



'HATCHING' TO PROSPER

The business of hatching could turn the fortunes around for the rural women in India. The success of Keggframs- a poultry chain has shown: both the business model and the unique supply chain module of the firm, deserve replication in the country, reports **Madhvendra Singh Chauhan**

Sushila Valmiki lives with her husband and five children in a village on the outskirts of Varanasi in Eastern UP. Her husband works as a labourer in the village and whatever little he earns is not sufficient to feed the family of seven members. In the village, there is no other source of employment and she cannot go out to work with her husband because, her youngest son is only three years old. But, she had few hens and a cock from which she used to make some extra income at the end of the month, but it was not enough to meet the needs.

One day, when her husband went to Varanasi, he accidentally met a farmer who told him about Kuroiler, a high yielding poultry stock by Keggframs, Gurgaon based poultry organisation.



I reckoned by the approximate government figures that there are nearly three crore families in India who raise traditional poultry. But now due to various reasons, these traditional varieties have genetically depressed to a level where the single most important characteristic is survival in the most difficult environment

VINOD KAPUR
Chairman Keggframs



The company has developed a robust and improved dual purpose backyard chicken, called Kuroiler, which lays 100-150 eggs per year, which is at least four times more than the desi chicken.

Vinod S Kapur, founder and chairman of the company says, “We as a poultry organisation realised that industrial poultry, which is based on very scientific method was growing very rapidly, however the traditional poultry was dying.”

So, the company had a challenge to develop a genetically upgraded chicken that can produce more eggs and is much bigger in size. Kapur shared his experience, “We thought if we could develop a genetically upgraded chicken, which would be much bigger in size and can survive in the same environment with minimal support from the family, we could help these poor women to make poultry a remunerative activity.”

So in the 90s, the company started working towards a sustainable rural specific business model, which potentially could enable 30 million households convert a poorly remunerative traditional poultry keeping into a significantly remunerative activity. According to Kapur, this genetically upgraded breed of poultry can survive in the difficult environment and can lay four times

THE ROBUST DELIVERY MODEL

Keggfarms sends millions of eggs to its hatcheries in South India to hatch these eggs. Eggs are kept in these hatcheries for 21 days before they are delivered to 1500 mother units in 13 states. These mother units raise these chicks for 3 weeks, vaccinate them and then sell them to 6500 cycle vendors. These vendors make door to door sales in the villages. The organisation has appointed 400 dealers in the country, who raise demand of Kuroiler chicks in the villages and function as a communication bridge between company and mother units. The company collects its money from these dealers. At present, Kuroiler is reaching to nearly one million rural households.

more eggs than the traditional variety.

Now, Keggfarms is already reaching almost one million rural households across 13 states and generate an income of Rs 450 million, primarily from no cost natural agriculture and household waste. And the number is growing year by year.

FEMALE FOCUS

As Kapur mentions, the traditional poultry is a women centric activity in Indian villages. He explains, “Women who raise poultry in the villages are from underprivileged sections of the society and the poultry they raise do not bring them any returns. But they do it because it is being done for generations in their families.”

Keggfarms has developed a very robust supply chain model to reach these villages. Kapur explains the delivery model, “in the three-way delivery model, we send eggs from our farm to our hatcheries. Eggs are kept in the hatcheries for about 21 days and then chicks are delivered to our mother units in different parts of the country. These mother units then sell these chicks to cycle vendors, who take them to villages and sell them.”

The mother units raise them in semi-controlled environment for three weeks before they are sold to these cycle vendors. Keggfarms has 1500 mother units and nearly 6500 cycle vendors in 13 states. The organisation has appointed 400 dealers in the country, who raise demand of Kuroiler chicks in the villages and function as a communication bridge between company and mother units. The



company collects its money from these dealers. At present, Kuroiler is reaching to nearly one million rural households and the numbers are growing.

“There is substantial increase in the families’ income, because there is no investment on these Kuroiler chicks. It survives on the waste and lays four times more eggs than the traditional breed. It grows to nearly three kilos in about half the time for a desi chicken to reach one kilo,” Kapur added.

ENSURING QUALITY

The company ensures that its consumers get the best quality chicken and eggs. Kuroiler brings more money to any household that raise it because it is sold at a higher price in the market. Every year Keggfarms distributes about 10 million



birds to 800,000 farmers located in some of the remotest parts of the country. The most credible aspect of this operation is that this chain supports a commodity serving the poorest in a financially sustainable manner without the support of any external agency.

The network comprises hatcheries, mother units, dealers, and cycle vendors (pheriwallas). Except hatcheries, all other agents in the chain are independent entrepreneurs. The network is fairly strong and well coordinated.

In the case of any medical emergency, these pheriwallas also work as a technical help to the village people. Their vast experience in the field help them understanding the problem and they

give medicines to the chicks if there is any need for it.

EYES ON THE WORLD

Keggfarms has got global acceptance for its genetically upgraded chicks. Two years ago, the Arizona State University and government of Uganda contacted Keggfarms to supply its chicks to Uganda. The project was started to test if Kuroiler can survive in Ugandan environment.

For the study, 10 Kuroiler and 10 local chickens were distributed to each of 100 families in 5 districts of Uganda. For testing, 100 Kuroiler and 100 native chickens were also held in confinement at a facility in Entebbe. Kuroilers and native chickens were assessed for their survival, weight gain, egg production and acceptance by farmers.

The fertility and hatchability of Kuroiler eggs was significantly better than for native eggs, with 80 percent of Kuroilers successfully hatching compared with 47 percent of native eggs.

In summation; the study demonstrated that Kuroilers represent a 133 percent increase in meat production, and a 462 percent increase in egg production. These figures also point to a 341 percent increase in income for rural poultry

farmers – often village housewives – an important stepping stone toward nutritional and economic security in this poor region.

Now, the project has got support funding of \$1.4 million from the Bill and Melinda Gates Foundation to pursue the project, which is designed to reduce poverty and improve the quality of life for Uganda’s needy rural households.

After the successful results in Uganda and Ethiopia, many other African countries have approached Keggfarms to supply its Kuroiler chicks to them and Kapur affirms that he is going to have his presence in ‘almost entire Africa in next 5-10 years’. At present, Keggfarms sends 6500 chicks to Uganda every week. ■