

POULTRY REVOLUTION IN LOHARDAGA – A SUCCESS STORY

An excellent collaboration of district administration and NGO



BACKGROUND: Most of the villagers in Lohardaga district are engaged in agricultural activities for their livelihood. With hardly 12% of the agricultural land having irrigational facilities, most of the farmers are heavily dependent on rainfall for agricultural production. Nevertheless,

production is quite erratic. Keeping this in mind, the district administration decided to provide some additional source of income to the poor families. Engaging the rural women folk in various allied activities through Self help groups was the best solution. Various activities viz. dairy, poultry, vermin-compost, goat rearing activity, piggery etc were taken up.

WHY POULTRY? Market study by Peter Rebero and Nishant Kurup, interns from Goa Institute of Management in May 2002 showed that the whole Jharkhand particularly Ranchi is a huge deficit market. The daily sell in Ranchi is 20 tons of live bird but the average daily production in and around Ranchi is only 5 tons. 15 tons of live poultry birds are being purchased from nearby states. The annual growth of poultry market is estimated to be 20%. Seeing this immense potential, members of Self Help Groups of Kuru block of Lohardaga with support from PRADAN, a local NGO, decided to take poultry activity as a livelihood option.

Lohardaga Grameen Poultry Cooperative Society Ltd came in existence in November 2002. It comprised of 160 members. It was registered under Jharkhand Self supporting act 1997. After the cooperative was registered, department of cooperatives, government of Jharkhand released an amount of Rs 28.35 lakh. Out of this, Rs 10 lakh was for working capital, Rupees 2 lakh for office cum training centre and the rest Rs 16.35 lakh for subsidy to 161 members for shed construction.





RSVY – A BOON IN DISGUISE :

Seeing the immense potential of this activity in the district and the demand from poor villagers, the district administration, headed by the Deputy Commissioner, Ms. Aradhana Patnaik, in the year 2004-05, decided to take up Poultry Activity on a mass scale. 400 units were initially taken up, amounting to Rs 161.10 lakhs, of which Rs 50 lakhs was funded from RSVY and Rs.111.10 lakhs was in the form of bank loan and members contribution. Encouraged by the success and the huge demand from villagers, 400 more units were taken up in the

year 2005-06 from RSVY. The unit cost per unit was Rs 40,275, of which subsidy was Rs 12,500 and the rest Rs 27,775 was loan component.

OBJECTIVE OF THE COOPERATIVE: Poultry farming is a lucrative business but not always. Many a times due to fluctuation of prices of input as well as output in market, the farmers have to bear huge losses. Poor farmers do not have sufficient backup to cope up during the lean period. As collectivization helps the farmers bargain in the market, the basic objective of the cooperative is to purchase raw materials in bulk and marketing of birds collectively. Chicks are provided to the members at a fixed price, lower than the prevailing market price, round the year. The ready birds are picked from the sheds of the members at a fixed price round the year and sold in the market at prevailing market price. All these services are provided to the members' right at their door steps. In this way, the farmers are neither getting affected with the price fluctuation of input nor ready birds. They get almost a fixed income every batch. The income will fluctuate only with skill, manual input and management of the individual farmer.

PROFILE OF THE MEMBERS: All the members of the cooperative are women from Schedule Caste and Schedule Tribe belonging to different Self Help Groups. Presently there are 861 members.



Project cost for one unit (300 birds size):

Poultry shed 300 sqft @ Rs 80 per sq ft	Rs 24,000
Equipment for 300 chicks @ Rs 6 per chick	Rs 1,800
Cost of Day Old Chicks @ Rs 15/ chick	Rs 4,500
Cost of feed for 300 chicks 3.5 kg/ chick @ Rs 9/ kg	Rs 8,775
Overhead for 300 chicks @ Rs 4/ chick	Rs 1,200
Total for one unit of 300 chicks	Rs 40,275



FEED UNIT UNDER RSVY: To sustain in the market, it was essential to reduce the cost of production. Since feed alone consists of 65% of the cost of production, the district administration decided to construct a feed plant, the first of its kind in Jharkhand, from RSVY. Before construction of the unit, feed for the co-operative were being

purchased from Kolkatta and Indore, which was costly as well as not so fresh. Poultry feed consists of 60% of maize. Most of the feed mills in India depend on the maize produced in Bihar and Jharkhand. It was decided to procure concentrate from other places and purchase maize locally. The total cost was Rs 4 lakh, out of which Rs 2 lakh was subsidy under RSVY and rest were contributed by co-operative society. After the plant started producing feed, it has reduced the cost of production by Rs 2 per kg and the profit has increased by Rs 500 to 600 per month per member. The unit produces 9 to 10 tonnes feed per day. 8 rural youths are earning their livelihood from this unit. At present, this unit has gone one step ahead. Soya De- oiled cake is being procured from Indore. This has improved the feed quality further.

HATCHERY UNDER RSVY:

After feed, chick is another important component. This constitutes around 25% of the cost of production. It was thus decided to construct a poultry Hatchery from RSVY with the dual objective of reducing the cost of production and ensuring quality chicks. The largest Hatchery of Jharkhand and the first of its kind in the State, with a capacity of 3 lakh day old chicks per month is about to be made operational. The building has been constructed and equipments have been ordered. The production is expected within 2

months. After it starts functioning, the cost of production per kilogram of chicken would further go down by Rs 2 and the profit per member would go by another Rs 500 to 600 per month. This would help the farmers compete with the big farmers of nearby states. Nearly 60 persons would be employed in this hatchery. The total cost is Rs 96.404 lakhs of which RS 58.099 lakhs is subsidy from RSVY and rest is bank loan as well as contribution from co-operative. The hatchery is expected to be functional by July 2006.



The detail of the scheme is as under:

Heads	Grant (RSVY)	Soft loan (RSVY)	Sub Total(RSVY)	Contribution (Society)	Bank Loan	Total
Building	5.650	1.130	6.780	3.825	2.825	13.430
Equipments	40.924	7.400	48.324	3.600	8.000	59.924
Working	11.525	2.305	13.830	3.458	5.762	23.050
Total	58.099	10.835	68.934	10.883	16.587	96.404

(All the amounts are in rupees lakhs)

Training and capacity building of farmers under RSVY

A seven days training programme was provided by PRADAN in collaboration with the District Animal Husbandry Officer. A total of Rs 7 lakhs was provided for imparting training to farmers from RSVY.

Broiler Farming: 7 day Training

In broiler farming, the first week determines to a large extent the performance of bird. A 1-week on-job residential training to the farmers is designed. For a batch of 20 trainees - 10 sheds are ear-marked and chicks are ordered. 20 trainees are invited a day before the arrival of the chicks. The trainees are involved in the process of shed disinfection and preparing for the brooding unit. After the chicks arrive 2 farmers are allocated to each shed along with the shed owner. Together they take care of brooding of their respective sheds under the supervision of the veterinary doctor. Everyday there are two classroom sessions where theoretical understanding is provided. After doing first vaccination, the guest trainees would return home and prepare their own sheds for placement of chicks. The host trainees would continue to be trained under the supervision of the veterinary doctor.

Fighting Bird Flu:

Bird flu has always been a nightmare for the people related to poultry throughout the world. The poor farmers have suffered most. Bird flu has affected the whole poultry industry so this co-operative is bound to be effected. The co-operative has incurred a loss of Rs 25 lakh this year due to bird flu but the members were not much affected



as the co-operative was purchasing the birds at a fixed price, which was being offered earlier. It has also helped the members carry on with the activity by providing working capital which otherwise would have been eroded. Presently, with the improvement in the market, the co-operative is expected to recover its loss soon. The members joined hand together and reduced their margin of profit during bird flu to help co-operative cope up with the situation.

ACHIEVEMENT:

At present 861 farmers (all women) are engaged in the activity. Two years back, only 161 farmers were into the activity. The daily broiler production is 4.0 tonnes per day. Within last one year, the farmers have earned Rs 52.37 lakhs as profit. The co-operative has an annual turnover of Rs 653 lakhs. 861 tribal families have been directly benefited from this activity as the average monthly income per member has now increased by Rs 2000 – Rs 2500.

OUTCOME:

- ✓ **EMPLOYMENT:** This activity is directly benefiting 861 rural SC, ST women who are earning around Rs 2000 per month. More than 50 rural educated youths are also earning their livelihood by playing a support role to the co-operative. Another 50 persons would be employed in the hatchery within a month. Being a naxalite-affected area this has a very positive impact in the community.
- ✓ **MIGRATION REDUCED:** Migration has reduced to a great extent. Earlier migration was quite common in this area due to lack of livelihood opportunities.

✓ **SOCIO-ECONOMIC DEVELOPMENT:** Apart from imparting financial and



economic independence to the families of the cooperative members, this activity has helped in improving the standard of living of the people. It has also indirectly helped in

socio-economic development of the villages involved as the health and educational standards have improved and the participation and active involvement of rural women in implementation of various government schemes has improved significantly.

✓ **SOCIAL BINDING:** Apart from improving the socio-economic standard of the poor families, it has also created social binding and a sense of collective ownership amongst the women. The classic example is fighting bird flu. None of them stopped farming during the period and they all helped the co-operative in tackling the situation by not taking the profit during the period and reducing their own margin.

✓ **ENTREPRENEURIAL SKILLS:** Women have gained the enterprising skills through this activity and hence their bargaining power has increased.

✓ **SOCIAL STATUS OF WOMEN IMPROVED:** Since this activity is totally done by women and the income goes directly in the hands of women, the status and say of women folk in the family has increased. Cash earning helps them in spending, which help them, lead a better life. They have started investing in social security schemes like LIC, fix deposit. They also invest in having better fooding and better clothing etc. Hence this activity has helped them lead a life with dignity.