

C H A P T E R - V I

CONCLUSIONS AND SUGGESTIONS

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Chapter VI

Conclusions and Suggestions.

As indicated in table No.1 82% of agro-based industries and 93% of horticulture based industries are organised in the form of sole trading concern under self employment scheme of the Government. It is more desirable to organise in the company and co-operative form to involve more and more people. It helps to establish better backward linkages in the farm sector and forward linkages in processing and marketing, it also provides sound capital base, and carry out the processing to reap certain economics of medium and large scale. By pooling the talents in the company form of organisation will help to smoothen the whole activity.

Table No.3 indicates that 73% of the units have no formal planning process. In 86% of the units there is no waste utilisation plan. Even the public relations side is not considered. So it is essential to develop plan consciousness. Every activity should be planned to avoid waste of men, money, machine and materials. These plans should in the form of short, medium and long

range depending upon the nature and importance of the activity. For example, mango peels can be fermented into vinegar, kernels taken out from stones can be dried and powdered and used in the place flour, chocolates and cattlefeed. Similarly in case of jack-fruit, the thick rind and the inner perigons yield high class jelly. Pectin also can be extracted from it. Seeds can be taken after roasting and they can also be grounded in to flour.

73% of the units have no provision for training the personnel. Efficiency, quality and productivity is definitely adversely effected if proper training is not imparted to the employees. During the survey it was observed that the employees working at their work place are wasting too much of materials time and power. For instance if the work is completed on one machine, that machine still keeps on running without switching it off. In the same way at the time of packaging the concerned employees are wasting lot of finished material, which is due to lack of proper knowledge of packing. In this way a number of instances were observed which was very conspicuous from the modus operandi, that the employees -

were not exposed to any sort of training programme. R. and D. inputs, and technology up-gradation, is the call of the day from the point of view of cost reduction and longer shelf life. Centralised training programmes and provision for accessible of technical help with the industry should be developed.

As shown in table No.6, 86% of the units do not follow scientific method in making decisions. This has weakened the profitability and progress of these units. Use of statistical and quantitative techniques of decision making may be suggested to add to accuracy. The various pre-requisites for efficient and optimised decision making should also be borne in mind.

Table No.7, indicates that 66% of the units follow time rate system. Just 20% of the units pay wages based on piece rate. Incentive system of wage payment is only in 13% of the units. This is one of the reasons for lack of motivation. It may be suggested that along with the time rate or piece rate some kind of financial incentives should be introduced to get the best from the personnel.

It is noted from table No.17 and 20 certain common problems existing in the units under study. These are transportation, storage, high cost of operation, power shortage and bad debts. The solution to the above problems lies in the improvement of infrastructure. - There is need to provide specialised carriers which can provide low temperature and high humidity to farm produce. Workforce handling, loading and unloading at various places need proper training. Common storage at public warehouse will reduce the problem of storage. Suitable ware house should be installed by the State or Co-operative Sector. Recent policy of liberal power supply to the industries in the district may solve the power - problem.

Considering the total yield of mangoes in the taluk that is 288 tons, it is observed that there is only one unit processing these mangoes and preparing the pickles while three other units are exclusively extracting mango juice operating on small scale. In the neighbouring taluks of Ankola and Mundagod 2367.5 tons of mango is grown and unfortunately in these taluks we do not find even a single unit processing and -

preparing the mango product except few units extracting juice and selling on retail basis. Considering the huge quantity of mango production in the three taluks there is a very good scope for the existing units in Sirsi Taluk to expand its operations by increasing the existing capacity or going in for diversification programme in which other allied mango products can be manufactured such as mango jam, squashes, slices, jelly, chetny etc. This also provides a very good opportunity for the existing other horticulture based units to diversify their activities by going in for processing and preservation of mango products.

Considering the objective of finding out the opportunities to expand the existing capacity or going in for diversification programmes or the opportunities to set-up new-units, we find that there is a tremendous scope for the above objective with regard to cashew-nuts, co-conuts, areca-nuts and bananas, where one can think of processing, preservation of these products in some form or the other; because the availability of these products are abundant in Sirsi and neighbouring taluks.

80% of the units have expressed their dissatisfaction over the procedural delay in getting the state aid. Tax incidence on the product is bound to increase the price. Here the demand is very much price sensitive. So the state Government should give complete tax exemption and simplify the procedure in providing financial help to the manufacturing units.

Under utilisation of capacity has resulted in cost escalations and low competitive strength. 33% of the units are working with less than 50% capacity utilisation. So it is advisable to make all round attempt to utilise the existing capacity. The best possible suggestion is to prepare a suitable product mix. Off season alternative must be considered and the production altered accordingly.

80% of the units are exclusively depending on one class of raw-material like pineapple, mango etc. Use of multiple products throughout the year will help to overcome the limitations of seasonality. Attempts can be made to secure raw-materials available from the neighbouring taluks of Kumta, Ankola, Mundagod and Yellapur.



The Problem of quality control has three dimensions. Raw-material quality, quality of processed food, and quality and cost of packing material. Tissue culture, genetic modification, bio-insecticides, photo synthesis improvers can be practiced in horticulture to improve the quality of raw-materials. This will result in the improvement of quality of finished products.

Low-cost packing materials should be developed. Technology can be developed to use araca leaves, husk, agricultural residues and other local low-cost materials for packing without sacrificing quality.

It has been also observed during the study that marketing side is not properly looked after. In the long run it is likely that change in the demand discovery of substitutes, or competition, may drive these units out of market. Systematic publicity, advertising and consistent and planned market analysis is essential to ensure regular market for the goods.

During the survey it was brought to the notice by the employees through informal discussion that -

almost all the employers treat their employees as a cog in a wheel or part of the machine, the concept of Human Resource Development, Motivation, Job-Satisfaction and Organisational Development seem to be missing. In the light of this observation finally it would be suggested that the owners or managers of these organisations, which are more of labour intensive in nature, should follow the practice of motivating the employees through a number of available ways and means, suitable to the nature, type and size of the organisation.

