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## **CHAPTER III**

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**CHAPTER - III**  
**ANALYSIS AND INTREPRETATION OF DATA**

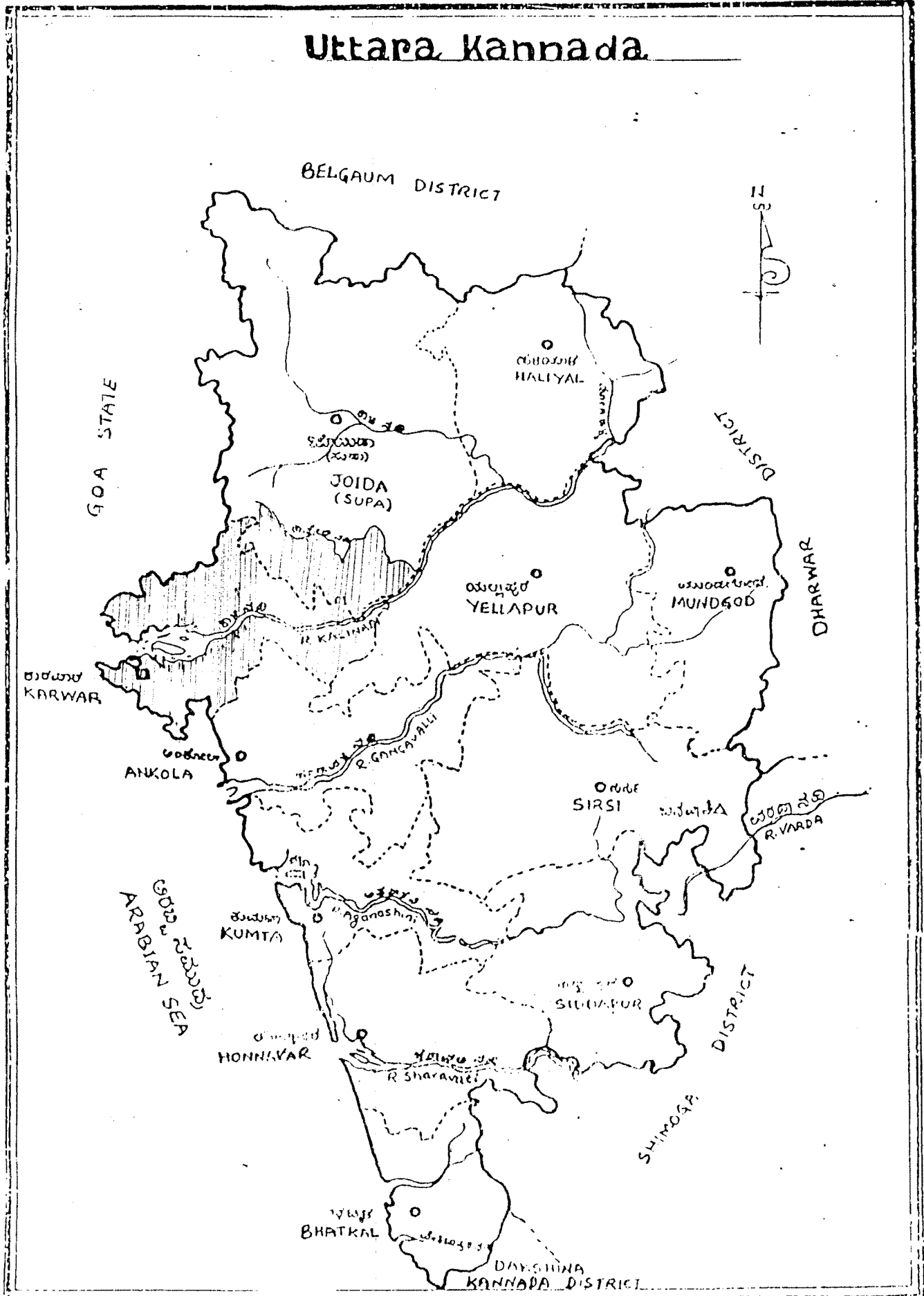
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3.1 : PROFILE OF KARWAR TALUKA

3.2 : ANALYSIS AND INTREPRETATION OF DATA

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# Uttara Kannada





This chapter is divided into two parts. Part one describes the profile of Karwar taluka and Part two deals with the analysis and interpretation of data collected from the selected poultry owners. Further in this part an attempt is made to shed the light on the model scheme of poultry birds (1000 layers) and its feasibility. This will help to those who are interested in starting a poultry farm of their own.

This chapter mainly highlights the working of poultry farms, analysis and interpretation of data collected from all small and big farms of Karwar taluka. Though paddy cultivation is the main concern of the farmers here, the limited scope for non-commercial crops, has made it less lucrative and economic also. Hence, more and more farmers are turning towards commercial allied agricultural activities like poultry farming as evident from the data given in forthcoming pages.

### **3.1 : PROFILE OF KARWAR TALUKA :**

Karwar taluka, one of the major talukas, and district place of Uttar Kannada is situated in the North-Western sector of Karnataka state. It has the Arabian sea on its West and Sahyadri mountain ranges on its East side, which are the two rich natural resources for the people.

Though the total covering area of the taluka is 10291 square kilometers. It has 1,30,438 population according to 1991 census, and the Karwar town has 51,022 population. The 57 villages of Karwar taluka have a total population of 79,416.

Nearly 61 percent of population of villages depends on agricultural and other subsidiary occupations for their livelihood. Agriculture provides gainful employment to farmers particularly during the month of June to October and December to March.

Paddy is the principal agricultural crop, followed by vegetables, sugarcane, groundnut and coconut.

Besides, agriculture, fishing is the next important means of livelihood. Nearly 30 percent of people mainly fishermen communities like Kharvi, Harikantra, Bohi and Pagi depend on it. Agriculturists get work in this field in the non-harvesting seasons too.

Karwar taluka is seen rich in forest wealth. 70 percent of land is covered with thick jungles of valuable wood and plants. The major products of forest produce are timber, rose-wood, soft wood, sandal wood, teak wood and honey. Mining in forest area is also added to the economy of the taluka.

The future of Karwar appears bright and economically very promising. Already the rich natural resources have prompted the industrialists to open industries like well-known West-coast Paper Mills, Ballarpur Industries etc. The forthcoming ambitious project like Hydro-electric Power Station at Kadra, Atomic Power Station at Kaiga will bring down the shortage of power not only in this district but also in the state. The natural harbour at Baithkhol near Karwar town, the sea bird Naval Project have earned it a pivotal place in the world map. The Konkan Railway Project will join the hither to backward taluka place to the main line - Bombay-Delhi train route.

Thus, the upcoming development projects have already started attracting a large number of outsiders. Now the mini-town of Karwar sees every day visitors from neighbouring states like Goa, Maharashtra, Andhra, Tamil Nadu and Kerala. The number of city dwellers has increased and a new city is emerging at Mallapur near Karwar. All this has made Karwar taluka, a future commercial centre and give scope to poultry and other hither unknown agriculture based on commercial enterprises.

### 3.2 : ANALYSIS AND INTREPRETATION OF DATA :

#### 3.2.1 - No. of poultry farms -

It was seen from the table No. 3.1, that the first poultry farm was started in the year 1977. After a gap of four years second farm started. Thereafter from 1986 to 1994 in all 17 farms were started in Karwar taluka. During 1989 maximum number of farms (i.e. 4 unit) were come into existance. The reason is in 1989 the Central Government, started its one of the ambitious projects, the Konkan Railway and with that suddenly the 'Commercial farms' was turned towards Karwar.

TABLE No. 3.1

POULTRY FARMS IN KARWAR TALUKA

Year	No.of Unit	Year	No.of unit
1977	1	1989	4
1981	1	1990	2
1984	2	1992	3
1986	3	1993	1
1987	1	1994	1
1988	2		
		TOTAL	<u>21</u>

(The small poultry farms having less than 200 bird capacity are not considered).



### 3.2.2 - Farm Site -

From the table No. 3.2, it appears that only urban areas have more poultry farms as compared to rural areas. Karwar and Sadashivgad, these two places have 4 farms each and semi-urban localities like Baad, Nadangadda have 2 each, the remaining villages one each. This is due to high demand of egg and meat in urban and semi-urban areas.

TABLE No. 3.2

#### LOCATION OF FARM SITE

S.No.	Name of the place	No.of farms
(1)	Karwar	4
(2)	Sadashivgad	4
(3)	Mudgeri	3
(4)	Makkeri	2
(5)	Baad	2
(6)	Nandangadda	2
(7)	Amadali	1
(8)	Kadwad	1
(9)	Majali	1
(10)	Kathinkon	1
	Total	<u>21</u>

### 3.2.3 - Age of Poultry Owners -

Age is an important factor in determining the response pattern of an individual. As an age increases, one's experience also increases and as a result, one develops different attitudes to life situations. This change in attitude would be reflected in one's response pattern and behaviour as well.

It would be seen from the table No. 3.3 that, 10 respondents were found to be in the age group of 31 to 40 years, whereas only 1 respondent was in the old age group. The remaining 8 and 2 respondents fall in the age-group of 20-30 years and 41-50 years respectively. The reason for this is poultry business is a comparatively new entered in Karwar taluka and the infrastructure also is of recent origin. Hence, the traditional society took a long time to accept the 'broiler culture' which means, the younger age group is involved in the poultry business as compared to all other age groups under study.

**TABLE NO. 3.3**

#### **AGE-WISE DISTRIBUTION OF THE RESPONDENTS**

Age group	No.of farm owners	Percentage
20 - 30	8	38.08
31 - 40	10	47.62
41 - 50	2	9.53
51 - 60	1	4.77
	Total	<u>100%</u>

### 3.2.4 - Educational Status -

Education is one of the most important factors for the development of any economy. It influences the purpose of development of an individual's personality, thinking, ability, knowledge and efficiency.

In Karwar majority of the poultry farm owners are educated, 19 farm owners have studied upto S.S.L.C., 10 of them are Degree holders, and 3 of them are post-graduates. Thus the poultry farm owners with minimum and high educational qualifications are entering the poultry. It is very encouraging as they could exercise a better judgment on the sensitive issues in poultry management. It is observed that unemployed educated are involved in the poultry business because, it does not require as large an area of land as agricultural farming, and investment requirements are not very high. One man can look after 2000 to 4000 birds and they are entitled to get regular income, so repayment of loan is also very easy. The table no. 3.4 shows the educational levels of poultry farm owners.

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TABLE NO. 3.4

## EDUCATIONAL LEVELS OF POULTRY FARM OWNERS

Sr. No.	Educational Qualification	Small farmers	Medium farmers	Big farmers	Total
1.	High school	-	-	2	2
2.	S.S.L.C.	1	1	4	6
3.	College	1	3	6	10
4.	Post-graduate	1	1	1	3
Total		3	5	13	21

## 3.2.5 - Caste Composition -

It is a common knowledge that the specific caste groups, particularly higher caste groups have indifferent opinion to pursue live-stock rearing as their principal occupation. However, under this study it was found that there is no relationship between the caste composition and undertaking poultry farms. The table No. 3.5 indicates that about 12 poultry farms out of 21 farms are belonging to Hindus and the remaining 9 farms to the different caste groups, i.e. Muslim and Catholics. However, the Konkan Maratha's are predominant, 10 farms in Karwar. The poultry farming is highly profitable is yet to be realised in many major communities. Nevertheless, this indicates the

entrepreneurial characteristics away the different caste groups of people.

**TABLE NO. 3.5**

**CASTE OF POULTRY ENTREPRENEURS IN KARWAR**

Sr. No.	Caste groups	Poultry Farm			Total	Percentage
		Small	Medium	Big		
1.	Konkan Maratha	2	3	5	10	47.62
2.	Muslim	-	1	4	5	23.81
3.	Catholics	-	-	4	4	19.05
4.	Others	1	1	-	2	9.52
Total		3	5	13	21	100%

**3.2.6 - Period of operation -**

It is seen from the table no. 3.6 that 7 poultry farm owners have a poultry experience of 3 to 6 years, and 4 respondents have a maximum experience of more than 10 years, and 5 poultry farm owners have a experience of 2 to 3 years and 6 to 10 years. It is observed that there are no sufficient training facilities in Karwar taluka. So few, who could afford going to far off places, got the basic training required. So, only limited poultry owners have a more than 10 years of experience in poultry business.

TABLE No. 3.6

## DISTRIBUTION OF POULTRY FARMS IN KARWAR TALUKA

## ACCORDING TO SIZE AND PERIOD

Sr. No.	Farms	2-3 years	3-6 years	6-10 years	More than 10 years	Total
1.	Small	2	-	-	1	3
2.	Medium	3	1	1	-	5
3.	Big	-	6	4	3	13
	Total	5	7	5	4	21
	Percentage	23.80	33.33	23.80	19.07	100%

**3.2.7 - Training in poultry -**

It was found that from table No. 3.7 out of 21 respondents, 13 have attended training camp at Haveri, Dharwad, Manglore and Goa. The remaining 8 respondents are untrained, 5 of them are age group between 20-30 years. They have traditional approach to poultry farming, they do not know how to maintain their farms in a scientific way. Further, all the untrained and 3 out of trained have other subsidiary activities like cultivation and fishing. These have not kept the accounts separate, and hence do not know where they suffer loss or profit. Even when they suffer loss in one of the subsidiary activities, they compensate by

diverting their capital from other activities to the one under loss and carry on.

**TABLE NO. 3.7**

**TRAINING OF POULTRY FARM OWNERS**

**ACCORDING TO NO.OF DAYS OF TRAINING AND AGE**

Age group	Untrained	Trained			Total
		(1 week)	(2 weeks)	(1 month)	
20 - 30	5	2	1	-	08
31 - 40	2	5	2	1	10
41 - 50	1	-	-	1	02
51 - 60	-	1	-	-	01
Total	8	8	3	2	21

**3.2.8 - Size of land holding -**

It is found that about 10 poultry owners are having land upto 10 gunthas and 3 farm owners' land size is between 11 to 20 gunthas, whereas 3 respondents belong to the land size group of 30 - 40 gunthas. The remaining 4 poultry owners are having land above 40 gunthas as shown in the table No. 3.8. Though 70 percent population of Karwar depends on agriculture for its livelihood, due to meagre land holdings, it is not that

profitable only those, who have more than 2 acres of land under cultivation as their main occupation. And therefore small farmers are diversifying into other subsidiary agricultural activities like poultry farming and dairy farm, in order to support and supplement their agricultural income.

**TABLE NO. 3.8**

**CLASSIFICATION OF RESPONDENTS  
ACCORDING TO SIZE OF LAND HOLDING**

Size of land (in gunthas)	No. of farm owners	Percentage
1 - 10	10	47.62
11 - 20	2	9.53
21 - 30	2	9.53
31 - 40	3	14.28
Above 40	4	19.04
	TOTAL	100%

**3.2.9 - Size of poultry birds -**

Table No. 3.9 shows the classification of the respondents according to the number of birds in the poultry farms. It is found that 7 poultry farm owners are having



2000 to 3000 birds, and 9 poultry owners have birds between 1000 to 2000, and remaining 5 respondents have less than 1000 birds. Though poultry farms entered in Karwar taluka as recent as 1977, Government sponsored loan schemes and development projects helped them to prosper. Now more and more educated young business entrepreneurs are coming forward to set up large scale farms to meet the ever increasing market needs.

**TABLE No. 3.9**

**CLASSIFICATION OF RESPONDENTS**

**ACCORDING TO THE SIZE OF POULTRY BIRDS**

!!		
No. of birds	Respondents	Percentage
200 - 500	1	4.76
501 - 750	2	9.53
751 - 1000	2	9.53
1001 - 1500	3	14.28
1501 - 2000	6	28.57
2000 - 3000	7	33.33
	-----	-----
TOTAL	21	100
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### 3.2.10 - Capital Investment -

Table No. 3.10 shows the classification of the poultry farm owners according to the size of investment in poultry business. It was found that, 12 poultry owners, whose investment in the business was Rs. 50000 to 2.5 lakhs, and 4 farm owners have made investment between 1.5 lakhs to 2 lakhs. The remaining 5 respondents' investment is upto Rs. 50,000/-. Further it was found that the farms were started in the early year have made investment upto Rs. 25,000/-, they started their business in the old store house (Katcha floor). In recent years, poultry farming has become a highly specialised industry. With the introduction of intensive method of poultry rearing, the more birds are kept in limited space. Hence, 6 poultry farm owners have made investment more than Rs. 1 lakhs for construction of strong and durable type poultry house, like wire mesh, floor, cage, and portable house. In the opinion of respondents, this type of house is more suitable in heavy rainfall areas like Karwar. Since all the poultry owners are land owners, they could their capital, meant for purchase of land for construction of sheds and purchase of cages etc. They used the capital meant for purchase of land for expansion of their project. This is seen mainly in areas like Kadwad, Sadashivgad and Mudageri.

**TABLE NO. 3.10**

**CLASSIFICATION OF RESPONDENTS  
ACCORDING TO THE SIZE OF INVESTMENT**

Size of investment (in Rupees)	No. of respondents	Percentage
Upto Rs. 25,000/-	3	14.28
Rs. 25,000/- to Rs. 50,000/-	2	9.53
Rs. 50,000/- to Rs.1,00,000/-	10	47.62
Rs.1,00,000 to Rs.1,50,000/-	2	9.53
Rs.1,50,000 to Rs.2,00,000/-	4	19.04
TOTAL	21	100%

**3.2.11 - Rate of day old chicks -**

Table No. 3.11 shows the rate per chicks, it was found that the rate of day old chicks has rapidly increased from 1991 to 1994 compared to 1986 to 1990, it was ~~average percentage~~ at 140 and 108% respectively. This is due to increase in the cost of transportation and setting up of farms on large scale between 1991 and 1994.

**TABLE NO. 3.11**

**RATE OF DAY OLD CHICKS**

Year	Rate per chicks (Rs)	In percentage
1986	6.50	-
1987	6.90	106
1988	7.00	108
1989	7.25	112

Year	Rate per chicks (Rs)	In percentage
1990	7.50	115
1991	8.25	127
1992	8.50	130
1993	9.00	138
1994	10.30	158

### 3.2.12 - Rate of feed per tonne -

Table No. 3.12 shows that rate of feed per tonne rapidly increased during 1991 to 1994, compare to 1986 to 1990. Average is 186 percent and 106.40 percent respectively. Rise in the market price of raw materials like Maize, Jawar, Soyabean meal, Rice and Dry fish etc. and in transport cost, labour charge and also demand for poultry feed have led to sharp rise in prices. However, farm owners at Sadashivgad has started preparing low cost poultry feed with local available raw materials. But the quality is yet to be tested.

**TABLE NO. 3.12**  
**RATE OF FEED PER TONNE**

Year	Rate per tonne (Rs)	Percentage
1986	2670	- 9
1987	2730	102
1988	2810	105
1989	2870	107
1990	3160	118
1991	4050	152
1992	4380	164
1993	5400	202
1994	6050	227

### 3.2.13 - Slump in egg production -

In the opinion of the poultry farm owners, the slump in egg production in Karwar mainly for the following reasons.

- (1) Drop in egg production is noticed due to feed, water, electricity and environmental changes, like heavy rains and hot weather.
- (2) Feed is back bone of egg production. Less feed less egg, change in quality of feed leads to drop in egg production. Since feed is supplied from different places like Sangli, Poona, Goa etc., it loses its quality and nutritious elements in the course of journey.
- (3) Water is essential for digestion of food. It is also essential to maintain body fluid and temperature at optimum level. If the birds remains thirsty for more than 3 hours, it leads to drop in egg production. Many farms are situated on the banks of Kali river. Some find the ground water salty and hard during summer.
- (4) Light stimulates egg production and feed consumption. Electricity failure for considerable time leads to drop

in egg production. Karwar taluka is known for blackouts and current failure for days together.

- (5) Abrupt changes in weather leads to drop in egg production. This happens in rainy season. Many times bright temperature is followed by heavy rains that leads to very low temperature and high humidity.
- (6) Disease like Ranikhet lead to drop in egg production. The symptoms observed are thin shelled eggs and sudden increase in mortality, less feed consumption. Most of the farm owners do not take precautions and allow the buyers to enter the farms.

#### 3.2.14 - Common Diseases -

In the opinion of poultry owners some of the common diseases are found in Karwar areas, like -

- (A) Ranikhet - This disease appeared in Karwar in the year 1993. The disease spreads directly from birds to birds through the nasal mucosa and mouth discharge of the affected birds. Mortality due this disease may be as high as 100 percent in young flock. Further, it was found that, due to Ranikhet disease, to the flock of birds, 5 poultry owners, suffered from heavy losses.

The farmer control the disease with Lasota in drinking water or R.D. Vaccination.

- (B) The discussion with poultry owners, it was found that Gumbroo, fowl cholera and fowl fox, are common diseases always found in Karwar areas. Due to nasal discharge of the affected birds, and contaminated feed and water.

i) The Gumbroo type of disease affects to the flock of birds, between 3 to 6 weeks. It is a highly contagious viral disease of young chicks. Hence, the mortality due to this disease is 5 to 15 percent. Thus vaccination of day old chicks with virulent vaccine in combination with H.U.T. is very effective in controlling the disease.

ii) Fowl cholera - This disease normally strikes when birds are at peak production, and drop in feed consumption is the important feature. Farm owners prefer, Terramycin, Ausomycin, Tylosin, drugs to combat this disease.

iii) Fowl fox - Fowl fox has symptoms like sudden drop in egg production and food consumption and increase in water consumption. To control it, the farm owners, vaccinate birds at 6 weeks to 16 weeks and use antibiotic in drinking water. Further it is observed

that, control of mosquito is essential to check the spread of the disease.

- (C) Falty Liver - It is observed that 1 percent of mortality is due to this disease. The symptoms are sudden drop in egg production. Particularly in summer months (May, June), due to high energy mash. To control it they use Inositol, Vit B<sub>12</sub> for 10 to 15 days.
- (D) Parasites - Parasites are found in 2 forms. Particularly to the small farms in village like Kadwad and Baad. It is worm infestation, it is spread due to bed-bugs, mosquitoes, lice, flies etc. It leads to drop in production. The appropriate and timely measures should be adopted to check them. But these small farm owners with limited capital and ignorance about parasites and medicine find it difficult to combat the parasites.
- (E) Marex and Lucosis - In the opinion of the farm owners, the marex disease spreads mainly through nasal washing and feather follicles of affected birds. The disease may occur at any time in the flocks. Hence, 0-2 ml marex vaccine is given to all the day old chicks.

From the discussion with poultry farm owners, it was found that, call cacillosis, Botulism, and some other fungal diseases are not seen in Karwar area.



### 3.2.15 - Poultry Insurance -

Now a days poultry has got dignity like Dairy, Poultry is also a supplementary occupation to agriculture. Mostly whatever corn is grown in the field can be used as feed, husk of groundnuts, husk of paddy is used as a litter. So also from droppings of hens we get excellent organic manure. If it is used in the field the quality of soil is improved. But the farmers may face several problems like diseases, loss due to fire, electricity, rain storm, sudden death of birds etc. To protect against such risk and loss, the farmers take insurance, from the following companies -

1. National Insurance Company (Ltd.)
2. Indian Insurance Company (Ltd.)
3. United Indian Insurance Company (Ltd.)
4. Oriental Insurance Company (Ltd.)

#### (a) Rate of Insurance Premium

1. Layer	1 day old chicks upto 27 weeks	Premium at Rs.2.00 per bird.
	From 27 weeks to 72 weeks.	@ Rs. 1.50/bird.
2. Broiler	1 day old to 8 weeks	@ Rs. 0.50/bird or Re.1.00/bird/year
3. Hortenary	1 day old to 72 weeks	@ Rs. 5.00/bird

To claim Insurance the following documents are required.

1. Death rate of the birds,
2. Culling,
3. Feed consumptions,
4. Type of diseases,
5. Vaccination, etc.

**(b) Administration of claim -**

If mortality of birds exceeds the following limits the Insurance Company accepts the claim.

- |            |               |                   |
|------------|---------------|-------------------|
| 1. Layer   | 1 to 8 weeks  | 5% of batch flock |
|            | 9 to 72 weeks | 3% of batch flock |
| 2. Broiler | 1 to 8 weeks  | 5% of batch flock |

**TABLE NO. 3.13**

**RATE OF RECEIVING CLAIM**

	Layer	Broiler
One day old	5.00	5.00
One week to eight weeks	6.00 to 10.00	6 to 15.00
16 to 20 weeks	15.00 to 20.00	-
21 to 52 weeks	21.00 to 23.00	-
53 to 72 weeks	23.00	-
72 weeks	18.00	-

It was found that out of 21 poultry farms only 5 big farm owners have taken insurance on poultry. Other have not taken due to difficult conditions, which are to be fulfilled. The insurance company require many documents, certificate of veterinity doctor. If mortality of birds exceeds prescribed limits, then only the insurance companies accept the claim.

### 3.2.16 - Term Credit -

Various banks viz. Commercial Bank, Co-operative Banks, Land Development Banks, Regional Banks etc. extend credit facilities to small and marginal farmers, agricultural labourers and other farmers for establishment of poultry units. Schemes for poultry farming are eligible for refinance from National Bank for agriculture and Rural Development (NABARD). NABARD is an apex institution for all matters relating to the policy, planning and operations in the field of agricultural credit. It serves as an apex refinancing agency for the institutions, providing investment and production credit. It promotes development through formulation and appraisal of projects through a well organised technical services department at the Head Office and technical cells at each of the Regional Office.

#### (a) Items for which loan is given

Banks provide financial assistance for the

following purposes :

- (a) For construction of brooder/layer sheds.
- (b) For purpose of poultry equipment such as feeders, waterers, brooders etc.
- (c) For day old chicks or ready to lay pullets.
- (d) For meeting working capital requirement in respect of feed medicines, and veterinary aid etc. for the first 5½ to 6 months (i.e. still the stage of income generation).

Cost of land is not considered for loan. However, if land is purchased for setting up a poultry farm, land cost can be treated as party's margin.

(b) Sanction of Bank Loan and Disbursement

After ensuring technical feasibility and financial viability, the scheme is sanctioned by the bank. The loan is disbursed in kind in 2 or 3 stages, for creation of specific assets such as construction of sheds, purchase of equipments, and recurring cost on purchase of first batch chicks and feed etc. constant follow up and supervision of the scheme is done by the Bank.

(c) Interest rate

Under the schemes refinanced by NABARD a small farmer (i.e. a beneficiary whose total family income as per 1981-82 price is less than Rs. 4,300/- per year) is charged 10% p.a.. Other farmers pay interest of 12.5% p.a. on the bank loan for layer and broiler farming.

(d) Security

For loan upto Rs. 5,000/- mortgage of land is not required as a security. Only hypothecation of assets created out of bank loan is sufficient.

For loan above Rs. 5,000/- mortgage of land and guarantee of 2 to 3 parties and hypothecation of assets may be required.

(e) Margin money

As per NABARD norms a margin money of 5, 10 or 15% is required to be given by small, medium or large farmers respectively. Being a small farmer/agricultural labourer if you are eligible to obtain subsidy from the government, you may not require to pay any margin money.

(f) Analysis

Poultry development in the district suffers from certain short comings and has not shown any signs of

progress during the past few years. Demand for poultry eggs and meat is largely met by imports from outside the districts. Unviable poultry units, high cost of poultry feed, lack of timely availability of day old chicks, high transportation cost etc., have impeded the progress under poultry development. Bank finance for poultry during 93-94 stood at Rs. 27.38 lakhs as against target of Rs. 27.61 lakhs. There are 67 layer farms in the district constituting 28 farms of 1000 to 2500 birds and 3 of 2500 to 5000 birds. There are 38 broiler farms of various capacity. Total egg production about 5 lakhs per year and broiler production of 75,000 kgs. poultry feed is required to be imported from outside since the only feed producing unit in the district can not meet the requirements.

(g) Credit Programme for 1995-96

Keeping in view the demand for eggs and poultry meat in the district and support now being assured by the Animal Husbandary dept., it is proposed to introduce fresh poultry units in the district as well expand existing units and make them more viable - A modest programme of 15 broilers and 10 layers have been projected for 1995-96. The PLP projection for the year 1994-95 for poultry development. The broilers from 3

units (200 birds per unit) established and Bank loan of Rs. 0.39 lakhs and to layers unit (1000 birds per unit) bank loan is given of Rs. 3.88 lakhs to the 3 layers unit in Karwar taluka.

DCP/SAP projects for the year 1994-95 for the broiler units and layer units at Rs. 2.53 lakhs to 8 broiler unit and Rs. 2 lakhs to 1 layer unit in Karwar taluka.

Sustainable credit programme for the year 1995-96 in Karwar taluka, Broilers 4 units worth of 0.49 lakhs and layers 2 units for total development of poultry (layers) i.e. Rs. 2.44 lakhs.

**3.2.17 - A Model scheme for starting poultry farm of 1000 layers -**

**SCHEDULE - 1**

**(A) Capital expenditure**

1. Shade 50' x 20' (Rs. 68 per sq.ft.)	68,000.00
2. Equipment like - Brooders, feeders, waterers etc. (Rs.12 per bird)	12,000.00
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TOTAL	80,000.00
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(B) Recurring expenditure

1. 1000 chicks rate Rs. 11.25 each	11,250.00
2. Chicks mash upto 8 weeks 1.8 kg. each total 1.8 ton rate 5100/ton	9,180.00
3. Grower mash 9 to 20 weeks, 5 kg. each total 5 ton rate Rs. 4900 per ton	24,500.00
4. Layer mash 21 to 25 weeks 3 kg. each total 3 ton rate 4650 per ton	13,950.00
5. Electricity and water Rs. 1.50/bird	1,500.00
6. Medicine Rs. 1.50 per bird	1,500.00
7. Misc. Rs. 0.75 per bird	750.00
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TOTAL	62,630.00
	=====
GROSS TOTAL : A + B ...	1,42,630.00
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SCHEDULE - 2Income & Expenditure of a Model Scheme for 1000 layers unit

Income	Amount	Expenditure	Amount
Egg per bird 270 total eggs 270000 rate Rs.1./egg	2,70,000	Layer mash each 40 kg. total 40 tons. Rate 4650/ton	1,86,000
Sale of cull birds at Rs.50.00/bird 950 birds x 50.00 (less 5% mortality)	47,500	Electricity and water Rs.250 p.m.	3,000
Manure 1 ton for 40 birds total 25 tons at 300 per ton	7,500	Self labour Rs.1000 p.m.	12,000
		Medicine Rs.2.00 per bird	2,000
		Interest on loan (14%)	16,800

contd...



Income	Amount	Expenditure	Amount
Sale of Gunny bags total 650 x Rs.10 per each	6,500	Repayment of loan (Rs. 2000 p.m.)	24,000
		<u>Depreciation</u>	
		On shed 10%	6,800
		On cage 10%	1,200
		Repurchase of chicks (12 weeks chicks) 1000 x 28 per chicks	28,000
		Insurance Rs.1.50 per bird	1,500
		Misc. Rs.1.50 per bird	1,500
		Net Profit	48,700
	<u>Total Rs. 3,31,500</u>		<u>Total Rs. 3,31,500</u>

SCHEDULE - 3

Repayment of loan and interest

Year	Total Loan	Repayment	Balance	Interest 14%
1	1,20,000	24,000	96,000	16,800
2	96,000	24,000	72,000	13,440
3	72,000	24,000	48,000	10,080
4	48,000	24,000	24,000	6,720
5	24,000	24,000	-	3,360

SCHEDULE - 4

Working Capital

Sr.No.	1st year	2nd year	3rd year	4th year	5th yr.
(1)	1,86,000	1,86,000	1,86,000	1,86,000	1,86,000
(2)	3,000	3,000	3,000	3,000	3,000
(3)	12,000	12,000	12,000	12,000	12,000
(4)	2,000	2,000	2,000	2,000	2,000
(5)	24,000	24,000	24,000	24,000	24,000
(6)	16,800	13,440	10,080	6,720	3,360
(7)	6,800	6,120	5,508	4,957	4,461
	1,200	1,080	972	875	787
(8)	28,000	28,000	28,000	28,000	28,000
(9)	1,500	1,500	1,500	1,500	1,500
(10)	1,500	1,500	1,500	1,500	1,500
	<u>2,82,800</u>	<u>2,78,600</u>	<u>2,74,560</u>	<u>2,70,552</u>	<u>2,66,608</u>

SCHEDULE - 5**Total Surplus**

Year	1	2	3	4	5
Total Income	3,31,500	3,31,500	3,31,500	3,31,500	3,31,500
Total Expenditure	2,82,800	2,78,640	2,74,560	2,70,552	2,66,608
Net SURplus	48,700	52,860	56,950	60,980	64,892

The total financial outlay required to establish a poultry farm with 1000 layers (500 layer per batch) at 20 weeks interval is Rs. 1,42,630/- and the Bank loan at 80% of outlay works out to Rs. approx. 1,20,000/- at 14% interest p.a. for a period of 5 years. With this investment a farmer will be able to earn a Net Profit of Rs. 40,000/- to 50,000/- even after repaying a sum of Rs. 40,800/- p.a. towards the loan account.

### 3.2.18 - The Main reasons for selling to wholesalers -

- (1) Poultry farmers are getting cash payment and some time advance also from the wholesalers
  - (2) Wholesellers buy their product during off season also.
  - (3) No marketing risk, if it is sold to the wholeseller.
- They are sure that the wholesalers purchase their product within 15 days (twice in a month).

- (4) They receive full amount of selling price from wholeseller. Hence, the margin is lesser than retailer market.
- (5) Turn-over is very fast, that is they are able to sell their product twice in a month to the wholeseller (two batch in a month).
- (6) If the products (broiler cull layers and eggs) are sold to the wholeseller, the cost of transport is borne by the wholeseller.
- (7) Farm products are presihable in bulk (minimum batch of 500 birds), so transportation and warehousing cost are very high, to avoid this the products are sold to the wholeseller.
- (8) Most of the farmers started their business in small scale, So they find it difficult to keep their product for long time (i.e. more than 8 weeks of broiler bird) due to <sup>in</sup>adequate storage facilities.
- (9) If the products sold to the wholeseller the farmer get lumpsum amount and the amount is used for buying new batch of chicks.

### 3.2.19 - Factors to be considered for starting poultry -

- (1) Business can be enlarged within short period.
- (2) Business can be started with a small amount of investment.

- (3) Within six months the production is started.
- (4) Income received regularly and throughout the year; hence day to day requirements are fulfilled.
- (5) To start a business as small space (land) is required.
- (6) One-man can look after 2000 to 4000 birds.
- (7) To start a poultry farm, only 8 to 10 days training is sufficient.
- (8) Repayment of loan is also easy, due to regular (daily) income of poultry farm.
- (9) They are entitled to get subsidy from Government.

#### **3.2.20 - Technical feasibility -**

Banks have contributed in a large measure to the growth and development of poultry farming. Bank loans are available for financing every aspect of this activity viz. construction of poultry sheds, storage rooms, purchase of poultry equipment, rearing and purchase of one day old chicks, brooders, growers and layers, during the growing or laying period.

Credit facilities in respect of technical feasibility, commercial feasibility, and financial feasibility are being assessed through the following procedures.

contd...

1. Technical Feasibility

- a) Choice of site,
- b) Farm layout and location of poultry farm,
- c) Choice of chicks,
- d) Feed and equipment,
- e) Veterinary services,
- f) Assured water supply and electricity etc.

2. Commercial Feasibility

- a) Marketing,
- b) Transport charges.

3. Financial Feasibility

- a) Cost of birds,
- b) Cost of feed during various stages,
- c) Annual production of eggs, and their selling price and demand,
- d) Income from sale of culled birds, empty bags, interest on borrowed capital, etc.

Generally, the capital investment is to be rapid in the succeeding 2 to 3 years, and working capital requirements in 12 monthly instalments commencing from 7th month in case of egg producing farms, and from 10th week in case of broilers.

### Inter-farm Comparison

Based on costing and other data collected, certain ratios may be calculated to carry out inter-farm comparison.

#### a) Feed Efficiency Ratio

1. Average feed consumed per bird during the week (in kgs) =  $\frac{\text{Weekly feed consumption}}{\text{Effective no.of birds}}$
2. Average feed consumed per bird upto egg laying stage (in kgs) =  $\frac{\text{Total cumulative feed qty. upto the date of egg laying}}{\text{Effective no.of birds}}$
3. Average feed consumed per bird till close of the batch =  $\frac{\text{Grand total of feed consumed}}{\text{Effective no.of birds}}$

#### b) Mortality Ratios

1. Mortality percentage during the growing stage =  $\frac{\text{Total number of deaths during that stage}}{\text{No.of birds}} \times 100$
2. Mortality percentage during the egg laying stage. =  $\frac{\text{Total no.of death during that stage}}{\text{No.of birds}} \times 100$

#### c) Egg production Ratios

1. Average egg production per month per bird. =  $\frac{\text{Total production during the month}}{\text{No. of birds}}$
- Daily average production per batch =  $\frac{\text{Total no.of eggs in the month}}{30 \text{ or } 31 \text{ (no.of days in the month)}}$

**3.2.21 - To assess complete performance of Poultry following important information is required**

- 1) Flock No. :  
Shed No. :
- 2) Date of purchase of chicks or birds :
- 3) Breed :
- 4) No. purchased :  
Cost :
- 5) Mortality :
- 6) Average body weight gms.
- 7) Name of feed manufacturers :  
Chicks mash used 0 to 8 weeks kg.  
Grower mash used 9 to 20 weeks kg.  
Layer mash used 20 to 72 weeks kg.  
Average daily consumption of layer gms.
- 8) Mortality  
0 to 8 weeks No.  
9 to 20 weeks?  
20 to 72 weeks.
- 9) Sale of birds  
No. sold Amount realised
- 10) Average body weight  
1. Old day chicks Gms.  
2. 20 weeks old Gms.  
3. Weight at the time of liquidation Kg.



