

## PRESENT STATUS OF MEAT, POULTRY AND FISH INDUSTRY IN INDIA

### **Current Status of Meat Industry in India**

Animal food is considered as good source of quality nutrients viz. fat, protein, carbohydrates and minerals. Digestibility of animal source protein is 90-97% while vegetable origin proteins have 75-99%. However, proteins of animal origin are more completely digested and nutritionally superior than those of plant origin. Protein digestibility corrected amino acid score (PDCAAS), protein efficiency ratio (PER) and biological value (BV) of animal and plant proteins are 0.9-1.0 and 0.42-0.70; 3-4 and 1.5-2.6; 74-94 and 65-73 respectively. On the other hand, plant origin proteins are deficient in at least one of more essential amino-acids e.g. some cereals in lysine and some legumes in methionine but the animal proteins contain all essential amino acids.

India has the largest livestock population (485 million) which represent about 55% (96 million) and 16% of the worlds buffalo and cattle populations respectively (17th Census 2003). The country ranks second in goats, third in sheep and camels, and seventh in poultry populations in the world. Although India has been the top producer of milk (>115 MT, 15% global production) which is one of the primary produce of the livestock sector, the meat production is only 5 million tones annually representing mere 2% of the world production. Nearly three million tonnes of broiler meat and about 2.86 million tonnes of eggs are produced annually in India. Growing at about 20 per cent annually the domestic poultry market is currently estimated at about Rs. 49,000 crore.

The domestic market is mostly confined to fresh meat because of the eating habits of the Indians. Therefore hardly 40-50% of the total processing capacity of over 1 million tones per annum is utilized. Among processed meat, 6% of production of poultry meat is sold in the processed form of which only 1% is marketed as value added ready-to-eat/ready-to-cook types. Of the total meat produced, only about 1% is converted into value added products like sausages, ham, bacon, kababs, meatballs, etc.

Buffalo meat production was at 2.85 million tons in 2010 and is expected to increase marginally through 2012 (growing at 3%). The growth is primarily due to increasing domestic consumption, growing exports and a new trend of raising male buffalo calves for meat production. Spent buffalo cows are also used for meat purpose. Currently, the processing level of buffalo meat is estimated at 21%.

The buffalo meat share in total meat exports from India is more than 90 percent (in value terms), followed by 3% per cent share of goat and sheep meat and the rest comprising of poultry meat and animal casings. Exports of other types of meats such as from pork, poultry, and processed

meat are almost negligible due to higher costs, inadequate meat processing facilities, and infrastructure constraints. For exports mostly deboned frozen buffalo meat is used. The demand for bovine meat has increased over the years in the global markets resulting in higher prices of cattle meat. This has opened new opportunities for us and led to increase in buffalo meat exports from India in recent years.

Beef exports are forecast to rise 5 percent in 2012 on robust global demand, particularly to Southeast Asia, the Middle East and North Africa. India accounts for nearly half of world growth in 2012 on increased supplies and price-competitive shipments to emerging markets. The export is restricted to very few products. The export from sheep and goat is very low. As per APEDA statistics (2010-11), the export of buffalo meat is 7,09,437 tonnes (Rs. 8412 crore), processed meat 1,19,08 tonnes (value Rs 253 crore), poultry products 6,19,150 tonnes (Rs 301 crore) while that of animal casings it is 1809 tonnes (Rs. 35 crores). Buffalo milk is not very remunerative because of competitive disadvantages and the export is largely restricted to few countries in the Middle East.

Slaughter rate for cattle as a whole is 20%, for buffaloes it is 41%, pigs 99%, sheep 30% and 40% for goats. In India there are about 3,900 licensed & authorized slaughter houses besides around 26,000 unauthorized slaughter houses. Furthermore, there are 13 export-oriented, modern, integrated abattoirs or meat processing plants registered with the Agricultural and Processed Food Export Development Authority (APEDA). In addition to these, there are 24 meat processing and packaging units, which receive dressed carcasses from approved municipal slaughter houses for the export of meat. According to the Ministry of Food Processing Industries (MFPI), about 70% of poultry processing is in the organised sector and 30% is in the unorganised sector. Nearly 60-70% of the broiler industry is located in the southern states, as is much of the layer industry.

Per capita consumption of meat from beef and veal put together in 2011 was only 1.6 kg. Mutton and lamb is relatively smaller segment where demand is outstripping supply, which explains the high prices in domestic market. The production levels have been almost constant at 950,000 MT with annual exports of less than 10,000 MT. This has restricted large processing companies from developing business interests in this sector. Production of meat is governed under local by-laws as slaughtering is a state subject. Processing of meat is licensed under the Meat Food Products Order (1973).

### **Status of Poultry Sector**

India is the third largest producer of eggs and ninth largest producer of poultry meat in the world. The poultry industry has registered significant growth. In 2010-11, India's egg production reached 61.5 billion eggs, up 68% from 36.6 billion in 2000-01. As per FAOSTAT latest production data for the year 2010, India ranks 3rd in egg production in the world. Poultry

exports are mostly to Maldives and Oman. Indian poultry meat products have good markets in Japan, Malaysia, Indonesia and Singapore. Among Indian states, Andhra Pradesh stands as the highest egg producer. Both public and private sector organizations have played important role in the poultry industry. India at present has only five egg powder plants which is inadequate considering the fact that export demand for different categories of powder viz., whole egg, yolk and albumen are increasing. There is a huge scope for the growth of poultry industry as the country's annual per capita consumption is only 2.4 kgs. Per capita consumption has grown from 1.22 kgs in 2001 to 2.26 kgs in 2010, an increase of 185%. The National Institute of Nutrition has recommended 180 eggs and 11 kg of meat per capita consumption for our country

India's poultry product exports are mainly confined to eggs and egg powder, which are growing due to cost competitiveness and logistical advantages. There are no restrictions on exports of poultry and poultry products. The government provides some transportation subsidies (Rs 3-15 per kg) for its exports. For the development of meat export from India the industry has demanded some immediate measures like financial assistance for upgradation of export oriented abattoirs/processing plants. Inclusion of buffalo meat under APEDA's Transport Assistance Scheme for new markets in Africa/CIS (Commonwealth of Independent States) where freight cost from India for refrigerated containers is much higher than from competing countries. Restoration of DEPB rates for frozen buffalo meat. Exemption from Service Tax on transportation of meat products processed for exports. This is presently applicable only for fruits, vegetables, eggs or milk even for domestic consumption.

### **Status of Fisheries Sector**

India is the second largest producer of fish in the world, contributing about 5.54 percent of the global production. The total fish production during 2010-11 was 8.29 million tonnes with a contribution of 5.07 million tonnes from the inland sector and 3.22 million

tonnes from the marine sector. The value of output from the fisheries sector at current prices during 2009-10 was Rs. 67,913 crore which is 4.9 per cent of the total output of agriculture & allied sectors. India's marine product exports have for the first time crossed USD 2 billion. During 2010-11, the volume of fish and fish products exported was 8,13,091 tonnes worth Rs. 12,901 crore registering the highest growth rate of 10% in volume of fish exports in recent years.

### **Future Strategies for Sustainable Growth of Meat, Poultry and Fisheries Sectors**

In view of the immense potential of the meat, poultry and fisheries sector, policymakers have recommended certain critical measures to support this vital segment of the Indian agriculture. Modernization of abattoirs, setting up of rural abattoirs and registration of all slaughter houses

in cities/towns are essential for quality meat production. Besides, setting up of large commercial meat farms have been recommended to address the traceability issues necessary for stringent quality standards of CODEX. It has also been suggested that the goat sector has immense potential and needs to be supported in terms of higher investment, community approach and establishment of proper linkages between the processing industry and the market. Similar approach is needed for sheep sector which has remained almost static for a long time. Poultry sector in the country has now emerged as organized industry and important issues like breeding farms, hatchery, feed mills, equipment manufacture, feed supplements, drug and vaccine production, etc. have been addressed in a very satisfactory way. However marketing of the final product still remains mostly in the hands of traders which need to be addressed properly. The other important issues for the poultry sector are improved Feed Conversion Ratios (FCR) and quick control measures for tackling disease outbreaks. The overall growth rate in livestock sector is proposed to be revised to 5 per cent during the current Plan with a 4 per cent growth rate for milk sector and 68 per cent for poultry and meat sector.

The marine fisheries sector is expected to grow at the rate of 2.0 percent annually and it is estimated that 3.669 MMT of marine fish would be harvested by the year 2016-17. With this production, the country will be exploiting about 83 percent of its potential harvest of 4.419 MMT. The developments and trends in fish production in the inland sector suggest that a growth rate of 8.0 percent can be achieved by the inland sector. With this growth rate, it is estimated to reach a fish production target of 7.910 MMT by the end of the Twelfth Plan Period (2016-17). The strategies adopted for achieving the targets are to include integrated approach for enhancing inland fish production and productivity with forward and backward linkages right from the production chain. This has to also include input requirements like quality fish seeds and fish feeds and creation of required infrastructure for harvesting, hygienic handling, value addition and marketing of fish. It is proposed to revamp the Existing Fish Farmers Development Authority (FFDAs) and cooperative sectors, besides actively involving the self help groups and youths in intensive aquaculture activities. Sustainable exploitation of marine fishery resources especially deep sea resources and enhancement of marine fish production through sea farming, Mari culture, resource replenishment programme like setting up of artificial reefs etc are the other measures that could enhance marine fisheries sector.