

## CHAPTER V

### SUMMARY AND CONCLUSIONS

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CHAPTER V.SUMMARY AND CONCLUSION:5.1) INTRODUCTION:

We have dealt with the history and development of GTSSKIG since its establishment to date. Recently, in October, 1988, there had been third election of the Factory in which there was transfer of power from the old Board of directors led by Shri Appasaheb Nalavade to ~~Now~~ Board of Directors. In spite of glorious economic development of the Factory, the entire previous Board of Directors was defeated, the lesson of which is important to note. The short history of the Factory had shown the number of developments and lessons, and these lessons would guide ~~to~~ those who may try to override the principles of co-operation and democracy. Co-operative sugar factory is not only an institution of money., but it is an institution of people, where human values are rather more important than material development. In such institutions, of whatever profitable it may be, everybody must be given some value and power must be shared by many. Decentralisation of power, as against centralised power is the lesson given by the ~~History~~ of this Factory.

5.2) SUMMARY OF CHAPTERS:

a) In chapter one, the objects of study and methods used for the study of impact of establishment of GTSSKIG in its area of operation is studied. Due to larger size of units of study involved, only a sample study was undertaken. For sample study certain members from few villeges were selected from whom the information in the questionnaire were obtained. As number of members are illiterate, instead of asking them to

fill up the questionnaire by themselves, questions in the questionnaire were put to them in personal interview and the questionnaires were filled up on the basis of information given by them, and where information from them was not possible, guessing and estimates were made. The scope of study is rather vast and covers a large number of factors related to the Factory, such as management, workers, members, sugarcane production and so on. So a general review of each of the activity is taken to ~~throw~~ throw light upon the general development of the Factory and its area of operation.

b) In the second chapter, a brief review of co-operative sugar industry in the country and Maharashtra State is taken. The sugar industry firstly developed in U.P. and Bihar in North India, in the private sector. The first sugar factory in India commenced in the year 1884. The protection policy of 1932 provided an incentive for the development of the Industry. However, the sugar industry in India could make remarkable progress only after independence and that too in co-operative sector. After independence the co-operation was made a state subject and many states provided a large number of incentives for development of sugar factories in co-operative field, such as financial assistance, industrial licence policy, provision of infra-structure facility for development and preferential treatment to co-operative sector in sugar industry. After independence, the sugar industry developed more in the south India, especially in the state of Maharashtra, Karnatak and Andhra Pradesh on account of favourable Government policy, the favourable climate for sugarcane growth and social background necessary for growth of co-operative sector.

Among various states, Maharashtra state leads all other states in co-operative development, particularly in sugar factory and marketing. Within the state of Maharashtra, Kolhapur district

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is said to be the mother of co-operative development, wherein co-operation has spread in deep in every field of life of the people. However, co-operative development in Kolhapur district has made remarkable progress only in Karveer, Hatkanangale, Shiro, Kagal, North Panhala and recently Chandagad and Gadhinglaj Tahasils only. The theme of our study is centred around Gadhinglaj Taluka. Before establishment of GTSSKLF, there was nil development in the field of industrial co-operatives in Gadhinglaj Tahasil.

Co-operative sector has been described as a way of life and means of reaching towards socialistic pattern of society. However, in India, development of co-operative sector has been a mixture of principles of private ownership and co-operative principles, it is not free from the bad elements existing in private ownership. Now a days, co-operative development is closely connected with the political activities and many a times co-operative units are made a kind of ladder to reach towards political power. Though co-operative field is not free from blames, it is a only alternative method to bring socialism in the country.

c) In the third chapter, the history ~~of~~ <sup>&</sup> growth of Gadhinglaj Taluka S.S.K.Ltd. is discussed. As previously stated, before the establishment of this factory, there was no industrial unit running in the co-operative sector in Gadhinglaj Taluka. Gadhinglaj Taluka has made remarkable progress in the field of education, agriculture and trade; but remained backward in industrial field. This backwardness of the Tahasil in industrial field has been removed to some extent by the establishment of this Factory in Gadhinglaj Tahasil. By successful running of this factory in co-operative sector, people have gained confidence to undertake further industrial activities in co-operative sector. Whatever points against the

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working of the Factory that has been described in earlier chapters may be, the greatest achievement of this Factory is creation of confidence in the mind of people to undertake new activities in co-operative field and creation of co-operative and industrial leadership. The sugar factory is still in its infant stage and it is untimely to assess the success or failure of the Factory. In the limited span of time, the Factory has made remarkable progress with clear understanding of the defects existing in the management of the Factory. It is, in fact, an efforts to self examine the points in favour and against the development of the Factory. There is no personal bias in the mind of the researcher.

d) In the forth chapter, we have discussed the results of samplly survey undertaken. To sum up, we may repeat that the sugar factory has made remarkable progress in the matter of financil and economic growth of the Factory as undustrial unit, but it neglected the area development and creation of co-operative mind in members. In the recent election of the Factory, the ex-chairman Shri Nalavade himself has admitted this fact. Many bright achievements have been made by the Factory.

The first Board of Directors, leaded by Shri Nalavade worked successfully and unanimously for all the 12 years, but against the democratic and co-operative principles. In spite of the fact that the Factory made remarkable progress in a comparatively short period, the rulling Board was deteated entirely in the recent election. In the opinion of the members and the general public, it was due to unhuman treatment which the members received from the Board, negligence of human factors, co-operative principles , democratic principles in the running of tae factory and one man show in the management of the factory.

5.3) MAIN FINDINGS OF THE STUDY:

a) Before establishment of this Factory, Gadhinglaj Tahasil and Ajra Tahsil were included in command area of Hiranyakeshi S.S.K. Ltd. Though it was a out of state unit, it had done many good things in the interest of sugarcane producers. However, Hiranyakeshi S.S.K. Ltd. could not reach up to the smallest farmer and could not inspire the co-operative mind in the people and its membership remained limited to certain class of people and big farmers. @@ A large number of farmers were supplying sugarcane to this factory as getcane. Further, there was a step mother treatment to the farmers in Gadhinglaj and Ajra Tahasils.

b) Emotionally and on the grounds stated in (a) above, the people in Gadhinglaj and Ajra raised with determined efforts and by removing strong opposition from certain groups, they succeeded in establishment of this sugar Factory.

c) This sugar factory is the only industrial unit in co-operative ~~sector~~ sector in Gadhinglaj Tahasil and success or failure of this unit has far reaching effects on the further co-operative industrial development in the Tahasil. By luck and determined efforts of the first Board of Directors, the factory has been made a great success and have paved the way for further co-operative industrial development in the Tahasil. It has given a new co-operative leadership to the Taluka which was unknown so far.

d) The area of operation of this sugar factory consists of major parts of Gadhinglaj Tahasil and only 12 villeges from Ajra Tahasil. As the Factory is mainly connected with

Gadhinglaj Taluka, it is also named after that Taluka.

e) Gadhinglaj Taluka is a combination of three main cast groups and two political parties, which has its effects in the election of the Board of this Taluka. Proportionate membership ~~to~~ to each of the cast and political group has to be offered in the Board composition. It was, in fact, a skill of the Chairman Shri Nalavade who could take all these diverse people along with him.

f) Financially, the Factory has made remarkable progress, which ~~is~~ can be seen by way of comparatively satisfactory price to sugarcane given to its members, making loan free of the Factory in the limited period of 10 years, expansion of capacity, establishment of distillery unit, maximum utilisation of capacity, control over unnecessary expenditure, achieving economy in every activity and certain welfare activities done for the members. All these developments could be made when the area of operation of the Factory provides only 50% of the sugarcane needed to it.

g) There are certain defects in the management also and the defects are centered around the chairman himself. ~~He down trod~~ the co-operative principles, brought an element of ~~dictatorship~~ in the management, ignored the human values in co-operation and made the other Board members as funky, existing in name only, did not give minimum respect to the members and remained in isolation ~~ivory~~; which resulted in cut-off of relations with the members on whom his chair of power was built up. This picture was clear in the Factory election in October, 1988, wherein he and his Board colleagues were all thrown out of the power.

The management has not considered the area development aspect related to economic, social and cultural changes. The

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success of the Factory remained hidden under such factors.  
Further the Factory did not make any efforts to increase the sugarcane supply in its area of operation, which is very much essential in the long run development of the Factory. In fact, it appears that as the Factory is in a position to get more than 50% of sugarcane needed for crushing at get-cane price, much less than the price required to be given to the members, the Factory has purposefully neglected for growth of sugarcane production in its area of operation. This contention needs to be verified from qualitative information. However, outside supply of sugarcane is not a permanent source and by the recent decision of the Bombay High-Court, every sugar factory has to pay equal price to its members and non-members; and in view of this decision, sugarcane supply from non-members will not be profitable in future.

h) Economic development of the area is connected with the development in many respects and every aspect of life. Increasing income of the people is only one aspect of development. Along with development of the Factory, there shall be all round development of the area of operation. This factor was neglected by the first Board and it is expected that the new Board shall understand the importance of it.

5.4) Suggestions for development of the Factory and its area of operation:

In the light of shortcomings in the working of the management, which has been described so far, following improvements are suggested for being undertaken in the future:

a) The Factory shall initiate irrigation schemes, undertake digging of borewells for increase in irrigation facilities in its



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area of operation, which may result in increase in sugarcane production in its area of operation.

b) As availability of water in Hiranyakeshi river is limited, mere increasing irrigation schemes will not solve the problem. At the factory level a struggle movement with the Government for sanction of Ramtirtha Dam Project shall be undertaken. The example of Dudhaganga S.S.K.Ltd., Bidri in getting Kalmawadi Dam project approved from Government shall be kept in forth. Similarly, where river water is not available, irrigation tanks shall be got approved from the Government and the Factory shall get lead in the matter. This will take certain time, but it will provide a permanent solution on the shortage of sugarcane supply.

c) The factory shall aid educational institutions and charitable institutions which undertake charitable and public welfare functions.

d) Dissatisfaction of labour affect productivity. Higher profit at the cost of poor wages is an out dated concept of management. The workers in the factory shall be made permanent, their wages increased on the level of other factories, reasonable welfare facilities shall be provided to them, labour welfare fund shall be created and the workers shall be given participation in management in real sense. Satisfied workers are really real assets of the factory. Wages and bonus shall be connected with productivity of the factory.

e) A recreational centre and sports facilities shall be made available in the factory campus for the benefit of workers and the members of the factory. Healthy and fresh workers perform efficient work.

f) Medical facilities of reasonable quality at cheaper rates shall be made available to the workers and the members at factory campus.

g) Some Government schemes beneficial to the members shall be

carried on with the initiative of the Factory in the interest of its members, such as social forestry, Gobar gas schemes, drinking water schemes at villeges, etc.

h) The Factory shall commence a departmental store at Factory campus at reasonable prices for convenience of its members.

i) The working of the Board shall be completely on democratic lines, every member of the Board shall have his own value and shall effectively take part in the decision making process and in executive work. There shall be constant touch of the Board members with the members of the Factory to understand their grievances and difficulties.

j) The area development fund of the factory shall be spent on construction of approach roads, small bridges, asphaltation of roads near to the factory, etc.

k) In the interest of the members the factory shall undertake agricultural research and guidance scheme wherein research work connected with high yield sugar cane shall be undertaken and the farmers shall be provided guidance in the matter of use of fertilizers, pesticides, rotation of crops, different methods of irrigating the land, etc.

l) The previous management has kept a large number of people in its area of operation, out of ambit of membership for a number of years. Every sugarcane producer person in the area of operation of the Factory, desirous of becoming a member of the factory, shall be allotted membership of the factory. The principle of open membership shall be followed and observed in practice.

#### 5.5) CONCLUSION:

The study was undertaken to know the developmental aspects of the Factory and its area of operation, and also its members.

On the basis of information and opinions gathered from the <sup>78</sup>  
interviewers, and on the basis of my personal observations  
and the study, I have reached to certain conclusions explained  
earlier and have made certain suggestions for further all  
round development of the Factory and its area of operation.  
If cognizance of those suggestions are taken by the people,  
the members of the Factory and by the Board, I hope, the  
Factory would become a groth centre of its area of operation.