CHAPTER VI

SUMMARY OF FINDINGS AND SUGGESTIONS

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6.1 INTRODUCTION

In this chapter the researcher has presented the summary of findings of the study of the case unit under review and the various problems faced by the Marine Product Export Development Authority-Cochin. This research work is an attempt to study the various problems connected with export of fish by the Marine Product Export Development Authority and offers suggestions for solving the problems.

6.2 SUMMARY OF FINDINGS

The researcher has used purely secondary data for writing the dissertation. The approach to the study is only a descriptive type. All secondary data were collected from the Marine Product Export Development Authority, (Marine Product Export Development Authority) Central Marine Fisheries Research Institute (CMFRI) and Fisheries Statistics Wing (FSW) Government of Kerala. The study proved to be informative and a fruitful experiment as it is evident from the summary of its findings.

6.2.1 The second chapter analyses the export of sea-food item-wise, area-wise and port-wise. Shrimp has continued to be the largest items of export of marine products from the
Marine Product Export Development Authority. The export during April - October 1988 touched 88091 tonnes valued at Rs. 587.57 crores against the export of 50,191 tonnes valued at Rs. 278.57 crores in 1987. The percentage of increase in export was 26.5 per cent rupees and 22.9 dollar according to the report of the Commerce Ministry of Fisheries.

Our exports is Japan, France, the United Kindgom, Taiwan, Malaysia and Honkong is growing fast. The rise was spectacular in the case of Hongkong which lifted as much as 577 tonnes in 1986-87 as against 76 tonnes in 1985-86. Fish maws and Shark fish are largely exported to the United Kingdom. The export of sharsk fish and fish maws has witnessed a slight increase in terms of volume but registered a rise in terms of value. The other items exported are Beeche-De-mer, Sea-shells, Tortine Shells, Cuttle fish and bones, fish meal, fish manure, white squills and the like.

This chapter also presents the port-wise export of marine products. There are two ports namely Cochin and Vizhakapattanam which jointly account for over 73 per cent of our exports in quantitative terms and 84 per cent in terms of value. The shipment affected in Cochin port has suffered a steep by about 31 per cent. From 80,782 tonnes in 1985 to 1,04,214 tonnes in 1987. This was partly due to the poor shrimp production in
Cochin region and partly to the diversion of frozen cargoes launched through the ports of Madras and Mangalore.

6.2.2 The third chapter studies fish landing and determination of fishes for export. The world catch of fish production and determination has increased to more than million tonnes. The rise in the world catches of fish is very significant nowadays. Modern methods are employed in fish determination and catches by the Marine Product Export Development Authority. The survey on marine fish landings has been designed to cover all the 222 marine fishing villages in the Kerala State including the fishing harbours of Neendakara and Cochin. In the last 10 to 15 years other fishing industry of Cochin has introduced many technological changes. The technological changes made by the Marine Product Export Development Authority is the modernisation of mechanised fishing boats, new gears and fishing methods. The modern fishing crafts enables to do fishing beyond 40 fathoms. The modern mechanised boats employed in fishing and determination of fishes, have small motors and a variety of diesel engines.

6.2.3 The fourth chapter analyses the various marketing and allied functions performed by the Marine Product Export Development Authority for exporting the products. The Marine Product Export Development Authority studied the marketing of fish
in fresh forms and dried forms. The role of market committee and market intermediaries the price spread of selected species were also examined. Marketing of fish poses many unique problems such as great uncertainties of production, high perishability, assembling from too many scattered coastal landing places wide fluctuation in prices and transportation in special kind of vehicles in the Marine Product Export Development Authority Cochin. The requisties of modern marketing are better quality of fish, proper grading and weighing and freedom analysis made by the Marine Product Export Development Authority shows them to fluctuating from place to place. The Marine Product Export Development Authority proves storage facilities for fish in different go-downs. Precise information about storage facilities is available to the producers or whole-sale merchants in the production centres. When there are huge landings ice is also made available in the Marine Product Export Development Authority for storing the fish.

6.2.4 The fifth chapter reviews the projects and development schemes employed for promoting export of marine products. The Development Projects carried out with the provisions of financial, technical and extension support of fish farmers. The financial support is in the form of subsidies for pond
fish culture and loans from financial institutions. Quality control and pre-shipment inspection measures have been introduced in handling, processing and packaging of marine products. The Trade Promotion Seminar conducted by the Marine Product Export Development Authority is expected to help the prospective European buyers who have a proper appreciation of the present status of Indian seafood processing industry and the possibilities for potential expansion in the field of export. The project schemes prevent some common spoilage in the procured fish. Lack of proper containers, inadequate and poor quality of fishes, inadequate washing and handling increases the spoilage quality. To avoid spoilage in processed fish, the Marine Product Export Development Authority make provision for large quantities of processed fish to be injected with chlorimifene. Certain types of training courses are also conducted by the Marine Product Export Development Authority to help the fish farmers learn pre-processing, cuttlefish culture, prawn farming, shrimp culture and the like.

6.3 PROBLEMS AND SUGGESTIONS

The study has thrown light on some specific problems of general nature encountered in the case unit under review.
The problems have been discussed under six heads.

6.3.1 Administrative Problems

The administrative problems are mainly concerned with government policy and the day to day administration of the Marine Product Export Development Authority. A detail discussion of all the administrative problems have been discussed below in detail.

6.3.1.1 Lack of Democratic Management

The Management of the Marine Product Export Development Authority is based on the principles of democracy. But now the authority is under the control of government officials and they are directly responsible for taking policy decisions and implementation of such policies. Hence, the evils rampant in the government machinery such as red tapism, delay and the like creep in the sphere of administration.

To remove these evils it is suggested that the government must come forward to elect representatives of the members who will actively participate in framing up policies and their implementation.

6.3.1.2 Bureaucratic Approach

Each and every activity of the Marine Product Export Development Authority is governed by the official rules and
procedures in vogue. So, the officials are not able to take decisions in the implementation of schemes for the development of the Marine Product Export Development Authority.

The problems created by bureaucratic approach can be solved by government only. The Marine Product Industry has to thrive in an atmosphere of keen competition and its raw materials and finished products for export are subject to wide fluctuations in prices. Hence, the ability to take vital and timely decisions in the daily work regarding fish purchase procedure in export pattern is highly desirable for the successful working of the Marine Product Export Development Authority Cochin. It is suggested that the Government should simple the procedures which help the top officials to take timely decisions.

6.3.1.3 Transfer of Officials

The higher officials like the Director of the Marine Product Export Development Authority is an officer deputed by Government on Foreign service terms. He is transferred frequently. If a new officer is deputed by the Government in his place, he may take much time to understand various aspects of Marine Product Export Development Authority Cochin. The transfer of high officials frequently affects the efficiency of the Authority the discharge of its functions.
Efforts should be taken to curtail frequent transfers and ensure the continuance of high officials in the Management of the Authority. The Government officials are appointed in key posts. However, in order to ensure continuance of such officials without disturbance and availability of skilled and experienced personnel, the State Government has to evolve a policy in which the officers on deputation are properly screened in respect of this aptitude, experience, efficiency, initiative and resourcefulness and they are allowed to continue in their post for a reasonable time. So, that the experience gained by them will help to develop the Authority.

6.3.1.4 Concentration of Power

The Marine Product Export Development Authority's functions are carried out under the direction of the Director of the Authority Cochin. The Marine Product Export Development Authority is managed by the Managing Director, who is under the control of the Director of fisheries Cochin.

The Government should be careful in seeing that the powers are not vested with a few officials of the Authority. To avoid concentration of power the researcher suggests for decentralisation for effective functioning of the Authority.
6.3.1.5 Over-Staffing

In the Marine Product Export Development Authority a casual labour force is kept as spare. Only during the absence of regular workers their services are utilized. But in the co-operative fisheries Department such as a casual labour force is kept maintained but the workers are kept engaged. They have to be paid even if their services are not utilized. This results increase of the labour cost and the cost of exporting of finished Marine Products.

6.3.1.6 Absenteeism of Workers

It is observed that the workers often absent themselves from work. During harvest season the workers will not turn up for duty. As the product is easily perishable fresh products have to be converted into salt forms for sun dried forms.

To solve the problem of absenteeism, stringent action should be taken on those workers who frequently absent themselves from duty. Incentives should be given to those who are regular and punctual in their duties. This may encourage the workers.

6.3.1.7 Low Salary

It is also noted that the skilled and technically qualified people are reluctant to work in the Authority, as it
offers wages lower than those paid in other departments. Moreover, due weightage is not given to the skill of the workers while promoting them.

To solve this problem the Marine Product Export Development Authority should pay its workers salary equivalent to that paid in other departments. When the workers are appointed due weightage should be given to their previous experience to encourage them to work sincerely.

6.3.2 In-put Problems

The input problems are mainly concerned with the day to day working of the Marine Product Export Development Authority. All the input problems are discussed in detail.

6.3.2.1 Water Supply

Water supply is another problem posing a threat to the Marine Product Export Development Authority. Water is not available in plenty to carry out perfect processing. Workers do not wash their hands and legs with enough chlorinated water before entering the processing hall.

The researcher suggests that the Marine Product Export Development Authority should be provided with abundant water
supply to keep the processing hall clean. The workers must be strictly interested to have their hands and legs cleaned with chlorinated water before they entering the processing hall.

6.3.2.2 In-put Shortage

The raw-fishes, salt, ice and chlorinated solutions are the main input of the Marine Product Export Development Authority. The Marine Product Export Development Authority Cochin procures sufficient quantity of raw fishes for export and required quantity of salt, ice and chlorinated solution through "fish Export input Cell" of Kerala. Sometimes the Authority encounters difficulties in getting sufficient supply of input at right price and at right time. This is another serious problem faced by the Marine Product Export Development Authority.

The Marine Product Export Development Authority under study could get raw fishes supplied by the fishermen, salt, ice and chlorinated solution from wholesale suppliers. Therefore, it is suggested that, the central government and state government and state co-operative fishing societies must come forward to undertake production programmes for raw fishes, ice and chlorinated solution to ensure an uninterrupted supply of these things throughout the period.
6.3.2.3 Lack of Viability of Capital Structure

The capital structure of the Marine Product Export Development Authority has to be maintained in a more viable manner. The Authority did not attain an ideal status in respect of current and liquidity ratio during the past five years. The Government contributes a major portion of the paid up capital of the Authority and management is taken over by the Government. It has resulted in the problem of raising equity capital from the members.

The problem of viability of capital structure of the Marine Product Export Development Authority can be solved by the Government and financial institutions like Industrial Credit Investment Corporation of India, Industrial Development Bank of India and State Financial Corporation of India. The financial institutions may be directed to sanction adequate amounts to the Marine Product Export Development Authority as term loans. This would enable the Authority to improve its financial position.

6.3.2.4 Less Working Capital

The Marine Product Export Development Authority is availing of cash credit accommodation from the central co-operative fisheries bank. The Marine Product Export Development Authority
is not able to get sufficient amount for meeting the needs of its working capital. This is another serious problem faced by the Authority.

To meet the expenditure incurred in the day to day operation a working capital is required by the Marine Product Export Development Authority. Now the District Co-operative Central Bank supplies enough funds to set up a working capital. They cannot raise their working capital from the commercial bank. Therefore, they have to build up required working capital by borrowing from Central Co-operative Fisheries Bank and credit purchases and by liquidating the current assets. Therefore, as it is suggested above the Marine Product Export Development Authority must be permitted to raise the working capital from other commercial banks also.

6.3.2.5 Proper Icing for Raw-material

Insufficiency of ice to presence the raw material is yet another problem faced by the Authority. Icing can preserve the quality of the product to a very great extent. The Authority has its own ice plant but it could not produce sufficient ice during certain seasons.

To overcome this difficulty the Marine Product Export Development Authority may be allowed to install some more ice plants to produce more ice when required.
6.3.3 Infrastructure Facilities Problems

Problems encountered in getting infrastructure facilities as discussed below:

6.3.3.1 Drainage Facilities

Drainage facilities are not adequate in the Marine Product Export Development Authority Cochin. The dirty wastes is to be disposed of regularly to prevent the contamination of processed fish. In certain seasons the wastage emits bad adour and it results in the spread of contagious diseases.

To tackle the problems of insufficient drainage facilities the leftover be disposed of quickly from the spot. To prevent the diseases caused by the leftover, the 'Sanitary Inspection Wing' of the Marine Product Export Development Authority should take quick steps to remove the leftover soon after the cleaning process is over.

6.3.3.2 Transportation Facilities

Inadequate transportation facilities pose yet another problem to the Authority. The Marine Product Export Development Authority gets orders from different distant agencies. The Marine Product Export Development Authority has its own vehicles: 3 insulated Vans (ten tonnes capacity) 2 insulated
vans (2 tonnes capacity) 1 open vans (5 tonnes capacity) and 3 open vans (½ ton capacity). The vehicles at its disposal are insufficient and hence the products could not be exported in time in response to the orders placed. The finished products are not transported to the ports for direct loading. The open vans are not used mainly for transporting raw material from the pre-processing centres.

To solve the problem of inadequate transportation facilities the government should extend financial assistance to the Authority to buy sufficient vans for the quick transportation of the finished products. There is another suggestion for the betterment of transportation facilities. The Authority should also hire vehicles. The researcher believes that this is the only solution to solve this problem.

6.3.4 Government Support - Problems

After a careful study, the researcher suggests ways by which the Government should support the Authority as given below:

6.3.4.1 Lack of Developmental Projects

The development projects of the Marine Product Export Development Authority Cochin's are not executed satisfactory.
The development Project does not provide scope for the utilization of latest techniques and technology through active collaboration with major international fishing countries such as Norway, Japan, and the USA. The facilities provided for canning, freezing, filleting and preservation of marine products are inadequate.

To solve the problem, the Authority should take keen interest in implementing projects envisaging the utilization of latest foreign techniques in processes related to canning, freezing, filleting and packaging of fish products.

6.3.4.2 Lack of Modernization

The Marine Product Export Development Authority faces another problem. A large number of plant and machinery, nets and boats go out of use in a short time. This adversely affects the productivity calibration and production as well as the quality of the products. Even though the Marine Product Export Development Authority gets loan from IDBI and other financial institutions for modernization of its equipments, it is not sufficient to meet modernization expenses.

To solve this problem modern equipments should be utilized to check unnecessary increase in the cost of production. It is also suggested that the management should be keen in taking advantage of 'Modernization Fund Scheme' recently introduced
by the government so that the machinery can be up-dated to achieve higher productivity and better quality.

6.4.3.3 Variation in Prices of Export

The price of the Marine Product is fixed by the Director of the Authority at the meeting of Marine Product Sub-Committee which meet once in a month or a quarter in Bombay. The committee takes into account the market trends and the representation made by the Managing Director of the Marine Product Export Development Authority.

To encounter the unfavourable trends in the prices the advice of the Director of the Marine Product Export Development Authority should be taken into consideration by the market Product Sub-Committee and Marketing Intermediaries while fixing the price of marine products.

6.3.5 Market Problems

There are certain problems effecting the marketing policy and day to day marketing function of the Marine Product Export Development Authority. Suggestions have been offered below to tackle these problems.
6.3.5.1 More Credit Sales

The Marine Product Export Development Authority taken up for study exports fishes to foreign countries credit basis to dispose of the fishes quickly since the product is easily perishable. So there are huge dues which remain unrecovered for more than six months. No action could be taken to recover such dues, because the credit is allowed on consignment basis. Normally credit sales are settled within a short time. The unpaid dues will affect the efficacy of the working capital of the Authority. The Marine Product Export Development Authority does not collect any interest from the debtors but they pay interest for the amount due to its creditors.

To speed up the collection of dues, the fishery sector may be directed by the Government to recover dues quickly. Efforts should be made to have an effective control over the credit provided by the Credit Co-operative Society. A penal charge may be collected from the debtors who do not pay the dues before a fixed period.

6.3.5.2 Accumulation of Stock in Dried Forms

Sometimes the unit realises losses due to poor sales and accumulation of stock over some months. This is because of
poor demand for the dried form of fish produced by the Marine Product Export Development Authority. In certain harvesting seasons huge quantities of fish are supplied by the fisherman. The supply and demand are not linked up with each other. Huge supply and poor demand adversely affect the position of stock accumulated. Such excessive stock maintenance also affects the potentiality of the working capital of the Marine Product Export Development Authority.

To solve the problem of accumulation of excessive stocks, vigilant efforts should be made to convert the excessive fish in stock into other types of Marine Products for which there is a high demand in the market. The researcher also suggests that efforts should be made to open a number of Co-operative Fisheries Depots not only in different districts of the state but also in other states of the country.

6.3.6 Miscellaneous - Problem

6.3.6.1 Deep-Sea Fishing

Deep-Sea fishing poses another crucial problem to the Authority. In deep sea fishing, the fishermen are exposed to unpredictable dangers. This type of fishing is carried on in places where the sea is 40 fathoms deep and so unexpected
critical situations may arise at any time. It is yet another problem faced by the Marine Product Export Development Authority.

To encourage fishermen go deep-sea fishing the Marine Product Export Development Authority should offer attractive service conditions. They should be in the form of free education facilities to the children of the fishermen grant of monthly stipends and monthly pensions and payment of a bulk amount to the affected family without any delay. They should be given a higher salary and other handsome benefits.

6.4 CONCLUSION

The present study is an attempt to shed light on the various kinds of work and functions of the Marine Product Export Development Authority Cochin. The study aims at analysing the export of marine products in different levels and from different areas and the extent of the benefits enjoyed by the Marine Product Export Development Authority. The researcher presents this study with a fond hope that it will draw the attention of the future researchers to pursue more studies in the area of export of the Marine Products. The following topics are suggested for enabling the researchers to pursue reasearch.
(i) Socio-economic conditions of the Marine Product Export Development Authority - Cochin.

(ii) The Harvesting and Disposal of Marine fish by the Marine Product Export Development Authority

(iii) Operations of the Merchants and the Agents in Marketing of fish in the Marine Product Export Development Authority


(v) Targets and achievements of the Marine Product Export Development Authority in the Export

The researcher will feel amply rewarded if the present study inspires such studies as mine in future in the same field.