

CHAPTER 2

Chapter 2

PROGRESS OF SHRI SANT DAMAJI CO-OPERATIVE SUGAR FACTORY

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Chapter 2

PROGRESS OF SHRI SANT DAMAJI CO-OPERATIVE SUGAR FACTORY

2.1 Introduction:-

In this chapter an attempt is made to examine the progress of Shri Sant Damaji Co-operative Sugar Factory located in Mangalwedha taluka, Solapur district. Shri Sant Damaji Co-operative Sugar Factory situated at a distance of 55 KM (West) of the Solapur city on the Solapur-Mangalwedha road.

Shri Sant Damaji Co-operative Sugar Factory has played a progressive role in the socio-economic development of Mangalwedha taluka. The Mangalwedha taluka is famous for its jawar production in the Solapur district. Mostly the taluka is covered by black soil, which is fertile to produce any crops in less water. To get the benefit of such an environment the people are trying to get cash crops such as sugarcane. Bhima River (Major River of Solapur district) is flowing through the Mangalwedha taluka which also creates a favorable opportunity for sugarcane production. After the establishment of Shri Sant Damaji Co-operative Sugar Factory the land under sugarcane cultivation seems to have increased in the taluka. Guidance for cultivation of sugarcane, modern cane seeds, proper cutting & fair price for sugarcane are promoted to the farmer to produce sugarcane.

Shri Sant Damaji Co-operative Sugar Factory was established by the local leader under the proper guidance of the then Chief Minister of Maharashtra, Sharadchandra Pawar & Vijayshinh Mohite-Patil. Kisanlal R. Marda & Ratanchand Shivilal Shah are the creators of the factory, whose invaluable support for establishment succeeded in 1989. Really it was not an individual work; there are other people who contributed their efforts for establishment: Malkappa Havanale, Charanukaka Patil, Sarjerao Patil, Prakash Gaikwad, Abaso Bedare. Shri Sant Damaji

Co-operative Sugar Factory was registered as a Co-operative society, under the Maharashtra, Co-operative society's act of 1960, on 26 April 1989. Vide registration number SUR/MDA/PRG (A) 15/(S) 1989. Its initial crushing capacity of 2500 MTs per day. The construction of the factory was completed within two years, the machinery was tested in 1992-93 and first crushing session was started since 1993-94.

2.2 Progress in the Membership of Sugar Factory:-

The main role of the factory is to provide dynamic incentives to the members, farmers and tenants to achieve optimum benefits of farm output by adopting modern techniques of cultivation. Improved systems of farming, implementing co-operative system of farming and encouraging development of farming, agro-industries and industries ancillary to agriculture on the right lines on the basis of co-operative principles. The factory provide incentive to the members for self help thrift and popularize the new methods of cultivation as well as to supply the improved seeds, fertilizer, pesticides, equipments etc. to the members. To make provision of irrigation schemes, to introduce different of members, workers, and society as a whole within the area of operation. In this way, we understand that the factory is not just to be a manufacturing and profit seeking industry but a nucleus of all round development of the operation.

Open membership is major principle of the co-operation. There is no compulsion on anybody to join a co-operative society. Membership and withdrawal in a co-operative voluntary. The principle of open membership means that the membership of a co-operative society shall be available to all without any artificial restriction. There can be no discrimination in a co-operative society on the ground of caste, creed, colour, community, race and religion. The table no 2.1 shows the progress of membership of Shri Sant Damaji Co-operative Sugar

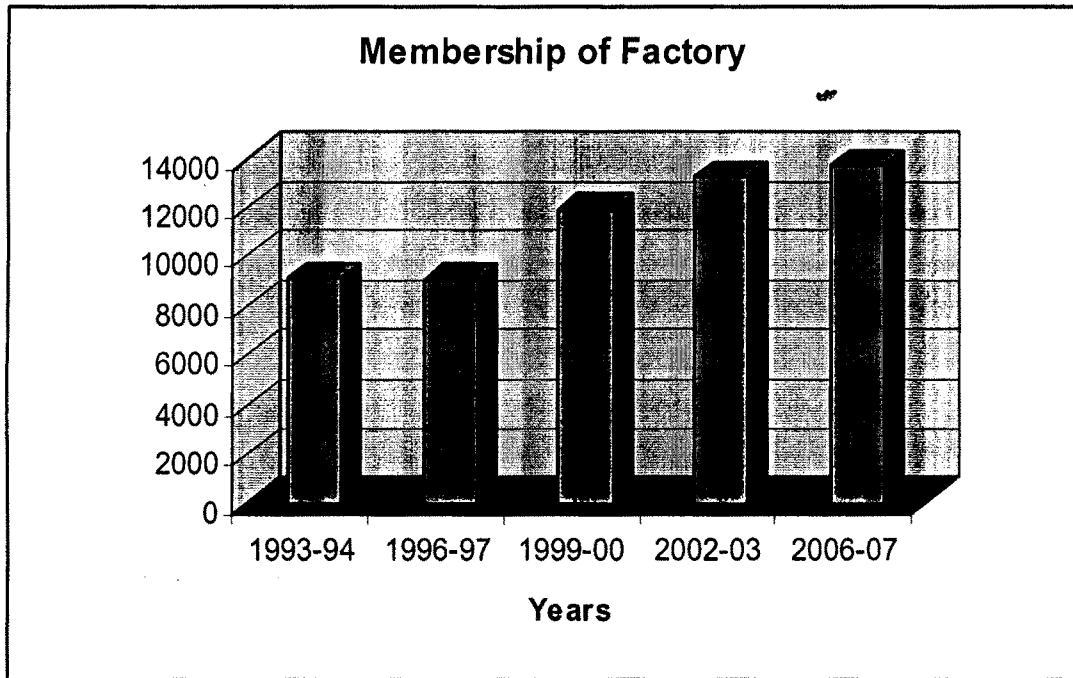
Factory Ltd. Mangalwedha during the year 1993-94 to 2006-07 membership is classified into following types

- 1) 'A' Grade Producers
- 2) Society Members
- 3) Government of Maharashtra

Table No.2.1
Progress of Membership of Sugar Factory

Year	'A' Grade Producers	% change	Society Members	Govt. of Maharashtra	Total Membership	% change
1993-94	9024	--	70	01	9095	-
1996-97	8996	-0.31	70	01	9067	-0.6
1999-00	11865	31.90	70	01	11936	31.9
2002-03	13145	10.78	90	01	13236	10.7
2006-07	13561	3.16	162	01	13724	3.1

Source:- Annual Reports of the Factory



In above table we have considered number of 'A' Grade producers, Percentage change of 'A' Grade producers, No of society members, Member of Govt. of Maharashtra, Total no of members and percentage change of total members.

In case of 'A' Grade producers, the number of 'A' Grade producers in 1993-94 was 9024 and it has increased up to 13561 in 2006-07. In 1996-97 the percentage change of 'A' Grade producers was -0.31 and it has increased up to 3.16 in 2006-07. Numbers of 'A' Grade producers in 1993-94 were 9024 but it has decreased up to 8996 in 1996-97. In case of Society members in 1993-94, the society members were 70 and it has tremendously up to 162 in the year 2006-07. The member of Govt. of Maharashtra has remained constant seems 1993-94 to 2006-07.

In case of Total membership, the number of Total membership in 1993-94 was 9095 and it has increased up to 13724 in 2006-07. In 1996-97 the percentage change of Total membership was -0.30 and it has increased up to 3.68 in 2006-07.

2.3 Progress in Area under Sugarcane:-

Mostly the sugar factories success is depend upon the area of sugar cultivation in the place. Shri Sant Damaji Co-operative Sugar Factory has jurisdiction the whole Mangalwedha taluka of Solapur district & the climate for sugar cultivation is proper, which induce to the farmer to produce the sugarcane.

Table No. 2.2 Progress in Area under Sugarcane (Area in Hectare)

Year	Area under jurisdiction	%change	Out of Jurisdiction within State	% change	Out side State	% change	Total
1993-94	941.40	--	47.10	--	552.10	--	1540.60
1996-97	1885.60	100.29	1153.00	2347.98	397.00	-28.09	3435.60
1999-00	3659.00	94.04	2796.00	142.50	--	--	6455.00
2002-03	2982.00	-18.50	510.00	-81.75	700.00	76.32	4192.00
2006-07	4690.00	57.27	2316.00	354.10	686.00	-2	7692.00

Source:- Annual Reports of The Factory

Above table No.2.2 shows the details of area under sugarcane (Area in Hectare) included under operational area, Out of operational area within State, out side State and total area in hectare. In case of area under jurisdiction, the area of under jurisdiction in 1993-94 was 941.40 hectare and it has increased up to 4690.00 hectare in the year 2006-07. In 1996-97 the percentage change of area in hectares was 100.29 and it has decreased up to 57.27 in the year of 2006-07. The area of under jurisdiction in 2002-03 was decreased tremendously because in drought condition in Solapur district. In the case of area in hectare out side of jurisdiction within State in 1993-94 was 47.10 hectare and it has increased up to 2316.00 hectare in the year 2006-07. Total area in hectare of sugar factory in the year of 1993-94 was 1540.60 hectares and it has increased up to 7692.00 hectares in the year 2006-07. In short above table shows that the progress in area under sugarcane was continually increased in the operational area because factory supplied modern cane seeds, farmer used modern technology, fertilizers, and improving in farming system.

2.4 Sugarcane Crushed:-

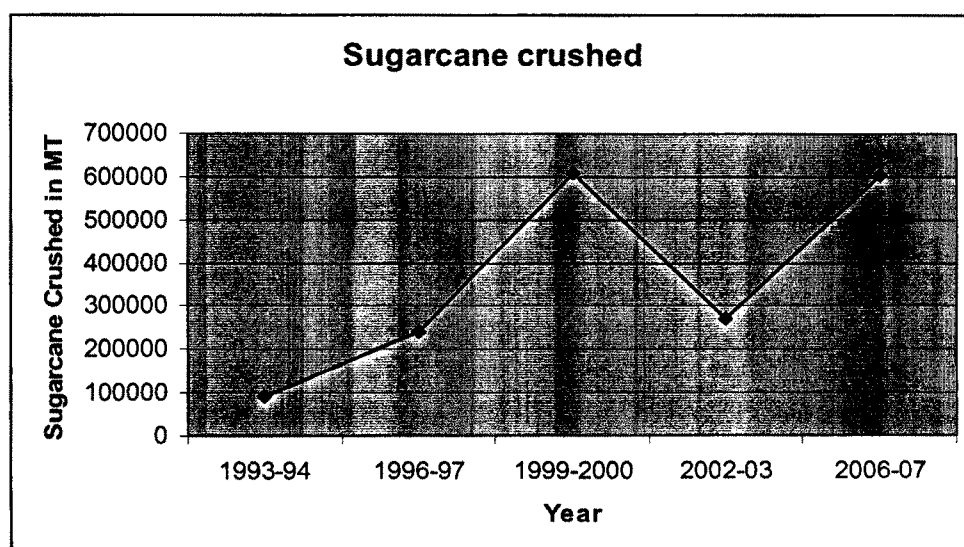
Daily crushing capacity of Shri Sant Damaji Co-operative Sugar Factory is 2500 MT. the crushing is much depend upon the supply of sugarcane to the factory. The supply of sugarcane seems year by year since 1993-94 it found increasing but in the year 2002-03 the Mangalwedha taluka faced drought prone it caused to the decrease in sugar cultivation & supply to the factory.

Table No.2.3
Sugarcane crushed (in MT)

Year	Sugarcane crushed	% change
1993-94	89953	--
1996-97	242073	169.10
1999-2000	610028	152.00
2002-03	273217	-55.21
2006-07	605459	121.60

Source:- Compiled from Annual Reports of the factory

In above table we have considered total sugarcane crushed, and percentage change of sugarcane crushed. In beginning year 1993-94 the total sugarcane crushed was 89,953 MT which increased up to 2,42,073 MT in 1996-97 and further increased to 6,10,028 MT in 1999-2000. Then total sugarcane crushed was decreased by 2, 73,217 MT in the year 2002-03 because the drought condition in solapur district. Then in 2006-07 the total sugarcane crushed was increased by 6, 05,459 MT. In 1996-97 the percentage change of total sugarcane crushed was 169.10 and it has increased up to 121.60 in 2006-07.



2.5 Sugar Output/Sugar Production:-

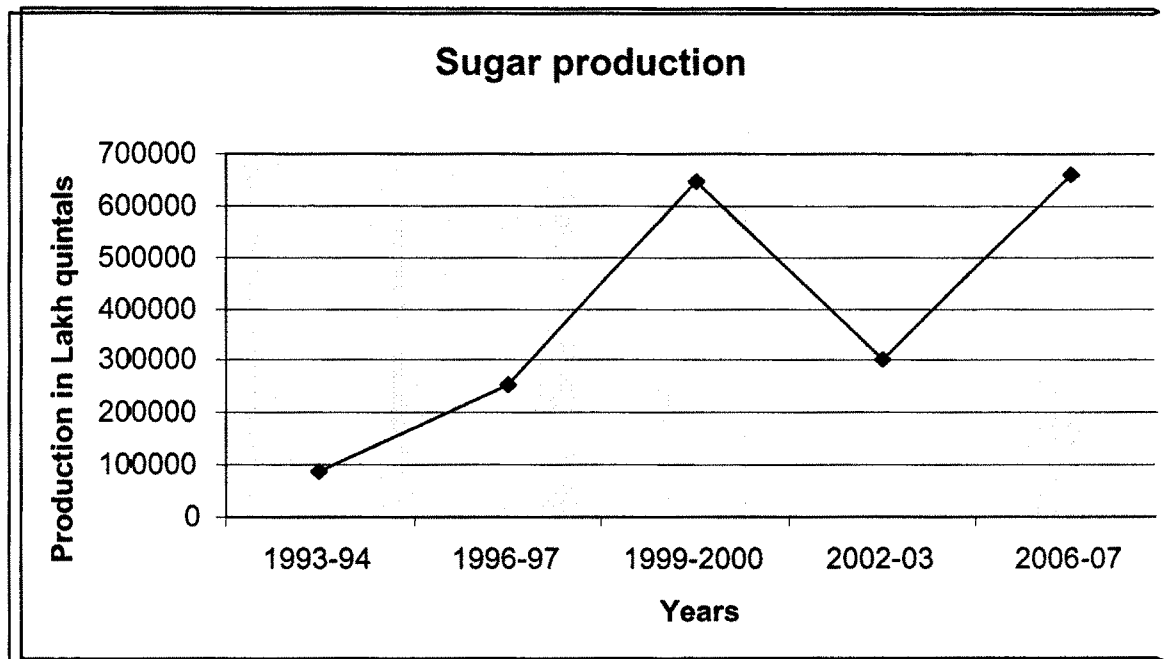
The sugar production depends upon the availability of sugarcane and recovery rate. Higher the availability of sugarcane and recovery rate leads to higher the production of sugar. The following table shows the progress in sugar production of Shri Sant Damaji Co-operative Sugar Factory Ltd. Mangalwedha during 1993-94 to 2006-07.

Table No. 2.4
Sugar Production of the factory

Year	Quintals	% change
1993-94	86765	--
1996-97	254950	193.83
1999-2000	649451	154.73
2002-03	300580	-53.71
2006-07	658500	119.07

Source:- Compiled from Annual Reports of the factory

In above table 2.4 we have considered total sugar production and percentage change of total sugar production. In case of total sugar production, the total sugar production in 1993-94 was 86,765 quintals and it has increased up to 6, 58,500 in the year 2006-07. In 1996-97 the percentage change of total sugar production was 193.83 and it has decreased up to 119.07 in the year 2006-07. The total sugar production in 1999-2000 was 6, 49,451 quintals but in 2002-03 it was decreased by 3, 00,580 quintals.



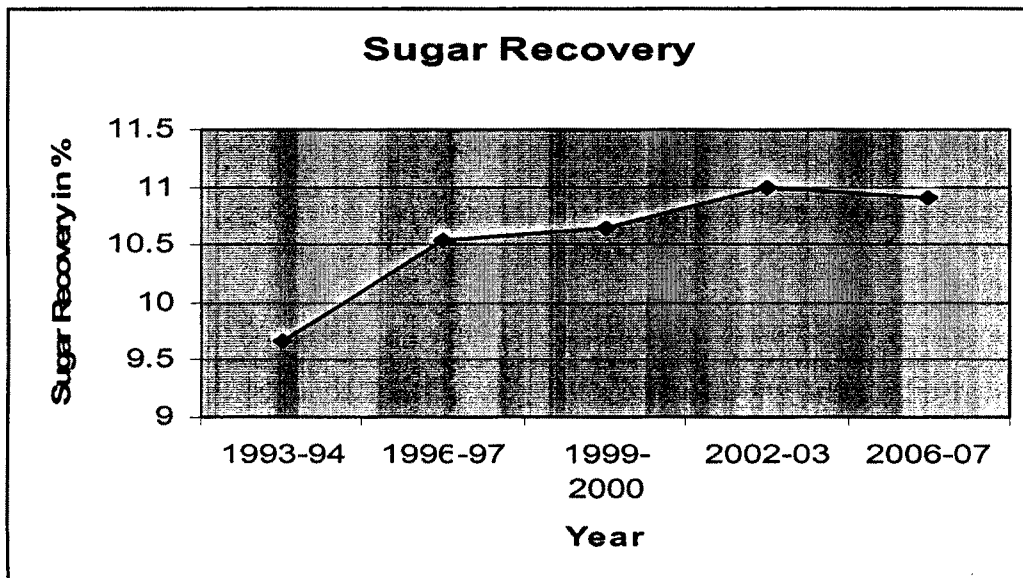
2.6 Sugar Recovery:-

The sugar recovery means the percentage of sugar produced of the total sugarcane crushed in metric tones. In all over the India the recovery is not same according to the fertility & climate it is different. It is possible to give more price which have more recovery. Sugar recovery depends on verity of sugarcane of period of harvesting the sugarcane and many other factors such as land type etc. Following table shows that the sugar recovery of Shri Sant Damaji Co-operative Sugar factory in year wise.

Table No. 2.5
Sugar Recovery of the Factory

Year	Sugar Recovery %	% change
1993-94	9.67	--
1996-97	10.54	8.99
1999-2000	10.65	1.04
2002-03	11.00	3.28
2006-07	10.90	-0.90

Source:- Compiled from Annual Reports of the factory



In above table we have considered sugar recovery and percentage change of sugar recovery. Above table indicate that in the year 1993-94 the percentage of sugar recovery was 9.67% and it's increased to 11.00% in the year of 2002-03. But then it's decreased to 10.90% in the year of 2006-07. The percentage change was also decreased from 8.99 in the year 1996-97 to -0.90 in the year 2006-07. In short above table shows that there was decreasing trend of percentage of sugar recovery.

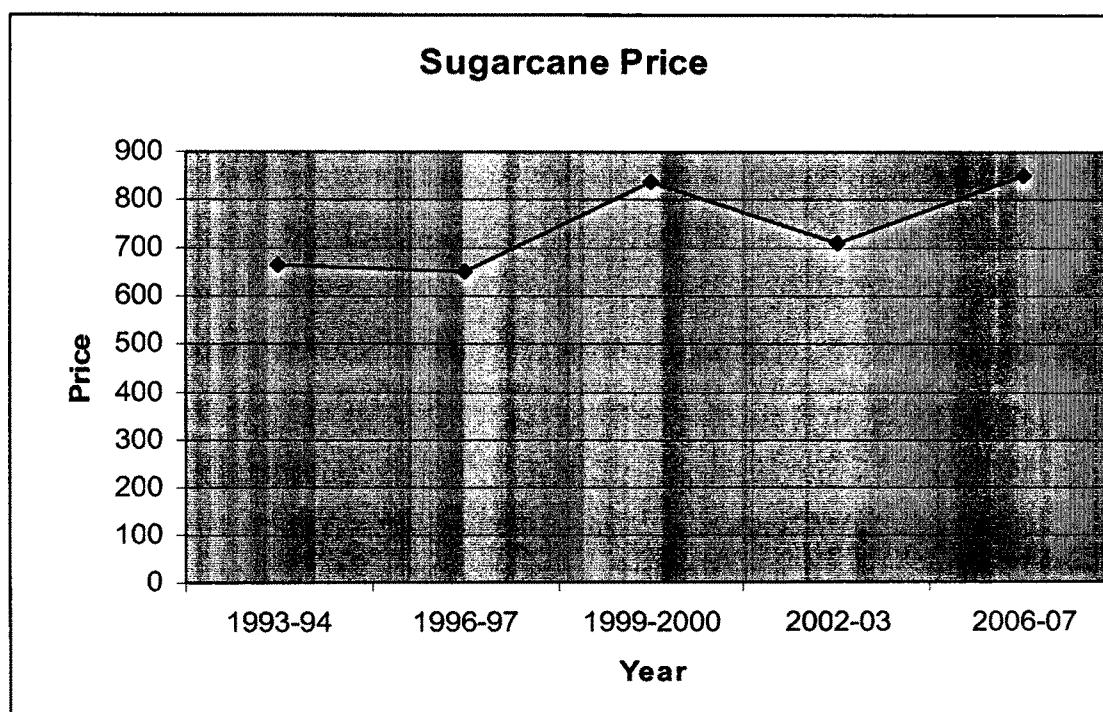
2.7 Sugarcane Price:-

The sugarcane price is one of the important factors to the farmers. The rate of sugarcane to be paid to the farmers from factory much more depend the planning, execution and the profit of the factory. The rate of sugarcane grower members are given in the following table no 2.6

Table No. 2.6
Sugarcane Price

Year	Amounts Rs. Per tonne	% change
1993-94	667	--
1996-97	651	-2.40
1999-2000	837	28.57
2002-03	710	-15.17
2006-07	850	19.20

Source:- Compiled from Annual Reports of the factory



Above table shows that in the year 1993-94 the sugarcane price was given Rs. 667 per MT but it's decreased by 651 in the year 1996-

97. Then 1999-2000 the sugarcane price was given 837 per MT, but in the year its decrease by 710 per MT. and in 2006-07 the price of sugarcane was increased by 850 per MT. In short it shows that fluctuations in the price of sugarcane.

2.8 Production of Baggasse:-

The baggasse is produced by the from the solid waste of the crushed sugarcane. The baggasse produced is mainly used as a fuel by factory and unused baggasse is sold on tender basis to other parties. The production baggasse year wise of Shri Sant Damaji Co-operative Sugar factory is given in following table

Table No. 2.7
Production of Baggasse

Year	Production of Baggasse (MT)	Total Sugarcane crushed (MT)	% of baggasse of sugarcane crushed
2001-02	18072	379009	4.76
2002-03	23980	273217	8.77
2003-04	1830	5527	33.10
2004-05	Closed	Closed	Closed
2005-06	17438	324605	5.37
2006-07	48236	605459	7.96

Source:- Compiled from Annual Reports of the factory

Above table shows that production of baggasse, total sugarcane crushed in MT and percentage of baggasse of sugarcane crushed. The total production of baggasse in the year of 2001-02 was 18072 MT and it has increased up to 48236 MT in the year of 2006-07. The percentage change of baggasse of sugarcane crushed in the year 2001-02 was 4.76 and it has increased 7.96 in the year 2006-07.

2.9 Production of Molasses:-

The production of molasses as compared to the total sugarcane crushed year wise is given below in table no 2.8

Table No. 2.8
Production of Molasses

Year	Production of Molasses (MT)	Total Sugarcane crushed (MT)	% of Molasses of sugarcane crushed
2001-02	15000	379009	3.95
2002-03	11600	273217	4.24
2003-04	4950	5527	89.56
2004-05	Closed	Closed	Closed
2005-06	12875	324605	3.96
2006-07	25313	605459	4.18

Source:- Compiled from Annual Reports of the factory

Above table 2.8 shows that production of Molasses, and percentage of Molasses of sugarcane crushed. The total production of Molasses in the year of 2001-02 was 15000 MT and it has increased up to 25313 MT in the year of 2006-07. The percentage change of Molasses of sugarcane crushed in the year 2001-02 was 3.95 and it has increased 4.18 in the year 2006-07.

2.10 Conclusion:-

Chapter No. 2 discussed the progress of Shri Sant Damaji Co-operative Sugar factory from 1993-94 to 2006-07. The growth of membership, progress sugarcane in operational area, various types of production, sugarcane rate paid by factory etc. were examined.

The growth of total membership of factory is exhalative. The total members of the factory have been increased from 9095 in the year 1993-94 to 13724 in the year 2006-07. Out of total members, nearly

99% members come under sugarcane growers. After the establishment of sugar factory area under sugarcane within jurisdiction considerably increased due to positive effects of the factory. Hence the dependency on outside state sugarcane area is reduced. The total sugarcane crushed by the factory in year 1993-94 was 89,953 MT which was increased to 6,05,459 MT in the year 2006-07. and sugar production also increased to 6,58,500 Quintals in year 2006-07, it means in the year 2006-07 sugar recovery rate was 10.90%. The sugarcane price Rs. 667 per MT was paid in year 1993-94 but it was decreased to Rs. 651 per MT in the year 1996-97, then its increased Rs. 837 per MT in year 1999-2000, but it was decreased Rs. 710 per MT in year 2002-2003, and in 2006-2007 the sugarcane price paid by factory was Rs. 850 per MT. Thus it showed continually fluctuations in the sugarcane price.

In short the progress of Shri Sant Damaji Co-operative Sugar factory showed upward trend during the period under study. Membership, operational area, production, recovery of sugarcane, and also increased the rate of sugarcane from time to time. Consequently, this sugar co-operative factory has maintained good reputation among the rural people in operational area.