



Prospects of Egg Industry

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The potential for growth of Indian layer industry should be bright if the requirement of neighboring countries is taken as indicative for future trend in our country. With WTO likely to come into effect soon, the subsidies offered by developed countries should be slowly phased out and India could improve its share in world market for poultry products.

Hurdles to over come

However, there are few hurdles that the industry has to over come before the potential could be converted to growth.

Egg distribution and availability

The egg distribution and availability till now has come up only around the urban centers and vast areas in rural India still remain untapped where 70% of the country's population live.

Egg transport

Over the last three decades, layer farms came up on concentrated pockets while consumption is all over the country. As a result, every day eggs have to be transported to long distances taking 4 to 8 days of transit time. As it is in open condition and the temperature and climatic conditions vary from season

to season and region to region, the eggs are at least 10 to 12 days old by the time they reach the consumption center. As it is without any refrigeration, the shelf life will be maximum one week and therefore, price fluctuations are substantial with even minor changes in demand and supply.

Gap in producer price and consumer price

The typical egg purchase is mostly in small number and near home by the consumer. There is practically no cold chain and the number of retail outlets are too many warranting many intermediary channels thereby, widening the gap between the producer price to the ultimate consumer price.

Factors reducing egg consumption

India is more of a continent than a country with many religious beliefs and taboos. Egg consumption is affected by seasons and festivals, which vary from region to region. All through the year, at one center or the other there is some factor affecting consumption.

Distribution system

Due to low trade margins and no value addition i.e. no processing or grading distribution system remained under-developed, unorganized, under-invested and very short sighted.

Mismatch between feed price and egg price

Once in every 3 years, the industry witnesses a mismatch between feed prices and egg prices. Though the industry has grown steadily, the availability of feed ingredients, especially energy sources, remained static resulting in periodical shortage and an abnormal increase of its prices.

Government effort

The growth of industry till now has been solely through a private effort and there has been very limited involvement received from Government in marketing of eggs. Certain agencies like NECC, ACIL etc. have actively worked for promotion of eggs and have reduced trader exploitation. However, the industry requires special efforts for promotion of eggs and in developing distribution networks in various

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states like Bihar, NorthEast, UP, MP and others. Private entrepreneurs as the cost will not undertake this and risks are high. Instead, the Governmental agencies who already have a net-work establishments like PDS, Mid-day meal scheme, Anganwadi etc., should be motivated to take-up eggs along with other products. In the short-term, many of the above challenges would continue affecting the industry. However, in the long-term, the industry would have to take steps or motivate agencies like NECC, BEPA or Government and accelerate the infrastructure changes required.

For ensuring a sustained growth of the industry

Changes to come in the next decade

Increased availability of maize

The availability of maize has to be increased i.e., through introduction of high-yielding varieties and more acreage under Rabi season. The poultry industry should in consultation with Universities promote use of substitute energy sources to reduce pressure on maize.

Setting up of National Poultry Development Board

An organization like National Poultry Development Board (NPDB) has to be set-up which would be entrusted the job of the market intelligence for feed ingredients, co-ordinate with State and Central authorities for having policies benefiting the industry, build the necessary infrastructure for dry and cold storage facilities for exports and rural distribution and for promotion of eggs.

Governmental efforts to increase egg consumption

The consumption of eggs in rural areas may be increased through governmental programmes like Mid-

day meals, Anganwadis, public distribution system, Social welfare hostels, etc.

Provision of infrastructural facilities at new production centers

New production centers nearer consumption, especially in states like UP, Bihar etc., would come up in the coming years as a result of ever increasing freight and packing costs. Various agencies connected to development of poultry have to plan for the requisite facilities to meet the future demand. Moreover the existing surplus centers would have to identify new centers close to production, especially in villages for increasing consumption and farms have to improve their efficiency so as to survive in the new scenario.

Egg processing

The egg processing industry is currently facing lot of challenges and hardships. However, with WTO coming into effect and subsidies phased out, there would be scope to tap the world market for egg powder.

Education of egg producers

There is a need to educate the egg producers for keeping their flocks free from bacterial contamination, anti-biotic residues, pesticide residues etc. to enable egg processors meet the international standards.

Future demand for quality eggs

As the consumer is becoming health conscious, some changes shall come-up especially in urban centers, such as (a) Demand for low cholesterol eggs like Omega-3 eggs. (b) Graded eggs and sale through super markets under refrigerated condition and (c) Demand for pasteurized eggs/powders from bulk users like Star hotels, Bakeries, Biscuit manufacturers etc.

Education is a liberating force and in our age it is also a democratising force, cutting across the barriers of caste and class, smoothing out inequalities imposed by birth and other circumstances

-Indira Gandhi