

Good Practice Note

Making Modern Poultry Markets Work for the Poor



REGION : South Asia
COUNTRY : India
STATE : Madhya Pradesh
DISTRICT : Hoshangabad, Kesla

SOUTH ASIA
Pro Poor Livestock Policy Programme
A joint initiative of NDDB and FAO

GOOD PRACTICE OWNER and GOOD PRACTICE CHAMPIONS

A **Good Practice (GP)** Owner is a person/group of individuals and/or institution that plays a crucial role in the GP. Thus, a GP owner understands all the ins and outs of the GP and is often the initiator of GP.

Others involved in the Practice (not considered GP Owners) may be invited to assist in the filtering and writing process. Such persons, who have insights into what makes the GP pro-poor, are better-positioned to help influence policies. Thus, with their thorough understanding of the GP, they (as an individual or as a team) can function as **GP Champions**.

Making Modern Poultry Markets

Work for the Poor

An example of Cooperative Development from Madhya Pradesh, India

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Acknowledgements

Identification of Good Practices (GPs) goes hand in hand with developing an understanding of pro-poor livestock development, building capacity in documentation and the use of simple tools to sensitize actors, build coalitions and influence policy formulation and implementation.

Through a fairly rigorous and iterative process, the SA PPLPP team developed a set of guidelines* for identifying and preparing GP Notes. Step by step, teams in Bhutan, Bangladesh and India made considerable progress in identifying and capturing potential GPs on various themes – 'Smallholder Poultry', 'Small Ruminants' and 'Livestock and Common Property Resources' – related to poor livestock keepers.

This underlying Good Practice Note went through several stages. The first two draft Good Practice notes (SAGP03 & SAGP09) were forwarded to SA PPLPP by Dr. H.K. Deka, heading a Women Poultry Producers Company Pvt. Ltd. in the State of Madhya Pradesh and Mr. Prem Bhaskar, an executive (project) with the Torpa Poultry Cooperative Ltd in Jharkhand. Both draft GP notes, had sufficient information to be taken to Learning Event 1**; the event was seen as an opportunity for the GP owners and the GP champions from the three countries to come together and along with senior experts in the sector, interpret and analyse the GPs identified. As was the case with almost all other notes, the two authors too were requested to provide more statistical and economic data, concentrate on past, present and future of one cooperative, etc. Post learning event, most GP owners were inspired and motivated to improve the first draft version; based on the advice and comments received Dr. H.K. Deka forwarded his second draft (SAGP03) rather soon thereafter. It was decided to go forward with SAGP03 since it concerns a practice which has been in existence over a longer period of time. The second draft was then forwarded for peer review. Next, Dr. Mamta Dhawan (SA PPLPP), Ms. Kavita Maria (Pradan) and Ms. Shefali Misra (SA PPLPP) conducted internal research and formulated the third draft; since it concerned the first GP note, trials were made regarding table of content, differentiating main and supplementary text etc. Finally, Lucy Maarse (SA PPLPP) prepared the fourth and final draft. Many persons, therefore, have contributed to this Good Practice Note and each input, howsoever small, greatly strengthened this document.

Although it took about ten months from submission of first draft to final version, whoever contributed developed a thorough understanding of the GP and can now be rightly called a GP Champion.

* Concerned guidelines are available at: <http://saplpp.org/mainpage-information-hub>

** Proceedings of the Learning Event "Small Scale Poultry Production", 7th - 9th May 2008 available at: http://saplpp.org/informationhub/learning_event_small_scale-poultry-production-proceedings

I. Introduction

There is strong evidence that growth in the livestock sector can significantly contribute to both economic development and poverty reduction. This is because the demand for food from animal source is increasing relentlessly in developing countries (Ali, 2007¹; Khan, 2004²) and the largest share of rural poor are partly or wholly dependent on livestock for livelihood sustenance. However, there is also evidence that, given pervasive market and institutional imperfections, mainly commercial producers have benefited from the growing markets for animal protein, and that the potential contribution of livestock sector growth to poverty reduction has remained largely untapped (Blench et al., 2003³).

India's poultry sector is a case in point. The per capita consumption of poultry meat rose from 0.2 kg in 1970 to 1.6 kg in 2003 (FAO, 2008⁴). As a result, poultry has become the fastest growing agriculture enterprise that grew remarkably, at 6% during the 1980s, accelerating to 11% in 1990s and nearly 19% during 1997-2002. About 1.8 million tones of poultry was consumed in 2007 and is projected to grow to 2.3 million tones by 2010, with the commercial poultry industry already pegged at a 1,500 million broiler capacity.

The growth in the poultry sector has been driven by large commercial farms whilst small farmers and the landless (who form majority of poultry producers), have been largely by passed by this growth (GOI, 2005⁵). This is mainly because turning subsistence poultry rearing into income-generating enterprises, thereby opening doors for poor to join bustling livestock markets, is easier said than done. Rigid entry barriers like supply chain demands, competition, lack of extension, marketing services and access to appropriate technology serve as major impediments disallowing the poor to participate in market opportunities. (refer Box 1).

As a result, the reality today is that small-producers currently contribute a mere 8% of total share to this sector.

Given these figures, the Government of India has flagged the importance of poultry development in reducing poverty and has projected that it could create 35,000 primary and another 50,000 subsidiary rural livelihoods⁶. Although recognising it is important, but the question, '**how to promote sector development in the interest of small scale poultry producers**' remains; i.e. it

Box 1: Why the rural poor have stayed away?

The tremendous success of poultry development has bypassed rural poor for the following reasons.

❖ High entry barriers

Poultry industry is highly organised, complex, competitive and intensely market-oriented. The poor with their socio-economic disadvantages and low skill base cannot enter the sector without outside support or intervention.

❖ Input supply, extension and marketing

In contrast to the existing situation in which multiple agencies provide these services of input supply, extension and marketing, poor producers would require all these services under one roof.

❖ Access to technology

Sophisticated technology, when not scaled down, will remain with the more well-to-do farmers. Appropriate technology, which is scalable, improves access in favour of the poor.

❖ Policy support

A more facilitating policy to provide a level playing field for the poor in remote areas is necessary.

Source: Pradan, 2008, 'Livestock Opportunities in Broiler Farming',

¹ Ali, J. (2007), Livestock sector development and implications for rural poverty alleviation in India, Livestock Research for Rural Development, Volume 19, Number 2, February 2007

² Khan A.A. (2004) Livestock Revolution in India: Its Impact and Policy Response. South Asia Research, 24(2): 99-122.

³ Blench, R., Chapman, R. and Slaymaker, T. (2003) A study of the Role of Livestock in Poverty Reduction Strategy Papers (PRSPs), PPLPI Working Paper 1, Food and Agriculture Organization, Available at <http://www.fao.org/ag/againfo/projects/en/pplpi/publications.html>.

⁴ FAO (2008) FAOSTAT, www.faostat.fao.org.

⁵ GOI (2005) Draft National Poultry Policy. Department of Animal Husbandry, Dairying and Fisheries. Ministry of Agriculture. Government of India.

⁶ Poultry Vision 2010, Ministry of Agriculture, Government of India.

is about how to design strategies and programs which are effective at supporting a pro-poor growth of the poultry sector.

This Good Practice Note presents an answer to '**how sector development can be promoted in the interest of small scale poultry producers**' through an example of a home based broiler farming model⁷ that has successfully enabled small (female) producers to overcome commercial poultry barriers.

Supported by a public service organization called PRADAN⁸, this initiative also presents the success of the cooperative approach (federated at state level into a producer company) where production and marketing development have been de-linked to minimise producer risks and retain a standard of equity.

⁷ For a quick overview of the small-holder producers poultry model (home based broiler farming) and its key elements, consult Annexure VIII.

⁸ PRADAN works towards promoting rural livelihoods in poverty stricken central Indian regions. It works with 150,000 families on different livelihood approaches including agriculture, livestock, forestry and small enterprise promotion within its overall integrated Natural Resource Management Portfolio.

II. Background

In 1992, the far flung block of Kesla in Hoshangabad district of Madhya Pradesh was a picture of backwardness. With just 38% of villages linked by roads, low literacy rate⁹ and only 9% of the area irrigated, agriculture was mainly rain fed and the predominantly tribal population (over 80% of total population) struggled for daily sustenance. The average productivity of millets and maize was barely 40 % of the national average and most families were unable to meet grain requirements for more than six months in a year. The typical livelihood portfolio comprised an unreliable basket of one-third earnings from rainfed agriculture, one third from collection of minor forest produce and the rest from wage earnings resulting in an overall average annual household income of about Rs.15,000-18,000.

As a result, people were being forced to choose vulnerable occupations like wage earnings as migratory labourers or construction workers. Some even resorted to collecting unused artillery shells from nearby military firing ranges to sell as scrap metal at a high risk to their lives, while other families mortgaged their agriculture outputs at low rates much before the harvest to fulfil immediate household requirements.

To address the impediments faced by the people of Kesla, PRADAN decided to initiate interventions to upgrade and enhance income from poultry production. Among the tribal households, poultry is the most common livestock species and every household keeps at least some birds in their backyard. The keeping of poultry in small numbers as part of the integrated farming system, is centuries old and commonly under the control of women, who are knowledgeable and skilled in rearing these indigenous birds. Recognising this, PRADAN started with augmenting backyard poultry, but its final vision was the initiation of a home-based broiler farming pilot. This was based on the hypothesis that it was possible for a larger conglomerate of small-producers to surmount commercial poultry barriers provided rural production efficiency, quality orientation and veterinary inputs were entwined into a cost effective system that could withstand the volatile nature of the poultry market.

However, overcoming local issues and building a culture of business ethics required efforts in faith building, capacity development and a plethora of decentralised support services. It revealed that working out the intricacies of managing a rural enterprise in a democratic manner took many years and was fundamental in converting potential into pro-poor profit.

⁹ Source – Census 1991 & 2001: Literacy Rate for male was 67% and 81% and for female 39% and 58% in the years 1991 and 2001 respectively.

III. Key Elements of this Good Practice

3.1 The Origin

Poultry was an important component of Kesla's livelihood profile. Most poor households reared 5-15 country fowls which survived by scavenging on household waste and required little family resources both in terms of labour and cash. Though per bird return to farmer is high, the annual return from the activity to a family keeping 15-20 birds is Rs.1,200 - 1,800. A typical poor family in the area has an annual income of Rs.16,000 from the entire portfolio of livelihood activities, thus the share of income from backyard poultry keeping in portfolio is 10-12 % mainly meeting emergency cash requirements, eggs for home consumption and poultry meat for festivals and welcoming guests.

In the year 1988, PRADAN encouraged these communities to enhance the size and efficiency of their poultry enterprises and various approaches were introduced on a small scale. Through learning by doing PRADAN assessed that small-scale broiler farming is feasible. When a number of preconditions are in place (see Annexure I for 'feasibility checklist'), small-scale broiler farming can be relevant to the poor given availability of ready markets nearby and scope to adapt the commercial broiler¹⁰ production model to farmer's needs and capabilities.

However, despite potential, small-producers feared the risks of broiler production and found it easier to invest in a chick price of 30-50 paise for a cockerel (male specie of commercial layer birds) compared to Rs 5-7 for a broiler. PRADAN thus started by introducing incremental changes and built on pre-existing backyard poultry systems through supply of cockerels, improved dual purpose birds (refer Box 2), marketing support and mobilisation of poultry rearers (comprising of women from tribal and dalit families) into Self Help Groups. However, only a small niche market existed for these birds, the production

Box 2: Working with the dual purpose birds 'Dibyan Red' and 'Kuroiler' bird

Already at an early stage Pradan experimented with the dual purpose bird called 'Dibyan Red', but the experiences were not encouraging, partly due to Pradan's own inexperience, partly due to the failure of the supporting agency to meet their commitments. Having heard of the successful introduction of the dual purpose village hardy scavenging bird 'Kuroiler' in West Bengal, the producing company Keggfarms Ltd was approached and cooperation established. The doorstep delivery model (Ahuja et al., 2008) as developed by Keggfarms Ltd was introduced; the set-up of dealers, mother units, and bicycle vendors worked initially very well and provided a promising income; the performance of the birds was remarkable and members of the self help groups took loans to buy Kuroiler chicks from the mother units in batches of 50 to 100 per member. The first rearers taking a batch of 50 chicks on a loan basis would manage a net profit of Rs 940 in about 6 weeks and rearing 100 chicks a batch would fetch a profit of Rs 5,280 in a year (Pawan K. Ojha, 2002).

Aiming at livelihood interventions which can provide a substantial income made Pradan intensify and up-scale this approach. Two experiences led to moving away from the 'Kuroiler' bird and introduction of the broiler bird. Although 'Kuroiler' did fetch a higher price than broiler initially, when the supply increased the market price dropped to broiler level. This made the 'Kuroiler', which has a much higher feed conversion rate than broiler, economically less attractive. For a high input system the right bird has to be put in place and the 'Kuroiler' is typically developed for a (semi) scavenging system and is dual purpose implying making use of both its meat and egg production potential.

Pawan K. Ojha, 2002. 'Couring Kuroilers: setting up crossbred poultry as a backup livelihood activity for the poor in Lohardaga', NewsReach issue April 2002, Delhi, India.

Ahuja Vinod, M. Dhawan, M. Punjabi, and L. Maarse, 2008. "Poultry based livelihoods of rural poor: case of Kuroiler in West Bengal", Research Report, South Asia Pro Poor Livestock Policy Programme, New Delhi, India. Available at <<http://www.sapplpp.org/goodpractices/doc-12-poultry-based-livelihoods-of-rural-poor-case-of-kuroiler-in-west-bengal>>

¹⁰ Broilers: fast-growing birds, which mature in 5 to 7 weeks for the table purpose and have tender meat with soft, pliable, smooth textured skin and flexible breastbone cartilage.

cycle took over 3 months and farmers could not increase flock size beyond 20-25 given limitations in providing feed from homestead.

In 1992, small-producers and PRADAN re-evaluated the economics of poultry rearing and asked (refer Box 3), “when we have already started thinking of building sheds and buying feed, why not invest in broilers and gain more profit?” (refer Box 4)

While this new vision was encouraging, the reality was that commercial poultry was a volatile industry with daily fluctuations in market prices. It was also very organised requiring high end input services to produce and market live birds.

To match the sector demands, local production efficiency needed not only to be at par with industry standards, but procurement, inputs and market management needed to meet an economy of scale for the system to be effective in the long run.

3.2 The Strategy

In 1992, PRADAN¹¹ undertook the first steps towards facilitating the SHGs to shift to broiler production. It linked up with a commercial hatchery and helped convert existing cockerel sheds into broiler farms. The initial costs for broiler shed construction were mobilised through bank loans and existing Government initiated poverty reduction schemes like the Swarna Jayanti Gram Swarojgar Yojana¹² and the District Poverty Initiative Project. PRADAN ensured that grants were made available only to genuine candidates. This included members who were willing to undergo trainings and those that provided written assurance that the poultry infrastructure would be in the name of the **women** and would be used by them.

Despite such planning, it still took several years to work out the intricacies of broiler management. The process was highly sophisticated and technology intensive. Working out simple aspects such as correct unit size, shed design, materials for shed construction along with production technology and local organization needed time, trials and effort. For example, initially some producers were outsourcing the brooding stage and would then supply chicks to others. After realizing that those centralized brooding¹³ units did not have a ‘stake’ in producing quality chicks, the brooding stage was then integrated. Further, external impediments like Ranikhet¹⁴ outbreak caused major mortality in the initial years and challenged the dreams of the small-producers.

In 1997, based on the mixed experiences till date, the importance of having a robust local management system was felt. PRADAN motivated SHGs to organize themselves into a Cooperative¹⁵. Under this, all a producer needed to become a member was one cent of land (435 sq ft), either owned or leased to setup broiler rearing sheds, which could house 300-400

Box 3: Why augmenting traditional poultry rearing was abandoned

Pradan aims at livelihood activities which can provide a substantial income to poor rural households and perceive a supplementary income of 5-15% too meager. Experiences with introducing improved breeds (e.g. cockerels—cheap male birds of commercial layer lines; the dual purpose (egg & meat) birds were mixed.

Introducing the fast growing broilers, Pradan reasoned as follows:

- niche market for improved birds such as 'Kuroiler' were limited;
- growth of cockerels (layer variety) too slow;
- production cycle remains rather long and poor families require quicker returns;
- risk reduction such as protecting birds against predators would necessitate creation of 'confined' space. This would imply investing in housing of the birds;
- the scavenging area per homestead and household waste would provide feed for 20-25 birds. Increasing the number of birds would imply buying feed from outside.

When feed needs to be bought, poultry housing to be provided, it is logical to search for a bird which can provide the maximum return to investments made. The broiler has the ability to convert a maximum amount of feed into meat; i.e. high feed conversion rate (FCR).

¹¹ PRADAN works in several States and the different field teams made their own experiences with rural poultry production. The approaches tested and experiences made are therefore not necessarily uniform among all the teams. Box 11, 'Salient Features and Learning's from Each Phase' presents an analysis of the overall poultry experiences made by PRADAN during the period 1988 – 2002 onwards.

¹² SGSY, a government scheme aims to establish micro enterprises in rural areas by providing subsidy linked credit to individuals living below the poverty line who form a Self Help Group. In Kesla. For a broiler shed of approximately Rs 36000, the government gave a subsidy of Rs 12000, the bank gave credit of Rs 18000 and farmers raised Rs 6000 themselves.

¹³ Brooding period: the time interval when the young chicks are still supplied with supplementary heat, lasting for two weeks in the tropics depending on the housing and weather conditions.

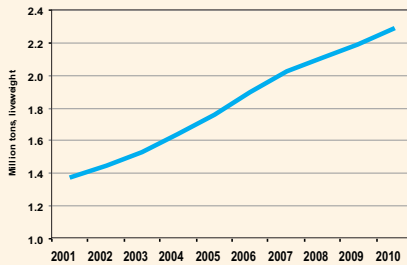
¹⁴ Ranikhet disease: also known as the New Castle disease. Infectious, contagious and highly fatal disease caused by a NDV virus. It affects birds of all ages.

¹⁵ A cooperative is like any other business but in several ways it is unique because they are democratic enterprises owned and controlled by their members wherein surplus revenue is returned to the members. Cooperatives are thus motivated not by profit, but by service to meet their members' needs. Its structure enables farmers to organise themselves as collectives and own processing units that sometimes extend up to the retail level.

Box 4: Why Broiler Production?



Commercial broiler bird



Graph : Projected growth of broiler meat production
Source: USDA/ ERS

Broilers have an advantage of an accessible and growing market. The birds grow very fast and are highly efficient in converting feed into meat. The sector is pegged at 15% plus annual growth. Moreover, with some external support, the skills and technologies required to produce broilers can be easily adapted to village level and community requirements.

Broiler production also provides the advantage of moderate initial investment coupled with quick and better returns. Lastly, cultural familiarity of the poor to fowl rearing makes it an easily accepted avocation.

Source: Adapted from Pradan, 2007, 'Livelihood Opportunities in Broiler Farming'.

birds. These birds were reared around a 32-35 day cycle thereby allowing members to take on 6-7 batches a year. The cooperative on its part would provide: **i)** production organisation support; **ii)** act as an interface with input-output market; and, **iii)** maintain financial systems.

One of the first steps the cooperative took was to de-link production and market promotion. This was because the poultry market was volatile, with daily fluctuations in prices. Thus, while small-producers would otherwise rear a good batch, they risked huge losses if they sold their batch on a bad price day. Kesla Cooperative therefore ensured lifting of ready birds at pre-determined fixed

rates and dates. However, bringing producers together around pre-existing cooperative norms was a key challenge. A ready local market could sometimes offer 60% higher than cooperative rates and often the 'better informed' members preferred not to sell to the cooperative on pre existing dates or rates. The situation became even more difficult when backend inputs given on credit to producers had to be deducted after sale of produce, while individual cash stress could be another factor for delinquency behaviour. This created a culture of mistrust and it took many years before members understood the benefits of long term membership, learnt how to calculate input-output costs and analyse Cooperative balance sheets. These cumulative efforts created disincentives for individual delinquency and built a culture of enhancing joint member profits in the long run.

Creating an established market for broilers was also a major hurdle. Despite initial feasibility studies indicating immense market potential in Bhopal, it soon became clear that transaction costs associated with reaching Bhopal markets were unviable at present volume of production. The local table meat markets were essentially of goat-meat, and chicken sold was mostly country fowl/traditional (*desi*) birds. It thus took 2 years to establish the broiler as an alternate meat product sold by weight in these markets. (refer Box 5)

Organizing supply of quality inputs-output services at competitive prices was another challenge that took many years to solve. For each positive outcome, detailed inputs had to be planned and implemented. For example, to ensure that production efficiency was at par with industry standards, rigorous producer trainings, intensive production support, quality orientation, and on-call veterinary services were introduced. The cooperative ensured procurement of inputs (like chicks, feed, medicines and litter material) in bulk along with supply of veterinary services and marketing facilities through local traders, city warehouses and Sukhtawa retail outlets.

All members underwent training that covered all aspects like chick management, measuring feed and medicines, vaccine schedules, prevention of diseases, maintenance of sheds, usage of poultry equipment and record keeping. The training also took the members through the

intricacies of an entire rearing cycle including enhanced focus on bio-security, management of major diseases, water management, litter management etc.

Each village of 25-30 producers was allocated a trained para-vet/Animal Health Worker (called **supervisor**¹⁶) who provided round the clock production support including distribution of inputs as per member's requirements. The Supervisor also ensured disinfection of the shed, vaccination and lifting of birds, monitored bird weight, recorded mortality and brought information to the cooperative office where jointly, with the veterinary doctor, production performance was analysed and corrective measures were suggested.

Each member was provided with a production book (see annexure III). This pre-formatted book captures the different transactions and production efficiency indicators of batches. The book is filled with the help of supervisor. It keeps a record of inputs supplied, flock performance and sale of birds for each batch. The batch wise production and performance is recorded in this book. The book provides for recording the particulars of 7 batches to cover a period of one year. In this way, the most essential records such as main inputs (day old chick, feed, medicine), miscellaneous inputs (lime, saw dust), versus sale of broiler birds, balance of feed after sale of broiler birds, are recorded in addition to entry of mortality and its reason. It allows the supervisor to prepare a performance summary after broiler birds of the entire batch are sold; i.e. duration (days), mortality (%), average weight (kg/bird), feed consumed (kg/bird), feed conversion rate and efficiency index¹⁷.

It thus forms an **important extension and communication tool** which he¹⁸ uses to communicate and interact with the concerned member as well as during weekly meetings with other supervisors. Members in turn can use it in their management meetings.

The Cooperative also set up customized software called *Udyogmunshi* specially designed for small holder poultry (see annexure IV), which generated regular Management Information System reports for review and feedback. Based on these reports, support services were made available to members to analyse reasons of high or low profits at the cooperative office.

3.3 Structure and the People Involved

Running the poultry business in a viable manner required efficiency and synergy between operations at individual producer's level and at Cooperative level. A Chief Executive Officer (CEO) manages the day-to-day operations of the cooperative and is assisted by 37 employed staff (including supervisors) coming from the affiliated villages. Each month a Governing Board, comprising at least 11 elected women representatives, meets to take decisions on performance of clusters, procurement, supply, fixing of input-output prices, new appointments, fixing remuneration¹⁹ of different staff, and marketing issues (like price and pick up dates).

Box 5: Building the Sukhtawa Broiler Brand



Kesla Cooperative has set up four state of the art Sukhtawa Chicken outlets in Bhopal where chicken are sold live and are processed in the machine in front of the consumer. Detailed protocols for maintaining hygiene have been developed and compliance reports are regularly prepared by the shop manager. Kesla supplies birds by live weight to the shop and each shop sells on a average 1000-1500 kg every month with a margin of Rs/ kg 10-15 taking care of the shop's operation costs. While Sukhtawa has already reached the status of the most recognised poultry brand of Madhya Pradesh, the market turnover has been less than the expected levels of 2500-3000 kg. This is because consumers were unwilling to pay a premium for better quality chicken. Furthermore, it also takes time to introduce a new product within pre-existing market preferences.

Source: Adapted from Pradan, 2007, 'Livelihood Opportunities in Broiler Farming'.

¹⁶ See for details Annexure II: "Selecting the service provider – supervisor"

¹⁷ Efficiency index: Holistic indicator capturing all the other indicators in one shot which is now widely used in advanced countries and big integrators.

$$\left[\frac{\text{Average body weight (kg.)} \times \text{livability (\%)} \times 100}{\text{FCR} \times \text{No. of days}} \right]$$

¹⁸ Although all producers are women the supervisors are men. Higher illiteracy rate, able and allowed to move from village to village and riding a motorbike are the main reasons that normally men are selected as supervisors in Kesla's case.

¹⁹ Remunerations are performance based and calculated at regular intervals.

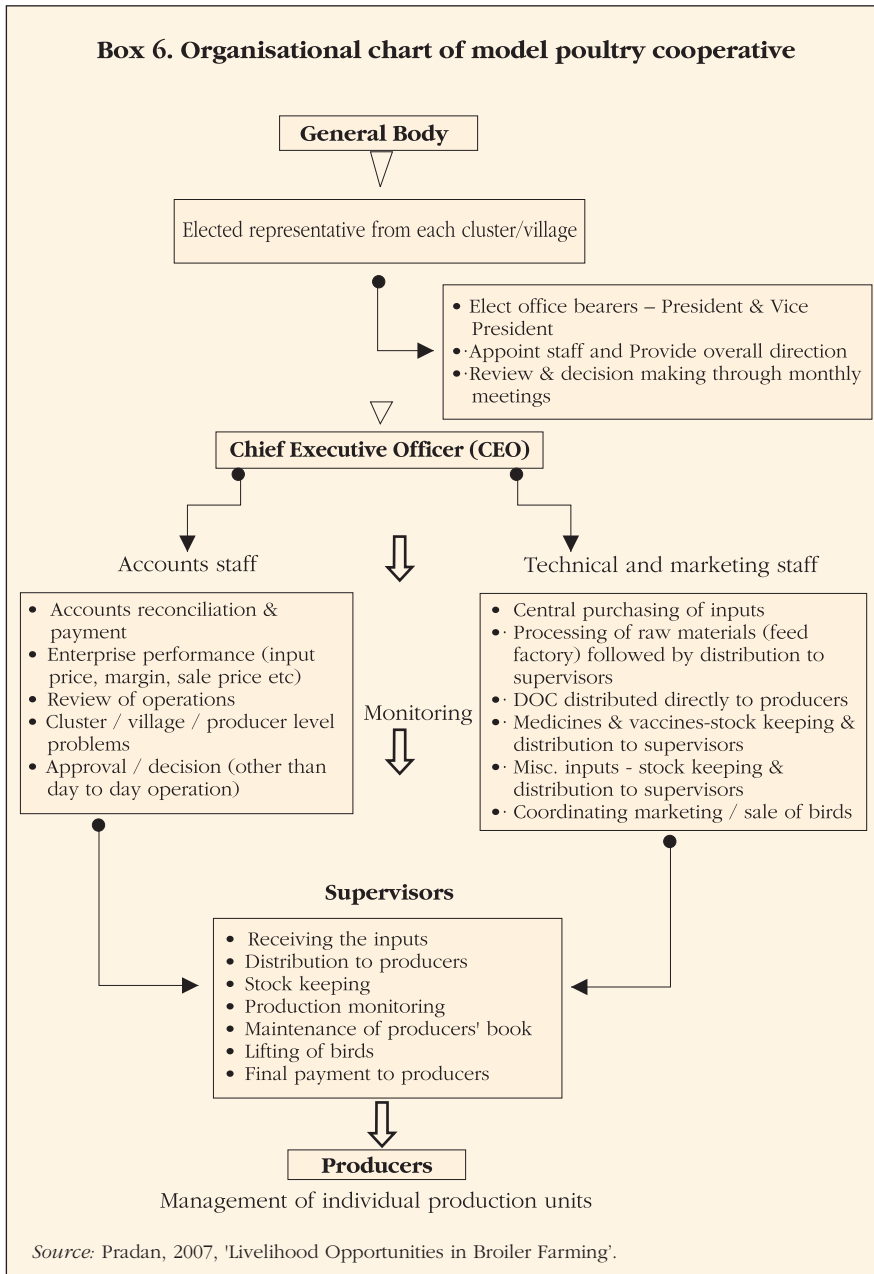
Furthermore, Cooperative schedules for production and lifting of birds are prepared in weekly meetings with supervisors and information is communicated to members. This meeting also serves as a good forum to review production performance and discuss solutions.

The Annual General Meeting of all members is convened once every year where issues such as patronage bonus and dividend are discussed. This forum also ratifies the annual and audit reports. The Cooperative thus works through effective organization of production, clarity on

input and output requirements and a transparent financial management system (refer Box 6).

Input-Output service provisions are managed through a network of partner companies and suppliers by the Cooperative (refer Box 7). Each element of the service provision is researched and protocols are in place for procurement. As the overview presented in Box 7 shows, the Kesla Poultry Cooperative is part of a larger system whereby PRADAN provides a crucial role in terms of support, capacity building, exchange and providing linkages, research, etc.

As an example, for chick supply, Kesla Cooperative prefers to procure from suppliers who maintain their own parent stock. The cooperative also maintains a system of procuring from 2-3 suppliers to take care of market fluctuations. It also monitors chick mortality and negotiates with hatcheries, in case of high batch mortality, for reimbursements. In the case of vaccines and medicines, through past requirements and a transparent financial management system experience of poor drug supply, Kesla Cooperative has adopted a system of directly sourcing from drug manufacturers or hiring at least a Clearing & Forwarding agent to guarantee best quality and rates.



In the individual broiler production units, the women producers require the following services: i) production scheduling, ii) timely delivery of inputs, iii) help in monitoring production and variances, iv) veterinary services, v) lifting schedule and marketing of birds and vi) bookkeeping; details on who provides which services are provided in annexure V.

In conclusion, while cooperative management is beset with its own processes of negotiations and monitoring of multiple inputs services and production variables, the initial formulation of members into SHGs, prior to their mobilization into a cooperative, has served to bring in discipline in credit management and has built confidence amongst members, while on the end of PRADAN, they too built up capacities in facilitating the organisation of farmers starting with the relative simple model of SHG.

The Cooperative itself (in this case a Mutually Aided Cooperative Society, registered under the Cooperative Act, 1999) is becoming more viable every year and has provided members with a platform to standardise, collectivise and formalise their practices in a democratic manner. Recently and as shown in Box 7 above, all cooperatives (including Kesla) supported by PRADAN were federated at State level into a

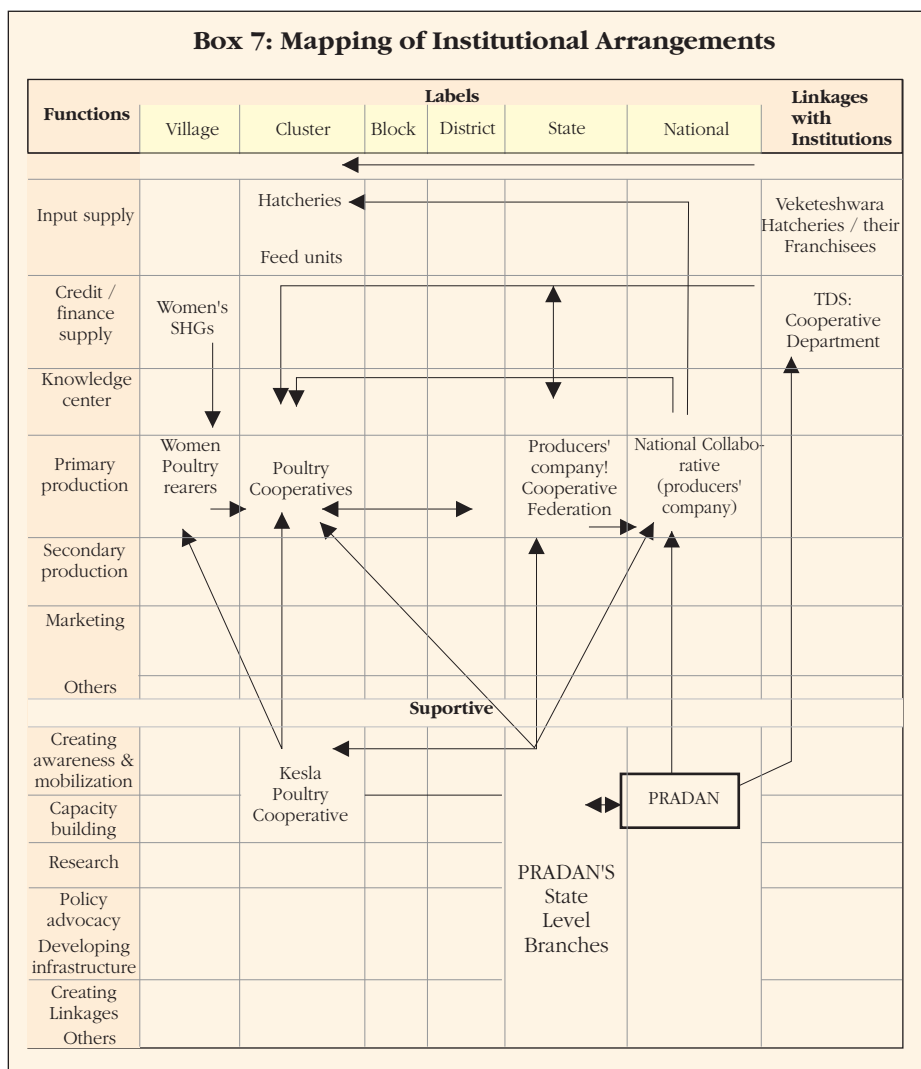
Producer Company and these in turn are brought together into a National Collaborative at National level; Annexure VI provides a comparison of cooperative and producer company.

This gave it the unique opportunity to gain from policies of the Madhya Pradesh Government supporting Producer Companies through hand holding in establishment & management, along with other benefits like tax deduction at source and schemes of the Cooperative Department. It has also given greater independence to the Company to plan and build its activity base.

3.4 Outcomes and Sustainability

Formation of the Kesla Poultry Cooperative Society has successfully linked small-holders to fast growing Broiler markets by building a transparent collective, filling skill gaps, addressing production variables, providing inputs services and networking for set-up costs. These efforts have removed the entry barrier (see Box 1, page 3) for the poor of Kesla to access market opportunities.

Kesla Cooperative today comprises 459 women members from 18 villages. Each member owns backyard production units of a minimum of 300-400 broiler birds. The cooperative sells these birds through traders, warehouses or state of the art Sukhtawa Chicken Shops.



Box 8: Kalso bai, the poultry producer from village Borkheda

Kalso bai is a poultry producer from village Borkheda. They are four members in the family, she, her husband & two children. She is a landless farmer. Prior to getting involved in poultry rearing activity, she was primarily dependent on loading sand in trucks. She could hardly earn 10 to 15 rupees a day from this hard sweat-oozing work. Besides this, she used to migrate with her husband for wage labour during wheat and soya bean harvesting season to the neighboring districts. All her bad days came to an end when she joined a SHG in 2000. She borrowed small loans from the SHG with monthly interest rate of 2% depending upon her household needs. She previously borrowed money from moneylenders at a very high interest rate (10% per month). Kalso bai and her family could not afford quality grains, new clothes, any health facility and education for the children.

In 2001 her SHG took a loan of 250,000 rupee from a local bank under SGSY scheme (a poverty alleviation scheme run by Government of India for BPL families). With this money all the ten members in the SHG constructed individual poultry sheds, each of a capacity of 400, in their backyards. She started rearing poultry in mid 2002 and, thereafter, she has never looked back. The group repaid the entire loan component within 3 years.

In 2007 she again took another loan of 16,000 rupees for construction of another poultry shed of 400 birds capacity. She also invested 7,000 rupees from her own saving in this new shed. Poultry has changed the scenario for her family and now she can afford good food, clothes and also avail health facility as and when required. Both her children are studying in the local school.

She spent 50,000 rupees to build a big house. A major part of this expense was met from the poultry profit. She has subscribed to two Life Insurance Policies (money back policy) and deposits 500 rupees premium per month.

Now-a-days she earns at least 25,000 rupees per year. She wants to set up one hand pump and expand her poultry activity to 1200 birds capacity.

Prepared by: Dr. H.K. Deka

In 1998 the operational area (constituting a small stretch of 60 Kilometres from Itarsi to Shahpur) saw a monthly placement of just 2,500 broiler chicks. This figure has now grown to 7.15 lakh birds in 2007-08 making it the third largest broiler production cluster in Madhya Pradesh. The Kesla Cooperative sold 1,360 tones of live broilers worth 5.84 crores in 2008 thereby making it one of the largest poultry production houses in Madhya Pradesh. Cooperative members take on 6-7 batches every year and earn between Rs 1,500 to 2,500 per batch thereby earning an average annual income ranging between Rs 9,000/- and 15,000/-. (refer Box 8)

The cooperative which was formally registered in 2001 has today a net profit worth²⁰ of Rs 35 lakh in addition to a risk mitigation fund of Rs 10 lakh. This is retained by the cooperative to deal with future price fluctuations. Its annual turnover has doubled in the last three years, and in 2008, the total amount distributed to members was 67.2 lakh, almost a fourfold increase since 2004-05. Its financial status across different years on select parameters is captured in the table presented in Box 9.

These promising figures were reached through years of investment in building the financial and institutional viability of the Cooperative.

Financial sustainability was monitored at individual level wherein members were only responsible for their own production while Kesla Cooperative managed all input-output interactions. Members were thus encouraged to ensure optimum utilization of their broiler enterprise through proper participant selection, trainings and production support. Service provisions at Cooperative level were met through incorporation of incentives wherein supervisors were paid based on the number of birds sold by producers @ 0.45 - 0.70 paise²¹ / bird. Care was taken that each supervisor worked with an adequate number of members to earn a minimum of Rs 1,500 per month. The Cooperative levied a Rs 1/- surcharge on each chick to generate operational costs. This was usually enough to meet the costs of the CEO, veterinarian and management of cooperative functions.

Further, while designing the Cooperative, management system was important, it was equally important to ensure that members understood the advantage of the system as a mechanism to insulate them against market risks. This advantage was tested during the time of Bird Flu. During this period (December 2005 till June 2006), while prices were depressed to such an extent that most producers were wiped out and were even selling birds at a distress price of Re. 1/kg, the Cooperative utilised its risk mitigation fund and continued to sell birds in the rural market at a price of Rs. 15/kg where people were less affected by the bird-flu scare. As

²⁰ Net profit (as of 2008), after equalization of input costs and distribution of margins to members.

²¹ The charge per bird sold differs and is set during the monthly cooperative meetings.

**Box 9. Financial Performance of the Cooperative –
period 2004 - 2008**

<i>Particulars</i>	<i>2007 – 08</i>	<i>2006 – 07</i>	<i>2005 – 06</i>	<i>2004 - 05</i>
No. of Members	459	376	354	276
Margins distributed to Members	6,722,219	4,053,373	2,680,242	1,931,271
Total Sales (Rs.)	58,441,163	38,195,184	33,917,392	27,061,784
Gross Profit	1,527,175	2,071,622	1,152,429	2,510,402
Profit before non-cash charge	373,950	314,291	253,632	271,411
Net Profit	247,850	110,000	-60,078	271,411

market prices crashed, the cooperative also reduced production and offered members a minimum support price and information support. As a result, today most members have recovered their losses and are slowly surmounting the depression.

The de-linking of individual production and marketing was also a key contributor towards building a sustainable system. This was the only way to even out the volatility of the poultry market by creating a system of cyclical correction across batches²². This ensures that producers gain from a buffered system and can retain a guaranteed cash income.

Finally, the farmer-centric character of the Cooperative also contributes heavily to its success and sustainability. The challenge of maintaining a higher return per unit than the industrial broiler chain despite lower unit size was not an easy task. However, the Kesla model demonstrated greater efficiency than a private large farmer in its geographical area and was

able to stay competitive; the table presented in Box 10 shows that the overall cost per bird are comparable but the 'labour payment' (small holder model) is the women producer's actual return for her labour. This is primarily because the model is built on slack labour available in rural households, as compared to high costing labour in urban and peri-urban areas. As important is the notion that working for one-self encourages caring; in this case not just the cooperative member, but her entire extended family contributes in ensuring day and night care as is needed when working with poultry especially when in brooding stage.

Box 10 : Cost comparison for producing a kilo of live chicken

<i>Components</i>	<i>Integrator</i>	<i>Big private farmer</i>	<i>Smallholder model</i>
Chick (Rs/chick)	4.00	6.00	6.00
Feed (Rs/bird)	18.00	18.00	18.50
Litter material	0.50	0.50	0.50
Grower/labour payment (Rs/bird)	3.00	1.75	3.00
Vet and medicine (Rs/bird)	1.00	1.50	1.25
Grower administration (Rs/bird)	0.50	0.30	0.75
Electricity and water	0.00	0.75	0.00
Total production cost (Rs/bird)	27.00	28.80	30.00
Live bird transportation (Rs/bird)	1.25	1.00	1.25
Live bird cost in market (Rs/bird)	28.25	29.80	31.25
Cost of capital (Rs/bird)	1.40	1.50	0.00
Entrepreneurship margin (Rs/bird)	1.40	1.40	0.00
Overall cost (Rs/bird)	31.05	32.70	31.25
<i>Note: Prices indicated are only illustrative and can fluctuate; it shows the relative competitiveness of the smallholder model.</i>			
<i>Source: Pradan, 2008, 'Livelihood Opportunities in Broiler Farming'.</i>			

The fact that the Cooperative ensured aggregation across smaller decentralized units creating marketable lots also enhanced sustainability. Finally, introducing a cost for providing veterinary & management support to farmers ensured the financial viability of the enterprise.

²² Below normal price realization is offset against past or future above normal price realisations.

A simple SWOT analysis is presented below.

Weakness	Threats
<ol style="list-style-type: none"> 1. Due to exclusive poor focus the governance functions are less evolved. 2. Individual enterprise tempered by the collective. 3. Low confidence of the establishment to an enterprise owned and managed by poor. 4. Attention for effective manure management (currently manure litter is sold). 5. No link with backyard poultry²³ kept by broiler rearers (no vaccination coverage of scavenging birds, for instance). 6. No conducive policy for support small scale commercial poultry. 	<ol style="list-style-type: none"> 1. Repeated market crash due to bird flu scare. 2. Increased competition due to supply chain consolidation – investment barriers. 3. Access to appropriate credit provisions. 4. Unfavourable regulations put in place for small scale commercial poultry farming²⁴. 5. Water intensive rearing in area with sustained water shortage. 6. Sustaining professional backup of support agency (PRADAN).

²³ Most of the broiler rearers keep their traditional backyard poultry system intact.

²⁴ “The National Egg Coordination Committee (NECC) has appealed to the Government to suspend all project, programmes aimed at promoting backyard poultry farming.....”, Poultry Planner, Vol. 10, Issue 1, January 2009.

²⁵ Consult Annexure X 'Outreach of Small-Holder Broiler Framing' for details.

²⁶ For composition values of broiler litter consult Annexure IX; At Producers Company / Cooperative Federation level questions to be answered on soil type and crops that respond well to applications of broiler solid manure/litter; sustainable manure management activities; feasibility of production of biogas.

²⁷ Currently the industrial poultry sector is well organized and strong in lobbying at all levels.

Strength	Opportunity
<ol style="list-style-type: none"> 1. Risk mitigation and attainment of scale economy benefits by a small farmer. 2. Small producer part of larger system (access to know how, inputs, markets etc); end-to-end solution to small farmer (incl. anticipating on relevant govt. schemes). 3. Women are the prime producers (ownership, access and control in their hands). 4. Low poultry density/not a source of pollution. 5. Modular/democratic nature of model allows participation at each level. 6. Professional support agency in place/ ready access to advanced technologies, know how, research etc. 7. Excellent relationship with industry/High credibility with stakeholders. 8. Proven success in different states²⁵. 	<ol style="list-style-type: none"> 1. Fast double digit market growth. 2. Bankable model. 3. Technology advancements making productivity gain possible with small units. 4. Lack of sustainable future of industrial poultry in urban environments. 5. Increased public investments for poverty alleviation. 6. Industry focus on hinterland. 7. Bringing more functions (e.g. hatchery) into the (nationwide) system. 8. Manure application²⁶ within crop productions systems. 9. Development of a voice/force representing ‘Small Scale Poultry Producers’²⁷ to lobby for their interest.

IV. Lessons Learnt and Key Elements of Success

Key Elements for Success

Operational since 1997, the Kesla Cooperative model showcases that painful years of learning were needed to arrive at viable small scale broiler production systems including forward and backward linkages.

Home-based broiler value chain is at its core a scaled-down version of modern industrial broiler value chain. The two value chains and margins across the major actors are presented in annexure 7, 'Value chain – industrial versus small-holder home based broiler farming'.

Capturing the major elements necessary for setting up a 'home based broiler farming' (see annexure VIII) has been possible for two major reasons; a vision – the poor can be efficient poultry producers when the right investments in them are made – and a strategy – making available technology and advantages related to economies of scale adaptable to the context of the poor – in place. Primary among them is the need to ensure adequate skill development of producers and generation of local capacities to respond to producer's demands. Equally relevant is the need to enhance cost effectiveness by augmenting producer's performance, ensuring a single window procurement process and establishing robust backward-forward linkages.

The need for agreement on institutional norms, transparency in finances and information sharing along with strong accountability of the Cooperative towards its members also contributes heavily to building trust and faith. The need to capitalize on the advantages of the small holder model by building isolated sheds to break spread of diseases, using slack labour and making producers accountable for quality management ensures the workability of the model.

On specific aspects such as marketing, an important learning emerging is that Kesla has had mixed experiences with own-

Box 11: Salient Features and Learning's from Each Phase

<i>Phase</i>	<i>Salient Features</i>	<i>Learning's</i>
<i>First phase : 1988-1992</i> Experimentation: Introduction of improved breeds in backyard poultry setting, interventions in market for better price realization and community mobilization.	<ol style="list-style-type: none"> 1. Marketing 2. Cage Rearing of Cockerels, 3. Brooding & Rearing done separately. 	<ul style="list-style-type: none"> • Little industry interaction and experimentation on one's own • High return on investment but low absolute income fails to excite and bring intensity to the activity • 25-30 birds cage rearing failed miserably.
<i>Second phase : 1992-1997</i> Pilot Testing & Demonstration of Broiler Farming	<ol style="list-style-type: none"> 1. Broiler Rearing on Deep Litter initiated. 2. Brooding and rearing done by the same family. 3. Rigorous training. 4. Standardization of production prototype. 	<ul style="list-style-type: none"> • Adequate financing - units were underfinanced and require external support to facilitate linkages • Criticality of Unit Size lower unit size did not adequately provide for debt servicing. • Absence of factoring financial implication of market volatility and lack of risk mitigation system made the intervention fragile
<i>Third Phase : 1997-2002</i> Scaling up: Expansion, Systems setting, Institutionalizing producers' cooperative	<ol style="list-style-type: none"> 1. Rapid expansion. 2. Producers organized as Cooperative 3. Intervention in other components of Value-chain: - marketing, - establishment of warehouse cum wholesaling etc.. 	<ul style="list-style-type: none"> • System to address market volatility key to success - delinking of production and enterprise risks. • Creating ownership of the enterprise cannot happen through mere systems it requires investments in people. • Creating margins to take care of establishment costs.
<i>Fourth Phase: 2002 onwards</i> Prototype Development : Documentation, developing systems for large scale marketing, lobbying, setting up projects in new locations	<ol style="list-style-type: none"> 1. Modern retail outlets. 2. Feed Production 3. Replication by other NGOs, Government and by PRADAN 	<ul style="list-style-type: none"> • Creating a good governance structure which is able to exercise ownership and control on the operating structure managed by professionals is a big challenge and takes years to establish. • Integration of all the cooperatives through a producer company dedicated to growth of small holder poultry farmers helps in building specialized services, enhances autonomy and ownership.
<i>Source: Pradan, 2008, 'Livelihood Opportunities in Broiler Farming'.</i>		

wholesaling (given lack of skill sets and leakages) while its experiences with self-retailing have been more encouraging, provided adequate volumes of production can be reached. Secondly, supplying on fixed prices though encouraged is usually not possible given competition, and thus over the years, Kesla has had to adopt an element of flexibility in this process. Lastly, based on its experiences, the best options for sale is supply to wholesalers at market rates from farm gate on cash down payment. (Refer box 12).

Box 12: How does the small holder model succeed?

- It is scale neutral when opportunity cost of labour is low.
- Poor are aiming at self employment and reasonable rates of return, while the commercial version banks on paid labour at optimum returns. This gives small holder model a margin of safety.
- Owner labour in smaller units create better production efficiency as compared to employed labour.
- Integration in interface with input-output markets through cooperative creates scale-economies similar to bigger units.



Source: Adapted from Pradan, 2008. Livelihood Opportunities in Broiler Farming.

The Kesla Cooperative model also showcases ways to harness large investment funds which are already available under poverty alleviation programs like SGSY, RSVY and other government led rural development schemes. By being pro-active in networking and lobbying for these funds and setting beneficiary selection and compliance standards, PRADAN demonstrated the asset worthiness of small-producers.

Finally, while broiler farming has immense potential to make a front running impact on rural poverty, the need for a well-thought out professional intervention cannot be stressed enough. In this case, the biggest contributor to the success of the enterprise was the decision to form a collective. Under the banner of the

Cooperative structure, economies of scale could be reached, risks could be mitigated, price advantages could be leveraged and producer's efficiency could be enhanced without individualizing the process.

However the Kesla experience also reveals that without a transparent and well planned governance structure, individual interests may take over and undermine the collective vision of the Cooperative model.

Lessons learnt

1. Within the poultry sector, 'small owner based broiler units' can be as or more efficient than 'big employed labour based broiler units' provided that smaller units are organised / operate as collective so as to mitigate risks, to ensure backward (inputs) and forward (access to market) integration, to ensure in-built incentive systems for efficient production and service delivery and to provide access to credit, information, skills and technologies.
2. Facilitating and supporting the development of organised/collectivised 'home based broiler farming' with disadvantaged households based in remote rural areas is complex; it can succeed when the initiating agency is given sufficient time (trust building, skills development etc.), has the right set of expertise at hand (intensive broiler production, input procurement, output marketing, financial management etc) and commitment and perseverance to make the system conducive for the participation of the poor.
3. Bird Flu control can be pro-poor through collectivised 'home based broiler farming' (the all in all out system is in place) can develop risk mitigation funds, put in place bio security measures at individual broiler units and ensuring adherence to protocols for the maintenance of hygiene and other routine tasks at each level (handling, transportation,

sales outlet etc); i.e. from farm gate to consumer the brand 'Sukhtawa chicken' is synonymous with safe and fresh broiler meat. Branding works but consumers not yet willing to pay more.

4. Current policies (poultry sector related) and programmes/schemes (poverty reduction oriented) are not conducive to encourage and support development of small scale poultry production. The former is in the interest of large scale producers and developed along the vision that the sector should go the corporate way, while access to the latter implies ability and power to lobby, perseverance and loads of administration for the facilitating agency let alone a poor household.
5. Tribal women and other women of disadvantaged communities who traditionally keep poultry have an excellent skill base to develop as broiler rearing entrepreneurs. They manage to keep two systems alongside each other; i.e. the high tech broiler rearing and traditional backyard poultry based on indigenous birds for home consumption and cultural reasons. The broiler birds are not in contact with the indigenous poultry breeds and sold at a young age (cycle is normally 35 days).
6. A gradual promotion towards cooperative is important so as to ensure that all members have the skills and attitude at hand to make it successful; starting as self help group (saving and credit) and when successful over a longer period of time provides a good base for stepping up to a cooperative. Being member of a cooperative implies benefiting as well as obliging. Enhancing a culture of trust, accountability and joint member profits is only built up over time; discipline, incentives and disincentives, understanding the cooperative operations (calculation of input-output costs; reading balance sheet etc.). Top down initiation of cooperative model would be counterproductive.
7. Contrary to backyard poultry rearing, efficient rearing of broilers in small units is an advanced and highly technical form of poultry production; selection of the right DoCs, provision of quality feeds, proper management of water, feed, litter, temperature, light etc., controlling bird density, adequate brooding management, checking behaviour of the birds (yes, no eating...etc) all need to be in place to achieve excellent growth and overall performance.
8. For the initial stage, investing in extension [(on-the-job) training, exposure visits and exchange] is a prerequisite to develop the skill base for potential small scale broiler producers; PRADAN has a 7 day intensive programme and 35-day comprehensive programme (full practical coverage of one production cycle). The 7 days training also helps in self assessment/self-selection namely, "can I cope with the rigours of the enterprise" and she might decide to drop out.
9. The monitoring tool 'producer cards' works as an effective mean for focused communication; to analyse performance and to provide advice (producer – supervisor), to discuss problems and seek technical assistance (supervisor – technical/veterinary staff of cooperative), to discuss overall performance, to plan off-take schedules etc during monthly cooperative meetings. A performance linked incentive scheme stimulates prompt and high quality services (supervisor level) and producers to have a better FCR.
10. Poor rural women with interest in poultry and under the aegis of their cooperative can become entrepreneurs and manage to successfully feed a complicated and volatile poultry market. Apart from making a living from broiler production, they easily acquire confidence, greater dignity and a range of skills (communication, negotiation, record

V. Scope for Replication

One dimension of the Indian poultry revolution has been the industrialization of poultry production, with production changing from being a traditional local multi-purpose activity to an increasingly market-oriented and vertically-integrated business led by corporate/ business families and not by farmers. It has concentrated in urban and peri-urban areas, is well organised, works with the latest technologies and occupies almost the entire egg and broiler meat market in the large cities.

At the other extreme, is backyard poultry based on scavenging. This good practice explores a 'mid-way' model falling between these two ends wherein the opportunity to promote individually owned 300-500 bird units, collectivized into producer run Cooperatives is capitalised upon. This practice is worthy of replication because it shows the viability of this home based broiler farming model which has enabled poor women to turn small producers surmounting commercial poultry barriers.

Today PRADAN works with 5,306 women broiler farmers organized into 16 cooperatives in the states of Madhya Pradesh, Chhattisgarh, Orissa and Jharkhand with an annual turnover of 27.25 crore in 2007-08 making it the largest conglomeration of farmer led modern poultry effort in India. The Government of Madhya Pradesh has joined hands with PRADAN and begun replicating the Kesla model in other districts.

Learning from the initial struggles, the cooperatives are now strengthening backward and forward linkages. For instance, instead of buying feed and chicks from markets, cooperatives are setting up their own hatcheries while many already have their own feed units. For example, the Lohardaga Grameen Poultry Cooperative Society in Jharkhand has set up a hatchery, with a production capacity of 3 lakh chicks per month. A National Collaborative of Poultry Producers is also being formed which will provide major services to the cooperatives, including expertise on managing sophisticated poultry infrastructure, supply chains and setting up hatcheries. Finally, the broiler farming model has had a multiplier effect. With new poultry feed stores, vaccine suppliers and chick delivery agents joining this female farmer led broiler initiative, the scope of enhancing poultry based rural employment is becoming a reality.

However, for this model to be effectively replicated, the right frame conditions need to be in place. BRAC, the largest national NGO in Bangladesh started in 1972, is renowned for its success in promoting small scale poultry farming among the poor in Bangladesh; its works all over the country and states (www.brac.net) and has created 1.8 million jobs related to poultry production²⁸. Notwithstanding pronounced differences, the key features²⁹ of the PRADAN 'home based broiler model' and its backward and forward linkages are in line with those of BRAC namely, **i.** high quality extension services (rigorous training of producers, intensive production support and quality orientation, on-call veterinary services, appropriate technologies); **ii.** provision of backward (input supply) and forward (access to market) linkage; and, **iii.** a pro-poor orientation/commitment to poor.

The efforts of replicating the 'BRAC poultry models' in both Bangladesh and India by the Government as well as by other NGOs have led to mixed results. Therefore, the **quality and capacity of the support agency** is a determining factor for successful replication.

Thus, only through a concerted sector vision, an applied policy framework, technically sound external actors and a commitment to bring small-producers at par to market requirements, can growth in small scale commercial poultry feed the dreams of the millions to improve their income and make a decent living in rural areas.

²⁸ The BRAC as well as other poultry models promoted in Bangladesh are well documented; the FAO "INTERNATIONAL NETWORK FOR FAMILY POULTRY DEVELOPMENT" available at: <http://www.fao.org/ag/AGInfo/themes/en/infpd/home.html> provides detailed information on the content and impact of different models and schemes.

²⁹ BRAC runs six parent farms to support its rural poultry program and 3 commercial farms. None of them have had Avian Influenza so far. It runs one poultry processing plant with a capacity to process 1000 broilers per hour.

Annexure 1: Feasibility Checklist*

Checklist for assessment of Broiler livelihood potential

Item	Yes	No
Is there sufficient market for broilers within a radius of 250 km?		
Has a small survey among private farmers been conducted to know the current margins?		
Is the return per day (RPD) better than prevailing local wage rates?		
Is there availability of minimum 200 producers in selected villages within a radius of 25 km.?		
Is there round the year road connectivity in these potential villages?		
Is there availability of quality drinking water and power supply in these villages?		

Note: An ideal project location will have an 'yes' on all criteria

Assessing the size of an Intervention: an Example

In a World Bank aided DPRP project in Dharamtari district of Chattisgarh the project wanted to initiate broiler farming as livelihood activity. Pradan assessed the size of intervention as follows:

- Assessing what kind of returns would excite the poor communities. A RPD of Rs.40-50 for home-based activity by women members of the family was stated by community to be good.
- The following calculations were made by the project team to decide on the unit size.

- Expected returns per day	- Rs.40-50
- Expected monthly income	- Rs.1350-1575
- Prevailing margin for broiler birds	- Rs.4-5/kg
- Production period	- 30-35 days
- Expected live weight	- 1.0 – 1.25 kg
- Expected margin per bird	- Rs.5.00
- Batch size to match expected monthly income	- 300
- The Dharamtari, project team decided on the unit size of 350 birds. The market survey done in the district headquarters and smaller towns in 100 Kms. radius showed that about 1000 birds are consumed daily. The local farmers in Dharamtari are able to supply only 400 birds and the rest 600 birds is procured by the traders from outside. The traders also indicated that for the last 3-4 years market size has been increasing at 20 % per annum.
- The project team found that completion of one batch with lay-off would take 45 days. Thus on an average (taking a mortality of 3 %), each farm of 350 birds could supply 7.5 birds $\{350 \times (1-3\%)/45\}$ per day. This showed that the deficit in local market itself could easily absorb 80 producers of 350 birds each $(600/7.5)$. The annual increase of 20 % could further absorb about 26 producers $[1000 \text{ birds} \times (20\%/7.5 \text{ bird})]$.
- Based on the above analysis the Dharamtari Project made plans to add 100 producers in the first year itself.

* Source: Pradan, 2008, 'Livelihood Opportunities in Broiler Farming'.

Annexure 2: Selecting the Service Provider – Supervisor

As per Pradan Handbook¹, the following points need to be kept in mind while selecting local service providers:

- The person should be young and sufficiently educated (preferably above 8th standard) to maintain accounts and pick up relevant skills for a para-vet job.
- He should be from the same village as of the producers or in the vicinity of the village.
- The potential income should be attractive enough for him to devote sufficient time and interest.

Paying the service provider

The service providers get paid based on the birds sold by the producers with whom they work. They are paid at Rs.0.50 - 0.55 per bird. To make the supervisor more responsible one can add a clause that in case of loss in any batch no payment is made. However, care needs to be taken that each service provider works with an adequate number of producers to make an average of Rs.1, 500 per month when fully active. Each producer is levied Rs.1 per chick to generate revenue to take care of the expenses of the service provider as well as establishment expenses of the co-operative. Producers know that they pay the service provider. This ensures that the service provider is accountable to them.

The experience shows that the service providers closely related to producers, having good production performance, generally do well in their job.

Source: Pradan, 2008,
'Livelihood
Opportunities in
Broiler Farming.

Annexure 3: The Producers' Book

रजि.क्रमांक जेआरबी/स्वायत्त/2001/14

केसला पोल्ट्री सहकारिता मर्यादित
सुखतवा
प्रोड्यूसर किताब
वर्ष 200

प्रोड्यूसर का नाम : _____

पिता/पति का नाम : _____

गांव का नाम : _____

पंचायत का नाम : _____

के.पी.सी. कोड नं. : _____

सुपरवाइजर का नाम : _____

संचालक मण्डल सदस्य : _____

ब्रूडर (शेड) बनाई का विवरण

शेड की जमीन का खसरा नं.: _____

शेड पूरा होने की तारीख : _____

शेड पर कुल लागत : _____

कुल लागत पर छूट : _____

कुल कर्ज : _____

ब्याज की दर : _____

कर्ज लौटाने की
आखिरी तारीख : _____

पता: केसला पाल्ट्री कोआपरेटिव लिमिटेड, प्रदान कालोनी,
गांव एवं पो. सुखतवा, केसला, जि. होसंगाबाद

Regd No JRB/Autonomous/2001/14

**KESLA POULTRY COOPERATIVE
LIMITEDSUKHTAWA
PRODUCER BOOK
YEAR 200**

Name of Producer: _____

Father's/Husband's name : _____

Name of village: _____

Name of Panchayat: _____

KPC Code No.: _____

Name of Supervisor : _____

Management Committee
member of _____

BROODER (SHED) CONSTRUCTION DETAILS

Details of record of land used : _____

Date of completion of Shed
construction : _____

Total cost incurred on Shed: _____

Subsidy on total cost : _____

Total loan amount taken : _____

Rate of interest : _____

Last date for repayment of loan : _____

Address: Kesla Poultry Cooperative Limited, Pradan
Colony, Vill & PO Sukhtawa, Kesla, Dist.

Source: Pradan,
2007, 'Livelihood
Opportunities in
Broiler Farming'

Annexure 4: Computerising Poultry Management through Udyogmunshi

Computer Software – ‘Udyogmunshi’, especially designed for small-holder poultry has many useful features. Through this, the cooperative books are maintained in auditable form as per standard accounting norms using the concept of stock centres. It facilitates maintenance of decentralized stocks on village/cluster basis with option of consolidation across stock centres. There is also provision for maintaining books of producers for each individual batch separately.

The ‘user’ can create own ‘chart of accounts’ i.e. ledgers and sub-ledgers organized into assets, liabilities, income & expenditure, with the option of creating groupings of the general ledger heads.

Some ‘user’ friendly features of this software are:

- Cash or credit transactions from the same screen
- Stock quantity and value transactions from the same screen
- Financial vouchers organized month-wise for easy entry and search
- Browse and search options with different data fields readily organized
- Performance of select/all batches of one/many producers for any given period can be viewed

The basic consolidation reports that the software can generate include balance-sheet as on any date, profit & loss statement for any given period, consolidated stock statement and Daybook info on cash, bank, sales and purchase. The more specific reports include:

- Customized balance-sheet, profit & loss with schedules and groupings
- Item-wise sales & purchase summary
- Buyer & Supplier summary
- Stock centre balances
- Reconciliation of live stock items like day-old-chicks and marketable birds
- Performance indicators for individual batch

Source: Pradan, 2007, 'Livelihood Opportunities in Broiler Farming'.

Annexure 5: Service Delivery

<i>Services</i>	<i>Supervisor</i>	<i>Cooperative</i>	<i>Decision point</i>
<ul style="list-style-type: none"> ■ Production scheduling: Production scheduling involves shed wise plan for placement of chicks, drawing up a calendar for induction on different dates, matching the requirement to ordering of chicks with supplier and sequencing all the preparatory steps for placement of birds. 	<ul style="list-style-type: none"> ■ Discusses with individual producers ■ Organises disinfection of sheds ■ Informs the producer about chick supply and ensures timely distribution 	Decides the monthly placement of chicks and allocates to different villages	Weekly meeting supervisors
<ul style="list-style-type: none"> ■ Timely delivery of inputs: This involves supply of chicks to producers on pre-specified dates. Arranging feed supply and medication as per the changing requirement of chicks with each producer, depending on the stage of growth and problems encountered if any. 	<ul style="list-style-type: none"> ■ Stocks inputs and supplies requirements on a daily basis ■ Reports the stock-depletion to cooperative and arranges replenishment 	Procures inputs in bulk and supplies to different supervisors	Regular ongoing activity
<ul style="list-style-type: none"> ■ Production monitoring: This service requires checking the performance of birds, noticing deviations, providing feedback and initiating corrective action. 	<ul style="list-style-type: none"> ■ Undertakes regular farm visits ■ Provides weekly reporting of performance against standards ■ Ensures protocol compliance to the cooperative 	Undertakes through the veterinarian/CEO weekly stock taking, routine visits and special visits in cases of major variances and problems.	Weekly meeting of supervisors
<ul style="list-style-type: none"> ■ Veterinary services: This involves providing on-the-spot help as also bringing doctors help and advise for preventive and curative action. 	<ul style="list-style-type: none"> ■ Provides round-the clock rudimentary vet services ■ Initiates immediate curative measures and reports severe cases for doctors service 	Provides referral veterinary services	Regular ongoing activity
<ul style="list-style-type: none"> ■ Lifting of birds: The birds on attaining marketable stage around 35-40 days needs to be collected weighed and transported to marketing centres. 	<ul style="list-style-type: none"> ■ Informs the cooperative when the birds are ready ■ Reports any specific problems of producers ■ Ensures correct weighing of the birds 	Based on market demand deciding the lifting shedule and communicating to supervisors	Weekly meeting of supervisors
<ul style="list-style-type: none"> ■ Accounts and profit distribution: This requires making authentic record of transactions in producers book and other records. Providing periodical feed back to co-operative is also part of this service. 	<ul style="list-style-type: none"> ■ Ensures proper recording at the point of transaction in producer book and other records 	Reconciliation of accounts and arranging payments	Regular ongoing activity

Source: Pradan, 2007, 'Livelihood Opportunities in Broiler Farming'.

Annexure 6: A Comparison of Cooperative and Producer Company

Parameters	Co-operative society	Producer Company
1. Registration	State Act -Registrar of cooperatives societies	Company registrar of the states where its registered office is located
2. Membership	Individual	individual/group
3. Members' stake	No linkages with no. of shares held and patronage quantities.	Article can provide for linking supplies with share holding. Provisions reinforce the business-based rights and control enabling a true recognition and exercise of stakes by the owners.
4. Government and bureaucratic interference	Being registered under a state act it is vulnerable to state government directives and control.	The act being central the provisions are not susceptible to state level political expediencies.
5. Objective	Interest of members and community	Interest of members
6. Voting power	One person one vote principle applies	Voting rights can be linked to patronage if provided in article.
7. Distribution of profits	Law specifies proportion of net profits transferred to the general reserve and the maximum dividend	Law specifies proportion of net profits transferred to the general reserve and the maximum dividend
8. Taxes and MRTP applicability	Exemptions applicable to cooperative sector	Some exemptions applicable to cooperatives apply at the central, but not in the states.
9. Control / regulation	Registrar of cooperatives	Governed by the company registrar of the states where its registered office is located
10. Disclosure norms & audit requirements	Annual report to regulator	Very stringent, as per company law. As per the companies act, it is required to conduct audit on time and file required documentation to the authorities or else severe penalties are imposed.
11. Professionals as Board members	Is not provided, Board is exclusively of members	Experts can be co-opted as Board members
12. Raising external finances	Apart from regular channels can tap into cooperative specific finance sources	Regular financing routes, cannot tap into cooperative specific finance sources
13. External Equity	Regular financing routes, cannot tap into cooperative specific finance sources	No provision

Source: Pradan, 2007, 'Livelihood Opportunities in Broiler Farming'.

Annexure 7: Value Chain – Industrial Versus Small-Holder Home Based Broiler Farming

Home-based broiler value chain is at its core a scaled-down version of modern industrial broiler value chain. The two value chains and margins across the major actors are mapped below:

Industrial Broiler Value Chain

Amount in Rs.

Actors	Share in consumer price	Realised Price for Producer	Price Increase	Direct Cost	Margin	Share of Total Margin
Farmer	76%	38	38	35.5	2.5	33%
Wholesaler	4%	40	2	1.5	0.5	7%
Distributor	6%	43	3	1.5	1.5	20%
Retailer	14%	50	7	3	3	40%
			50	41.5	7.5	

Small-Holder home-based Broiler Farming

Amount in Rs

Actors	Share in consumer price	Realised Price for Producer	Price Increase	Direct Cost	Margin	Share of Total Margin
Farmer	76%	38	38	34	4	44%
Cooperative	4%	40	2	1	1	11%
Wholesaler	6%	43	3	2	1	11%
Distributor	0%	43	0	0	0	0%
Retailer	14%	50	7	4	3	33%
			50	41	9	

The farmer-centric character of the value chain is key to the success; as at lower unit size return per unit has to be higher than the industrial broiler chain. The small-holder value chain introduced in Kesla is more efficient than a private large farmer in the area and thus is able to stay competitive.

The key points in the new value-chain include:

- i. it builds on low cost slack labour¹ available in the rural households as compared to higher costing labour in urban-peri-urban areas; the margin with farmer is almost 60 % higher.
- ii. cooperative does aggregation across smaller decentralized units creating marketable lots; there is a cost of collectivization and providing veterinary & management support to farmers. The increased cost is offset by market outreach directly to retailers doing away with distributors. Most of the cooperative's market is in hinterland, smaller rural markets thus it is possible for wholesalers to service retailers directly.

It concerns situations where the opportunity cost of labour is low

The small-holder value-chain across the various transaction points – the margins and actors is mapped below.

It will be useful to compare this to the Country Fowl/Backyard Rearing value chain.

Transaction points	Cost of production/ Buying	Selling Price	Gross Margin	Transaction Costs	Net Margin	% return	% of Terminal Market	% NetActors Margin of Total Margin
Production End	34	38	4	0	4	12	76	44Individual Households
Primary Bulking	38	40	2	1	1	3	80	11Cooperative
Whole Saling	40	43	3	2	1	3	86	11Traders
Terminal Market	43	50	7	4	3	7	100	33Traders

The farmer margin as proportion of the total margin in the chain at the production end is about 20% less than that of the country fowl value chain however, the key variable to note is the low absolute annual margins in the country fowl value-chain due to low-carrying capacity; i.e. scavenging area is restricted and normally a household can keep 15-25 birds. In the home-based broiler model farmers get all the food, medicine required from outside and thus is independent of the resource constraints of the small farmer; the unit size is fashioned to allow family to deploy its surplus labour to the activity.

One dimension of the poultry revolution has been the industrialization of poultry production, with production changing from being the traditional local multi-purpose activity (scavenging and backyard poultry) to an increasingly market-oriented and vertically-integrated business.

Falling between these two ends of the spectrum is the opportunity to promote individually owned 300-500 bird units, collectivized into producer run cooperatives or companies. These focuses on small farmers organize themselves and attain industry-competitive efficiencies.

Competitiveness of small holder poultry model

- In situations where the opportunity cost of labour is low the small holder poultry model is feasible as it becomes scale neutral.
- The focus here is on self employment with reasonable returns as against higher profit motive or enterprise returns in larger farms.
- The small holder model depends on owner labour or own family labour in contrast to employed labour in large sized farms.

The most essential requirement for the success of small holder poultry model is the need for integration of input supply and effective market access which is possible through collectivisation.

The small holder poultry could be at stake if the technology is not scale neutral and if cost of inputs is not competitive. Further, high cost of collectivisation can also adversely affect its workability.

Source: Pradan, 2008, 'Livelihood Opportunities in broiler farming'.

Annexure 8: Small Holder Poultry Model*

Although broiler rearing uses fairly complex technology, it is essentially a rural enterprise. It was beyond the reach of the poor due to the complexities of production, available technology and marketing avenues. This process of concentration of production in the hands of big producers has also been aided by failure of small growers, their inability to negotiate with an industry increasingly becoming market-oriented and vertically-integrated.

The model attempts to improvise and make the activity amenable for participation by the poor. The activity has been organised in a robust manner to withstand challenges from big farms, and leverage the opportunities offered by the industry. This essentially requires reducing the disadvantages and accentuating the advantages of small and decentralised units on three fronts: **production organisation, interaction with input-output markets and financial systems.**

Among the services the cooperative provides to its members is procurement of inputs in bulk, providing veterinary and related services in a timely manner and marketing the produce to wholesalers in bulk. It also insulates the producer from the market risks by purchasing her birds at a fixed price. The surplus made is retained by the cooperative to deal with future fluctuations in price. This has given the cooperatives a measure of resilience, which other small producers do not possess in an otherwise risky enterprise. For instance during the recent bird-flu scare the prices were depressed to such an extent that most small producers were wiped out. Small producers were selling birds at a distress price of Re. 1/ kg. The effect lasted from December 2005 till June 2006. The cooperatives survived because of their risk hedging mechanism. They also sold the birds in the rural market at a price of Rs. 15/kg where people were less affected by the bird-flu scare.

The cooperatives are now in the process of integrating backwards. For instance instead of buying feed and chicks from the market the cooperative can set up its own hatchery and feed units. Many of the cooperatives now have their own feed units.

Women from tribal and other poor families are organized into cooperatives. A typical farmer in the value-chain is a rural woman from disadvantaged communities, hitherto, dependent for their sustenance on rainfed agriculture and wage earning.

They rear broilers in rearing sheds built on their homesteads. The intervention provides a woman with skills, infrastructure, inputs and marketing assurance for home-based broiler poultry rearing. All she requires is one cent of land (435 sq ft), either owned by her or taken on lease. Each rearing shed can rear 300-500 birds in a batch. Day-old-chicks (DOCs) are supplied to them, which become ready for sale in a cycle of average 35 days. Six-Seven batches can be taken in a year. Each woman earns between Rs 9,000/- and Rs 15,000/- a year, which works out to Rs 45-75 a day for her 200 days of engagement. This income, available to her in a regular stream of cash flows on a continuous basis, helps her to meet the need of cash expenses and also of capital formation in the family. The unit size preferred now is 400 birds.

*As narrated by Chief Executive Officer of the Cooperative.

The table below presents the financial and performance details of an individual average broiler unit in the value-chain.

Techno - Economics of Individual Broiler Unit (Unit size: 400 birds per cycle)					
Capital investments (Rs)	36,000	Batches in a year	6	Feed Conversion Ratio	1.65
Working capital (Rs)	17,000	Days per batch	35	Mortality	5%
Margin per batch (Rs)	3,100	Hours per Day	3	Average Flock Weight	1.5 kg
Annual margin (Rs)	18,600	Days engaged per Year	210	Efficiency Index	246
Feed Conversion Ratio:		Total feed consumed / weight of live birds sold		Standard: 150	
Efficiency Index:	$\frac{\text{Average body weight (kg.)} \times \text{livability (\%)} \times 100}{\text{FCR} \times \text{No. of Days}}$ Standard: 250 and above				
Mortality:	Birds dead / DOC's placed		Standard: 3%		

The key elements of the smallholder poultry model are as follows:

1) Making poor tribal women pick-up skills required for broiler farming

- a) Rigorous training for new producers.
- b) Round-the-clock support through trained village-level paravets at their door step.
- c) Quality referral service through on-call veterinary doctor.

2) Making producers perform better

- a) Payment of growing charges to producers with built-in incentive system for efficient production.
- b) Paravet (supervisor) charges linked to producer output.
- c) Comparison with local industry and pegging for higher efficiency.

3) Enhancing small unit advantage

- a) Adopting all-in-all out system which helps in better management.
- b) Emphasis on Isolated sheds that breaks horizontal spread of diseases.
- c) Self employed labour in small units is more efficient than the hired labour in bigger farms.
- d) Small farms being owner operated there is always better husbandry.

4) Cost efficiency

- a) Single window collective procurement of inputs and marketing of produce.
- b) Backward integration in feed and chicks.
- c) Forward integration in warehousing and retailing.
- d) The 'collective'-becoming a significant market player by cornering substantial market share and getting into a position to determine prices.

- e) Adopting a staggered production scheduling to spread out working capital requirement.

5) Creating systems of regular information flow

- a) Weekly monitoring of production variables of all producers.
- b) Performance outputs monitored through a customised software.
- c) Sample farm visits by veterinarian for expert guidance.

Women as poultry rearers

Women have played critical role in family's agriculture and livestock activities. This key role in livestock rearing particularly poultry has been traditionally acknowledged and the income from poultry remains with her and is considered as 'Stree Dhan'. The natural instinct for taking care, saving and avoiding wastage are some of the aspects which help women being efficient in husbandry. Women staying at home also find it convenient to take up home-based poultry rearing and easily fit the poultry activities in her daily work routine.

Source: Pradan, 2008, 'Livelihood Opportunities in broiler farming'.

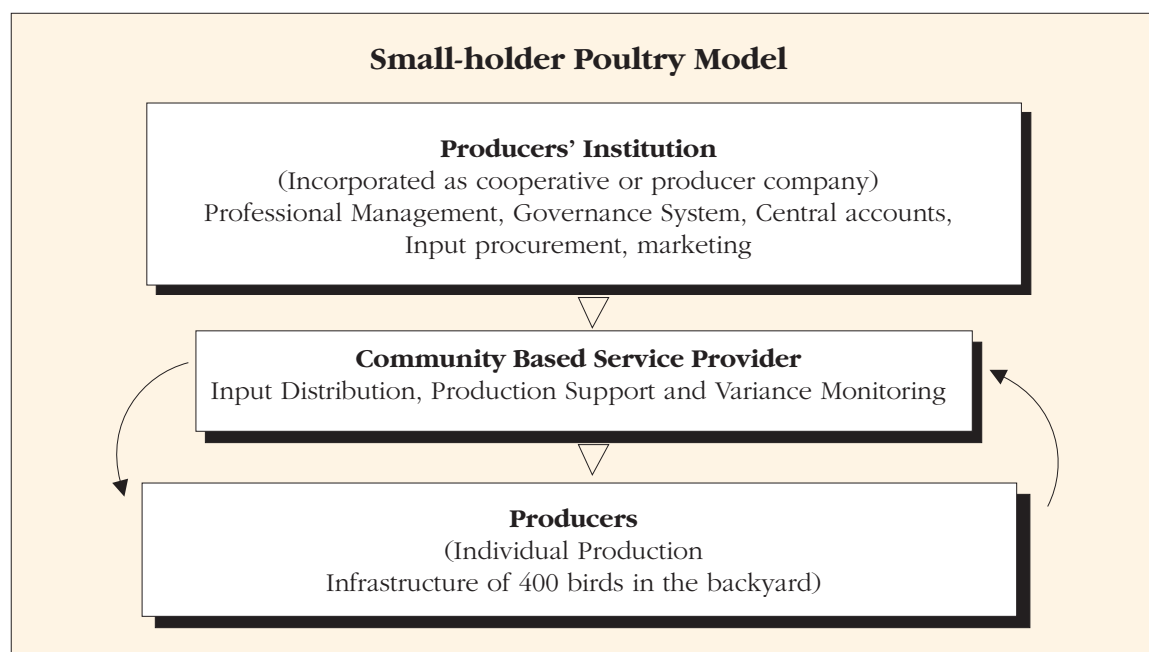
* Broilers: fast-growing birds, which mature in 5 to 7 weeks for the table purpose and have tender meat with soft, pliable, smooth textured skin and flexible breastbone cartilage.

6) Financial system

- a) Customised financial software to help track movements of stock across decentralised stock centres, batches and producers.
- b) Capital assets created through individual member financing.
- c) Working capital managed collectively and raised by the collective from banks /other financial institutions.

7) Accountable professional management

- a) Deployment of trained professional management for managing the cooperative.
- b) Installation of a strong governance system (monthly board meetings with extensive reporting).
- c) Organising weekly meeting of village-level supervisors.
Providing information on latest world poultry industry developments.



8) Mitigating risks due to price volatility

- a) De-linking prices of inputs and outputs at grower units from market fluctuations
- b) Collectively interacting with markets for price advantages.
- c) Providing producer's margin based on production efficiency.

Source: Pradan, 2008, 'Livelihood Opportunities in broiler farming'.

Annexure 9: Composition Values for Different Types of Manure

Average and range of composition values (KG TON-1) solid manures-broiler, broiler litter and cattle farm yard manure -reported from different sources.						
<i>Type of manure</i>	<i>Dry matter (kg ton-1)</i>	<i>N</i>	<i>NH₄ +-N</i>	<i>P</i>	<i>K</i>	<i>Mg</i>
Solid manure						
Broilers average	603	24.5	8	8.1	14.2	4.2
range	450-850	21.8-40	2.0-15	3.0-10.9	5.6-19.1	2.5-6.5
Broiler litter average	605	30.5	5.5	7.4	18.7	3.9
Cattle Farm Yard Manure	250	6	0.6-1.5	1.5	6.6	0.4

Source: IAEF, 2008.
 Guidelines for sustainable Manure Management in Asian Livestock Production Systems.
 Available at:
 available at:
http://www-pub.iaea.org/MTCD/publications/PDF/TE_1582_web.pdf

Annexure 10: Outreach of Small-holder Broiler Farming

<i>S.No.</i>	<i>Name of the Cooperative Society and Address</i>	<i>Year of Foundation</i>	<i>Total membership</i>	<i>Quantity of broiler sold (metric tons)</i>	<i>Sales turnover (Rs. in lakh)</i>	<i>Producer Profit (Rs. in lakh)</i>
1	Lohardaga Grameen Poultry Co-operative Society Ltd. Lohardaga Jharkhand	2003	572	783.60	455.60	23.32
2	Senha Grameen Poultry Co-operative Society Ltd. Lohardaga, Jharkhand	2006	286	357.00	147.82	10.46
3	Gumla Grameen Poultry Co-operative Society Ltd. Gumla, Jharkhand	2004	618	692.60	300.26	25.90
4	Potka Grameen Co-operative Society Ltd. East Singbhum, Jharkhand	2005	219	463.44	194.67	12.54
5	Torpa Grameen Poultry Co-operative Society Ltd. Khunti, Jharkhand	2004	264	324.40	133.42	8.28
6	Petarbar Grameen Poultry Co-operative Society Ltd. Peterbar, Jharkhand	2007	486	360.40	142.88	10.83
7	Chandwara Grameen Poultry Co-operative Society Ltd. Koderma Jharkhand	2007	40	33.55	12.24	0.52
8	Barhi Grameen Poultry Co-operative Society Ltd. Hazaribagh, Jharkhand	2008	637	73.71	28.01	0.74
9	Kesla Poultry Sahakarita Maryadit Hoshangabad, Madhya Pradesh	2001	483	1360.50	536.03	67.00
10	Mahila Murgipalak Swayat Sahakarita Simit Sidhi, Madhya Pradesh	2003	393	795.50	304.15	25.50
11	Rajnagar Grameen Mahila Murgi Utpadak Sahakarita Maryadit Chhatarpur, Madhya Pradesh	2007	360	279.65	112.00	8.85
12	Berbar Grameen Mahila Murgi Utpadak Swayat Samiti Tikamgarh, Madhya Pradesh	2007	221	319.00	125.00	8.07
13	Orchha Grameen Mahila Murgi Utpadak Sahakarita Samiti Tikamgarh, Madhya Pradesh	2007	224	225.00	89.15	7.50
14	Rani Durgawati Mahila Murgi Utpadak Sahakarita Maryadit Dindori, Madhya Pradesh	2008	136	67.00	23.00	1.91
15	Kelo Poultry Co-op. Society Ltd, Raigahr, Chattisgarh	2006	293	170.00	73.00	4.40
16	Keonjhar Grameen Poultry Co-op. Society Ltd, Keonjhar Keonjhar, Orissa	2008	76	109.26	45.31	3.18
	Total		5,308	6,414.61	2,722.54	219.00

As on 31st March 2008

Abbreviations

CEO	Chief Executive Officer
DoC	Day Old Chicks
FAO	Food & Agriculture Organisation of the United Nations
GOI	Government of India
NGO	Non Government Organisation
RSVY	Rashtriya Sam Vikas Yojna
SGSY	Swaranjayanti Gram Swarozgar Yojna
SHG	Self Help Group
SWOT	Strength Weakness Opportunity Threat

The NDDDB-FAO **South Asia Pro-Poor Livestock Policy Programme** (SA PPLPP) SA PPLPP is a unique livestock development program that aims to 'to ensure that the interests of poor livestock keepers are reflected in national as well as international policies and programs affecting their livelihoods'. It endeavors to do so by a) creating spaces for and facilitating dialogue among the actors playing a direct and indirect role in the livestock sector of South Asia, and b) drawing from and using lessons from field experiences to influence livestock-related policies, programmatic and institutional changes towards the benefit of poor fe/male livestock keepers in the region.

To access SA PPLPP publications and other information resources, please visit our website at <http://www.sapplpp.org>

PRADAN (Professional Assistance for Development Action) is a non-government, non-profit organisation that works with India's rural poor. Across seven of the poorest states in the country, PRADAN promotes Self-Help Groups; develops locally suitable economic activities; mobilises finances; and introduces systems to improve livelihoods of the rural poor and sustain their progress.

For more information on PRADAN, kindly visit their website at <http://www.pradan.net>

About this Good Practice

In the central plains of Madhya Pradesh, women poultry producers are learning how to beat diseases, build sheds, maintain account books and negotiate a remunerative price for their broiler birds. Under the aegis of their cooperative, they have become entrepreneurs and successfully feed a complicated and volatile poultry market. This note captures the processes they adopted to break entry barriers and become a viable enterprise.

SOUTH ASIA Pro Poor Livestock Policy Programme

A joint initiative of NDDDB and FAO

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