Chapter-5

Administrative Structure of

Rayalseema Cocoon Markets
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ADMINISTRATIVE STRUCTURE OF COCOON MARKETS IN RAYALASEEMA

Administrative structure plays a key role in the development of marketing activities. As defined by Tead and Ordway (1955), administration is a comprehensive effort to direct, guide and integrate associating human strivings which are focused towards some specific goals and aims. Marketing administration is also a comprehensive effort intended to achieve some specific marketing objectives and it deals with the marketing practices, whereas marketing philosophy sets the goal, marketing psychology explains the principles, marketing administration tells the do-not of marketing objectives and principles. It in fact, is the dynamic side of marketing. Cocoon marketing administration deals with the marketing institutions right from the rearing houses to the secretariat. It is concerned with both human and material resources. The human elements include (1) rearer, (ii) Trader, (iii) Officers, (iv) and other employees in general. On the material side, there are (i) money, (ii) building, (iii) equipment and infrastructural supplies. Beyond these two elements are ideas, laws and regulations, community needs and so on. All of these have a bearing on the cocoon market process. The integration of these ‘parts’ into a ‘whole’ is cocoon marketing administration.
Administrative Structure of Department of Sericulture

The administrative Structure of the Dept. of Sericulture begins with the Ministry for Agriculture at stated this Ministry is headed by a Cabinet rank Minister who is also turned as it parent Minister. He is in turn responsibly to state Legislative. Major policy decisions at state level are made by the Ministers for Agriculture. However the policy decision of the Central Silk Board at National level are also be taken into consideration while designing policies relating to Sericulture. In other words, the national as well as State level policies are blended and made Sericulture policies at state level. The Central Silk Board at national level functions under the Ministry of Textiles

The Ministry of Agriculture in Andhra Pradesh is comprising of three Departments viz., Department of Agriculture, Department of Sericulture and the Department of Horticulture. All these departments are under one Principal Secretary Agriculture and Co-Operation. Each Department in turn is headed by one Commissioner. On these lines, the Department of Agriculture is headed by one Commissioner for Agriculture Production. The Department of Sericulture is headed by one Commissioner known as Commissioner for Sericulture and the Department of Horticulture headed by one Commissioner known as Commissioner for Horticulture. This Commissioner function in coordinated manner to execute the policies.

At the state level the Secretariat wing the Ministry of Agriculture which is headed by one Principal Secretary assist the ministry of Agriculture in policy formulation. However, the policy execution starts from the respective Commissioners level. In brief, cocoon market administration is conceived as the necessary activities of those individuals (executives) in an organization who are charged with ordering, forwarding and facilitating the associated effects of a group of individuals brought together to realize certain purposes. By marketing administration, we manage the management with maximum efficiency of any organization having the organized purposes connected with the marketing of the group of individuals forming that organization. The prime purposes of cocoon marketing administration may be listed as follows.
Fig. 5.1. Administrative Structure of Sericulture Department in Andhra Pradesh.
1. To frame well-defined policies and programmes so that the selling and purchasing conditions result in the growth and development of the rearer.

2. To execute dynamically the programmes and activities of the organization so that its objectives can be activated.

3. To assure the growth of not only rearer but also of the trader.

4. To achieve the growth of the personnel involved in the management of the organization.

**Administrative process in marketing administration**

Jesse and Sears (1959) identified five elements in the administrative process. (1) Planning, (2) Organizing, (3) Directing, (4) Coordinating and (5) Controlling. Sears in his book, pointed to these forces essential in the administrative process. Authority, Policy, Professional ethics and Social usage and the legislative process. Hgmann and Schwartz (1955) identified five factors of administration and also certain functions of administrative activity. The factors discussed by him are leadership, purpose, organization, authority and group interaction. They discuss the functions of administrative activity under the heads: Planning, Communication, Coordination, Problem solving and Evaluation.

The study provides light into the inadequacies and weakness brought with marketing administration in Rayalseema including the organization and management of cocoon market of Rayalaseema and thus provides basis for offering general as well as specific. Suggestion to streamline and promote the performance standards of cocoon market and to make it more rearers oriented and service-spirited.

The department of sericulture to which the subject of cocoon marketing is allocated is be responsible for planning, implementation, monitoring and evaluation of the marketing activities at the State level. The commissioner will be the Chairman.

The functions of the State level committee are as follows

1. To provide leadership and guidance to the cocoon marketing in the planning, implementation and monitoring of the cocoon marketing activities.
2. To secure inter-departmental coordination and linkages for the marketing.
3. To consider needs and changes in the administrative setup for the implementation of the programme and approve the establishment pattern and sanction the posts according to them. To fix norms for office expenses component, vehicles, hiring of accommodation etc. wherever necessary.
4. To review the physical targets of the cocoon market in view of the objective conditions effecting the provision and operation of viable schemes and modify the targets for the cocoon markets accordingly. Keeping in view of the overall objectives.
5. To monitor and evaluate the implementation of the programme with reference to the objective of the cocoon market.
6. To provide a forum for a meaningful dialogue between the policy makers at the state level and the implementations at the field level.

Seed Legislation

The Government has promulgated the silkworm seed act 1952 (control and distribution) which was given effect from 1954. As per the seed act, all the cocoons purchase and sales should be carried out within the Government cocoon markets only. The reelers who purchase the cocoons outside the Government cocoon market are liable for prosecution under the seed legislation.

Role of Government cocoon markets
1. It ensures reasonable price for the producer (rearers), to their produce.
2. It also helps the buyers (reelers) to get the raw material at reasonable distance, and facilitate easy and quicker transaction
3. Cocoon markets also helps to build confidence with the rearers in selling their produce.
4. In addition, it functions as a source of revenue to the Government.

Seed-coordination

A Deputy Director (Seed) is monitoring the activities of seed farms and seed rearers. The rate for local and hybrid seed cocoons are fixed by the seed coordination. For hybrid 700 Nos. cocoon is fixed as standard, while for local seed cocoons it is
1000. Lesser number of cocoons kg fetches rate than more number of cocoons/kg. Proper planning helps procuring seed cocoons in advance avert demands.

Problems in marketing
1. Urinated cocoons - In winter season it is a problem for both buyers and sellers, Urination in cocoon hinder the reeling process and yield less quantity of silk, hence, reellers do not prefer such cocoons and the rearers also get 10 to 15% less cost than the good quality cocoons and happen to face loss.

2. In case of seed cocoons - pebrine a transovarian transmitted disease caused by a microsporidian is the reason for havoc, in seed cocoons production.

3. Fluctuation in cocoon price is also a highest problem for the Sericulturists. Due to the Governments “Exim” policy the raw silk price rises and falls resulting in increase or decrease in the raw material cocoon price. According to rearers point of view, fluctuation in cocoon price is the foremost problem which they encounter in this industry.

b) Administrative strategies adopted in the Government cocoon markets, in Rayalaseema.

The Government cocoon markets, receives cocoons from Sericulturists of adjoining markets. The cocoon market has transacted 3.72 lakh kg of cocoons during last year and collected a service charge from the farmers and reellers as Rs. 2.14 lakhs. The market has received 13.705 lots from 11610 Sericulturists i.e., on an average it has received 1150 lots and 0.35 lakh kg of cocoon every month.

The main strategy adopted in the Government cocoon market is fixing the floor price for the commodity (cocoons) to satisfy both the producer (Rearer) and the purchaser (Reeler). The aim is that the producer should get a reasonable price for his produce and at the same time the purchaser should also get a better share. Hence, the price is fixed based on the silk content and at the same time based on reliability also.
Conditions and Manner governing transactions relating to sale or purchase of silkworm cocoons in Rayalaseema Markets

1. No rearer shall sell or agree to sell silkworm cocoons. Cocoon market established under the Act except in accordance with the following conditions and in the manner laid down hereunder.
   a) No rearer shall sell (or) agree to sell silkworm cocoons of any kind other than silkworm cocoons of the kind permitted to be solid in the cocoon market.
   b) Only a rearer or any agent authorised by him in writing shall transact business in the cocoon market.
   c) A rearer shall not carry on any business transaction relating to sale of silkworm cocoon except in accordance with the conditions under which he is permitted to do so.
   d) A rearer shall maintain true and correct accounts relating to sale of silkworm cocoons in the cocoon market either by himself or by his agent.
   e) A rearer or his agent shall, if so required by an officer, produce his accounts for inspection.

2. No person shall purchase or agree to purchase silkworm cocoons in a cocoon market established under the Act except in accordance with the following conditions and in the manner laid down hereunder.
   a) No person shall purchase or agree to purchase silkworm cocoons of any kind other than silkworm cocoons of the kind permitted to be solid in the cocoon market.
   b) No person other than a person permitted by the licensing authority or his authorised agent shall transact business relations to silkworm cocoons in a cocoon market.
   c) A person shall not carry on any business, transaction relating to purchase of silkworm cocoons in a cocoon market except in accordance with the conditions under which he is permitted to do so by the licensing authority. Licensing authority is empowered to impose additional conditions for the purpose to ensure fair transactions in a cocoon market.
   d) No person who transact any business relating to silkworm cocoons in a cocoon market shall transport cocoons purchased by him to any area
outside the cocoon markets and the state unless it is covered by a permit in Form No. 8.

e) Every person who transacts business in silkworm cocoons in cocoon market shall maintain true and correct accounts relating to purchase of silkworm cocoons in Form No. 9.

f) Every person who transacts any business relating to purchase of silkworm cocoons shall, if so required by an officer produce his accounts and receipts for inspection.

3 a) Every rearer and licensed buyer shall, in respect of cocoon sold or purchased in the cocoon market, pay a fee at the rate of one per cent each on the total value of the cocoons sold or purchased at the case may be.

b) Every silkworm rearer shall preserve bills/receipts or the certificates issued to him for a period of one month. He shall produce the same on demand by the Inspecting Officer of the Department of Sericulture.

c) Every reeler shall enter in his stock book the number and the date of the receipt issued for the Market fee paid by him on the cocoons purchased.

Market committees

The functions of the market are looked after by a market committee, constituted under the act by the Government. The administrative setup and the functions are given below.

1. The committee constituted under clause (b) of subsection (1) of Section 5-A of the Act shall consist of one representative each of from rearers and reelers respectively.

2. The term of the every member of the Market committee shall be one year from the date of the constitution of that committee, unless he ceases to be a member due to death or resignation or removal.

3. Where the Government is of the opinion that a member of the Market committee is persistently not performing the duties entrusted to him, they may after giving that member an opportunity, remove him from membership of the committee.
4. If any vacancy arises, in the committee due to death, resignation or removal, it shall be filled by the Government in the manner specified in sub-rule (1) of this rule and such a person shall hold office only in the remaining period of office of the committee constituted.

5. If in the opinion of the Government, the duties entrusted to the Market committee are not satisfactory, the Government may dissolve such Market committee and reconstitute it in accordance with sub-rule (1).

Problems of the Committee

1. Committee requires financial control.

2. It requires democratic setup of elections in the committee comprising all the sections of the people.

3. Less frequent gathering of the committee members.