms of egg production and egg export; (ii) to examine to status of poultry industry in Namakkal District of Tamil Nadu state; (iii) to find out the factors determining poultry entrepreneurship in Namakkal District; (iv) to compare the performance of poultry entrepreneurship among the various sizes of the poultry units; and (v) to study the problems faced by the poultry entrepreneurs in the study area.

The present study is based on primary as well as secondary data. The primary data has been collected from sample units with the help of interview schedule, administrated to the poultry sector enterprises to elicit first hand information. The study period was from 1995-96 to 2004-2005.
Primary data were also collected from the sample poultry farms in Namakkal district of Tamil Nadu. Namakkal district is purposively selected as the study area which is concentrated with the poultry farms. During the year 2004 - 05, there were 821 poultry farms in Namakkal district. The study covers 30 percent of the poultry farms. Sample farms are 240. The stratified random sampling method was used in selecting sample respondents.

A total 240 poultry entrepreneurs were selected in 4 taluks of Namakkal district and from 4 category of poultry farms such as farms having < 25,000 birds, 25,000 - 50,000 birds, 50,000 - 1,00,000 birds, 1,00,000 and above birds.

A total of 240 poultry entrepreneurs were interviewed by the pre-tested interview schedule. The primary data were collected from eight blocks in the study district. They are: 1. Namakkal Block 2. Mohanur Block, 3. Puthuchatram Block 4. Paramathivelur Block 5. Elachipalayam Block, 6. Mallasamuthram Block, 7. Rasipuram Block and 8. Vennandhur Block.

The secondary data were collected from the records and the published reports of the District Industries Centre (DIC), Indian Bank (Lead Bank) and Economics and Statistics Office, National Egg
The collected data are analysed with the suitable statistical tools like percentage analysis, multiple regression, break even analysis etc. The findings of the study are summarized below:

During the period 1995-2003, the World cattle population was increased by 30.91 per cent; sheep production was increased by 23.08 per cent; and chickens was increased by 0.37 per cent due to the changes in the World level chicken demand.

World production of hen eggs 2003, registered a marginal growth of 2.32 per cent over the previous year when the same reached a level of 55,828 metric tones as against 54,564 metric tones in 2002. China continues to be the largest producer in the world. Other major producing countries include: USA, Japan. India, Russian Federation and Mexico. India, emerged as the fourth largest producer next only to China, USA and Japan and in the year 2003 the production of hens had registered a growth of 10 per cent over the previous year.
Global imports of eggs in 2004, shot up to 10.79 per cent over the previous year when the same reached a level of US$2,170.5 million as against US$1,959.1 million. Germany continues to be the largest importer of eggs. In 2004, the country registered a growth of 10.98 per cent over the previous year.

World exports of eggs in 2004, shot up to 9.37 per cent over the previous year when the same reached a level of US$2,145.7 million as against US$1,961.9 million. Netherlands continues to be the largest importer of eggs. In 2004, the country registered a growth of 14.47 per cent over the previous year.

In India, the per capita availability of egg was 30 in the year 1995-96, and it was increased to 41 per person in the year 2004-2005. In India, the poultry meat production was 479 thousand tonnes in the year 1995-96 and it was increased to 2197 thousand tonnes in the year 2006-2007.

The annual growth of egg production in India was increased from 4.63 per cent in 1951-1961 to 9.71 percent during 2001-2011.

In the year 2004-05, the India egg production was 452009 lakhs and the Tamil Nadu state egg production was 63947 lakhs. The percentage share of egg production was 11.21 per cent in the year 1995 - 96 and increased to 14.14 percent in the year 2004-05.
The egg production was increased to 41719.4 lakhs in the year 2004 - 05 and Tamil Nadu state dominated in egg production.

The trend analysis of Egg production in Tamil Nadu shows that eggs production was ranging from 99.78 per cent in the year 1996 - 97, to 138.52 per cent in the year 2004 - 05.

In 1995-1996, the daily egg production was 93.89 lakhs in Namakkal Zone of Tamil Nadu state. It was slightly increased to 104.3 lakhs in the year 2004-2005.

Trend analysis of egg production in Namakkal District shows that the egg production was ranging from 77.65 per cent to 117.02 per cent. During the study period, the egg production showed the positive trend in Namakkal district.

The trend value of the export of eggs from Namakkal district was ranging from 37.06 per cent to 282.54 per cent in the year 2001-02. In the year 2004 - 05, the trend value shows lower rate due to the countries restricted in the egg imports because the effect of bird flu.

The number of registered poultry units in Namakkal district, was 96 units in the year 1997-98, and it was increased as 262 units under District Industries Centre in the year 2006 - 07.
The investment level in poultry industry was increased from Rs. 1307 lakhs in the year 1997 - 98 in Namakkal district to Rs. 3330.5 lakhs in the year 2006 - 07.

The employment generation of the poultry enterprises was increased from 5670 lakhs persons in 1997 - 98 to 14430 lakhs persons in 2006 - 07 in Namakkal district.

Of the 240 sample respondents, the most of the poultry farm entrepreneurs are belonging in the age group 41-50 years.

The large number respondents (58.75 percent) are male entrepreneurs and only 99 respondents (41.2 percent) are the female entrepreneurs in Namakkal District.

All the 240 sample respondents (100.0 per cent) are only Hindus in the study district of Tamil Nadu.

Of the total 240 sample respondents, 202 (84.25 percent) respondents are belonging to the Backward community and 38 respondents (15.8 per cent) are most backward community entrepreneurs in the study district.
Of the 240 sample respondents, only 9 (3.5 percent) are illiterate, 185 (77.0 percent) are having the school level education and 30 respondents (12.5 per cent) are degree holders. The remaining 17 respondents (7.0 per cent) are having above degree level education.

There are 196 (81.66 percent) married respondents and 35 unmarried respondents (14.5 per cent). The remaining 9 respondents (3.7 percent) are others, i.e., separated or widow.

The study found that the 100 respondents (41.7 per cent) are earning below 30 lakhs income per year under the category of less than 25,000 birds farm. The eighty respondents belonging to the 25,000 to 50,000 birds category farms (33.3 per cent) earned the annual income of Rs. 30 lakh to Rs.1 crore. The remaining respondents are earning income above 1 crore under the category of 50,000 to 1,00,000 lakhs birds and above 1,00,000 birds categories.

A large number of entrepreneurs, 97 respondents (40.41 per cent) got 11 - 20 years of experience, and 92 respondents (38.33 per cent) earned the above 20 years of experience in the poultry farm enterprises.
A total of 210 (87.5 per cent) respondents are organizing their poultry farms under own proprietorship and 30 (12.5 percent) respondents organized their poultry farms under partnership type of ownership.

Most of the entrepreneurs are decided to rear the Babcock variety in the study area. Most of respondents entered in the poultry farm business as traditional business of their family.

The study found that more than half of the sample enterprises do not have registration and they do not avail the benefits from the agencies. The majority of entrepreneurs got the chicks from the Venkateswara Hatcheries, in the study area.

The study found that only 19.58 percent (47 respondents) of the sample entrepreneurs are running the poultry enterprises with their own funds. The remaining (80.41 per cent) 193 respondents depend mainly on the bank loan for the poultry enterprise development.

The average annual egg production was higher (77,64,553) in Namakkal taluk and it was very low, (60,17,358 eggs) in Paramathi Velur taluk poultry farms in Namakkal district.
Namakkal and Rasipuram taluks got the equally higher level of damaged eggs. The other two taluks, Paramathi velur and Tiruchengode taluks had the lower level of damaged eggs.

Namakkal and Rasipuram taluks got the equally higher level of sale of eggs. The other two taluks, Paramathi velur and Tiruchengode taluks had the lower level of sale of eggs compared with other taluks.

Of the four study taluks, Rasipuram taluk had the highest annual domestic sales and Paramathi Velur taluk had the lowest domestic sales of eggs at an average in the study district.

The average annual export sales of eggs was higher (41,71,019) in the Rasipuram taluk farms and it was very low (34,22,094) in the Paramathi Velur taluk.

The average annual manure production was higher (74 tonnes) in the above 1,00,000 birds poultry farms and it was very low (33 tonnes) in the less than 25000 birds farms. It shows that the manure production is increasing due to the size of the farms.

The category of 1,00,000 and above birds farm had the highest sales value (Rs.1,21,439) of gunny bags and the lowest sales value (Rs. 18,661) in the less than 25,000 birds category of poultry farms.
Namakkal taluk and Rasipuram taluks got the equally higher level of income through the culled birds. The other two taluks Paramathi Velur and Tiruchengode taluks had the lower level income through culled birds in Namakkal district.

The category of 1,00,000 and above birds farms had the highest average annual income (Rs.2,02,62,666) and it was very low (Rs. 19,76,548) in the less than 25,000 birds farms. It shows that the average annual income is increasing due to the size of the farms.

Namakkal taluk and Rasipuram taluk farms spent the feed cost of Rs. 15,90,512 and Rs. 16,49,333 respectively. Paramathi velur and Tiruchengode taluk farms spent the feed cost at low level of Rs. 14,63,623 and Rs. 14,07,966 respectively. The average annual feed cost value was Rs. 15,27,858 per farm in Namakkal District.

The average annual labour cost value is ranged from Rs.54,600 in Namakkal taluk to Rs.60,900 in Tiruchengode taluk farms of Namakkal District.

Of the four taluks of Namakkal District, Namakkal taluk and Rasipuram taluk farms spent the total marketing cost equally higher level. The other two taluks, spent the total marketing cost lower level compared with other taluks in the study district.
The average over heads charges was higher (Rs.3,72,866) in Rasipuram taluk poultry farm and it was very low level (Rs.1, 18,300) in Tiruchengode taluk farms. It shows that the average over heads charges it increasing due to the size of the farms.

The average annual variable cost of poultry farms was higher (Rs. 31,09,322) in Namakkal taluk farms. It was very low (Rs. 26,72,173) in Tiruchengode taluk farms respectively in a year. The average cost production of poultry farms was Rs. 28,88,230 in Namakkal district.

The average annual interest on capital investment was higher (Rs. 21,06,932) in above 1,00,000 birds poultry farm and it was very low (Rs. 1,81,029) in less than 25,000 birds farms. It shows that the cost of production is increasing due to the size of the farms.

The average cost of production was higher (Rs. 81,54,809) in above 1,00,000 birds poultry farm and it was very low (Rs. 7,14,682) in less than 25000 birds farms. It shows that the cost of production is increasing due to the size of the farms.

The average annual expenditure is ranged from Rs. 8,88,760 in less than 25000 birds farms to Rs. 1,11,42,813 in the above 1,00,000 birds farms in Namakkal district.
The average annual profit was higher (Rs. 68,16,893) in Rasipuram taluk poultry farm and it was very low (Rs. 50,86,559) in Paramathi velur taluk farms. The average annual profit of poultry farms (Rs. 58,82,931) in Namakkal district of Tamil Nadu.

The percentage of profit on sales was higher (53.9 per cent) in Rasipuram taluk poultry farms and it was very low (45.6 per cent) in Namakkal taluk.

Total production mostly depends on the Net investment level. There is a positive correlation between investment, employment and production. It is also statistically significant at 5 per cent level.

Total domestic sales depend upon the total investment. There is a positive correlation between investment and total sales. Total number of employment positively influence the sales. This means the factor of employment influenced the products, and it is also significant at 5 per cent level.

The total export depends on the total investment level. There is positive correlation between investment level and exports. Large scale industries are exporting their product to various industries and such industries are mainly depends upon the investment level. Total number of employment positively influence the exports. The level of significance at 5 per cent level.
The break even sales in the poultry farm is higher (Rs.6.99 lakhs) in the 1,00,000 and above birds and it was very low (Rs.0.58 lakhs) in the < 25,000 birds poultry farms in Namakkal district. 5,00,000 to 1,00,000 birds and 1,00,000 and above birds category got the equally higher level of margin of safety. The other two category birds had the lower level of margin of safety compared with other taluks.

The poultry farms with higher production size are found to be more profitable and have more ‘cushion’ in the form of margin of safety. Even the small scale production ranging from <25000 birds category eggs is found more suitable for small investors than the medium size poultry farms in which the break even sale is high and the margin of safety is comparatively and relatively less.

The results of the linear multiple regression analysis of eight independent variable included of the <25000 type entrepreneurs, a demographic variable such as age and education has significantly contributed to higher earnings.

The 25000-50000 birds type entrepreneurs also have reduced cost of production (as the cooperative-efficient is negatively significant) and higher sales (a positive cooperative-efficient), which influenced them to earn high earnings.
The 50000 - 100000 birds type entrepreneurs also have reduced cost of production (as the cooperative - efficient is negatively significant) and higher sales (a positive cooperative - efficient), which influenced them to earn high earnings.

The 1,00,000 and above birds type entrepreneurs also have reduced cost of production to have high earnings, as the coefficient is negatively significant at 5 per cent level.

Among the various problems, finance problems secured the first place (51.2 per cent), followed by the diseases problem (46.2 per cent) and diseases and veterinary care problems (45.8 per cent). The other problems like chicks supply, feed supply, labour and marketing problems are faced by the respondents of 42 per cent, 40.8 per cent, 39.1 per cent and 20.4 per cent respectively.

6.2 SUGGESTIONS

• Egg is one of the cheap and nutritional food but it is a perishable commodity. Hence efforts should be made to increase its production by supplying chicks, feeds and other inputs.

• The production and consumption points differ in the case of eggs. Therefore steps should be taken to collect the eggs from the scattered hatcheries and bring them to the consumption area and distribute them through different distribution points spread over the consumption area.
The poultry sector needs the development of a good network of infrastructure facilities like transport, storage and veterinary assistance.

A Government owned hatchery should be set up in this area to meet the higher demand for chicks from poultry keepers in and around Namakkal.

Government should establish an egg powder plant. It will be a boon especially to the small poultry keepers who sometimes resort to distress sales for want of an assured market for the eggs produced by them.

Profitability in poultry farming mainly depends on the management of the farm. So proper management training should be given to all who are engaged in this industry to make it efficient.

It is very important that the nationalized commercial banks should simplify the loaning procedures and should give production based credit rather than security based credit. Moreover, they should extend loan facilities to all poultry farmers with sufficient loan amount.
6.3 CONCLUSION

Poultry farming provides remunerative job to 40 lakh people directly in India and 10,000 people in Namakkal District, it is a very versatile industry and can provide jobs to all categories of people. Egg is the only cheap source of protein item to be placed rightly in the daily food item of rural and urban poor. But the cost involved in commercial poultry eggs production is high and therefore is affecting the affordability of poor people. It is concluded that the motivation and creation of awareness for the entrepreneurship development must be promoted in the poultry sector in developing countries like India.