Chapter-4

Organization Structure of

Rayalaseema Cocoon Markets
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ORGANIZATION STRUCTURE OF RAYALASEEMMA COCOON MARKETS

Organization is the arrangement of personnel for facilitating the accomplishment of some agreed purpose through allocation of functions and responsibility (While, L.D., 1958). Through this mechanism, the management carries out its cocoon marketing activity. As the organization is the foundation on which the entire management structure is built, its soundness results in effective management of cocoon marketing activity. Keeping in view of this, the principles that govern an organization may named as the objectives of the systems, the allotment of functions to the individuals, the coordination of these functions by official or heads of sections, the planning of activities to achieve the fulfillment of the objectives, the exercise of authority, the discharge of responsibilities and accountability, the orderly delegation of duties of the subordinates by the superiors and the strict maintenance of balance in the operations of various sections and the uniformly and the flexibility. A properly designed and balanced organization facilitates both management and operation of the enterprise. Inadequate administration may not only discourage but also preclude effective organization (Louis Alben, 1958).
Interaction of Research Scholar, Mr. S. Venkata Swamy with the marketing officer Govt. Cocoon Markets in Rayalaseema to know about the Organizational and Administrative setup

Govt. Cocoon Market - Hindupur

Govt. Cocoon Market - Dharmavaram

Govt. Cocoon Market - Kadiri
Govt. Cocoon Market - Madanapalli

Govt. Cocoon Market - Palamaneru
The organizational structure of Sericulture Department in Andhra Pradesh

The organisational setup in Govt. Cocoon Markets of Rayalaseema is shown in Fig. 4.1. The organizational structure of sericulture Department in Andhra Pradesh starts with the Commissioner of Sericulture who is a Senior Officer of I.A.S. Rank. He is the Chief Executive Officer of the Department and responsible for execution of sericulture policies. He also coordinates with the Commissioner of Agriculture as well as Commissioner of Horticulture whenever needed in policies execution. The Commissioner is assisted by one Additional Director of Sericulture (Technical) and one Regional Joint Director of Sericulture at State level. The state is divided geographically into four zones of Sericulture Department and each zone is headed by one Joint Director of Sericulture. The Joint Director of Sericulture will look after the field work. Each zone is divided into District units and one Deputy Director of Sericulture functions at this level. The District is divided into Divisions and each Division is headed by one Assistant Directors of sericulture. The Assisted Director of Sericulture is further assisted by Sericulture Officers who are also called as Marketing Officers. Under this officer, there are Assistant Sericulture Officers followed by Technical Officers, Technical Assistants and Attenders and workers in an hierarchical manner.

The features of the organizational setup and the same for the sericulture market committees are at the district levels. The marketing firms are organized themselves in various ways. These organizational developments also give rise to certain problems of general policy; it is to these problems that we now turn. Several years ago it was both common and practical to study the marketing channel of a commodity. The path over which a commodity passed as it moved from farmers into the hands of consumers was rather standardized and similar for most commodities.
Fig. 4.1. Organization setup

State level

Commissioner of Sericulture (IAS)

Additional Director of Sericulture (Technical)

Zonal level

Regional Joint Director of Sericulture
[4 field level + 1 Head quarters]

District level

Deputy Director of Sericulture [1]

Divisional level

Assistant Director of Sericulture [1]

Sericulture Officer [1]
(Marketing Officer)

Assistant Sericulture Officer [1]

Technical Officer [2]

Technical Assistants [3]

Workers and Attenders [2 + 2]

Source: Office of the Cocoon Markets.
Basically, products are moved from the production areas into the larger cities, which were major marketing centres. Here goods changed hands and prices were established in large and organized marketing centres. At this time each of these “levels” of the market channel were made up substantially of independent firms. Country buyers, such as egg buyers, cocoon buyers, were independent business buying from farmers and selling. Some times, goods flow through the commission agents, to the processors and wholesalers in the cities. Processors were largely employed only in processing activities. Wholesalers were entries separate from retailers. A community of interests, however, encouraged their grouping together in a specialized area for operation. Cocoon rearers grew up around the cocoon market yards.

Sericulture marketing consists of all the functions and services used in moving the commodities from the producer to the final consumer. It includes not only the physical movement to the place where the product is wanted but also putting it into the form and amount desired and having it ready at the time it is wanted. Another market organization development has been the tendency of given firms to extend their operations both horizontally and vertically. This tendency was noted in the study of processors, wholesalers and retailers. Essentially, integration is the centralization of the critical decision making power of related or similar activities into the hands of a single management. Integration has the effect of “shortening the chain” between the industrial producer and the final consumer products enter into the “open market” for fewer changes in ownership and pricing. As such, integration and decentralization go hand in hand. There seems to be little doubt that integrated production and marketing complexes can result in improved operational efficiencies.

Marketing services
1. **Assembly**
   Collection of produce for sale in smaller or larger markets is called assembling.

2. **Grading and standardization**
   Grading is the sorting out of the commodities into different groups on the basis of size, variety, quality and colour.
3. **Processing**  
Sericulture commodities before reaching the consumers, pass through one or more forms of processing.

4. **Transportation**  
Physical movements of produce from the place of production to the final consumer is called transportation.

5. **Storage**  
Storage is the holding of produce from the time of production until needed by the consumers.

6. **Packaging**  
Packaging is the packing or covering the product.

7. **Financing**  
Financing is the provision of the money and credit necessary to carry products through the marketing channels.

8. **Risk bearing**  
Another cost associated with ownership is risk bearing. When the produce is passing through different channels, it may be damaged by fire, pests, thefts or accidents. Price fluctuation is a very important factor contributor to the risk of ownership of produce.

9. **Distributing**  
It relates to disbursing, retailing and marketing of produce.

10. **Market intelligence**  
It refers the information services about the markets the farmers should have accurate, adequate and timely information regarding the price of different commodities.

**Classification of Market**

<table>
<thead>
<tr>
<th>Type</th>
<th>Sub-type</th>
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<tbody>
<tr>
<td>According to seller</td>
<td>Primary market</td>
</tr>
<tr>
<td></td>
<td>Secondary market</td>
</tr>
<tr>
<td></td>
<td>Terminal market</td>
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<tr>
<td>According to time</td>
<td>Daily market</td>
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<tr>
<td></td>
<td>Short period market</td>
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<td></td>
<td>Long period market</td>
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</tbody>
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c. According to competition
   1. Perfect market
   2. Imperfect market
   3. Monopoly market

d. According to regulation
   1. Regulated market
   2. Unregulated marked

e. According to area
   1. Local markets
   2. National markets
   3. International markets

f. According to factor
   1. General or mixed market
   2. Specialized market
   3. Marketing by samples

Cocoon markets in Andhra Pradesh Government are organised by the Government only. It has been provided one market officer with the supporting staff needed accordingly the quality of transactions. Rates are fixing in open auction by the reelers to stabilize the rates Government units are also participating. Whenever the rate offered by the reelers is not accepted by the rearers they can keep their cocoon's second or third auction or for the next day. Sometimes farmers can also be given permission to go outside the State markets after collecting 2% market fees on the basis of the previous auction at Government Cocoon market Department collecting 2% market fees on value of cocoons from the reelers and rearers at the rate of 1% each. Cocoon cost is being collected as advanced approximately from the reelers and payments of made by cash through the Department only.

Incentives

To improve the quality of cocoons the quality of cocoons (i.e.) the highest bid up and farmer are given Rs.200/- and 100/- respectively per day as incentive. Women rearers who transacted their cocoons three times in a year in AP Cocoons Markets are also being provided Rs.500/- by kind. The women reelers are being provided incentives. Regarding technical, cassettes are playing in different aspects for awareness among the rearers and reelers. Disease survivalance cell is also functioning in Government Cocoon Market 20% of the lots are being tested for the pebrine disease if the disease formed any lot immediately information will be passed
on to the Technical Service Center concerned through the Asst. Director of Sericulture for through disinfection and control of Pebrine disease.

A cocoon testing unit established in market the silk recovery percentage and the Kakame cost will be calculated and written on the top of bidding slip for the awareness of silk reeers i.e. Bidders. Serifered has opened Pesticide Sales Centre where all the Sericulture items available for the farmers and reeers.

**Equipment of Government Cocoon Markets**

1. Two Weighing Machines (Each Rs.25,000) 50000
2. 20 Plastic Basket transported cocoons (Each Rs.500) 100000
3. 150 Iron stands (Each Rs.5000/-) 750000
4. Water cooler (Each Rs.5000/-) 5000
5. 2 Computers Systems (HCl with UPC) 300000
6. Labourers & Jelly Cocoons reeers (80 workers each worker Rs.2000/- per month) 160000

**Organisational structure of Rayalaseema Cocoon Markets**

Market is structurally having two buildings nearly in the area of 02-00 acres. The organizational structure of Rayalaseema cocoon market begin with marketing officer (Fig. 4.1). The cocoon market is directly under the control of the marketing officer. Coming to the salaries, the marketing officer draws State Gazetted Officer’s salary. There is an Assistant Inspector of Sericulture who takes care of cash payment section in the cocoon market. Technical Officers (two) are assisted by Technical Assistants. In addition to them, Technical assistants involve in the work of auctions and weightment of silkworm cocoons. However, there is no clear division of work based on the cadre, depending on the circumstances in the cocoon market, all the staff are mutually cooperating with each other. It clearly indicates that there is teamwork in cocoon market organization, which is a prerequisite to run an organization effectively.