

Livestock, Poultry, Dairy and Fisheries

Livestock Sector

8.25 The livestock sector, which contributes 27 per cent to the GDP from agriculture and allied activities, is of special importance and a main source of family income in the arid and semi-arid regions of the country. In the arid and semi-arid regions, the contribution of livestock to agricultural GDP is as high as 70 per cent and 40 per cent, respectively. The sector has excellent forward and backward linkages, which promote many industries and increase the incomes of vulnerable groups such as agricultural labourers and small and marginal farmers.

8.26 In 2005-06, livestock sector produced 97.1 million tonnes of milk (Table 8.9), 46.2

Table 8.9 : Production and per-capita availability of milk

Year	Per capita availability (grams/day)	Production in million tonnes
1950-51	124	17.0
1960-61	124	20.0
1970-71	112	22.0
1980-81	128	31.6
1990-91	176	53.9
2000-01	220	80.6
2001-02	225	84.4
2002-03	230	86.2
2003-04	231	88.1
2004-05	233	92.5
2005-06	241	97.1
2006-07*	245	100.0

* Provisional.
Source: Department of Animal Husbandry and Dairying

billion eggs, 44.9 million kg of wool and around 2.31 million tonnes of meat from organized sector. The All India Summary Reports of the 17th Livestock Census released in July 2006 points out that India possesses the largest livestock populations in the world after Brazil. It accounts for about 56 per cent of the world's buffalo population and 14 per cent of the cattle population. It ranks first in respect of buffalo and second in respect of cattle population, second in goat population and third in respect of sheep in the world.

Livestock Insurance

8.27 Livestock Insurance Scheme was approved in February 2006 for its implementation during the remaining part of 2005-06, and in 2006-07 on a pilot basis in 100 selected districts across the country with a total outlay of Rs. 120 crore. The scheme aims at protecting the farmers against losses due to un-timely death of animals. The Central Government is providing subsidy to the tune of 50 per cent of the premium under the scheme.

8.28 An amount of Rs. 24.21 crore was released during 2005-06 to the implementing agencies in the States. An additional amount of Rs. 25.10 crore out of Rs. 51 crore allocated for the year 2006-07 has been released.

Poultry

8.29 The poultry sector, with total value of output exceeding Rs.15,000 crore and providing direct and indirect employment to over three million people, produced around 1.9 MT of chicken-meat in 2005. Between the 1970 and 2006, the annual per capita availability of eggs has quadrupled from 10 to 41, while the corresponding increase in chicken meat has been even faster from 146 grams to 1.6 kgs. While India's share of world trade in poultry and poultry products continues to be very small, in the last decade the value of such exports has increased from Rs.11 crore in 1993-94 to Rs. 326 crore in 2005-06. Exports of products, such as live poultry, eggs, hatching eggs, frozen eggs, egg powder and poultry meat, to countries including Bangladesh, Sri Lanka, Middle East, Japan,

Denmark, Poland, USA and Angola augurs well for the industry. Uninterrupted supplies of feed as well as preparedness for external shocks such as avian influenza (Box 8.1) are critical for the continued robust growth of this sector.

8.30 An active surveillance programme is being carried out all over the country focusing on early detection of avian influenza. Though vaccination has not yet been introduced in the country, Government maintains strategic reserve of poultry vaccine. India has a fully equipped Bio-Security Level 3 laboratory at Bhopal. More than 85,000 samples have been tested at Bhopal after the first outbreak of avian influenza on February, 2006 in a small area in Maharashtra. A second outbreak was reported from Maharashtra itself a few months later. India was declared free of avian influenza on August 18, 2006 after following stipulated guidelines of World Organisation of Animal Health. Targeted surveillance continues and focuses on areas where outbreak took place, areas visited by migratory birds with poultry concentrations around them and areas of major poultry population.

Dairying

8.31 India ranks first in the world in milk production, which rose from 17 MT in 1950-51 to around 100 MT by 2006-07. The per capita availability of milk has also increased from 112 grams in 1968-69 to 230 grams per day in 2005-06 and is expected to reach about 245 grams per day in 2006-07.

8.32 Presently, about 1.13 lakh village level co-operative societies spread over 265 districts in the country form part of the National Milk Grid. The Grid links the milk producers throughout India with consumers in over 700 towns and cities smoothing the seasonal and regional variations in the availability of milk, and ensuring a remunerative price to the producers and a reasonable price for quality milk and milk products to the consumers. Almost an equal quantity of milk is handled by the cooperative and private sectors. Consequent to de-licensing of the dairy sector in 1991, the Milk and Milk Products Order (MMPO) 1992 promulgated under the

Box 8.1 : Avian Influenza in India: Preparedness, Control and Containment

In 2006, the first outbreak of avian influenza occurred February 18 in the western part of country in a small area in Maharashtra running contiguously over an adjoining territory of Gujarat. A second outbreak was reported from Maharashtra itself. The isolated appearances of bird flu received widespread media attention and caused some panic. Public announcements made by domestic airlines, Indian Railway and the Armed Forces further fuelled the public misgivings about consuming chicken and other poultry products. Many States imposed ban on the inter-State movement of poultry and poultry products. As a result, the consumption and prices of poultry products nosedived. The poultry industry suffered substantial financial losses on account of drastic decline in the demand for poultry and poultry products, leading to difficulties in meeting its debt service obligations to banks and financial institutions. Government initiated various strategic actions to control and contain the outbreak in accordance with the Action Plans for the Department of Animal Husbandry, Dairying and Fisheries (DADF) and the Ministry of Health and Family Welfare (MOHFW):

- Carrying out demarcation of the relevant area of 3 kms. as the infected zone and a further area of 7 kms. as the surveillance zone.
- Culling out over a million poultry, both backyard and commercial, in a radius of 10 kms around the affected farm premises.
- Destroying more than 8,500 MT of feed material, nearly 17 lakh eggs, and other infected materials such as egg product, feathers, and protective cloth used by the staff engaged in operations.
- Cleaning and disinfecting the infected premises/area, and concluding the operations in each area with the issue of a sanitization certificate by the respective States.
- Post-operation surveillance in the affected area, including ensuring that no birds are stocked for the next three months after culling has been carried out.
- Compensating the owners for culled poultry by sharing the cost with the State Government on an equal basis. More than Rs. 3 crore has been paid as compensation soon after carrying out culling, especially for backyard poultry.
- Providing personnel involved in containment work with personal protective equipment and cover of Tami lu by the health authorities. Government announced relief measures for poultry farmers consisting of a one-time reduction of four percentage points in the interest payment liability on all bank loans availed of by poultry units, a moratorium of one year on payment of principal and interest, conversion of working capital into term loans, rescheduling of term loans and sanction of additional working capital, wherever necessary. The poultry sector was also provided relief by way of release of maize at concessional rate. There has been no outbreak after April 18, 2006. After following stipulated guidelines of World Organization of Animal Health (OIE), India declared freedom from avian influenza on August 18, 2006.

Essential Commodities Act, 1955, continues to regulate the milk sector. As per the provisions of this order, any person/dairy plant handling more than 10,000 litres per day of milk or 500 MT of milk solids per annum has to be registered with the registering authority appointed by Government. Post- liberalization, private entrepreneurs as well multinational milk products companies have made investments in the dairy sector, especially in putting up manufacturing facilities. Investments in the cooperative sector, however, are concentrated largely in milk procurement and processing.

8.33 Under Integrated Dairy Development Project, 73 projects with an outlay of Rs.407.58 crore and spread over 25 States and 1 UT have been approved. Cumulative

expenditure incurred up to end-March 2006 was Rs.274.33 crore. By end-March 2006, the programme had benefited 10.56 lakh farmers through 16,469 village-level dairy cooperative societies procuring 13.6 lakh litres of milk per day.

Fisheries

8.34 Fish production in the country has increased from 0.75 MT in 1950-51 to 6.50 MT in 2005-06 (Table 8.10). Fishing, aquaculture and a host of allied activities, a source of livelihood to over 14 million people as well as a major foreign exchange earner, in 2005-06 contributed about one per cent of the total GDP and 5.3 per cent of the GDP from agriculture sector. The geographic base of Indian marine fisheries has 8,118 km. coastline, 2.02 million sq.km. of Exclusive

Table 8.10 : Production and export of marine products

Year	Fish production (Million tonnes)			Export of marine products	
	Marine	Inland	Total	Quantity (‘000 tonnes)	Value (Rs. crore)
1950-51	0.5	0.2	0.7	20	2
1960-61	0.9	0.3	1.2	20	4
1970-71	1.1	0.7	1.8	40	35
1980-81	1.5	0.9	2.4	80	235
1990-91	2.3	1.5	3.8	140	893
2000-01	2.8	2.8	5.6	503	6288
2002-03	3.0	3.2	6.2	521	6793
2003-04	3.0	3.4	6.4	412	6086
2004-05	3.52	2.78	6.30	482	6460
2005-06(P)	3.76	2.81	6.57	551	7019

Source : Department of Animal Husbandry, Dairying and Fisheries.

Economic Zone including 0.5 million sq. km. of continental shelf, and 3,937 fishing villages. There are 189 traditional fish landing centres, 59 minor fishing harbours and 6 major fishing harbours, which serve as bases for about 2,80,000 fishing craft consisting of 1,81,000 non-motorized traditional craft, 45,000 motorised traditional craft and 54,000 mechanised boats. Out of 180 deep sea fishing vessels, only 60 are in operation at present.

8.35 National Fisheries Development Board has been set up to realize the untapped potential of fishery sector with the application of modern tools of research and development including biotechnology. The Board was registered in July, 2006 under Andhra Pradesh Society Registration Act 2001 and has become operational. The Coastal Aquaculture Authority Bill, 2005 passed by both Houses of Parliament became an Act on June 23, 2005. Rules have already been framed under the Act.