

CHAPTER - II

**PROFILE OF SHRI CHH. RAJARAM
CO-OPERATIVE SUGAR FACTORY LTD.
KASABA BAVADA, KOLHAPUR.**

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PROFILE OF SHRI CHHATRAPATI RAJARAM SAHAKARI SAKHAR KARKHANA LIMITED

2.1 BIRTH OF KOLHAPUR CANESUGAR WORKS LIMITED

The Government of India granted tariff protection to the Indian sugar industry, which paved the way for the development of sugar industry in India. Chhatrapati Rajaram Maharaj of Kolhapur State decided to organize a sugar factory in his State, in order to pay better returns to the canegrowers. In 1932, he invited and persuaded an industrialist of Bombay, Ruia, to establish a sugar factory in Kolhapur State. He also promised to provide financial and administrative support. A site was selected near Kasba Bawada and a factory, named as The Kolhapur Canesugar Works, was registered in the year 1932. Orders for sugar machinery, having a crushing capacity of 500 tonnes per day, were placed. The initial capital was fixed at Rs.10,25,000/-. In the beginning, Rs.15,40,000/- were invested in sugar machinery and Rs.5,40,000/- in the construction of the factory building. The factory took its first season in 1934, records 'Kolhapur Gazette'. In 1947-48, 412 persons were regularly employed in the factory. Besides, there were 1,700 temporary workers, 500 canecutters and 500 bullock cart drivers. The factory had its own sugarcane farms in Kasba-bawada area of Kolhapur district.

Upto 1985-86, the factory operated in the private sector. During 1983-84, the processes of cooperativisation of the factory started and the Government of Maharashtra appointed a joint management committee to look after the day-to-day management of the factory. The crushing seasons 1983-84 and 1984-85 were completed under the joint management committee. All the property belonging to the Kolhapur Cane Sugar Works Limited was transferred to the newly named Shri Chhatrapati Rajaram Sahakari Sakhar Karkhana Limited on 31st October, 1986. The joint management committee, under the chairmanship of Bhagawanrao Powar and Hindurao Thanekar took lead in collecting members and the share capital and the Kolhapur District Central Cooperative Bank also provided the necessary help.

2.1.1 Area of Operation:

The area of operation of the sugar factory includes the villages from Karveer, Panhala, Shahuwadi, Gagan-Bawada, Hatkanangale, Radhanagari and Kagal talukas of Kolhapur district as also Chikodi taluka of Belgaum district of Karnataka State. Table 2.1 (on the following page) shows the area of operation and the villages supplying sugarcane to the factory as in the year 1990-91.

Table 2.1
Area of operation and villages under the
command area of the factory

Name of the Taluka	District	State	Number of villages
1. Karveer	Kolhapur	Maharashtra	30
2. Panhala	Kolhapur	Maharashtra	18
3. Shahuwadi	Kolhapur	Maharashtra	10
4. Gagan-Bawada	Kolhapur	Maharashtra	14
5. Hatkanangale	Kolhapur	Maharashtra	32
6. Radhanagari	Kolhapur	Maharashtra	14
7. Kagal	Kolhapur	Maharashtra	4
8. Chikodi	Belgaum	Karnataka	91
Total:			213

Source: Annual Report of Shri Chh.Rajaram Sahakari Sakhar Karkhana Ltd., 1990-91

2.1.3 Supply of Sugarcane:

The factory is getting necessary cane supply from 122 villages of Kolhapur district and 91 villages of the neighbouring Chikodi taluka of Karnataka State. Table 2.2 (on the following page) shows the supply of sugarcane to the factory.

Table 2.2 shows the supply of sugarcane to the factory. In the year 1985-86, when the factory was cooperativized, it depended upon the cane supply from non-members, cane from out of the command area within the State and also on the cane from the neighbouring Karnataka State. During 1986-87, it largely depended on the canesupply from non-members as also cane from out of the command area. In

Table 2.2
Supply of sugarcane to the factory

Particulars of source	('000 tonnes)				
	1985-86	1986-87	1987-88	1988-89	1989-90
1. Members	-	41.72	126.76	122.74	145.38
2. Non-members	80.10	148.10	144.41	107.67	115.73
3. Out of the command area within State	119.39	95.89	71.56	64.03	96.93
4. Out of the State	4.44	17.01	9.91	14.82	19.24

Source: Same as Table 2.1

1989-90, the share of the members in cane supply was a major source, followed by the cane from non-members. But the share of the neighbouring Belgaum district of Karnataka has increased as compared to the previous four years.

2.1.4 Membership and Share Capital:

In the year 1985-86, when the factory was cooperativized, there were 654 members and a subscribed share-capital of Rs.7,13,000/-. The Board of Directors of the factory undertook a drive for the enrolment of new members and the membership increased to 5,288 in the year 1989-90, holding 5,871 shares who had subscribed Rs.1,17,42,000/- towards the share capital. Table 2.3 (on the following page) shows the details of the membership and the subscribed share capital of the factory since 1985-86 to 1989-90.

Table 2.3
Details of membership and subscribed share capital

Year	Number of members ('A' class)	Number of shares held	Amount subscribed (Rs.'000)
1985-86	654	-	713
1986-87	2039	2215	4430
1987-88	3545	4805	9429
1988-89	4328		
1989-90	5288	5871	11742

Source: Same as Table 2.1

2.1.5 Production Details:

The original cane crushing capacity of the factory was 500 TCD. It increased to 2200 TCD in the year 1968-69. the present capacity of the factory is 2200 TCD. In the year 1985-86, the factory had crushed 23,928 m.tonnes of sugarcane and produced 2,21,140 bags of sugar with a recovery percentage of 10.84. In the year 1987-88, the recovery percentage of the factory was above 11 and in the year 1988-89, it reached 11.59.

Table 2.4 gives the details of the cane-crushed, sugar produced and the recovery percentage recorded by the factory during the period from 1985-86 to 1990-91.

Table 2.4
Cane-crushed, sugar-produced and
recovery percentage

Year	Cane crushed	Sugar produced	Recovery percentage
1985-86	203928	221140	10.84
1986-87	302733	322290	10.65
1987-88	352637	394050	11.15
1988-89	309267	358520	11.59
1989-90	377275	413920	11.02
1990-91	343048	405480	11.90

Source: Same as Table 2.1

2.1.6 Crushing Days:

Table 2.5 below shows the first day and last day of the crushing season, total number of crushing days in the season, etc. from 1985 to 1991. It is also seen that the factory works for about 150 days in a year.

Table 2.5
First and last day of crushing season and total
number of days in crushing season

Year	First day	Last day	Total no.of days in season
1985-86	4.11.1985	16.2.1986	105
1986-87	8.11.1986	14.4.1987	158
1987-88	11.11.1987	25.4.1988	167
1988-89	2.11.1988	31.3.1989	150
1989-90	14.10.1989	7.4.1990	176
1990-91	13.11.1990	18.4.1991	145

Source: Same as Table 2.1

During 1985-86, as the factory largely depended on the

cane supply from non-members and the cane from out of the command area, the factory could work for only 150 days.

2.1.7 Operating Results of the Factory:

The operating results of the factory for the years 1985-86 to 1990-91 are given in Table 2.6 (on the following page). The Table shows that the installed capacity of the factory is constant at 2200 tonnes per day for the last six years. The average recovery percentage of the factory is above 10%, during the first two years and above 11% during the last four years. In the area of capacity utilization, the factory has recorded a level of 117% in the year 1990-91 and a recovery of 11.90%, the highest in its six years of life-span.

2.1.8 Membership Enrolment:

In the field of enrolment of membership, it seems that the management of this factory could get better success in enrolment of new members in each year. Table 2.7 below shows that after 1985-86 factory could enrol more than 750 new members in each year. In 1989-90, out of the 5288 'A' class members, 285 belonged to Scheduled Castes. In the field of enrolment of 'B' class members, factory could not achieve better success as the number increased from 122 in 1985-86, to 195 in the year 1989-90.

Table 2.6
Enrolment of 'A' and 'B' class members

Members	1985-86	1986-87	1987-88	1988-89	1989-90
1. 'A' Class member	654	2039	3445	4328	5288
Open category	654	1993	3462	4044	5004
Sch.Castes	--	46	84	284	284
2. 'B' Class members	122	152	185	190	195
Open category	122	152	185	190	195
Sch.Castes	NA	NA	NA	NA	NA
3. Society members	5	7	16	27	29
4. Nominal members	-	-	6	73	301

Source: Compiled on the basis of data collected from the
the office record of Shree Rajaram Cooperative
Sugar Factory.