

PESTLE Analysis of Layer Poultry

Posted on October 2, 2019

PESTLE Analysis

This assignment has been written to provide the PESTLE analysis of the layer poultry business in India. A new company is about to start in India and wishes to know the political, economic, social, technological, legal, and environmental conditions of India and its impact on the layer poultry industry. This report completely illustrates the factors that will influence the company's performance.

Political

India is not a politically stable country; the stability index shows that a country is only considered stable if it earns 2.5 points at the political stability index. India has a score below the average mark of the political stability index, as it has a mark of -0.91 (Global Economy, 2017). The political condition of any country plays a very major role in determining the future of the country. If a country is politically stable, it will have good running industries, and the economic condition of the country will also improve. India may have gained some momentum in recent years, and due to this, the country has been able to get good industries working smoothly (Economic Times, 2016). The Modi Government has also helped the country become digitalized, and hence this has a positive impact on the current businesses running in the country and the prospective businesses too (Kadam & Pandathil, 2017).

Economical

India's economic freedom score range is 54.5, which makes its economy the 130th freest in the 2018 structure. Broadly, the score has increased by the rate of 1.9%, which results in betterment in judicial efficiency, business liberty, and government probity as well as in fiscal health structure (Economic Times, 2018). There have been increasing opportunities for the feed players to grow as the poultry industry in India is growing at a fast pace. In recent years, increasing demand for poultry business from some states has been the driving growth factor of the poultry sector in these states. The current status of poultry feed in India is estimated at between 21 and 23 million tonnes. The consumption rate of poultry feed increased to 8 per cent during 2012-13, in comparison to 7 per cent during 2007-08. The Indian poultry feed market has the superlative potential to grow by 7 to 8% in the coming years (Ellaboina, 2017).

Social

When it comes to eating meat or meat-related products, India is one of the countries that is divided into two sections: the vegetarian and the non-vegetarian. Vegetarians never eat meat, eggs or anything that is somehow related to eating food made consisting of animals. Whereas the other segment of the Indian community consists of Non-vegetarians, who are fond of meat and products made of meat or related to animals. The layer poultry business in India is only flourishing due to non-vegetarian people because vegetarians don't even come near eggs or meat. The increase in population in India is a significant chance the rate of consumption of eggs and meat will also rise. The recent news about chickens being full of antibiotics and that chickens now feel like taking a dose of antibiotics has badly hurt the growth of the industry (Harvey, 2018). Not only the poultry industry but also the layer poultry side has been affected by this issue. But overall, the consumption of meat is increasing in the country, and poultry as well as layer poultry seems to have a bright future in India as the population in the country is also increasing (Devi et al., 2014).

Technological

India has been growing tremendously in the technological sector; recent reports claim that Indian technology has surpassed Western technology, and India is moving very fast towards technological innovation (Mauldin, 2017). The main role played by the Modi government in making India more digitalized is that they have tried to overcome the inflation rate, increase the Gross Domestic Product, and transform India into a Digital India. However, the political industry of India is in need of many technological advancements. Not much effort has been made in this regard to date, and that's why many farmers and poultry industry dealers raise the issues so that the government can do something in this regard (Mathialagan, 2015). The population of India is growing day by day, and that's why the country is in dire need of technological gadgets that can help farmers and layer poultry business owners manage their tasks adequately. Although some research has been done in this regard in other countries, the Indian government or the poultry farm layer poultry farm owners may be able to think about getting the machinery necessary for the business from other countries (Madlom, 2012).

Legal

India is a country that has both vegetarians and non-vegetarians living within the same country, and both of them have different points of view regarding animal abuse and animal-eating behaviours. Vegetarians have the tendency to create and start movements against cruelty to animals, and that's why Indian legislation has many provisions regarding the behaviour towards animals or, in this case, domestic animals. A team was sent to survey twenty (20) poultry and layer poultry farms in India, and the team reported that the chickens are caged in very small boxes, which has left them with bruises, featherless, and irritated skin. The commission sent a report to the courts, and many poultry and layer poultry farms had to close down due to the notice issued by the court (Chatterjee, 2017). Due to

the presence of such practices in the country, many rules and regulations have been made by the country to ensure that chickens and eggs are treated with care and no cruelty is being done to them (Economic Times, 2018). Some of the rules consider that even the weight of the birds should be calculated for making or using cages for them (LiveLaw, 2017). The strict rules and regulations regarding the farming practices in India have pressured the farmers and the prospective farmers who plan on starting a layer poultry business in India.

Environmental

The environmental condition of India is hot, sometimes humid, and cold in some regions of the country; the environment has a huge impact on the layer performance. It greatly affects the egg shell thickness, the egg weight, and the likelihood of the chicken catching any disease. When the temperature rises above 27 degrees, the chicken starts to get affected by it; high temperature directly affects the egg shell thickness as it gets thinner, and the weight of the egg also reduces (Talukder et al., 2010). Even though the poultry and layer poultry industry is booming in India, the industry is at high risk due to the hot climate of India, which has adverse effects on the health of Chickens and eggs (Bhadauria et al., 2014).

This report has primarily focused on providing a PESTEL analysis of the layer poultry business in India. The report shows that the economic and political factors in India are flexible and favourable to starting a business in the poultry layer. The **legal environment** is quite strict, and the environmental factors of India have very diverse yet drastic effects on the health of Chickens and eggs. Starting a poultry layer business in India is not very easy, yet not very demanding. The choice depends on the interest of the prospective company.

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