Girijan Cooperative Corporation

5. Functional framework of the Girijan Corporation

In the early chapter discussed to indicate the Girijan corporation played a vital role in the tribal economy, since its commencement. The main objective of the study is not only to determine the role played by Girijan Corporation for an overall development of the tribal economy but also to evaluate the functioning of Girijan Corporation in varied socio-economic conditions that exist in tribal areas. Keeping the above functions under consideration, an attempt is made to analyze the concepts and objectives and organizational framework of the organization and critically examine the functional aspects of the Girijan Corporation.

This chapter is divided into 2 sections. Section-1 deals with the objectives and organizational framework of the Girijan Corporation, while section-2 presents the functional aspects of the Girijan Corporation. The details of the follow.

section-1

5.1 Assessment of the Girijan Corporation

Origins

The government of composite Chennai state had appointed in 1952 a committee to enquire into the problems of the tribals and to suggest remedial measures to improve their economic conditions. The report of the committee on the socio-economic conditions of the aboriginal tribes (Malaya pan committee) has recommended the formation of multipurpose cooperative credit societies and marketing societies in the tribal areas with the objective of catering to the multiple and varied needs of the tribals. It presents to mention some of the main recommendations of the aforesaid committee.

They are
1. To open a network of multipurpose co-operative societies in the agency areas preferably in all shandy3 centers to exercise the functions.

(i) To market the surplus grains and all minor forest-produce collected by the tribals and

(ii) To sell the tribals some of the essential goods like food grains, oils, clothes, salt and kerosene.

2. The government helps these societies

(i) Subsidy or interest free loans towards the share capital on behalf of the hill tribes.

(ii) Guarantee by the government to the central bank advance sufficient money to the societies.

(iii) Cost of the storage sheds and the staff to maintain the societies.

In this connection with the formation of the Andhra state in 1953, the state government seriously thought of ameliorating the economic lot of tribals. And it had started two primary societies in 1954 one at Narsipatnam in Visakhapatnam district and the other at Gumma lakshmipuram in srikakulam district and presently reconstructed in Vizianagaram district on an experimental basis. Owing to the shortage of adequate finances and the lack of operational efficiency, these societies became defunct within a short span of time in the light of this bitter experience, a new approach was contemplated to organize a credit-cum–marketing institution in the agency areas.

As result, the government of Andhra Pradesh set up the Andhra scheduled tribes finance and Development Corporation limited, on 16th April 1956 with the intention of catering to the basic needs of the tribals, by providing credit and marketing facilities.
The corporation was registered as a joint stock company under the Indian company’s Act, 1956 with a share capital of Rs. 2 lacks divided into 2000 fully paid up shares of Rs. 100 for each. The state government has subscribe the entire share capital and appointed the chairman and the board of directors of the corporation. The corporation had severely suffered from deficiency of funds in its infant stage. As a limited company, it could not liberally borrow funds either from individuals or from institutions.

The rate of interest on the borrowings was relatively higher when compared to that of the credit obtained by the cooperative institutions since the income of the tribals is very low, they could hardly save and contribute to the share capital of the corporation. So the financial support from the government and its agencies had become necessary for the functioning of the corporation.

In view of the essential ridiculousness for the institution to work effectively as a company and fulfill the objective for which it had been setup, the government directed the corporation to go into voluntary liquidation and be replaced by a cooperative society with the same aims and objects as those of the Andhra scheduled tribes finance and development corporation.

The government had viewed that as a cooperative institution the corporation can avail itself of the facilities of easy credit and financial concessions from institutions like the national cooperative development corporation, New Delhi. The reserve bank of India, Bombay, the khadi and village industries commission, Bombay and Andhra Pradesh state cooperative bank limited Hyderabad.

A new institution born on 26th October, 1956 under the name of Andhra scheduled tribe cooperative finance and Development Corporation, registered
under the cooperative society’s act of 1932 with a share capital of Rs. 2 lacks. This institution started functioning from 5th April, 1957 with the headquarters at Visakhapatnam. It continued to function under its original name until 18th February, 1970 from which date its name was changed as Girijan Co-operative Corporation limited.

The Girijan Corporation is the first of its kind established in India by the Government of Andhra Pradesh exclusively for the welfare of tribals of state. Later several other states followed this example and stated similar organizations to cater to the needs of tribals there.

To mention a few, tribal co-operative development corporation, Ranchi (Bihar), and Orissa state tribal development Cooperative Corporation limited. Bhubaneswar (Orissa) is also among them.

5.2 Objectives of the Girijan Corporation

Through the bye-laws of the Girijan Corporation were pronounced as many as twelve objectives, the following main objectives are which deliberately chosen for the explicit purpose of reveling the tribles from the unfair practices adopted by the traders from the plans and to improve their economic lot.

i) To purchase outright the produce brought by the tribal members through the agency of primary marketing societies which are affiliated to the corporation society

ii) To purchase in bulk the daily requirements of the tribals and to supply the same to the tribals through the agency of the affiliated primary marketing societies.

iii) To provide credit facility to the tribals for agricultural purpose through the agency of the primary marketing societies.
iv) To undertake activities such as processing and grading for the benefit of the corporation and its affiliated societies and their members.

The respite of the objectives is mostly related to achieve the main goals of the corporation. In view of the aforesaid objectives, the Girijan Corporation has taken up several activities and they are classified into the following four broad-categories: buying, selling, agro based credit supply and establishment of forest and agro-based industries.

A. Buying function

Perhaps, buying is the most important among the various function of the corporation. The buying function springs out of the corporation’s avowed objective to shield the tribal from the exploitation of local merchants in the purchase of forest and agricultural products. Augmenting tribals, income by supplying their domestic requirement at reasonable prices in turn necessitates their acquisition in the whole sale markets.

The buying functions include

- Procurement of minor forest produce from the tribals
- Procurement of agricultural produce from the tribals and
- Purchase of domestic requirements from the wholesale markets.

B. Selling function

The corporations selling and buying functions are inter-dependent whatever is purchased by the corporation is intended to be resold either to the ultimate consumers or industrial users or middlemen or to the tribles themselves in case of domestic requirements.

i) Sale of forest produce
ii) Sale of agricultural produce and

iii) Distribution of domestic requirements to tribals or other consumers.

C. Agro-credit based function

Tribals are found to be most vulnerable to be exploited by the money lenders. Having realized this, the Girijan Corporation has started extending both short and medium-term agricultural loans to the tribal members.

d. The forest and agro based industries

Merely buying selling of the forest and agricultural products in the form they are acquire May not bring in adequate return to the corporation. Further processing of such raw-produce or their conversion into manufactured goods is intended to enhance the corporation’s returns. It also creates employment opportunities to the tribals. These considerations prompted the corporation to set up forest and agro-based industries.

Among these, the corporation has succeeded in taking up the buying and selling functions to a large extent. However, no significant progress was made by the corporation in respect of the provision of agro credit and starting of industries.
5.3 organization structure of Girijan Corporation

Map 5.1 organisation structure of the chart.
The Girijan Corporation has three-tier system of organizational structure namely, the apex body at state level with Head office at Visakhapatnam; the regional offices are one at srikakulam and other vizianagaram districts. They are 45 primary marketing societies of the field level. The corporations as well as the affiliated primary co-operative marketing societies are having a separate Board of directors, the three tier structure of the corporation in outlined this section organizational structure of GCC and primary cooperative market societies are shown flow chart below
Map-5.3 Organization structure of primary co-operative marketing societies

TRIBAL SHARE HOLDER

BOARD OF DIRECTORS

SENIOR MANAGER

JUNIOR MANAGER

SENIOR ACCOUNT

CASHIER

SENIOR STORES ASSISTANT

JUNIOR STORES ASSISTANT

SHANDY INSPECTOR

SENIOR ASSISTANT

JUNIOR ASSISTANT

TYPIST

SALES MAN FOR EACH DOMESTIC DEPORT
5.3.1 Corporation Head Office

The Girijan Corporation is a state level organization. The membership is open the corporation

1) Corporation marketing societies working with in the tribal are.

2) Central level corporation is working for tribal in non-tribal areas.

The corporation by the end of 2011 it had 45 numbers of societies working in the entire tribal belt of the Andhra Pradesh. The boards of directors of the corporation consist of 12 directors of whom 7 directors including the chairman and vice chairman cum managing directors are nominated by the Government of Andhra pradesh\textsuperscript{9}. It is needed less to add that the remaining five directors are elected tribal members representing primary societies.

Thus the official element in the form of directors to the extent of nearly two third of the Board of the corporation appears to be unduly excessive. The nominated directors are usually the senior officers of the government whose departments have functional relationship with the corporation. The directors are vested with the ultimate authority on all matters relating to the administration, such as approval of annual budget, decision making of strategic and key problems, fixation of procurement price and amendments, if any, to the existing bye laws. Till 1982, the government was nominating the second member of the Board Revenue as the chairman of the corporation. From 1982 the government changed the system under which it nominates one of the tribal members of the state legislative assembly or others as the chairman of the corporation. The administration of the corporation as a whole is placed in the hands of vice-chairman cum-managing director. He has authority to make decisions in the fields
of administration, finance and marketing activities which are necessary for the efficient functioning of the corporation. It is reserved for IAS cadre. 

There are very frequent transfers. The Girijan Corporation is no exception. It is not surprising to note that as many as 45 officers were posted as managing directors of the corporation during the last 55 years; this means the tenure of MD lasted not more than eleven months. The Government is transferring the managing directors before they acclimatize to the new environment and development tasks.

This creates problems in carrying conviction and commitment to the objectives. They should be suitable amendments allowing the Government to appoint competent people where they are in preference to public administrator to manage the corporation.

The senior deputy collectors of the state civil service cadre have been appointed as general manager of the corporation. He also acts ex-officio, secretary of the corporation and assists the vice-chairman is looked after by the general manager. He is entrusted with the responsibility of coordination the functions of various departments of the corporation head office. The head office has been divided in to six functional departments’ namely general administration, marketing, finance, credit transport and engineering.

The marketing department is headed by a commercial manager who has the responsibility of studying and selling prices of both forest and agriculture products and the maintenance of the forest and agro-based industries.

The finance department is headed by the chief account officer, proper maintenance of accounts, preparation of budget, mobilization of adequate funds and their optimum utilization, preparation of finance reports, etc., comes under the preview. The department of credit and transport are headed by a credit manager.
and transfer officer, respectively. Since the corporation has temporally abandoned the provision of agro to tribals, the maintenance function of the credit manager has been confined to the recovery of earlier loans advanced to the tribals and assessment. Transport requirements of the corporation, acquisition and maintenance of heavy and light motor vehicle are looked after by the transport officer.

A senior civil engineer is in charge of the engineering department and supervised the construction of godowns offices and domestic requirement depots. In order to advice the divisional managers and regulate the purchase and distribution of domestic requirements, the corporation has created separate section in 1986 with a manager and two senior assistants.

The effective administration area has been divided into two broad regions namely, coastal Andhra and Telangana. Normally the regional managers are supposed to be responsible to the general manager. The Girijan Corporation presents a different picture in this regard. The general manager at the head office is also placed in charge of Andhra region. The regional manager in Hyderabad looks after the Telangana region. In other words, the corporation is having a general manager regional manager and a regional manager instead of a general manager and two regional managers.

5.3.2 Divisional offices

The corporation operation area in each region is again divided into various divisions which are headed by divisional managers. The objectives behind the setting up of the divisional offices is not only to ensure administrative convenience and effective supervise over the affiliated primary cooperative
marketing societies, falling within their jurisdiction but also to act as channels of communication between the head office and the field units.

The divisional offices are nearly primary societies tender necessary suggestions and guidance to the managers of primary societies under their jurisdiction in matters of purchases and sales of minor forest produce, agricultural produce etc.

The divisional managers are responsible for pooling up the indents for all domestic requirements of the primary societies and arrange of their purchase and distribution. Besides, the divisional manager forecast the demand and price trends of the nearest whole sale markets and arrange for the sale of decentralized items of minor forest produce as much tamarind and adda leaf in accordance with the guidance by the corporation head office.

There were 10 divisional offices to exercise control over 45 societies by the end of 2010. The divisions are located in import centers namely, 1 Seethampeta, 2 Parvathipuram, 3 Paderu, 4 Chintapalli, 5 Rampachodaram, 6 Badrachalam, 7 Tirupathi, 8 Srisailam, 9 Utnoor, Eturunagaram.

A) Primary societies

At the bottom level of the organization structure, there are primary marketing societies which carry out the major forest produce and agriculture produce, sale of domestic requirement to tribal, issue of loans to tribal, etc.,. Though these societies are the field units of the corporation, they are formed as independent entities, pursuant to the provisions of the corporation act, 1932, their organizational structure comprises of the general body of tribal shareholders.

Even society has a board of directors and administrative staff. The board consists of nine members of whom divisional manager is the chairman, three are
nominated by the state government and the rest are elected from among the tribal share holders\textsuperscript{12}. Even societies have a board of directors and administrative staff. The board consists of nine members by the state government and the rest are elected from among the tribal welfare officer, the first range officer and the mandal of the concerned\textsuperscript{13}, as the directors.

The manager personnel responsible for the overall administration of the society. Being an ex-officio secretary of the society, his maintain the minutes of the board as well as the general body meetings. The manager of the society is the executive officer at the society leveling is assisted by a board of ministerial staff who are appointed by corporation. The organizational structure of the societies is designed in accordance with the functions it performs.

The Shandy inspector assistants and salesman are among the important personnel of the primary societies. Shandy inspectors purchase forest and agricultural produce form the shandy point, godown assistants take care of the storage functions and the domestic and requirement depots are manned by the salesman office staff of the society includes a senior clerk, an accountant and a cashier.

\textbf{B) Girijan corporation characteristics}

The corporation and primary societies are cooperative bodies’ registry under the cooperative societies act. The individual tribals are eligible to become members of the primary societies after paying a membership fee of Rs.10 and a minimum contribution of Rs.100 towards share capital. The primary societies this formed become the members of the apex body.

The Girijan corporation by purchasing at least one share of Rs.200 the number of tribal shareholders of the primary societies is increased to 1, 85, 000
in 1980, it is increased in now only 9.5 percent of the tribals covered by the network of the Girijan corporation and its primary societies spread over 11 districts. It is astonishing to note that there was no enrolment of members from 1981 onwards even though the state government is paying the maximum required share capital of one rupee for each tribal member.

Although there has been an increasing awareness among those tribals about the usefulness of the corporation, they are indifferent to become members of the societies. The reasons for the disinterest of the tribals to become members are:

1) Extension of same benefits to all the tribals
2) Stopping of loaning programme
3) Domination of officials in the management and
4) No financial benefit to members on account of its heavy loses.

Although, in principle, the societies are independent units with their own management boards in practice, it is observed that they have not been allowed, virtually, to operate on their own. The corporation has converted these societies into its branch officers. On account of this, the societies are not being paid commission at the rate of half percent of the purchase of minor forest produce and of the sales of domestic requirements as prescribed in the bye law.

However, most of the managers supported the making of primary societies into branches of the corporation of the following:
Firstly, the tribals being illiterate are not capable of managing the primary societies independently.
Secondly, they may not effectively carry out the functions since the societies have no alternative sources of finances.
Lastly, considering the local of the primary societies in remote forest areas, the illiterate and inexperienced tribal may not be able to cope up with the peculator market problems of forest and agricultural products even if they are given greater autonomy. Although the reasons are valid, the neglect of cooperative principles is unjustified.

c) GIRIJAN CORPORATION GROWTH

The state Government authorized the Girijan corporation to contend its operations to all the listed scheduled areas and the no areas where the tribal live in substantial numbers among the total population. When the corporation stated functioning in 1957, it had only two affiliated primary cooperative societies; one each in vizianagaram and srikakulam districts of the coastal Andhra region.

With the aim of covering larger segment of tribal population, the corporation had started a primary society in the tribal areas of east Godavari district in 1960, two more societies were started, one each in the east and the west Godavari districts. For over a decade, the corporation confined its activities only to Andhra region as these areas were easily accessible ensuring administrative convenience, paucity of funds was a major bottleneck for its rapid expansion to the other tribal areas in the state.

Though the corporation expanded the coverage to Telangana region in 1966 by opening two primary societies in khammam district, they showed no progress in their activities because the corporation had to concentrate its attention on srikakulam, vizianagaram and Visakhapatnam districts where the turbulence of the naxalite movement was surfaced. By the end of 2008 the corporation had been able to extend its operational area throughout the tribal tracts of coastal Andhra, Telangana and Rayalaseema regions of the state.
It had established as many as 45 primary societies by the end of 2008. Of them 19 were located in coastal Andhra, 18 in Telangana and 6 in Rayalaseema. However, earlier four societies in coastal Andhra GajapathiNagaram, Guntur and Nellore, and one in Rayalasema (Tirupathi) were wound up because of their extremely low procurement of minor forest produce due to their location near plain areas.

Besides, most of the tribals are economically advanced compared to their counterparts living elsewhere. By the end of 2008, the corporation also established as many as 839 domestic requirement depots spread over 11 districts of the state to sell daily requirements at reasonable price to their tribals.

Thus, the territorial expansion of the corporation and the consequential increase of its functional units like the primary cooperative marketing societies and the domestic requirement depots helped it to cater to more and more of tribal population. As shown in the table the corporation has been able to cover around 2.6 million tribals against a total population of 402f millions in the state.

Section –II

5.4 Functional assessment of the Girijan Corporation

The corporation was entrusted with three functions to fulfill the objectives. They are;

1. Purchase and sale of minor forest produce and agricultural produce.
2. Sale of daily requirement and
3. Extension of agriculture credit.

The following is an attempt to analyze these functions.
5.4.1 Purchase of Minor Forest Produce

The primary function of the corporation is to purchase different commodities of minor forest produce from the tribal. The corporation undertakes this function with the aim to augment the income of the tribal people by offering them fair and reasonable prices for their minor forest produce. The corporation was granted monopoly right over the purchase of minor forest produce for its effective functioning. Thus, the traders were legally prohibited from purchasing the minor forest produce from the tribals.

In view of this monopoly, the corporation takes units from the forest department on long term lease basis, giving permission to the trials to collect the minor forest produce which they have to sell to it at the fixed centers. The tribals have no other option but to necessary deliver their produce to the corporation at the collection points.

The aim of minor forest grant of monopoly right is to support the corporation in eliminating the profit mended private traders and merchants. Hence, the monopoly right of the corporation is justified on social grounds thoughts though it restricts the freedom of the tribals in disposal of the forest produce and denies them of the benefit of completion.

5.4.2 Pricing

The pricing of forest produce is a crucial issue. It decides the efficiency of the corporation in promoting the economic conditions of the tribal people. The collection of minor forest produce is an important secondary occupation of the tribals. The prices by the corporation for different items of forest produce will have considerable impact on their income pattern.
Hence, the corporation should evolve a pricing policy which could help
the tribals to derive reasonable income from the sale of minor forest produce. At
the same time it should stimulate the tribals to procure more produce.

However, there is another dimension to the issues. The corporation is a
trading organization too. As such, it has to recover at least the costs involved in
the operation to ensure its financial self-sufficiency. In other words, the
corporation, on one hand should improve the economic condition of the trials by
offering fair prices; on the other hand, it has at least to meet the cost of its
operations.

Thus, the corporation has to evolve its pricing policy keeping in view of
the dichotomy of its objectives. Further, it has to keep in view certain other factors
also. The products handed by the corporation are of perishable nature susceptible
to natural driage.

The corporation functions under peculiar market situation. The supply and
demand equation does not arise. All the factors play a role in the pricing of the
corporation. The existing pricing policy of the corporation was based on the
formula prescribed by the government. At the time of the constitution of the
corporation, the Government of India instructed the corporation that it should fix
the purchase prices various commodities of minor forest produce after deduction
from the prevailing market price certain over heads like transport forest rentals,
establishment charges, trade charges and market functions.19

The corporation calculated that 34.8% of the price would cover all the
overhead charges.20 The various commodities of minor forest produce handed by
the corporation are susceptible to loss due to natural driage. This has been taken
into consideration by providing certain percentage of margin for driage in fixing the purchase price.

The percentage of driage differs from commodity to commodity. Thus, in the fixation of purchase of each commodity price, the corporation used to deduct 34.38% plus the allowable driage, from the prevailing market price of that commodity and the resultant price was paid to the tribals. This pricing formula subjected the corporation to lot of criticism both by the tribals and the public as the prices fixed by the corporation were very low. The tribals demanded better prices for their produce.

This compelled the corporation to change its pricing policy. The corporation referred to the matter to the Government of Andhra Pradesh for the taking the action. After examine the matter thoroughly, the Government of Andhra Pradesh issued an order directing the corporation that it should fix the purchase price of each item of minor forest produce without making any deductions on account of forest rentals and the establishment charges. It also stated that this support price should have relevance to the nearest organized market of each primary marketing society.

Consequently, the board of directors of the corporation resolved to restrict the quantity of deductions towards the incidental charges to only 15% plus permissible percentage of driages. Thus the deductions towards the forest rentals and establishment charges were dropped completely. Thus, under the new pricing pattern, which came into effect in 1971, the purchase price of each commodity of minor forest produce is fixed, after deducting from the price normal at the nearest whole sale market, certain overhead charge driage. This percentage varies from
item to item. How the corporation fixes the purchase price of commodity of minor forest produce can be illustrated from the specimen.

Suppose the introduction for the new pricing policy, the extent of overhead charges came down to 15% from 34%. The aim of the corporation in keeping the overheads at 15% is to maintain a no profit and no loss policy in the purchasing activity. The corporation also took two important aspects into consideration on the fixation of purchase prices first, the prices to the items of minor forest produce in the market fluctuate constantly, and second, the prices are general low at the commencement of the season. The corporation made a provision for fluctuation of its prices according to the market trends.

In order to pay higher prices for the minor forest produce of the tribals even at the commencement of the season, the corporation adopted a produce while fixing the purchase price of an item being the sale price of the previous year instead of the prevailing market price will be taken as the basis.

However, there are two basic considerations which the corporation neglected. First, the collection of minor forest produce involves the physical labour of the tribals and second, the produce has certain economic value. The corporation ignored these two factors in the determination of the prices.

Suppose the market price of Tamarind is Rs.1.00 per Kg

Deduct: 1) overhead at 15% \( 0.15 \)

2) Permissible driage at 11% \( 0.11 \)

Total deductions \( 0.26 \)

Purchasing price of Tamarind \( 1.00-0.26= .74 \) ps per Kg

The cost of produce as such is neither counted not evaluated. Further, the labour of the tribals is not worked out in its economic form.
The financial expert who examined the pricing policy of the corporation remarked that the prices payable to the tribal for minor forest produce on the basis of wholesale market prices is less, the actual expenditure incurred by the corporation without reference to the economic cost of operation may not be appropriate from the point of view of just and equitable price to the tribals. There are some limitations in the pricing policy adopted by the corporation.

It is not possible to work out a uniform percentage of overhead cost. The purchasing points of the corporation are spread out in a wide area and in varied terrain. As a result, operational costs are bound to vary considerably from point to point. Hence, the application of blanket rate 15% overheads may not be a rational practice. The present driage scales as prescribed by the Registrar of Cooperative societies are on high side. The actual driage occurred is less than the allowed driage for each item of minor forest produce.

Another important aspect which the pricing policy of the corporation is the corporation has no role in the formulation of its pricing policy. The entire policy is decided by the Government. The corporation is an implementing agency.

**5.4.3 Procurement Minor Forest Produces**


The pattern of procurement of these items is not uniform throughout the state. The procurement is heavy in Andhra region. The heaviest procurement occurs in Srikakulam and Vizianagaram districts stands second and third position. Among the two districts, Tamarind, hill broom, adda-leaf, myrobalams and mohwa seed are procurement in heaviest qualities.

The fourth position of the East-Godavari district stands in brooms wild broom, tamarind, and myrobalam are important items, in Telangana region. Wild broom and mohwa flower are found in larger quantities. Wild brooms are available in Khamam, Warangal and Karimnagar districts. Gum is found in Telangana region and some districts in Andhra region. It is procurement mostly in Warangal and Adilabad district. Nuxavomica and mohwa seed are produced in this region, but in limited quantities.

5.4.4 Sale of Minor Forest Produces

The sale of minor forest produces which it procured from the tribals in the open market. It has no monopoly in the state of minor forest produce form the plan area of the state and from the neighboring state where these products are grown in plenty. In the sale of the minor forest produce, the corporation aims at securing maximum profits. However, the profits earned in the sale are not passed on the articles.

Before disposal, the corporation arranges for the processing of certain item of minor forest produce like tamarind, hill brooms, in the disposable of the produce, corporation entirely depends upon private agencies and who sale
merchants. Due to lack of initiative the corporation did not try to explore the Government channels like the state trading corporation etc., for the disposal of the minor forest produces.

The corporation adopts several methods for the disposal of minor forest produce. These methods vary from product to product, depending on their nature. There are 4 methods which are commonly adopted by the corporation in disposal of the produce. They are

1) Traders,
2) Negotiations,
3) Auctioning and
4) Forward contracts.

The method of tenders is adopted for the disposal of items which are procured in larger quantities and meet the demand of local buyers. The process is that tenders are invited from different merchants. The tender which quotes the highest price will be accepted. Tamarind, Hill brooms, and Myrobalams are sold through this method.

Generally, items which are in demand in local markets are disposed of by auction. The quantity of the item to be auctioned and the date and time of auction are canvassed in advance. In the auction, the bidder who offered higher price will purchase the item. The auction can be sold by some items of adda leaf and gum.

For the disposal of certain items of minor forest produce, the corporation conducts negotiations with private merchants, business forms, industries etc. the buyers who offer prices the corporation will purchase the items.

In case of certain items the corporation enters into a contract will be entered into at the commencement of the season of the particular items. The
buyers have to buy the items at the prices stipulated by the corporation in the contract.

5.4.5 Sales pricing

The corporation evolved a definite formula for fixation of sales price of various items of minor forest produce. According to this formula, the cost price of an item is arrived at by adding overhead charges at the rate of 15% to the average purchase price of that item realized during the previous year. This 15% covers the transport charges and other incidental charges like weighing, loading, stitching etc. to the cost price a profit margin of 15% is added to arrive at the sales price.28. The procedure can be following example

Suppose, the average tamarind seed price; Rs. 60 rupees per quintal

Permissible drying; 11%

89 Kg value; 60%

Therefore value of 100 kg; 100*60/89=67.41

Add overheads at the rate of 15%; 67.41*15/100=10.11

Cost price; 67.41+10.11=77.52

Add 15% profit margin; 77.52*15/100=11.63

Sale price; 77.52+11.63=89.15

This price is the minimum price at which the item should be sold. However, the actual sale price will depend upon the market prices. It can be seen from the above formula that the corporation adopted the policy of calculating the same overhead charges for the fixation of purchase price as well as the sale price of minor forest produce.
Further, these two prices and linked up by the making of purchase price as the basis of the sale price. This policy is adapted only to safeguard the business interest of the corporation.

5.5 Purchase of Agriculture products

The corporation purchases the product offered by the tribals. But the corporation has monopoly right over the purchase of this produce. Hence, it has to complete with the private traders and merchants. The corporation aims at creating a competition in making the agriculture produce which would enable the tribals to derive reasonable price for their agricultural produce.

5.5.1 Pricing policy

The pricing policy of the agricultural produce is evolving in accordance with the above objectives. The corporation prepared a formula, which the primary marketing societies have to adopt in the fixation of the purchase prices of various commodities of agriculture produce.

This formula envisages that the purchase price of each commodity of agriculture produce should be fixed after deductions from the ruling market price detain overheads at the rate of 10% plus allowable driage. The primary societies apply this formula uniformly to all items of agricultural produce. The underlying motive of the policy appears to serve the business interests of the corporation more than the interests of the tribals.

This is the factor such as the cost of production and level of producers is not taken into account while fixing the price. Hence, the corporation prices can’t be claimed as fair prices. Because, the fair price is one which would be at a level to enable the producers to meet cost of production and to enable them to maintain a reasonable standard of living.\(^{29}\)
5.5.2 Procurement pattern

There are 25 commodities of agriculture produce purchased by the corporation. They include commodities of both food and commercial crops. The major items under food crops are; paddy, jawar, bazar, cholam, block gram, Bengal gram, red gram and French beans. The commodities of commercial crops include Annatto seed, Niger seed, Turmeric, caster seed and coffee seed. The corporation sells the agricultural produce it purchased from the tribal. It sells the produce in the open market to the private trader’s and whole sale dealers. The corporation does not undertake any processing before the disposal of the produce. As all the items of agricultural produce have local demand, the produce will generally be disposed of in the markets which are near to the primary societies.

The corporation adopts the similar methods of disposable, which it adopts in the case of minor forest produce. The produce is generally disposed of through tenders and negotiates. The managers of the primary societies contact the buyers in the markets and dispose of the produce, to those who are willing to pay the prices stipulated by them. At the same time, when the produce is larger in quantity, tenders will be invited and the tenders which quote highest price will be selected to the disposal.

5.5.3 Fixation of sales price

The actual sale price is fixed on the basis prevailing market price, if it fetches ‘higher profit. The corporation calculates the different costs of operation on adhoc basis. There is no systematic procedure to calculate the actual expenditure on transportation, storage handling and other items involved in the disposal of the agriculture produce.
The quantity of the produce handed by the corporation is limited, the corporation is not paying any interest in evolving an efficient system of calculating the overheads, hence, the fixed quantum of minimum percentage is hardly sufficient to meet the actual overhead costs.

5.6 Sale of Domestic Requirement Commodities

The other function of the Girijan Corporation is the supply of essential commodities to the tribals. The main objective is to ensure the tribal with free flow of essential commodities like rice, salt, dhal, oil, cloth etc., at cheaper prices at their door step. For the purpose, the corporation opened a network of sales centers called as daily requirement depots at contained places throughout the scheduled area and also in plain area where sizable number of tribal people live.

5.6.1 Supply of Items

The daily requirement of commodity supplied by the corporation can be classified into two categories controlled items and non-controlled items. The controlled items include rice, sugar, kerosene and controlled cloth. The non-controlled items include edible items oil, toilets, manufacture goods, clothes fancy goods, and groceries etc. There are ground nut oil, coconut oil, dhal, dry fish, salt, tea packets, soaps bangles, tooth paste, various types of clothes sari, dhotis, and blankets plastic and several other toilets and fancy gods.

In the sale of such wide range of items, the corporation seems to be guided by a business motive rather than service to the tribals. Most of the fancy and modern goods sold by the corporation are purchased by only non-tribals. The purchasing power of the tribals is too poor to purchase those items.
5.6.2 Fixation of Sale Price

The success of the corporation consumer storages depends on a large extent on the soundness of their price policies. Storage may either sell goods at market prices or at price lower than the market. As the corporation hands two types of commodities controlled and non-controlled, it adopted different policies for fixation of sale prices.

5.6.3 Controlled Commodities

The civil supply department instruction of the corporation fixes the sale price of each item of controlled commodities adding to the purchase price the cost of transportation at the rate of rupee one per quintal for every mile for the first ten miles and after that, 0.5 rupees for every subsequent mile.

5.6.4 Non-controlled Commodities

The corporation evolved its own policy for fixation of sale price of each items sold by it. The corporation adds 10% margin to the purchase price to fix the sale price of each item, interest on the capital and so on.

The pricing policy did not work satisfactorily; recently the corporation adopted the active price policy which envisages that the daily requirement depots should sell their goods to the tribals at prices which are slightly lower than the prevailing market prices.

5.6.5 Purchase System

The idea should be a better provision of quality goods to the consumer in consonance with the demands. An intelligent purchase system is the sine qua non success of the consumer store. The needs of the consumers deserve the first consideration.
Normally, in corporation consumer societies purchase committees are constituted to lay down suitable policies to undertake the purchase\textsuperscript{35}. In the corporation there is no such purchase committees. All the policy decisions with regard to the purchase of daily requirements are taken by the divisional managers, with the assistance of the manager of primary societies. However, the head office of the corporation laid down that the divisional managers should utilize all sources which are advantage of both the tribals and corporation in the purchase of daily requirement commodities.

The divisional manager procure different items of daily requirement from different sources as mentioned below

1) Government Civil Supplies department control commodities like rice, wheat and sugar.

2) Wholesale private traders all non-controlled items like dhal, salt, vegetables and edible oils etc.

3) Manufacturing stockiest and commission agent’s fancy goods, cosmetics, house ware, cloth and all types of groceries.

In the purchase of different items each division depends upon the organization markets operating within that division. The quotations are called from different local dealer and the items are purchased form those who offer the lowest quotations. Before making the purchases, the divisional manager of each consolidates the indents of the primary societies in his division and purchased the necessary quantities. The purchased items are given to each primary society according to its requirements. Normally purchases are made once in every month.
5.6.6 Urban Depots

The tribal serving the basic needs along the tribal in both schedule and non-scheduled areas through a network daily requirement depots. The corporation has also opened its depots in take urban center to serve the non tribals. These depots sell important items of minor forest produced by the corporation form the tribals.

These items include number of items shows in depots. The corporation depots opened in the urban areas of Visakhapatnam, Guntur, Vijayawada, Nellore, Rajhmundry, Khamam, palakonda, parvathipuram, seethampeta and also in the city opened in Hyderabad.

5.7 The Retail Marketing of the Girijan Corporation

The change of location with globalization, liberalization and privatization, only the fittest of survival exists; GCC is not far of these facts. There is an apparent need to keep phase with the changing system for the long run survival of the organization.

A separate retail marketing division is established at corporate head office at Visakhapatnam to operate the activities, in liaison with production centers, monitor sales force, appointment of distribution network and see that the products reach the target customers through distributors all over Andhra Pradesh.
5.7.1 Market planning of Retail Marketing Strategies

As per geographical convenience, the sales officers are kept in charge of 7 zones at Visakhapatnam, Rajahmundry, Vijayawada, Tirupathi, NorthTelangana, South Telagana, Rayalaseema areas. A flow chart showing territory wise sales officers and their coverage of Map.

Any organization basic objective is profit maximization. The Government organization is also not exceptional. Girijan Corporation should also strive for profit maximization keeping in mind the socio economic obligation of 4.5 million
tribals of Andhra Pradesh. The existing practices are to be reviewed. Long-term and short-term goals are to be planned. So, the tribals are benefited from the outcomes and sustain their economic growth in the study area.

5.7.2 Value addition to minor forest produce list of processing units

The value addition to minor produce would release better value than disposing them in a form. With this concept, the corporation established processing units to convert raw minor forest produce into (ready to use products) steps have been initiated to market these products in branded form through a distribution network.

5.7.3 Processing centers for value addition

Girijan Corporation has setup processing centers at tribal habitats and at other areas in the following to achieving the objectives;

1) To generate continuous employment to tribals
2) To produce ready to use consumer products and supply them to consumers on a timely and uninterrupted way.
3) To release high sale value to retain the price line for certain minor forest produce like some disposable items in bulk is constant.
Table-5 List of processing units

<table>
<thead>
<tr>
<th>Sl.No</th>
<th>Name of the units</th>
<th>place</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Honey processing units and packing</td>
<td>Rajahmundry, Aruku, parveathipuram, seethampeta</td>
</tr>
<tr>
<td>2</td>
<td>Sheekakai and soap nuts pulverizing and packing units</td>
<td>Rajahmundry</td>
</tr>
<tr>
<td>3</td>
<td>Soap making units</td>
<td>Vizianagaram</td>
</tr>
<tr>
<td>4</td>
<td>Rajmah, white beans, cuttings processing, and packing</td>
<td>Paderu and seethampet</td>
</tr>
<tr>
<td>5</td>
<td>Tamarind processing and packing</td>
<td>Saluru, Narisipatnam, anakhapalli, chodavaram and visakhapatnam</td>
</tr>
<tr>
<td>6</td>
<td>Hill broom processing units</td>
<td>Parvathipuram, saluru, seethampeta Rampachodavaram.</td>
</tr>
</tbody>
</table>

5.7.4 Brand Building for products

Branding the product is yet another important aspect to popularize the products introduced into market to give an immediate recall value for the organization and to the brands as well. ‘Girijan’ nematurally is taken as brand name for value added honey. The brand name Girijan is prefixed to packs of all sizes and introduced the market under common brand name ‘Girijan’

5.7.5 Agmark

The director of marketing inspector under the ministry of Agriculture, government of India is implementing the Agricultural produce Act 1937 (as amended1986)
and rules made their standards of agricultural land allied commodities which have been framed under the provision of the act.

These standards are popularly called Agmark standards. The manufactures that fulfill hygienic and sanitary conditions and maintain the prescribed standards are allowed to grade and mark their products with ‘Agmark’ the mark labeled products are pre-tested for quality and purity. Food items such as Wheat, Atta Maida Sujji Cerral Pulses, Beans, Spices Vegetable Oil, Ghee, Creamery Butter, Honey, Tamarind, Desiccated Coconuts etc., are available in the market under Agmark certification.

The reputed organization like Tirupathi Tirumuladevasthanam and many college hostels and hotels hospitals etc., are procuring Agmark certificate products for their use. The Government of Andhra Pradesh has issued a G.O.requesting all bulk consumer institution to go only for Agmark graded products. Girijan Corporation has got Agmark certification for the honey being marketed under Girijan Brand name.
Table 6: In ready to use pack under the Girijan Brand Name consumer products

<table>
<thead>
<tr>
<th>Sl No</th>
<th>Brand Name</th>
<th>Pack size</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>‘Girijan’ Honey</td>
<td>3Kg,1,500,200,100,50grams</td>
</tr>
<tr>
<td>2</td>
<td>‘Girijan’ Turmeric soap</td>
<td>100,75g</td>
</tr>
<tr>
<td>3</td>
<td>‘Girijan’ Neem soap</td>
<td>100,75g</td>
</tr>
<tr>
<td>4</td>
<td>‘Girijan’ flower tamarind</td>
<td>1kg,500g</td>
</tr>
<tr>
<td>5</td>
<td>‘Girijan’ pulp tamarind</td>
<td>1kg</td>
</tr>
<tr>
<td>6</td>
<td>‘Girijan’ deseeded tamarind</td>
<td>5kg,1kg</td>
</tr>
<tr>
<td>7</td>
<td>‘Girijan’ seeded tamarind</td>
<td>5kg,1kg</td>
</tr>
<tr>
<td>8</td>
<td>‘Girijan’ sheekakai power</td>
<td>200g</td>
</tr>
<tr>
<td>9</td>
<td>‘Girijan’ soap nuts</td>
<td>1kg,500g</td>
</tr>
<tr>
<td>10</td>
<td>‘Girijan’ hill broom</td>
<td>1 No</td>
</tr>
<tr>
<td>11</td>
<td>‘Girijan’ rajmah</td>
<td>500g</td>
</tr>
<tr>
<td>12</td>
<td>‘Girijan’ rajmah</td>
<td>500g</td>
</tr>
<tr>
<td>13</td>
<td>‘Girijan’ rajmah</td>
<td>500g</td>
</tr>
<tr>
<td>14</td>
<td>‘Girijan’ cuttings</td>
<td>500g</td>
</tr>
<tr>
<td>15</td>
<td>‘Girijan’ white beans</td>
<td>500g</td>
</tr>
<tr>
<td>16</td>
<td>‘Girijan’ turmeric power</td>
<td>200g</td>
</tr>
<tr>
<td>17</td>
<td>‘Girijan’ amla power</td>
<td>200g,100g</td>
</tr>
<tr>
<td>18</td>
<td>‘Girijan’ soapnut power</td>
<td>200g,100g</td>
</tr>
</tbody>
</table>
5.7.6 Accumulated Benefits

Girijan Corporation could find a flagship in Girijan honey as a market leader and enjoys economics of scale, optimum utilization of processing units and work force, high profit margin which are being passed on to tribal honey collectors.

1. Brand image

The consumer market in honey with introduction, Girijan was able to manage to push other products like sheekakai soapnuts, etc., in consumer marketing through retailing price since brand reputation for Girijan honey is reflected on these products also help the other products.

2. Slow pushed the market

The Girijan products was able to manage the disposal of soap nuts, hill brooms in retail form the new business plan is to find further opportunities for improving performance, establish a frame work to intensity the growth opportunities by developing new markets. To achieve the focus on the follow;

a) Designing a market strategy to establish the product line and implementing the promotional strategies.

b) Managing product line of al pack sizes and bringing them into common brand name.

c) Pricing policies for the product range.

d) Establishing physical distribution system and managing marketing channels.

e) Managing the sales force.
f) For the designing and for achievement of this, the retail marketing department of Girijan Corporation has taken institution in the following areas.

5.7.7 Channel Design and Distribution Products

In a consumer point of view, producers don’t sell their goods directly to final users. When it is to manage large number of individual consumers, personal selling by the producers to consumers is not an available proposition. Between products and end consumers, stand a host of marketing intermediaries performing variety of functions and bearing a variety of names most producers work with marketing intermediaries to bring their products to market. Intermediaries such as wholesalers and retailer buyers take title and resell the merchandise.

Marketing channel decisions are among the most critical decisions being faced by managements. The ultimately affect other marketing decisions like channel margins and firms sales force and advertising decision.

5.7.8 Characteristics of the product

The natures of the product perishable, bulky, highly technical, built high unit value products etc., the channel levels are decided. Distribution of the alternatives;

i) Intensive distributive
Producers of convenience goods and common raw material outlets.

ii) Selective distribution
The use of more than one but less than all the intermediaries who are willing to carry particular product.

iii) Exclusive distribution
The producer limits intermediaries for handling their products only. It often goes with exclusive dealing where these dealers must not carry competing lines.

Based on the parameters envisaged, the retail marketing department has defined channels for distribution of branded products honey, established godown point for proper warehousing the channels of reaching the product form warehouse to retailers.

5.7.9 Selection of the major channels distribution

The product characteristics based on the Girijan Corporation has fixed a two level channel to attend the needs of consumers to distribution of retailer to consumer.

5.8 Creation and managing sales force

The Sales personnel service is a company personal link to the consumers. The sales officer is the company to many consumers and in turn brings back to the company needs to give deepest thought while designing the sales force. The sales force perform diversified functions like prospecting, communicating, selling serving, information gathering and allocating the scarce products during the predict shortages.

5.9 Sales Force Objectives

The organization has to define sales forces objectives and activities rationally. 

Sales force strategy: the organization must organize their sales forces strategically so that they call up on fight customer at right time in a right way.

Sales force structure

Depending on need and selling the product to the customers in the locations, the company would use territorial sales forces structure.
**Territory size**

It can be designed to provide either equal sales penitential or equal work load.

**Territory shape**

These are to be designed by taking into account the natural barriers, the compatibility of adjacent areas, and the adequacy of transportation and so on.

**Sales force size**

One of the organizations decides upon the strategy and structure that it is ready to consider sales force size. For geographical convenience, the state of operations of GCC activity is conveniently divided into 5 zones and the sales officers are directed to oversee the overall activities to achieve sales objectives.

Sales officers are monitored by General Manager from corporation office. Sales officer of each zone is in charge of particularly district full under his territory.

The officer is in charge of particular zone and the warehouse is the first transshipment point to reach stock from the processing centers and transported to distributors.

The sales officer liaisons with the processing centers for timely receipt of stock and forecast the requirement of the distributors. The sales officers monitor distributors under his control and regulate sales solve the conflict and achieve over all targets entrusted to him.

The sales officer attends to institutional business and books orders and he is a link between the trade and Girijan Corporation for all market intelligence and competitors’ movement.
5.10 Promotional Strategies for the products

Modern marketing calls for more than not only developing good products but also for marketing them and making them accessible to target customers. Organizations with product line up should manage complex marketing communication systems. Marketing communications mix also called as promotion mix consists of there major tools one advertise, sales promotion and public relations.

To communicate effectively organization hires advertising agencies, and sales promotion specialists to develop effective ads and to design sales incentive programs.

5.11 Communication Objectives

The marketer seeks cognitive response. The markets must put something into the consumers’ minds, change their attitude and get the consumer to act. Broadly, the consumers pass through a series of sequences like learn to do sequence, or in order. Therefore, in the selling line should work with the hierarchy of effects. The organization can seek the focus on the some aspects.

Awareness

If the target audience is unaware of the product, the task is to build awareness like ‘name recognition’.

Knowledge

The target audience might have awareness about the organization of product but do not know much more. The organization should put in efforts to build the awareness.
Linking
If the target members know the product, the organization should realize how they feel about it. The organization should develop communication campaign to know the favorable feelings.

Preference
The target member might like the product but not prefer it to others. The organization then must promote the product’s quality, value, performance and other features. The organization should check the campaign success by measuring audience preference again after campaigning.

Conviction
The target audience might prefer a particular but not develop a conviction about buying it. It is the job of the organization to build the conviction.

Purchases
It might have conviction but not quite get around making the purchases. They wait for more information or plan to act later. The communication must lead these consumers to take the final step. Action might include offering products at off prices, offering a premium or letting the consumers to try it on limited basis.

5.12 Designing the Message
After designing the audience response, the next move is to develop an effective message. The message should gain attention, hold interest, arise desire and elicits action. The message should be planned to take the consumers all the way from awareness to the purchase point.

It is equally important what to say to the target audience to produce the desired response.
5.13 Establishing Total Budget one of the most important decisions of any organization is the quantum of spending on promotional activity. Though there is no hard and fast rule in fixing the advertisement budget, the following four methods are generally followed.

1. Affordable method: where the organization set the promotional budget at what they think the organization can afford.

2. Percentage of sales methods: many transitions set their expenditure on a specified percentage of sales.

3. Competitive party method: the organization set promotional budget to achieve share of voice with the competitors.

4. Objective of the task method: this method calls upon markets to develop their promotional budget by defining the specific objectives, determining the task that must be performed to achieve these objectives and estimate the tasks of promoting these tasks.

5.14 Promotion Mix

Redistribution of promotional budget among the promotional tools is the real task of the organization within the same industry. Organizations differ considerably on how they allocate their promotional budget. The advertising should also focus on performing functions like awareness building comprehensive building the product, features and efficient reminding.

5.15 Sales promotion

The sales promotional tools are highly diverse like coupons, contests, premiums etc., they have distinctive characteristics like effective communication and incentive programs companies use sales promotional tools to create a stronger and quicker response. Sales promotion is to dramatize the product offers
and to boost up sagging sales. Sales promotion is generally for a short run and not effective in building the long brand preference.

5.16 Media Selection

1. Magazine advertisements

Girijan Corporation is advertising through magazine because they have longer life, greater retentive value as well as reference value. Selective appeal is possible and thus we can approach particular market segment only. Girijan Corporation publishes products advertisement is magazine, industrial fortnightly, other niche exclusive readership magazine souvenirs etc. Girijan Corporation publish yearly calendar for a yearlong recall value of the advertising.

2. Press Advertising

Newspaper has a general wide appeal and truly a way of life to most of the literate people. So press ads were released on occasional specific events like Girijan corporation of Andhra Pradesh formation day, world environment day, independence day, republic day etc.,

This method of publicity is followed by Girijan Corporation because newspapers are flexible and a timely and repeated advertising is possible. Periodical change is size and contents are also easy.

5.17 Broadcast Media (audio-video vision)

Of all the media, radio has shortest closing times. Radio uses any audio signal. Broadcasting of radio singles of products through all India radio station of Visakhapatnam, Vijayawada, and Hyderabad are continuously in progress for brand building activities of Girijan corporation products.
Television Advertise through local Channels

Bus and railway stations

Commercial advertising on Girijan corporation honey of 15 seconds duration have been produced and are under telecast through siti cable through 99 main centers and 106 affiliated centers on products ads through cable networks on occasional specific events like festivals and display on T.V at railway station and bus stations.

5.18 Outdoor Media

Hoardings and bill boards

Outdoor media advertise has a long life. It can attract the attention of numerous people and has a wider appeal and recall value. Hoardings of Girijan honey and other products are displayed at point locations at major cities like Hyderabad, Vijayawada and Visakhapatnam etc., by the entrusting to hoarding agencies. Girijan Corporation also has permanent hoarding structures at prime locations in Visakhapatnam, Rajahmundry and Hyderabad.

5.19 Transit Media

Transit advertising consists of car card advertising, which is located within buses, sub-way, railways and outside displays which appear on the front side and backs of buses or other public transport and at transportation terminals.

The various advertise media are follow by Girijan Corporation;

a) RTC Buses: display the buses Girijan products advertise on all APSRTC buses fleet all over the state is progressive. The route is so planned in which way the fleet would adequately cover all the areas in the state of Andhra Pradesh where Girijan Corporation have distribution network.
b) Advertisement on Autos: Girijan products ads are also displayed of auto tops with a catchy captions.

5.20 Direct Mail Advertising

Direct mail is any advertising sent by pamphlets, booklets, catalogues etc. Direct mail is the most personal and selection media. It reaches only the desired prospects poster drawings and other pop on Girijan products are developed and distributed to retail outlets once in a month through sales officers for display purpose. It provides detailed information about the product and creates lasting impression.

5.21 Other forms of Advertising

The other advertising form of display on events, tradeshows, Exhibitions, trade fairs have also been done by the other ads.

Film advertising

It has wide appeal and can overcome language barriers. This technique has maximum impact on audience cine slides display on Girijan products is displayed in the theatres in major cities and towns in Andhra Pradesh.

Event sponsorship

Girijan Corporation has been sponsoring major events like National Games, Navy week Seminars, distribution of press kits during the sponsored events.

5.22 Sales Strategy for Retail products

1. District wise operations

At least 50 more distributors are to be appointed by the corporation through its sales officer’s in district revenue division wise depending upon their individual investing capacity and the products will be sold through indirect sales to the retail outlets to reach the end user in every look and corner of the state.
2. Direct sales institution

It has been decided to supply the quality products at reasonable rates to the beneficiaries of welfare institutions working under state central Government through the Girijan primary corporation marketing distributors, throughout the state.

3. Sale of products through rhythm Mithras Bazar

Hon’ble chief minister, of Andhra Pradesh has advised GCC to obtained allotment of stalls in Rhythm Mithras Bazars. According to GCC started sales in 45 Rhythm Mithras Bazars in the state during this year and plans to conduct sales through its authorized distributors.

4. Sale of Products through Rhythm Mithras Scheme

The Government of Andhra Pradesh has approved the rates offered by Girijan Corporation through its state level executive committee and the GCC is already supplying the products in most of the districts where Rhythm Mithras scheme is introduces.

In view of service draught conditions and the resultant tamarind crop failure, the Government authorized the Girijan Corporation to purchase tamarind from other tribal development societies to process and market it through Rhythm Bazars and forest products shops.

5. Consultancy services for product development

Girijan Corporation is equipped itself to find new usage and end users for certain minor forest produce through research and development initiatives and to build commercial linkage with the corporate sector for processed minor forest produce. Girijan has assigned product development activity by entrusting to a consultant during the value addition to;
<table>
<thead>
<tr>
<th>MFP items</th>
<th>Value added products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gum karaya</td>
<td>Laxitives</td>
</tr>
<tr>
<td>Dry amla</td>
<td>Condies, jevies, amlamorabba</td>
</tr>
<tr>
<td>Myrabolam, thani, amla</td>
<td>Triphala</td>
</tr>
<tr>
<td>Maredugaddalu</td>
<td>Condies, squash concentrates</td>
</tr>
<tr>
<td>Bees wax</td>
<td>Cosmetics</td>
</tr>
<tr>
<td>Podapatri</td>
<td>Diabetic product</td>
</tr>
<tr>
<td>Tamarind</td>
<td>Concentrates, powders</td>
</tr>
<tr>
<td>Sheekakai, soap nuts</td>
<td>Concentrates, shampoos and care</td>
</tr>
<tr>
<td></td>
<td>products etc.</td>
</tr>
</tbody>
</table>

### 5.23 The New products Development through the R&D

Though the GCC is not having quality control centers of its own, it is out sourcing the Service by assigning the research department activities to institute of national repute, training agencies and freelance scientists having relevant expertise.

1. **CFTRI, MYSORE**

   Working on improving the quality of tamarind and retention of color thereby enhancing the self-life of the product.

2. **CBRTI, Pune**

   Ongoing project; imparting knowledge to tribals on the qualitative aspects on honey.

   **Kovel foundation;** imparting training to tribals on gum tapping, drying, grading and on other quality parameters.

**Freelance scientist in progress**

- a) Quality control tests for Gum Karaya to comply with the export standards
- b) To find new industrial usages for minor forest produce
5.24 Projects in progress

1. Industrial product, out of cleaning nuts, has been developed for treating turbid water. The product branded as NATFLOC is put to use by municipal corporations, jal samstns, paper and pulp and chemical industries in treating raw water.

2. The finding reveals that the cleaning nuts can bind heavy metals and radioactive elements. Based on this a new product by name Bio-flocculent has been developed by GCC.

5.25 Other Research and Development Initiatives

Girijan Corporation is also equipping to find new usages and end users for some more MFP through R&D initiatives and build commercial linkage with the corporation sectors for processed MFP and introduser them in niche markets. GCC has assigned product development activity to consultants. The following are new products considered for development of GCC launching in the financial year 2011-2012.

<table>
<thead>
<tr>
<th>Sl. No</th>
<th>Trade Name</th>
<th>Value addition</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Dry amla</td>
<td>Candies, amlamorabba</td>
</tr>
<tr>
<td>2</td>
<td>Maredugaddalu</td>
<td>Candies, squash concentrates</td>
</tr>
<tr>
<td>3</td>
<td>Podapathri</td>
<td>Diabetic products, herbal products</td>
</tr>
<tr>
<td>4</td>
<td>Tamarind</td>
<td>Paste, powders,</td>
</tr>
<tr>
<td>5</td>
<td>Seekaki</td>
<td>Hair care products, shampoos</td>
</tr>
<tr>
<td>6</td>
<td>Aloevera</td>
<td>Moisturizer creams and soaps</td>
</tr>
<tr>
<td>7</td>
<td>Gum karaya</td>
<td>Laxatives</td>
</tr>
<tr>
<td>8</td>
<td>Myrobalams</td>
<td>Triphala for use by different industries</td>
</tr>
<tr>
<td>9</td>
<td>Bees wax</td>
<td>Cosmetic product form bees wax</td>
</tr>
<tr>
<td>10</td>
<td>Gum olibanum</td>
<td>Rheumatic pille, Balms etc.</td>
</tr>
</tbody>
</table>
Conclusion

It is evident from the above discussions that the concepts and objectives of the GCC are not only to provide economic and financial support to the tribals but also to give marketing facilities for the commodities of the tribals in order to avoid exploitation of the tribals at the grassroots level. Besides this, the organization of Girijan Corporation play vital role for the development of tribals since the inception of the organization.

Moreover, the organization adopts several strategies particularly in the purchase of the product of the tribals at grassroots levels. Apart from this, the organization has well organized wings at mandal and village level jurisdiction of the organizations. The organization adopted several strategies and programmes in respect of purchase and sales of minor forest produces, loan disbursement and supply of daily needs since its inception. It may be concluded that the organization has put tremendous efforts to achieve the objective of the organization to a certain extent.

However, still several difficulties exit in various spheres particularly in the major activities of the GCC. Keeping the above aspects under consideration, the study assessed the operational aspects of the Girijan Corporation in the study area over the period. The details of the study are presented in the succeeding chapter.
1. Formed as a new state called Andhra. Later in the year 1956, the state of Indian union was in 1953, 12 districts of Andhra and Rayalaseema region were separated from the madras state and they were reorganized on linguistic basis. Accordingly, eight districts of them Hyderabad state was included in the Andhra and new state of Andhra Pradesh was born on 1st November 1956, with Hyderabad as its capital. (Rao. R.R. history of modern Andhra, sterling publishers pvt, Ltd., New Delhi,1978,p.108)


3. Shandy is a place where people assemble on a specific day, at least once in a week in order to buy and sell.


6. The term Girijan denotes hill men originated from Hindi, the national language of India.

7. The objectives our lined in the buy-law are listed in Annesure-ii pp.421-42.


9. The board of directors of the corporation comprises of chairman:

Vice-chairman-cum-Managing Director

Director of tribal welfare
Additional Registrar of co-operative societies

Chief conservator of forests

Two representing integrated tribal development agencies of the state

Five tribal members elected from primary co-operative societies representing three from Andhra and two from Telangana regions

10. An officer of the cadre of Indian administrative series.

11. Administrative staff college of India, management of tribal development programmes study of minor forest produce, impenetrability. p.191.

12. The general body of the society is comprised of the tribal members by virtue of paying 50 rupee towards share capital, contribution and 5.25 praise towards membership fees.

13. Each taluk has been divided into two or three mandals. The officer in-charge of each mandal is now designated as mandal revenue officer.

14. Bye-Law 35 of the corporation stipulates that the affiliated primary societies should be paid commission on purchases of forest and agricultural produce and sales of domestic requirements.

15. The two primary marketing societies are Gummalakshimipuram of Parvathipuram invizianagaram district and Srikakulam districts presently started in Srikakulam.

16. The first society in east Godavari district was stated at gokavarak and after three years it was shifted to RampaChodaram in the tribal area.

17. The two societies are one at yeleswaram in east Godavari district and the other at krishrayapuram in west Godavari district.

18. One at bhadrachalam and the other at palancha in khammam district.
19. Government of India, letter No.5-36(5) cooperative processing, at 09-03-1957 addressed to the secretary to Government of Andhra Pradesh, social welfare and labor department, Hyderabad.


22. This 34.8% is said to comprise of a) transport 4.8% b) trade charges 2.4% c) establishment charges 4.0% d) interest 2.0% e) deorecatuion 0.6% f) market fluctuation 3.0% g) forest rentals 18.0%.


24. Resolution No. 48/71 of the board of directors of Girijan Cooperative Corporation, dt.18.9.1971. This 15% would cover the trade charges cost of transport and small margin for interest on working capital GCC from, 1972, p.18.

25. The registrar of cooperative societies, Government of Andhra Pradesh fixed the maximum percentage of driage to be allowed for each item of minor forest produce (ref. his letter No.R C.55571/70.dt.1.10.1970)


29. K.R.Kulakarni,Agricultural marketing in India, the cooperative Book depot, Bombay, 1964, p.523.
30. Collected from the office records of the Girijan corporation vizianagaram andsrikakulam districts.


32. The department of civil supplies, letter, No.10897/70 c.s.dt.18.6.1970.

33. Executive institutions of the managing director, Girijan Cooperative Corporation,Visakhapatnam, 1977, p.25.

34. S.C.Mehta, consumers cooperation in India, atmaram & sons, New Delhi, 1964

35. B.S. Mathur, op.cit. 402.