

# POULTRY INDUSTRY: MARKET DEVELOPMENTS IN INDIA



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# TODAY'S TOPIC

- INDIA- A GEOGRAPHICAL OVERVIEW
- AN OVERVIEW OF INDIAN ECONOMY
- INDIA'S AGRICULTURE PRODUCTION
- POULTRY INDUSTRY: MARKET DEVELOPMENTS IN INDIA



# INDIA- A GEOGRAPHICAL OVERVIEW



- The union of India is the 7<sup>th</sup> largest Country in the World, covering 3.287 million Sq. Km
- India is a federal Union of States comprising 29 states and 7 Union Territories
- India is the 2<sup>nd</sup> most populous Country in the World with over 1.2 billion people which is 17.5% of the World's population.
- It is expected that by 2020, the average age of an Indian will be 29 years.



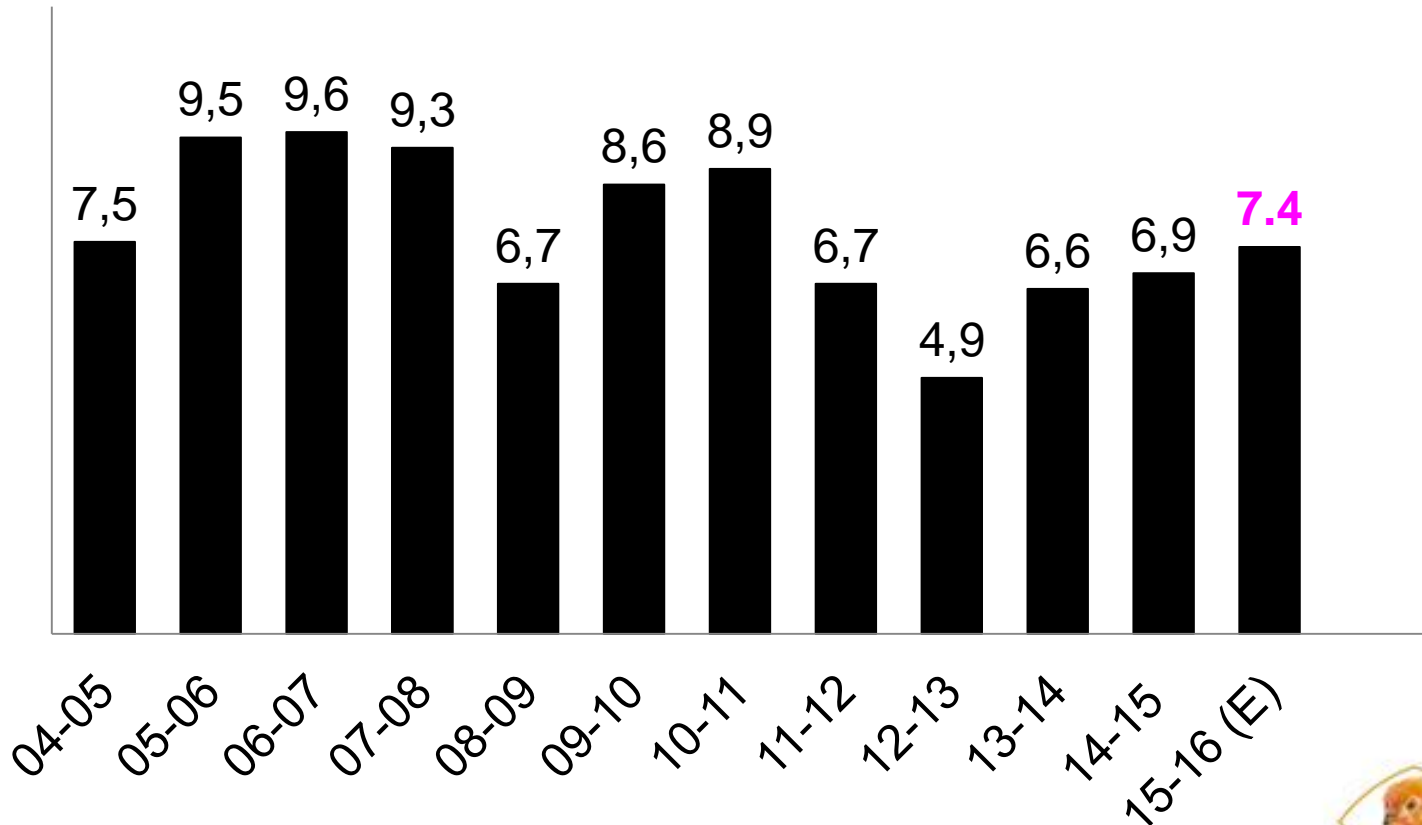
# AN OVERVIEW OF INDIAN **ECONOMY**

- **Indian economy is 12<sup>th</sup> largest in the world**
- **GDP Value: Over US\$ 2.0 Trillion (Tn)**
- **Gross Domestic Products (GDP) Composition by Sector (Fy2014)**
  - **Services 56.9 % | Industry 25.8% | Agriculture 17.4%**
- **Purchasing Power Parity (PPP): US\$ 5.6 Tn**
- **Forex Reserve: US\$ 354 Bn**
- **FDI Flow US\$ 37.7 Bn (2014-15)**
- **Household Savings Rate 30.6% (2013-14) (world's highest)**
- **Value of Exports US\$ 20.01 Billion**

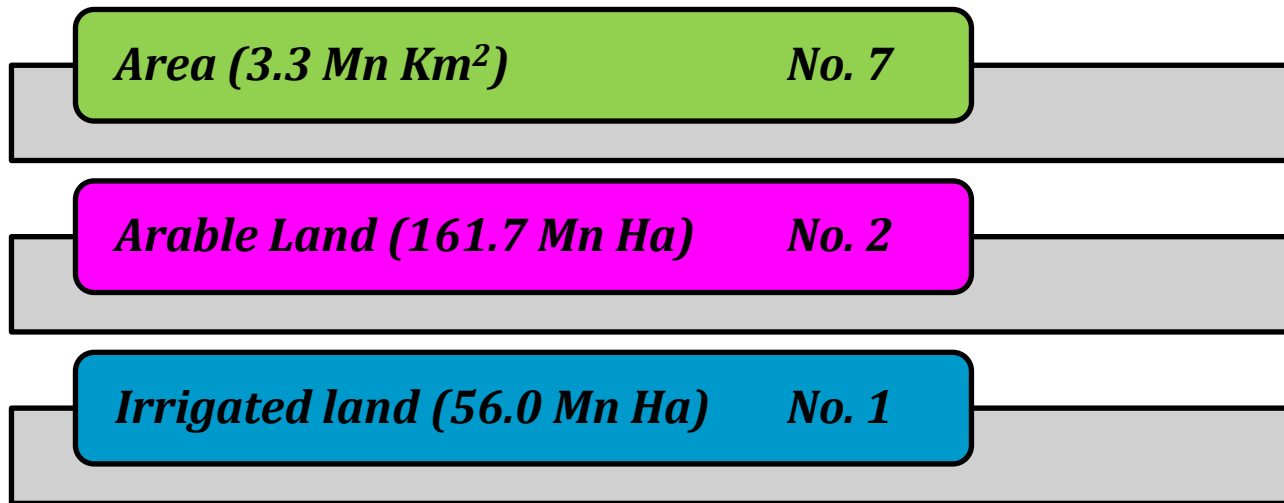


# INDIA'S OVERALL GDP GROWTH

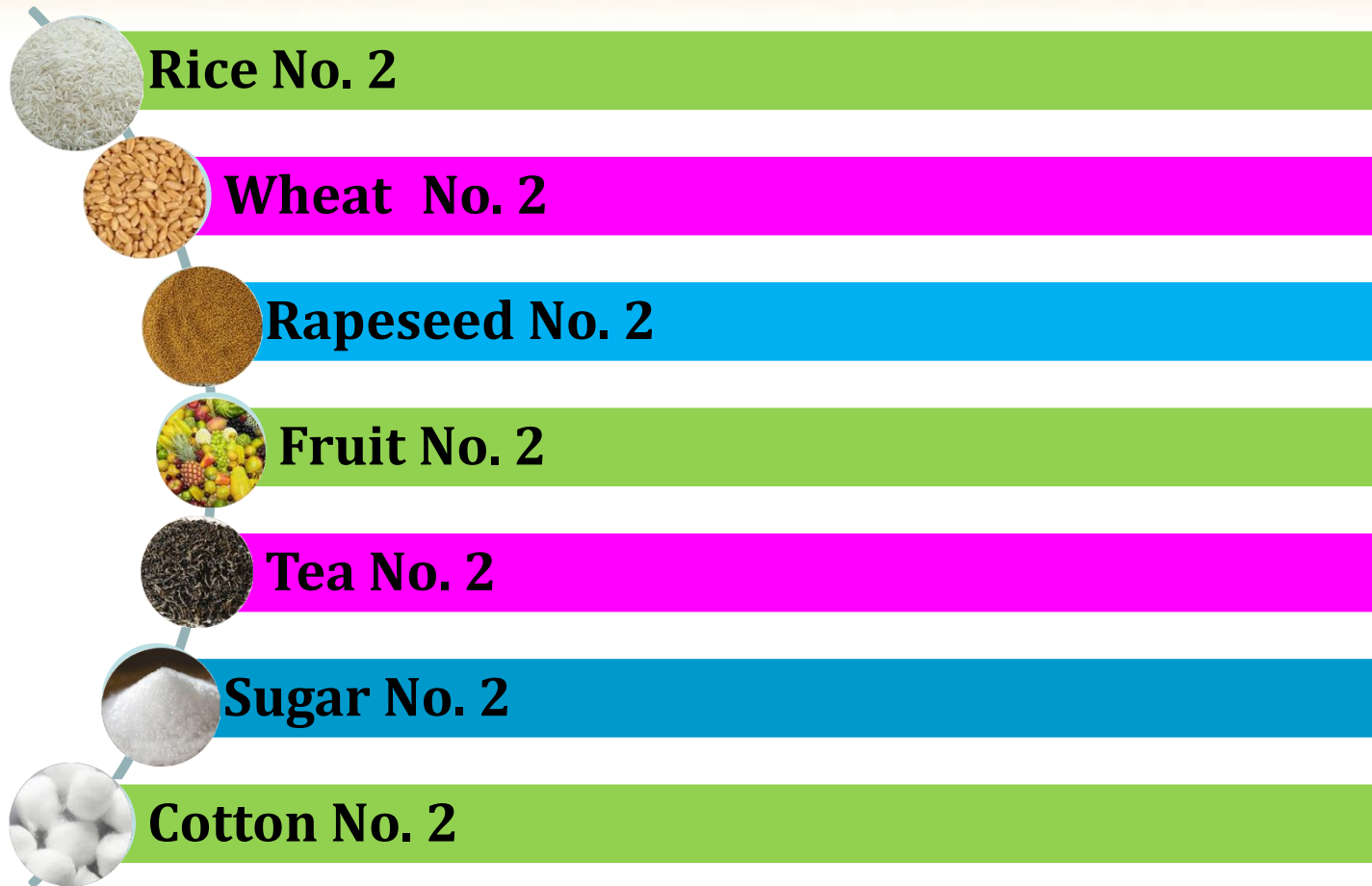
- The average GDP growth in last five years is registered at 6.8%
- For FY15-16, growth is Estimated at 7.4%



# WHERE INDIA STANDS IN AGRICULTURE PRODUCTION



# WHERE INDIA STANDS IN AGRICULTURE PRODUCTION



# WHERE INDIA STANDS IN LIVESTOCK PRODUCTION





# LIVESTOCK POPULATION IN INDIA

| CATEGORY          | 2007    | 2012    | 2020 *  |
|-------------------|---------|---------|---------|
| CB cattle         | 33.06   | 39.72   | 65.30   |
| Indigenous cattle | 166.02  | 151.17  | 161.37  |
| Total Cattle      | 199.08  | 190.90  | 226.67  |
| Buffalo           | 105.33  | 108.70  | 115.60  |
| Sheep             | 71.56   | 65.06   | 74.78   |
| Goat              | 140.53  | 135.17  | 142.23  |
| Pigs              | 11.13   | 10.29   | 11.91   |
| Layers            | 236.00  | 291.00  | 350.00  |
| Broilers          | 2800.00 | 3200.00 | 4500.00 |

Source : Livestock Censuses, Department of Animal Husbandry, Dairying & Fisheries, Ministry of Agriculture, GOI  
 Figures in Millions | \* Projected



# INDIAN POULTRY INDUSTRY

| TYPE                     | NUMBER         |
|--------------------------|----------------|
| Total Broiler Production | 4.2 MMT        |
| Broiler Sector Value     | USD 11 billion |
| Total Egg production     | 66 billion     |
| Layer Sector Value       | USD 4 billion  |
| Broiler growth           | 10% pa         |
| Layer growth             | 6-7% pa        |
| Overall Growth           | 9-10% pa       |



# INDIAN POULTRY INDUSTRY

| TYPE                        | NUMBER         |
|-----------------------------|----------------|
| Commercial Layers           | 236.0 million  |
| Commercial Broilers         | 2800.0 million |
| Egg Production              | 66,000 million |
| Per Capita Egg Availability | 55 Eggs        |
| Broiler Meat Production     | 4.2 mmt        |
| Per Capita Broiler Meat     | 3.2 kg         |
| Poultry Feed Production     | 20 mmt         |



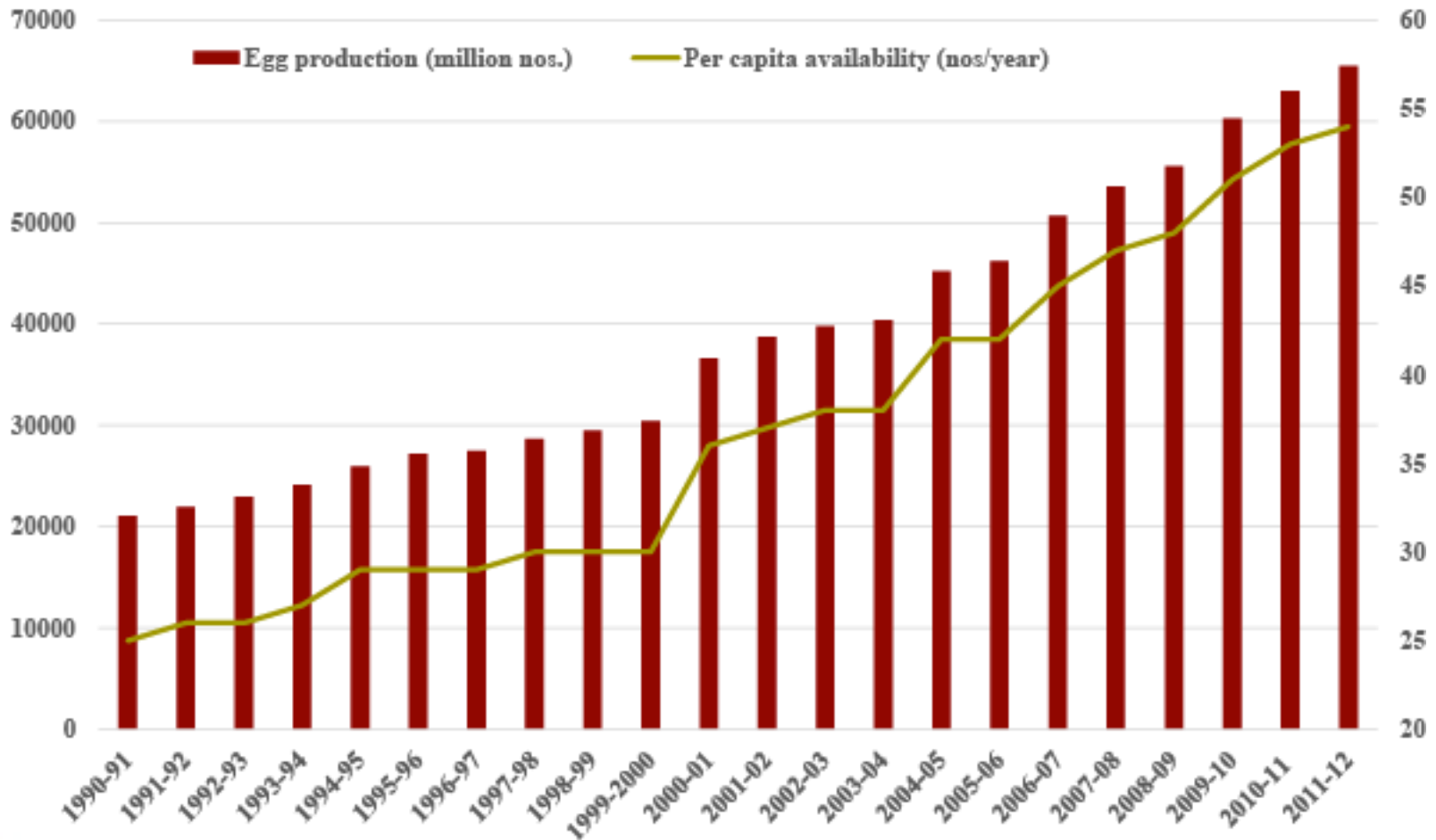
# MAJOR STATES IN POULTARY PRODUCTIONS

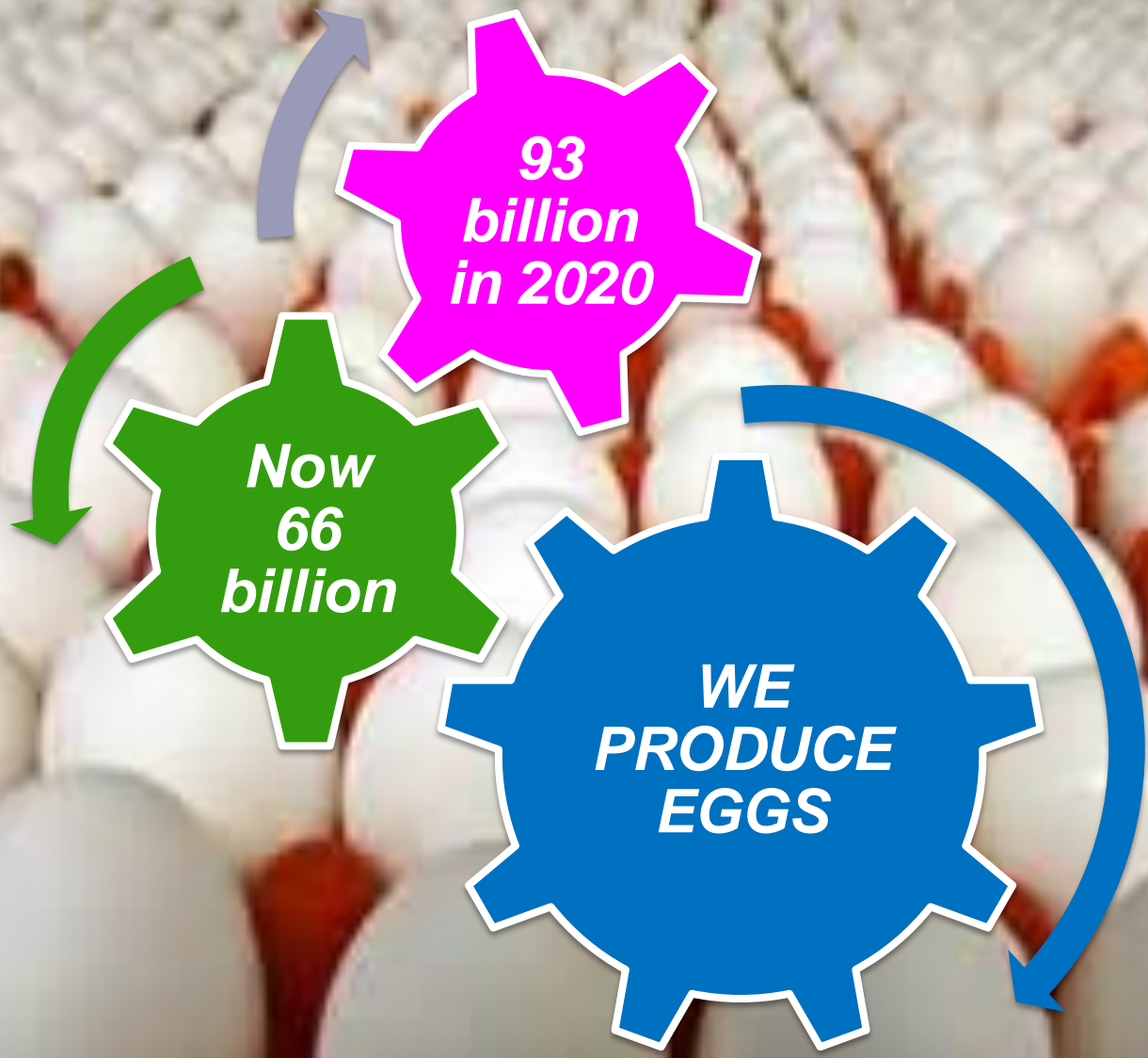
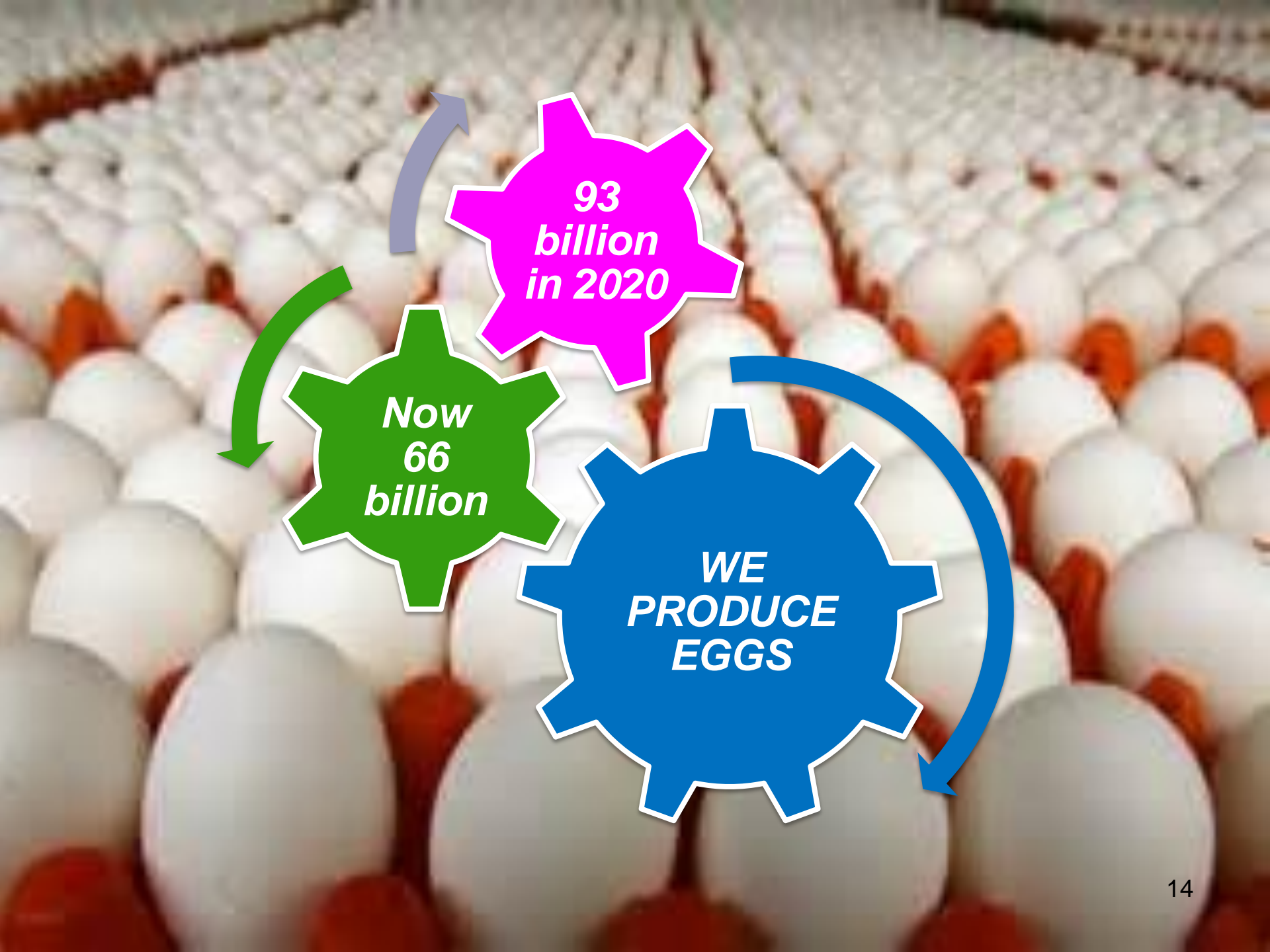
|      |                |       |
|------|----------------|-------|
| No.1 | Andhra Pradesh | South |
| No.2 | Tamil Nadu     | South |
| No.3 | Maharashtra    | West  |
| No.4 | Karnataka      | South |
| No.5 | West Bengal    | East  |

Source : Livestock Censuses, 2012 Department of Animal Husbandry, Dairying & Fisheries, Ministry of Agriculture, GOI



# GROWTH OF EGG PRODUCTION AND PER CAPITA CONSUMPTION



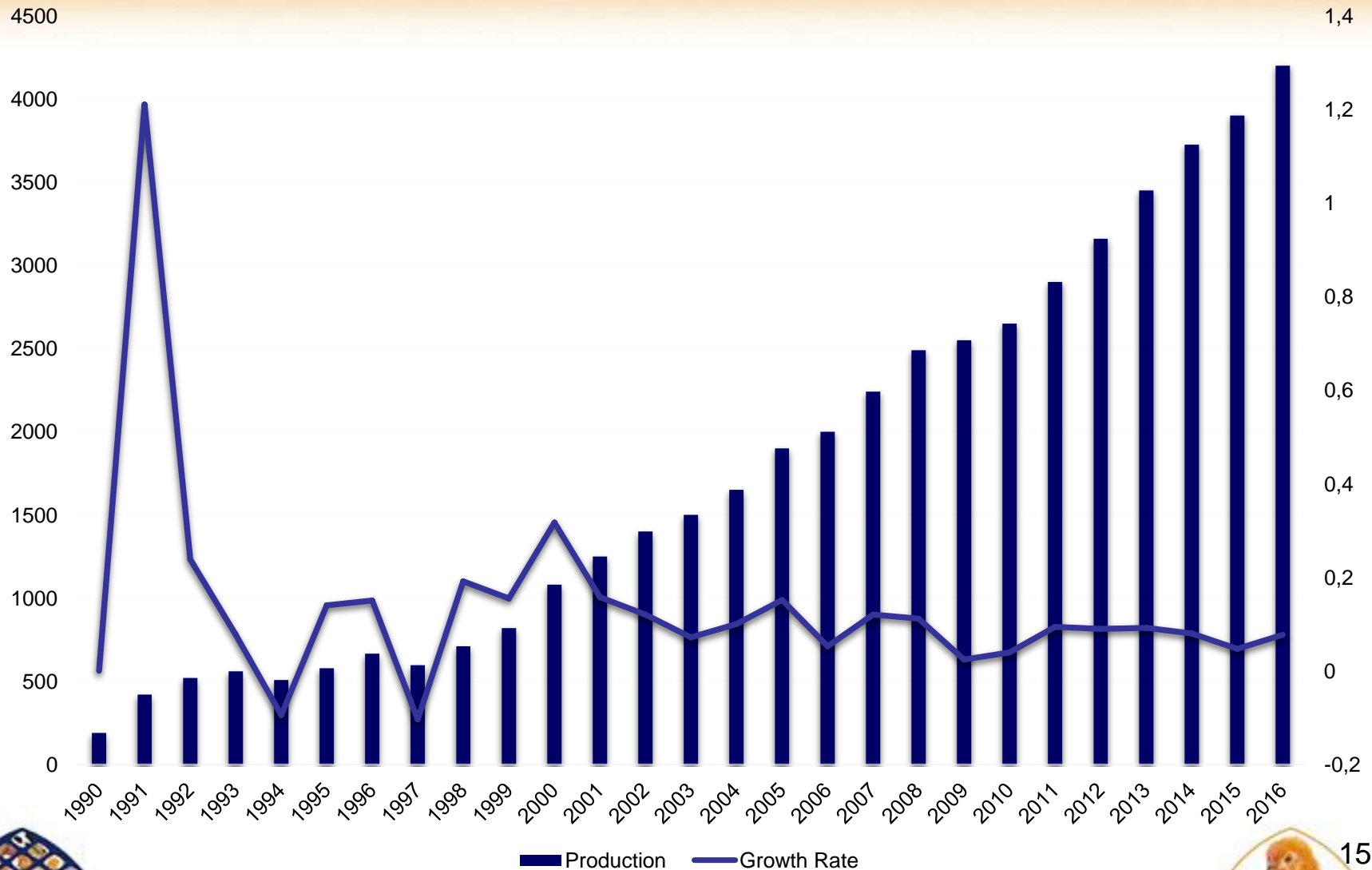


**93  
billion  
in 2020**

**Now  
66  
billion**

**WE  
PRODUCE  
EGGS**

# GROWTH OF BROILER PRODUCTION



100 million /wk  
in 2020

Now  
54 million /wk

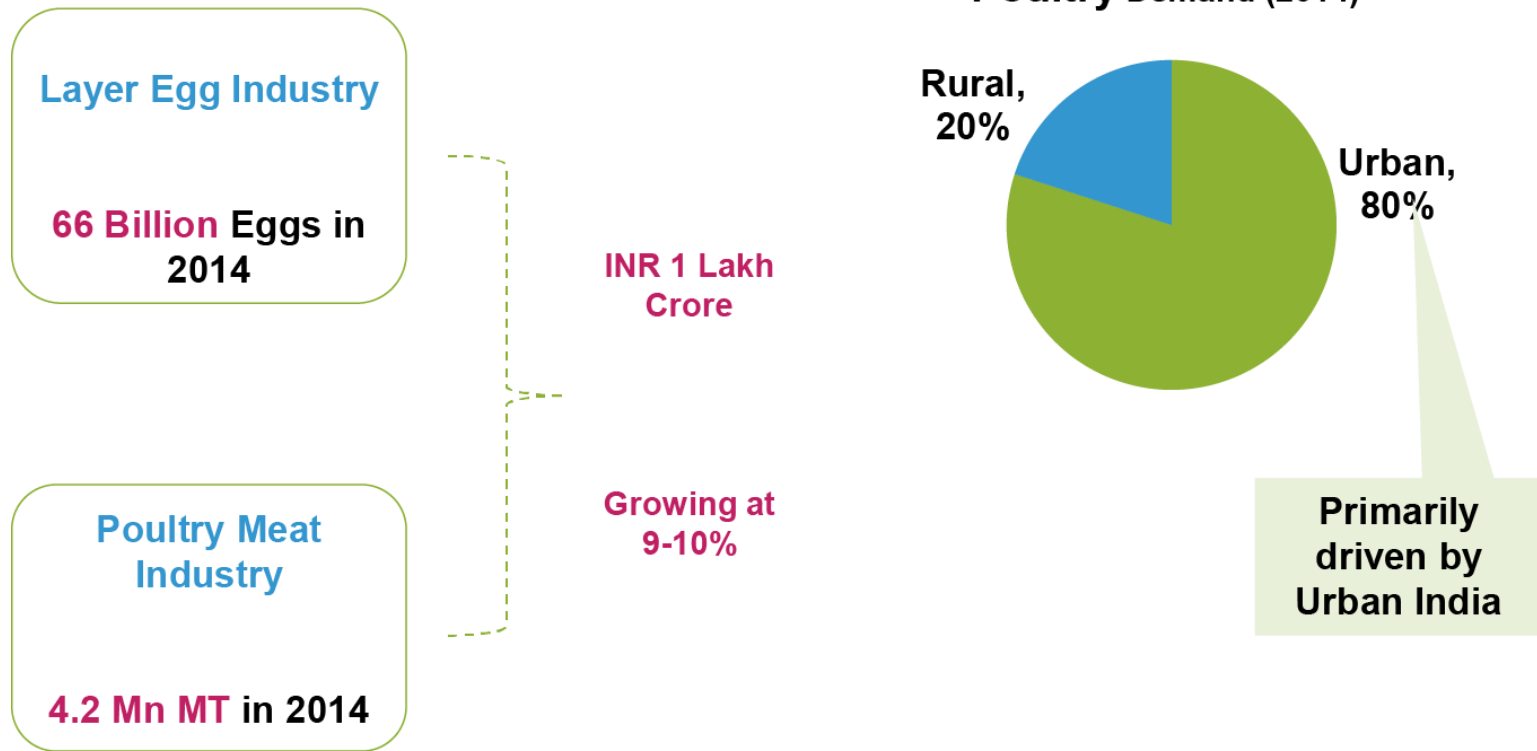


Source: Internal analysis





# VALUE OF INDIAN **POULTRY** INDUSTRY



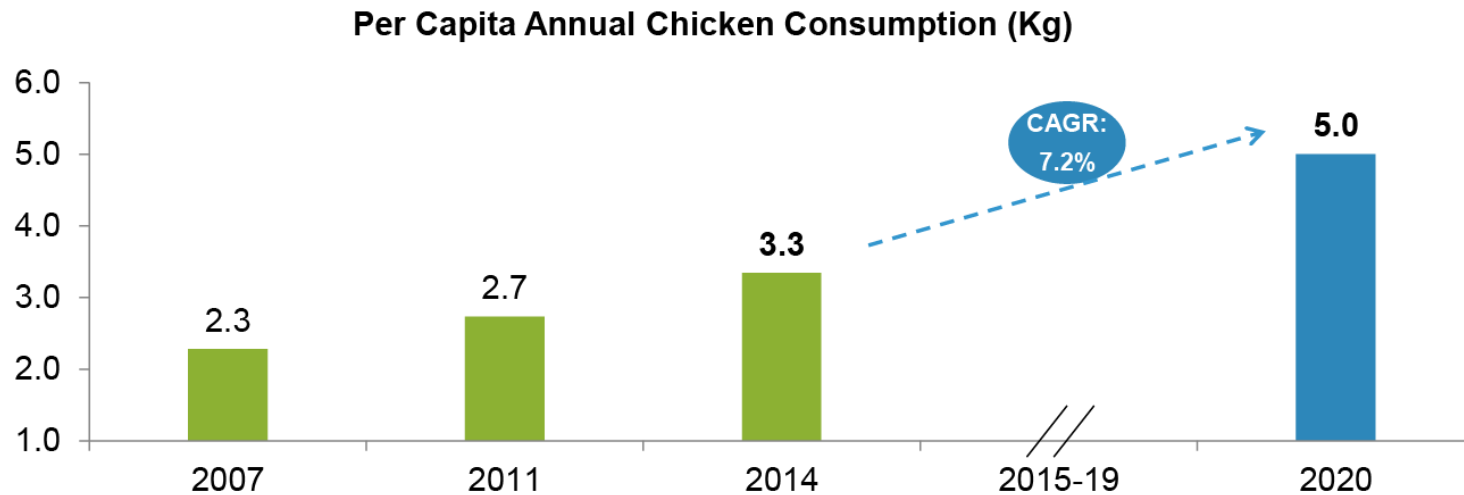
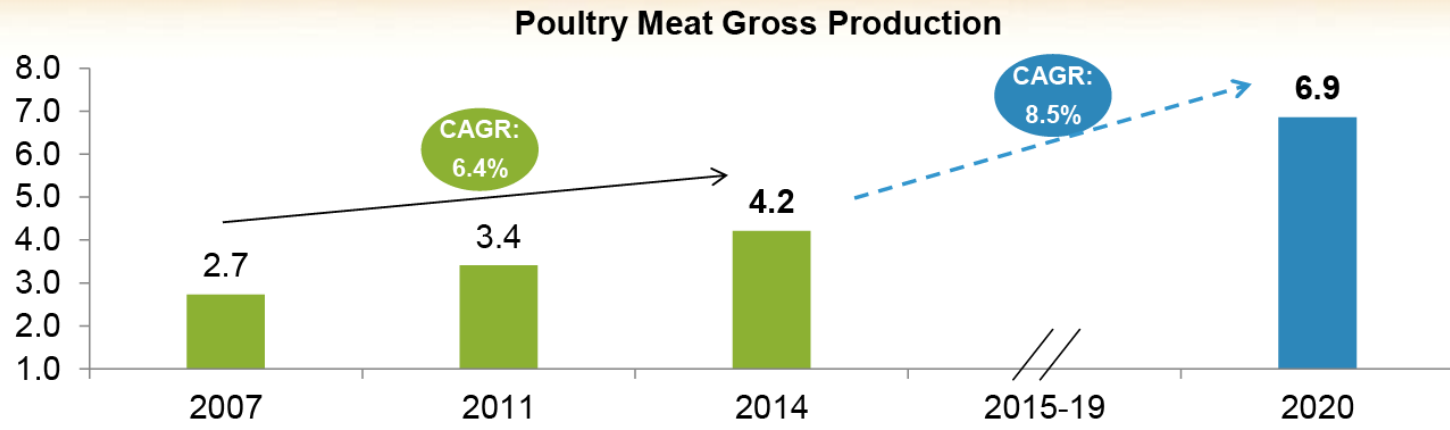
Poultry Industry contributes 0.9% to India's GDP



Source: News articles and Industry analysis



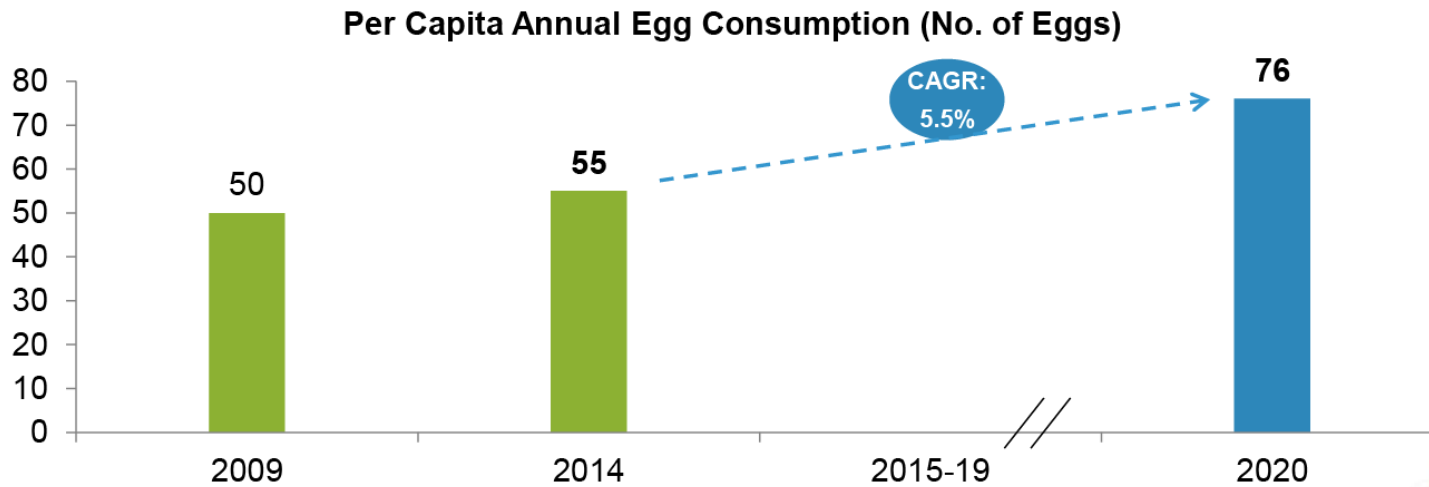
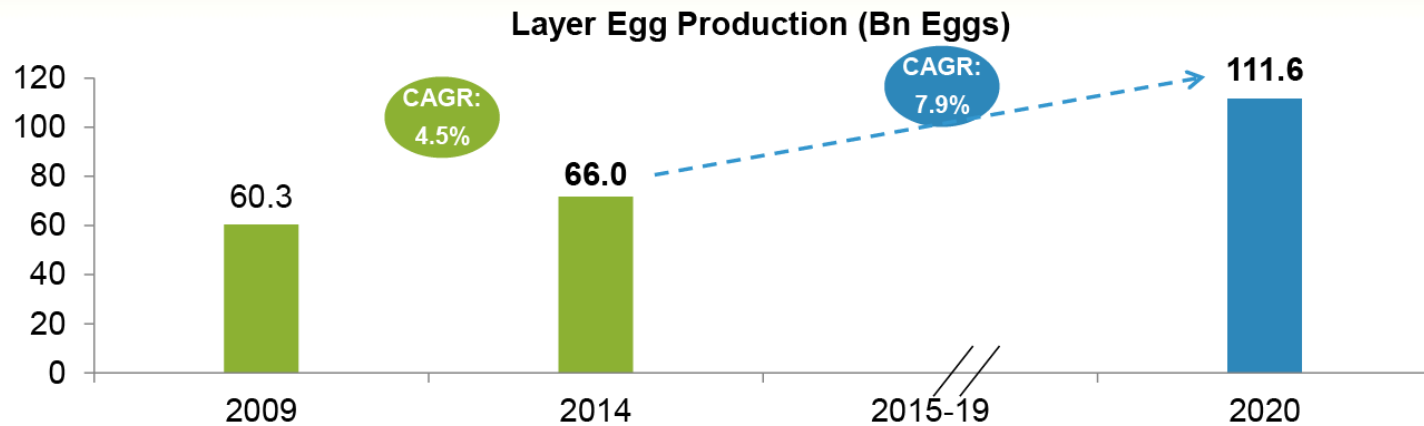
# FUTURE GROWTH IN **POULTRY MEAT** WOULD BE ROBUST COMPARED TO HISTORICAL GROWTH RATES



Source: Industry analysis



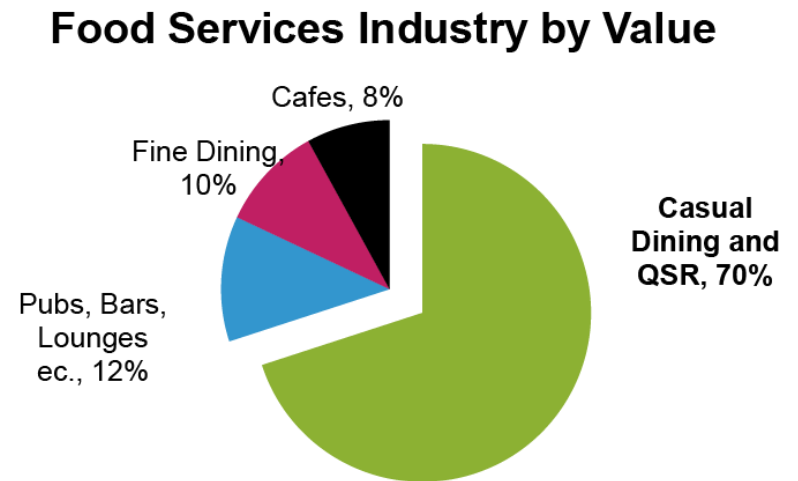
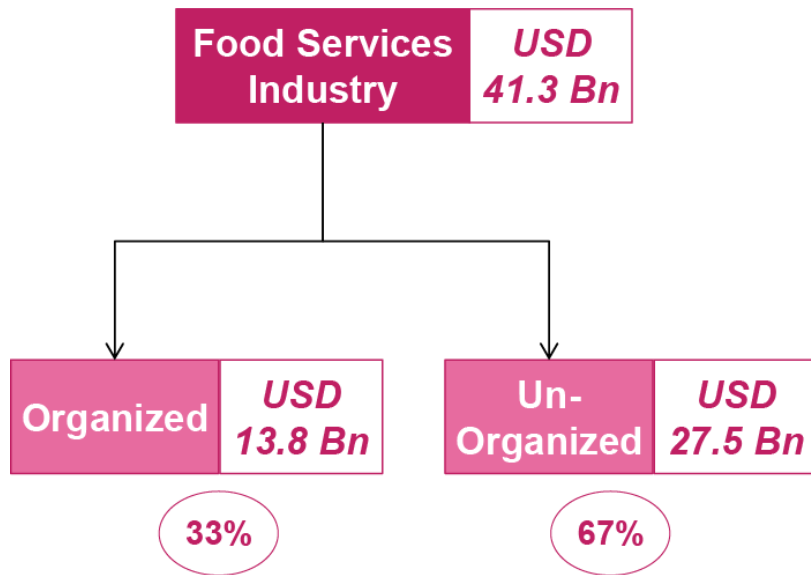
# ...LAYER EGGS WOULD ALSO EXHIBIT BETTER GROWTH IN THE FUTURE



Source: Industry analysis



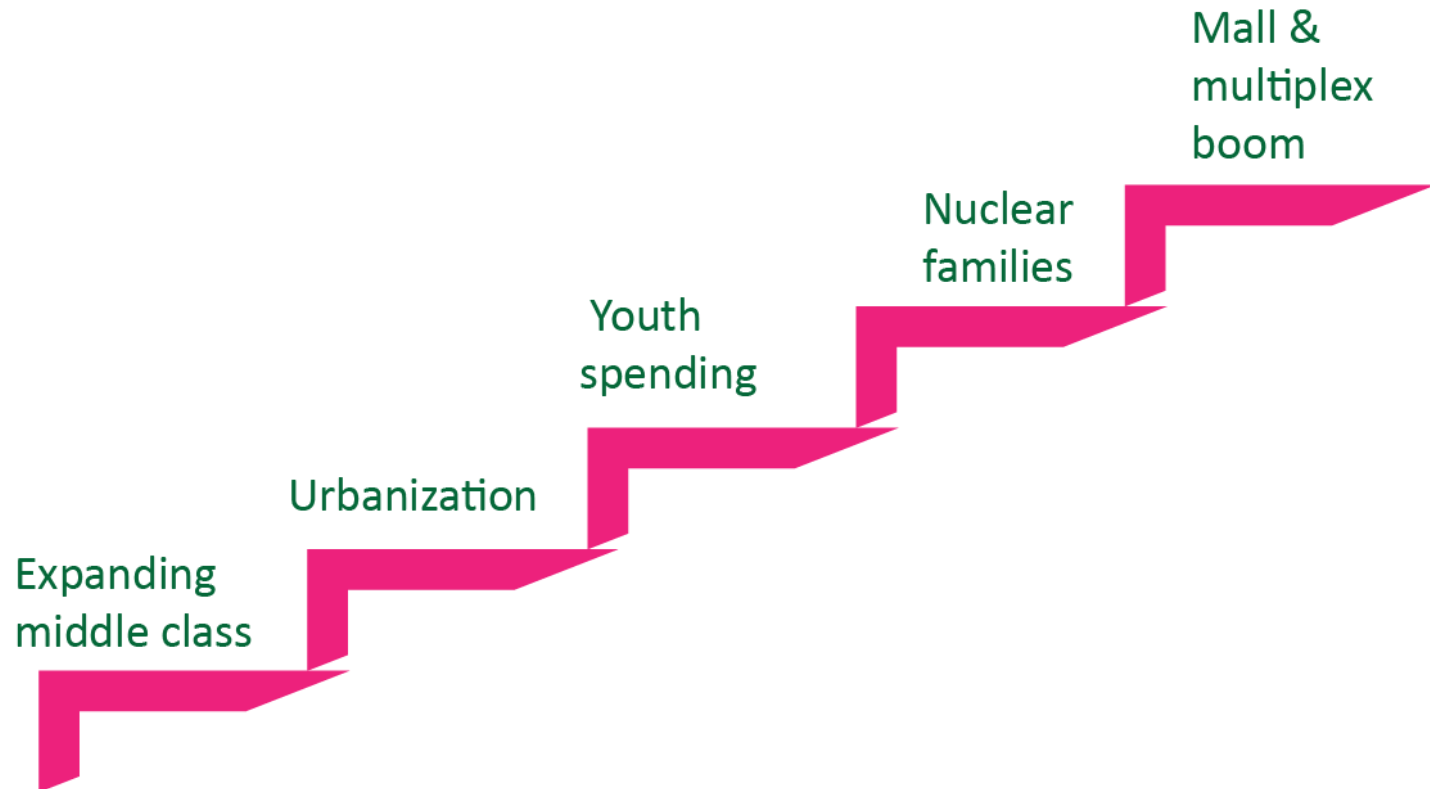
# EVOLUTION OF **FOOD SERVICES** INDUSTRY: A GROWTH FACTOR FOR POULTRY MEAT CONSUMPTION



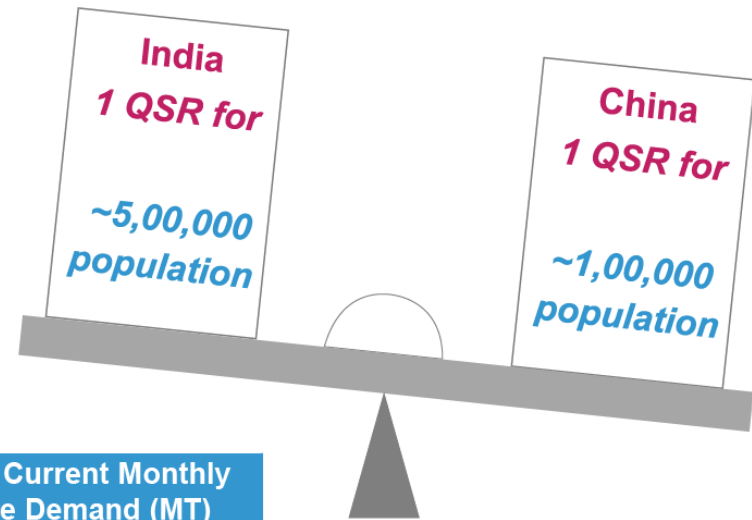
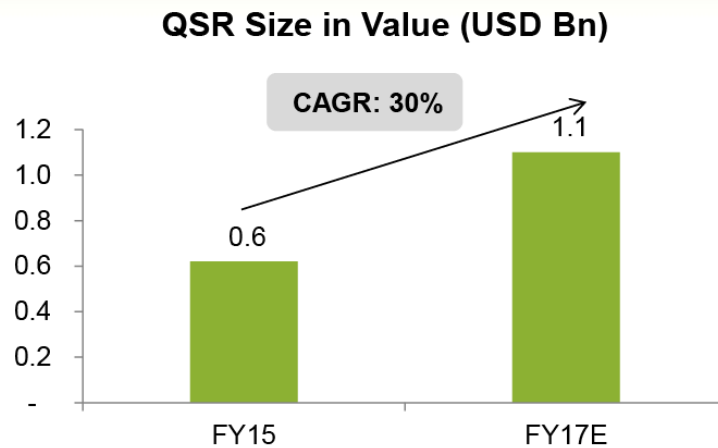
*Organized Food Services Industry which is a major consumer of valued added poultry meat is growing at a CAGR of 17%*



# GROWTH DRIVERS



# QSR IS THE FASTEST GROWING SEGMENT DRIVING DEMAND FOR PORCESSED POULTRY

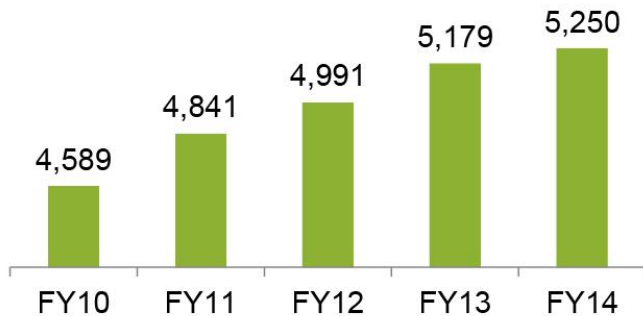


| QSR Brand India    | India Store Count | Poultry Current Monthly Volume Demand (MT) |
|--------------------|-------------------|--|
| Domino's           | 800               | 150  |
| Subway             | 448               | 110  |
| Pizza Hut          | 365               | 80   |
| Mc Donald's        | 350               | 140  |
| KFC                | 328               | 950  |
| Pizza Hut Delivery | 50                | 15   |
| Papa John's        | 43                | 22   |
| Burger King        | 7                 | 12   |
| Taco Bell          | 5                 | 3  |
| Johnny Rockets     | 2                 | 4  |
| Others             | 5                 | 6  |
| <b>Total</b>       | <b>2403</b>       | <b>1492</b>                                |



# KEY TRENDS WHICH WILL DEFINE THE VALUE ADDITION INDUSTRY IN THE FUTURE

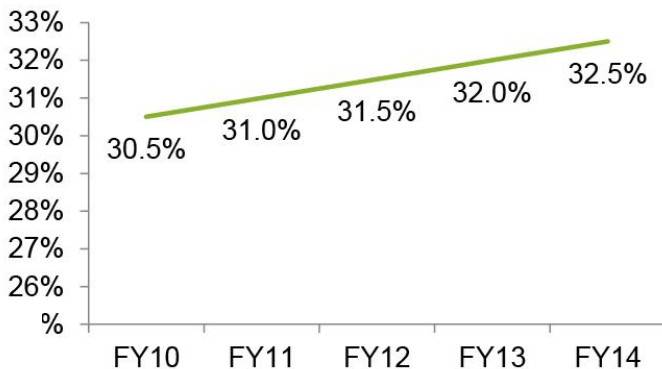
**Increasing Income Levels Driving Affordability (Per capita Income in USD PPP)**



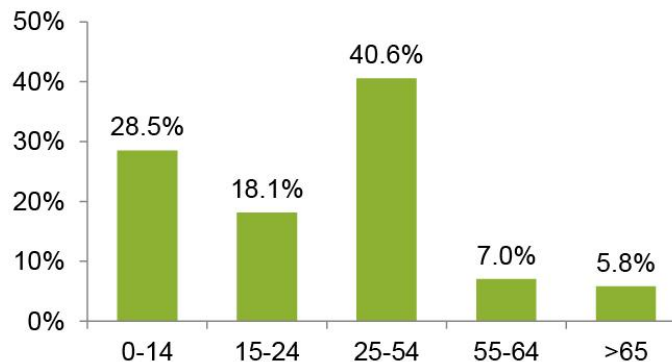
**Increasing Number of Women in Workforce**



**Urbanization**

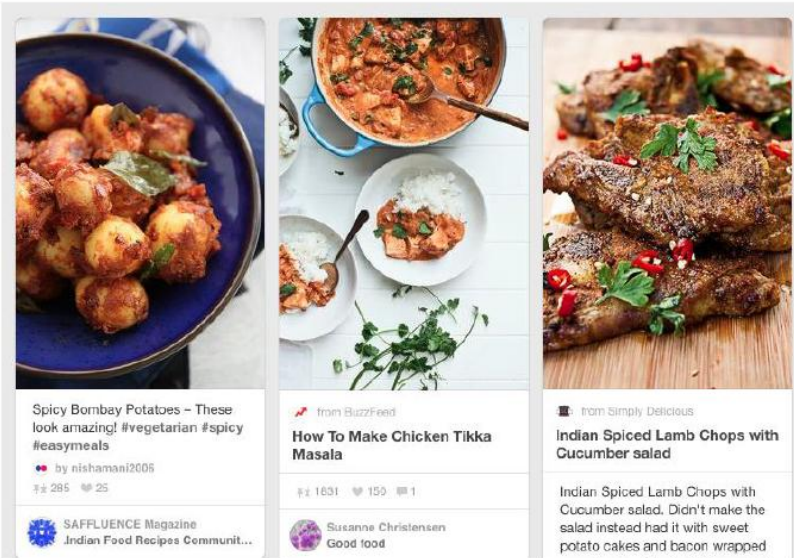


**Predominantly Young Population**



# ...KEY TRENDS WHICH WILL DEFINE THE VALUE ADDITION INDUSTRY IN THE FUTURE

## Emergence of Food as a Category Online



## Emergence of Organized Food Players Not just in Metros but in Tier 2/3 Cities

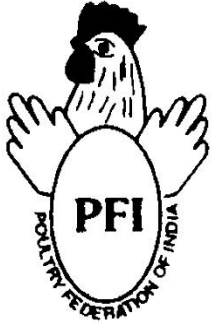




# MAJOR INDUSTRY ASSOCIATIONS



Livestock Industry Association



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# THANK YOU

