

Growing online Poultry marketing in India – A scope for traditional players

India, a prominent market with a very unique industry structure, is changing at a much faster pace. As an expert suggests change which otherwise would have taken 10 years in India has been there in just 2 years. Think Grain Think Feed connected with CLFMA of India, association representing Indian feed industry, to understand the changes in Indian feed sector, their contribution in resolving the industry issues especially in the pandemic time and how do they anticipate the industry in coming years.



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Please share some of the issues that the association has taken to government authorities in recent times.

CLFMA has taken many issues to the govt. to quote a few CLFMA was instrumental in representing the government to allow import of GM Soymeal which was considered by the government.

CLFMA was also suggested the feed additive list to the government and followed up closely with the government and combined list got approval on 13th August, 2020. After this government consulted CLFMA about few queries regard the feed additives and its use which was appropriately answered by CLFMA Technical Committee.

During the pandemic period CLFMA kept in touch with government authorities to ensure inclusion of "Animal Feed Manufacturing and Animal Feed Distribution" as Essential Services.

Increasing fertilizer prices

and limited availability is impacting all raw materials, how do you see its impact on the Indian feed sector?

Demand for feed grains for the Indian Feed Sector is expected to grow by 8-10 per cent over the last year, fuelled by the increase in consumer demand as well as increased productions across the segments. Further, future growth of the feed sector is expected to be bullish and there would definitely be increased demand for the feed grains or raw materials by the feed industry. However, any challenges including the fertiliser prices or availability surely will affect the crop yields in turn will have significant impacts on the feed sector.

India is there on the world map in terms of milk production, chicken and egg production but is nowhere in world trade.

What is your suggestion to producers to change this scenario?

As per one of the private reports, India exported around 270 million worth of meat, dairy, and poultry products in 2021. However, its highly negligible and in fact has seen a down trend over the last few years. Major challenges being faced & impacting the export growth are lack of infrastructure, meeting the import quality criteria of various countries, periodic disease challenges especially of avian influenza and also lack of government policies and incentive schemes to promote the world trade. Further, with current domestic demand itself being high & also with expected growths in the coming years with increased per capita, producers are not much focussing to export their produce.

Players like Licious, TendeCuts are disrupting the Indian Poultry business landscape. According to your opinion, how will it impact the producers' profitability and what can be learnt from them?



The emergence of online start-ups including Licious, FreshToHome, Tendercuts, Zappfresh& few others are disrupting the traditional poultry and meat industry. However, they account for just around 0.2 per cent of total poultry products business. We see great opportunity for online marketing to grow to 3-4 per cent and expand into Tier 2 cities in the next two years. Such start-ups are an eye-opener for the Indian Poultry producers in a positive way, especially in the field of marketing of their produce. These start-ups should be considered as an opportunity instead of threat by the industry players and one should take positive points out of these to better market their end-product and reach consumers directly. Indeed, these types of ventures will complement the poultry producers and they will have positive impact on the overall profitability of

the producers. Further, these ventures also set an example for the livestock producers to set up their own ventures and brand their produce and do the local marketing.

Alternate feed ingredients are used in times of crises but that impact productivity and quality of end-product. Which alternative holds a promising future?

There are couple of alternatives that be used during the times of crisis like MBM (3-5per cent), cottonseed meal (3-4per cent), DDGS(max5per cent), Rapeseed meal (3-4per cent), GNC (7-9per cent), MGM (4-5per cent) which can be used. The amino acid composition of these alternate source must be taken into account. For example, in finisher diet when corn and soya are used, it needs around 2-2.5 kg lysine but with alternate sources it may go up to 3-4

kg. Further, the anti-nutritional factors in these alternate sources need to be checked. Out of the alternatives corn DDGS can be a good alternative in future in both poultry and dairy. If good quality i.e., low in toxin as that of US variety is available, then industry can go up to even 10-12per cent even in poultry. Then comes good quality MGM as well.

Lastly, how has the Indian feed sector progressed in the last 5 years and how do you see the growth in the coming 5 years?

Indian feed sector has grown at a CAGR of 6.01per cent from 2015 to 2019 and then degrown by 5.6per cent in 2020 due to COVID-19 related disruptions. In 2021, also the feed tonnage is expected to be similar to 2020. Indian animal feed sector is expected to touch pre-Covid level only in 2022 and thereafter it is expected to grow at a CAGR of 6-7per cent.