

# Meghalaya State Piggery Mission

by Meghalaya State Livestock Enterprises Advancement Society (M-LEADS)

## Mission rationale

- Pork is a major source of animal protein in nearly 90% of the North Eastern households.
- As per the Meghalaya State Development Report, pork constitutes 11.25% of the meat consumed in the State.
- Pork is an important component of our people's diet; attaining self sufficiency in pork production is an important step towards enhancing food security.
- However, domestic pork production is inadequate to meet the State's requirements.
- Annual pork consumption within the State is 15,000 tons, whereas, production is only 6,750 tons.
- There is an annual shortfall of 8,250 tons of pork meat / 1,37,500 pigs within the State, amounting to Rs. 247.5 Cr., which is currently being catered to by imports from neighboring states.
- In order to attain self sufficiency in pork production, the State needs to be able to produce 1,60,819 piglets per annum.

<b>Annual Pork Consumption</b>	15,000 Tons
<b>State's Population</b>	35,00,000
<b>Per Capita of pork / annum</b>	4.3 Kg
<b>Pork production within the State</b>	6,750 Tons
<b>Shortfall in production</b>	8,250 Tons
<b>Market Price</b>	Rs. 300 / kg
<b>Shortfall Value</b>	Rs. 2,47,50,00,000
<b>Yield per pig</b>	60 Kg
<b>Pigs Consumed</b>	2,50,000 Pigs
<b>Shortfall Pigs</b>	1,37,500 Pigs
<b>Mortality Rate - Breeders</b>	10%
<b>Mortality Rate - Fatteners</b>	5%
<b>Reqd. Piglets to cover shortfall</b>	1,60,819 Piglets

## Envisaged components and reach of the Mission

- **Breeding-cum-fattening units:**

- 503 Cooperatives with 5 breeders and 30 fatteners each
- 4 sow + 1 boar will be provided to each breeder
- 4 animals per annum will be provided to each fattener
- 1 Vety. service provider to be trained per Cooperative
- Based on performance, 101 cooperatives will be supported to procure vehicles

- **Fattening alone units:**

- 419 Cooperatives with 15 fatteners each
- 4 animals per annum will be provided to each fattener

- **Slaughterhouses:**

- 23 cooperatives located in urban and peri-urban blocks will be identified to set-up high tech slaughterhouses
- Based on performance, 3 cooperatives will be supported to procure refrigerated transportation trucks.

- **Upgradation of 276 small pork vending kiosks**

- **1 Cooperative per district to be identified for establishing feed mill**

- **Establishment of a certifying agency**

- **The mission will directly benefit 25,000+ households**

- **Total mission outlay is Rs. 209 Cr., making it India's largest Piggery Mission**

Component	Unit Cost	Beneficiaries	Total
Breeding-cum-Fattening (503 Units)	₹29,21,019	18,092	₹1,46,79,82,867
Slaughterhouses (203 Units)	₹10,00,000	115	₹2,30,00,000
Transport Vehicle (101 Nos.)	₹8,00,000	201	₹8,04,09,356
Pork Vending Kiosks (276 Nos.)	₹1,00,000	828	₹2,76,00,000
Feed mills (11 Units)	₹30,00,000	11	₹3,30,00,000
Fattening alone (419 Units)	₹7,93,646	6,282	₹33,23,78,106
Certifying Agency	₹60,00,000	10	₹60,00,000
Cold Chain Transport (3 Nos.)	₹30,00,000	12	₹90,00,000
Training Cost	-	-	₹5,50,23,959
Insurance	-	-	₹1,53,06,674
Staffing	-	61	₹2,33,85,600
Administrative Cost	-	-	₹2,16,63,434
<b>TOTAL</b>		<b>25,711</b>	<b>₹2,09,47,50,000</b>

## Funding and repayment mechanism

- **Breeding-cum-fattening units - Rs. 29.2 Lakhs/cooperative:**
  - Each breeder to be extended Rs. 2.6 Lakhs by the cooperative, including construction of Sheds
  - Each fattener to be extended Rs. 53,000 by the cooperative
  - Cooperatives to take Rs. 30,000 for common equipment
- **Fattening alone units – Rs. 7.94 Lakhs/cooperative:**
  - Each fattener to be extended Rs. 53,000 by the cooperative, excluding construction of Sheds (Sheds shall be constructed through MNREGA)
  - Cooperative may impose a surcharge of 2% on individual repayments, but no interest should be charged
- **Slaughterhouses – Rs. 10 Lakh/cooperative (23 selected coops.)**
- **Vehicle – Rs. 8 Lakh/cooperative (101 selected coops.)**
- **Reefer Vehicles – Rs. 10 Lakhs/cooperative (3 selected coops.)**
- **Vending Kiosks – Rs. 1 Lakh/kiosk owner**
- **Feed units – Rs. 30 Lakhs/cooperative (3 selected coops.)**

### REPAYMENT TERMS

- **0% interest loan to be provided by MCAB to Cooperatives, and Cooperatives shall further pass it down to individual beneficiaries**
- **Cooperative may impose a surcharge of 2% on individuals' repayments, but no interest should be charged**
- **Repayments are to be made in 13 equal bi-annual installments within 8 years, with a moratorium of 1.5 years (both for individual's repayment to cooperative and cooperative's repayment to MCAB)**



## Model loan repayment schedule

Individual breeder's repayment to the Cooperative: Principal Amt. = Rs. 2,60,000

	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8
H1 (end of 6 <sup>th</sup> Month)	-	-	₹20,000	₹20,000	₹20,000	₹20,000	₹20,000	₹20,000
H2 (end of 12 <sup>th</sup> Month)	-	₹20,000	₹20,000	₹20,000	₹20,000	₹20,000	₹20,000	₹20,000

Individual fattener's repayment to the Cooperative: Principal Amt. = Rs. 53,000

	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8
H1 (end of 6 <sup>th</sup> Month)	-	-	₹4,077	₹4,077	₹4,077	₹4,077	₹4,077	₹4,077
H2 (end of 12 <sup>th</sup> Month)	-	₹4,077	₹4,077	₹4,077	₹4,077	₹4,077	₹4,077	₹4,077

Cooperative's (with 5 breeders and 30 fatteners) repayment to MCAB: Principal Amt. = Rs. 29,20,000

	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8
H1 (end of 6 <sup>th</sup> Month)	-	-	₹2,24,615	₹2,24,615	₹2,24,615	₹2,24,615	₹2,24,615	₹2,24,615
H2 (end of 12 <sup>th</sup> Month)	-	₹2,24,615	₹2,24,615	₹2,24,615	₹2,24,615	₹2,24,615	₹2,24,615	₹2,24,615

## Mission implementation mechanism

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RCS to generate list of Coops. with piggery potential in each district

→ Visit by **District Nodal Officers**, 1 from AH& Vety. Dep. and 1 from Coop. Dep., to sensitize and solicit loan applications

→ Cooperative societies to identify individual beneficiaries and submit loan application to the District Nodal Officers

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[Preliminary checklist](#) and applications to be uploaded to the Mission Portal/App. by the District Nodal Officers

→ **District-level sub-committee** does the due-diligence and forwards the applications to **District Level Committee**

→ **District Level Committee** shall examine the applications and recommend to the **Executive Committee** for financing

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**Executive Committee** shall select viable applications from across the State for financing

→ M-LEADS through the State Finance Dept. shall advice MCAB to finance the applications selected by the EC

→ MCAB shall transfer the fund into the account of the respective Cooperatives, and Cooperatives shall release the amounts to individuals

## Composition of the various committees

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### District Level Sub-Committee

1. Assistant Registrar of Cooperative Societies of the respective district – Convenor
2. Piggery Mission District Nodal Officer of the Animal Husbandry & Veterinary Department of the respective district – Member
3. Piggery Mission District Nodal Officer of the Cooperation Department of the respective district – Member
4. 1 (No.) Representative of MCAB – Member

### District Level Committee

1. **Deputy Commissioner of the respective district – Chairperson**
2. Assistant Registrar of Cooperative Societies of the respective district – Member Secretary
3. District Veterinary Officer – Member
4. 1 Representative of MCAB – Member
5. District Project Manager, MBDA of the respective district – Member
6. Piggery Mission District Nodal Officer of the Animal Husbandry & Veterinary Department of the respective district – Member
7. Piggery Mission District Nodal Officer of the Cooperation Department of the respective district – Member

### Executive Committee

1. Chief Executive Officer, M-LEADS – Chairperson
2. 1 Representative of the Cooperation Department – Convenor
3. 1 Representative of the Animal Husbandry & Veterinary Department – Member
4. Managing Director, Meghalaya Cooperative Apex Bank – Member

## Role of various stakeholders

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### **ARCS and District Nodal Officer – Cooperation:**

- Explain the economics of Pig Breeding / Fattening business to members of the Cooperatives
- Explain the terms of the Loan in detail to the Cooperatives
- Explain to the Cooperatives and its members the process for applying for the loan
- Assist the Cooperatives to prepare and submit the loan application
- Examine the Financial Capability of the Cooperative to undertake the Piggery Mission
- Authenticate and recommend the application submitted by the Cooperatives jointly with the District Nodal Officer of the Animal Husbandry & Veterinary Department

### **DVO and District Nodal Officer – AH&Vety.:**

- Explain the technical aspects of Pig Breeding / Fattening business to members of the Cooperatives, i.e. selection of breed, boar to sow ratio, duration of weaning, lactating and fattening periods, etc.
- Explain the physical infrastructure requirement to members of the Cooperatives
- Explain the risks involved in running Pig Breeding / Pig Fattening units
- Examine if the Cooperative has the required land area to start Pig Breeding / Fattening units
- Authenticate and recommend the application submitted by the Cooperatives jointly with the District Nodal Officer of the Cooperation Department

### **Cooperative Societies:**

- Identify and fund individual breeder/fattener
- Ensure timely repayment to MCAB

### **MCAB:**

- Lend monies to the Cooperative Societies identified by the Executive Committee
- Ensure timely collection of loan repayments from Cooperatives, so that the Government may repay to NCDC on time

### **M-LEADS:**

- Overall monitoring and coordination of the Piggery Mission
- Provide necessary trainings to the Breeders, Fatteners & Vety. Service Providers in coordination with the AH&Vety. Dept.

## Flexibility in the program

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- The Mission is to be implemented in a **farmer driven** manner, i.e., the needs of the farmer should take precedence over financial prudence.
- The Mission shall provide flexibility to the farmer for the selection of breeds of the pigs, the material to be used for construction of the sheds, etc.
- However, the District Nodal Officers shall educate all farmers regarding best practices and economic benefits of adopting these.
- Even the uptake of the loan, in terms of the proportion of breeder to fattener in each cooperative is flexible, hence the Mission shall be implemented in a demand driven manner.

- For instance, in case of cooperatives with less than 35 members that wishes to undertake fattening-cum-breeding, the below combinations may be used:

<b>2 Breeders x 10 Fatteners</b>	Rs. 10.8 Lakhs could be extended to such Cooperatives
<b>3 Breeders x 15 Fatteners</b>	Rs. 16.1 Lakhs could be extended to such Cooperatives
<b>4 Breeders 20 Fatteners</b>	Rs. 21.3 Lakhs could be extended to such Cooperatives

- Although the Mission is targeted at 922 cooperatives across the State, these number does not exist as of today; depending on the uptake of the Mission new cooperatives shall be created.
- An individual may avail loan for up to 2 fattening units, or 2 breeding units, or 1 breeding unit and 1 fattening unit

## Immediate action items

Activity	Deadline
Registrar of Cooperative Societies to issue the list of Cooperatives with piggery potential in each district	21 <sup>st</sup> September
Visits of the District Nodal Officers to the Cooperatives to sensitize its members and generate loan applications	15 <sup>th</sup> October
Preliminary checklist to be submitted by the District Nodal Officers	20 <sup>th</sup> October
1 <sup>st</sup> set of Cooperatives to submit loan applications	20 <sup>th</sup> October
1 <sup>st</sup> meeting of the District Level Sub-Committee and minutes to be forwarded to the District Level Committee	21 <sup>st</sup> October
1 <sup>st</sup> meeting of the District Level Committee and minutes to be forwarded to the Executive Committee	23 <sup>rd</sup> October
1 <sup>st</sup> meeting of the Executive Committee	27 <sup>th</sup> October
Disbursement of 1 <sup>st</sup> set of loans by MCAB	1 <sup>st</sup> November

## Model production schedule for initial beneficiaries

Breeder	2020	2021	2022	Fattener	2020	2021	2022
January	-	-	Piglet (16Nos.) from 2 <sup>nd</sup> batch	January	-	-	-
February	-	-	-	February	-	-	-
March	-	Purchase of 2 more sows	Reservicing of 2 <sup>nd</sup> batch	March	-	-	Sale of 3 <sup>rd</sup> batch and purchase of 4 more pigs
April	-	-	-	April	-	-	-
May	-	Servicing of 1st batch	Piglet (16Nos.) from 1 <sup>st</sup> batch	May	-	-	-
June	-	-	-	June	-	-	-
July	-	-	Reservicing of 1st batch	July	-	Sale of 2 <sup>nd</sup> batch and purchase of 4 more pigs	-
August	-	Servicing of 2nd batch	Piglet (16Nos.) from 2 <sup>nd</sup> batch	August	-	-	-
Sept.	-	-	-	Sept.	-	-	-
Oct.	-	Piglet (16Nos.) from 1 <sup>st</sup> batch	Reservicing of 2 <sup>nd</sup> batch	Oct.	-	-	-
November	Construction of Sheds	-	-	November	Construction of Sheds and purchase of 4 pigs	-	Sale of 4 <sup>th</sup> batch and purchase of 4 more pigs
Dec.	Purchase of 2 sows and 1 boar	Reservicing of 1st batch	Piglet (16Nos.) from 1 <sup>st</sup> batch	Dec.	-	-	-

## Piggery value chain & support functionaries

