CHAPTER V

The Tamil Nadu Poultry Development Corporation Limited's Role - A reference Study.

I. Introduction:

The Tamil Nadu Poultry Development Corporation Limited (TAPCO) was established on 12-7-1973 as a fully owned Government Company with an authorised capital of Rs. 100.00 lakhs for the implementation of various developmental and commercial activities relating to poultry in Tamil Nadu.

II. Objectives:

The main objectives are:-

(i) Production, processing, storage and sale of poultry products, poultry feed, equipment etc.

(ii) Service and assistance of all kinds for the said purpose; and

(iii) Organisation and assistance in the production, marketing, processing, transport, distribution, sales, import and export of poultry, poultry products, poultry feed and equipment.
III. Activities:

The Corporation is at present engaged in the production of poultry feed, hybrid eggs and broiler chicks and also Japanese Quails, rearing of pullets and marketing of poultry feed, eggs, chicken meat, mutton, pork and pork products.

IV. Capital Structure:

TAPCO has an authorised capital of Rs. 100.00 lakhs consisting of 10,000 equity shares of Rs. 1,000 each. As on 31-12-1985, the company has a paid up capital of Rs. 71.00 lakhs entirely contributed by the Government of Tamil Nadu.

V. DISTRICT and other Units under TAPCO:

The Head Office of TAPCO is at Madras and the Corporation has various units at the following places:-

a. Marketing Units, at Madras, Chengalpattu, Vellore, Salem, Namakkal, Coimbatore, Tiruchirapalli, Madurai and Tirunelveli.

b. Feed Mixing Units, at Nandanam (Madras), Tirupur (Coimbatore) and Kappalur (Madurai).
c. Chick Hatcheries, at Arasur (Coimbatore) and Kappalur (Madurai).

d. Grower Farms and Extension Centres, at Chengalpattu, Seshanchavadi (Salem); Perundurai (Periyar) and Kottapattu (Trichi).

1. Performance of Marketing Facilities:

TAPCO has taken up marketing with a view to provide remunerative prices to the producers, and supply of eggs and chicken to consumers at reasonable prices. TAPCO takes up marketing activities through its Marketing Units located in various district headquarters of the State. A total of nine district units have about 100 retail outlets under them. The particulars of sale of eggs and chicken over the last five years are furnished below.

**Volume of Sales of Eggs and Meat. Table No. 5.1.**

<table>
<thead>
<tr>
<th>Year</th>
<th>Sale of Eggs (in Nos.)</th>
<th>Sale of Chicken Meat (in M.Ts.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1981-82</td>
<td>262.42 lakhs</td>
<td>93</td>
</tr>
<tr>
<td>1982-83</td>
<td>222.56 lakhs</td>
<td>84</td>
</tr>
<tr>
<td>1983-84</td>
<td>246.61 lakhs</td>
<td>100</td>
</tr>
<tr>
<td>1984-85</td>
<td>298.55 lakhs</td>
<td>167</td>
</tr>
<tr>
<td>1985-86</td>
<td>292.44 lakhs</td>
<td>227</td>
</tr>
</tbody>
</table>

(Tentative)

With a view to encourage more farmers to take up poultry farming and assure them of steady marketing, TAPCO has taken up supply of eggs and chicken to the various Government hospitals, hostels and hotels in the State. TAPCO has also undertaken supply of eggs, chicken and mutton to various Defence establishments in Tamil Nadu and in Andaman and Nicobar Islands (Port Blair). The contract for the supply of poultry products in Defence establishments has been taken up in spite of unhealthy competition from private traders. TAPCO proposes to extend its marketing activities with a view to assist more farmers to get remunerative prices for their products and also to stabilise the market prices.

2. Performance of Feed Mixing Units:

The Feed Mixing Units are engaged in the production of balanced poultry feed which is an essential input for the poultry farms. The feed formula is computerised and the feed is prepared under strict technical supervision utilising to the maximum extent all available industrial and agricultural by-products. Strict quality control is enforced in the processes of feed preparation. Raw Materials used in feed preparation are tested before use.
and compounded feed is also subjected to strict quality control before sale to the farmers. The feed produced at Nandanam Unit is accredited with ISI mark which no other private company.

The details of production and sale of feed over the last five years are given below:—

<table>
<thead>
<tr>
<th>YEAR</th>
<th>FEED PRODUCTION (Metric Tonnes)</th>
<th>FEED SOLD (Metric Tonnes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1981-82</td>
<td>9159</td>
<td>9007</td>
</tr>
<tr>
<td>1982-83</td>
<td>5434</td>
<td>5556</td>
</tr>
<tr>
<td>1983-84</td>
<td>4761</td>
<td>4789</td>
</tr>
<tr>
<td>1984-85</td>
<td>4923</td>
<td>4877</td>
</tr>
<tr>
<td>1985-86</td>
<td>4901</td>
<td>4924</td>
</tr>
</tbody>
</table>

(Tentative)

Initially, the Corporation was concentrating on sale of feed to scheme beneficiaries under Government sponsored schemes such as Special Livestock Production Programme. However, with the escalation in feed prices and consequent increase in differential cost of feed, the financial commitment to the State Government towards subsidised sale of feed—

feed was very happy and hence the Government could not sanction new units under Special Livestock Production Programme with subsidised feed cost and the units started earlier had to be phased out in stages. Hence, the requirement for feed from government sponsored schemes came down considerably. However, to sustain the sale of feed at the same level, efforts have been taken up by TAPCO to sell feed to private poultry farmers in the State. The feed is now being sold at most competitive prices, and sale discount is being offered for bulk purchases as an incentive. Field Officers have also been posted exclusively for feed sales. A large number of poultry units are coming up in non-traditional areas in various parts of the State, and demand for poultry feed will go up in the coming years. TAPCO will then improve its production to meet the increasing demand for quality feed.

3. Performance of Chick Hatcheries:

The Chick Hatcheries at Arasur and Kappalur are engaged in the production of hybrid commercial chicks. Arasur Hatchery is producing Badcock egger chicks which is capable of giving 260 eggs per cycle and COBB Broilers which can put on a body weight of 1.50 kg. in eight weeks.
Kappalur Hatchery is engaged in the production of Babcock chicks alone. The introduction of commercial hybrid chicks has accelerated the expansion of poultry farming in the state. The present level of production of commercial chicks is found to be inadequate with reference to demand. Hence, TAPCO has taken up a programme for expansion of capacity for both hatcheries with a view to increase the production of chicks.

The combined performance of both the hatcheries for the last five years is as follows:-

TABLE (5.3)

<table>
<thead>
<tr>
<th>YEAR</th>
<th>NO. OF CHICKS PRODUCED</th>
</tr>
</thead>
<tbody>
<tr>
<td>1981-82</td>
<td>10.76 lakhs.</td>
</tr>
<tr>
<td>1982-83</td>
<td>9.70 lakhs.</td>
</tr>
<tr>
<td>1983-84</td>
<td>10.389 lakhs.</td>
</tr>
<tr>
<td>1984-85</td>
<td>13.82 lakhs.</td>
</tr>
<tr>
<td>1985-86</td>
<td>20.24 lakhs.</td>
</tr>
</tbody>
</table>

4. Performance of Grower Farms and Extension Centres:

Four Grower Farms and Extension Centres are functioning at present. They are engaged in rearing and

supply of broiler chicks to marketing units and rearing of egger chicks for supply to beneficiaries of Government schemes such as Special Livestock Production Programme, Integrated Rural Development Programme etc.

The details of the number of birds reared and sold over the last five years in the above centres are furnished below.¹

Table 5.4
Number of Birds reared and sold.

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of birds sold</th>
</tr>
</thead>
<tbody>
<tr>
<td>1981-82</td>
<td>0.95 lakhs.</td>
</tr>
<tr>
<td>1982-83</td>
<td>1.26 lakhs.</td>
</tr>
<tr>
<td>1983-84</td>
<td>1.13 lakhs.</td>
</tr>
<tr>
<td>1984-85</td>
<td>1.35 lakhs.</td>
</tr>
<tr>
<td>1985-86</td>
<td>1.93 lakhs.</td>
</tr>
</tbody>
</table>

V. Schemes:
1. Drought Prone Areas Programme (DPAP):

The Government of Tamil Nadu for the first time sanctioned the implementation of poultry development schemes under Drought Prone Areas Programme in the districts of Ramanathapuram, Dharmapuri, Pasumpon Muthuramalingam, Kamarajar and Tirunelveli at a total outlay of

¹. Activities of TAPCO 1984-85.
Rs.48.235 lakhs. These schemes are being taken up for implementation during the current year. The following schemes are being implemented during 1985-86 under Drought Prone Areas Programme.

(a) Establishment of Poultry Demonstration Farm:

This scheme aims at demonstrating to the prospective farmers the modern methods of poultry management, nutrition etc., so as to motivate them to take up poultry farming and provide them training under various aspects of poultry farming.

(b) Establishment of Poultry hamlet:

This scheme aims at training the local farmers by engaging them as labourers after satisfactory completion of which they will be given assistance to start units in their own. These farmers while earning wages will also learn poultry management and get trained in poultry farming which will help them subsequently to run their own units profitably.

(c) Provision of infrastructure for marketing:

With a view to provide a good market for the poultry products, marketing outlets are being established in import-
ant towns in Drought Prone Areas Programme areas. Each outlet will have a Bunk and Deep Freezer to store meat. Besides providing steady market to the producers, the sale outlets will help the public to purchase their requirements of eggs and meat at reasonable prices.

It is also proposed to implement the poultry schemes in the Drought Prone Areas Programme areas during 1986-87. The schemes will help the poor farmers in the backward districts to start poultry farms of their own and get regular employment and income.

2. Special Component Plant (SCP)

This scheme is implemented in the districts of Chengalpattu, North Arcot and Madurai so as to benefit the poor farmers belonging to the Adi Dravida Community. The scheme contemplates the establishment of broiler units of 100 birds each in selected villages. TAPCO has so far released subsidy for 350 broiler units of which 250 units have already been established and the remaining units will be established before the end of this year. The scheme beneficiaries get financial subsidy at 50% of the scheme outlay. The beneficiaries are also given training in poultry farming during which period they are paid a stipend.
of Rs. 150/- p.m. Each farmer will get a monthly profit ranging from Rs. 170/- to Rs. 200/-

3. Special Livestock Production Programme (SLPP)

This scheme sponsored by the Government of India is implemented in the Districts of Chengalpattu, North Arcot, Salem and Madurai. A total of 3100 units of 100 layers each have been established so far. TAPCO could not set up new units under Special Livestock Production Programme as poultry units with a size of 100 birds have become uneconomical due to escalation in feed prices and huge commitment to the State Government in subsidising feed to scheme beneficiaries. However, the units started earlier are being replaced by supplying fresh batch of birds for which scheme beneficiaries receive cash subsidy. During 1985-86 TAPCO has released a subsidy of Rs. 6.39 lakhs for about 600 beneficiaries. The replacement of balance of units could not be taken up during this year due to reluctance of the banks to release loans for replacement on the ground that 100 layer units are not economically viable and that most of the scheme beneficiaries have huge outstanding dues to the banks.

4. Other Schemes to be implemented:

The Government of Tamil Nadu have sanctioned the
establishment of 175 egg carts for giving employment to the educated unemployed. The nationalised banks have also agreed to finance the units. The implementation of the units will be taken up shortly.

5. Feed Analytical Laboratory at Erode:

Under Part II Scheme for 1986-87 proposals have been sent to the Government for sanction of Rs. 2.00 lakhs for establishment of feed analytical laboratory which will provide facilities to the farmers for testing the quality of feed ingredients and feed compounded so as to ensure maximum production in the poultry units. The establishment of a Feed Analytical Laboratory will go a long way in improving the quality of the feed, which in turn will increase the yield from the birds and income to poultry farmers.

General:

Poultry Farming has become very popular in Tamil Nadu and intensive pockets of poultry have come up in areas such as Namakkal, Rasipuram in Salem District, Palladam in Coimbatore District, Perundurai and Erode in Periyar District and Rajapalayam in Kamarajar District. However, poultry farmers in Tamil Nadu have not been able to make a good profit due to higher cost of production as compared to their counterparts in the neighbouring State of Andhra
Pradesh. With a view to provide relief to poultry farmers, TAPCO has requested the State Government for extending the following concessions to Poultry farmers in Tamil Nadu.

1. Reduction of sales tax on poultry feed from the present level of 5% to 2%.

2. Supply of electricity to poultry units on the same rates as applicable to agriculture.

Further this Corporation proposes to take up legislative measures to regulate the following and protect the interests of poultry farmers in the State and also to accelerate the growth of Poultry in the State.

1. Quality control on poultry feed.
2. Quality control on Chick hatcheries.
3. Implementation of Essential Commodities Act for supply of feed ingredients such as Ground Nut Oil cake and rice bran to the poultry farmers at levy rates.

Comparison of the Role of TAPCO with RUHSA:

The study reveals--

1. The TAPCO is an organisation fully owned and
managed by the Tamil Nadu Government while the Rural Unit for Health and Social Affairs is one of the departments of the Christian Medical College and Hospital, Vellore.

2. TAPCO is mainly established for the implementation of various developmental and commercial activities relating to poultry in Tamil Nadu and RUHSA is established to take care of Rural health and social affairs.

3. The area covered and served by TAPCO is the whole of Tamil Nadu while the area covered and served by RUHSA is only the K.V. Kuppam Block, N.A.Dt.

4. The main purpose of TAPCO is to provide the required infrastructures for the development of Poultry, including broiler, throughout the State, while the main purpose of RUHSA is to provide required infrastructure for the Socio-economic development of the Block.

5. TAPCO is having its sales Units almost in all the district headquarters and in different places of the state, but RUHSA is having its sales counter only in CMC Hospital in Vellore, N.A.Dt.

6. TAPCO is having its own feed units and distri-
butes its feed throughout the State by itself or through its agents, but RUHSA is having only one feed unit at Kavanoor to serve the Block only.

7. TAPCO is having its own hatcheries and distributes the day-old chicks, throughout Tamil Nadu, but RUHSA is not having such hatcheries and hatching facilities. It is getting the supply of day-old chicks from various hatcheries in Tamil Nadu and from neighbouring States.

8. TAPCO is providing Veterinary services and facilities through its doctors or by Govt. Veterinary hospitals but RUHSA is extending Veterinary facilities through its doctors only.

9. TAPCO is providing loan facilities for the construction of shed, purchase of equipments etc., through Nationalised Banks but RUHSA is not providing such loan facilities. However RUHSA is arranging loans for working Capital from Nationalised Banks under the Tripartite agreement.

10. TAPCO is undertaking steps for the development of Poultry, i.e. layer and broiler scheme throughout the
State but RUHSA is taking care of the broiler scheme only.

11. TAPCO has implemented a number of schemes such as Drought Prone Areas Programme (DPAP), Special Component Plan (SCP), Special Live-Stock production Programme (SLPP), etc. But RUHSA has no such programmes.

12. TAPCO has a programme to rear Japanese Quails for Poultry meat purpose but RUHSA has no such plans in the Block.

13. The Capital of the TAPCO is fully invested by the Tamil Nadu Govt. while the Capital of RUHSA is collected as donation by various organisations in the world.