

**CHAPTER : I****METHODOLOGICAL - NOTES**

- 1.1 Introduction.
- 1.2 Objectives of the study.
- 1.3 Methodology of the Study.
- 1.4 Data Collection.
- 1.5 Scope and Limitations of the study.
- 1.6 Organisation of the study.
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## CHAPTER - I

### 1.1 INTRODUCTION

In the agrarian economy of the nation like our, co-operative institutions play very important role. Farmers occupies great importance in our country and co-operative is a very powerful tool in the hands of the farmers through which they can come together and form a co-operative organisation to resolve their economic and social problems. Our planners have rightly realised the effectiveness of co-operative institutions and laid emphasis on promoting more and more co-operative organisations. The Co-operative movement supported by the Government by passing a separate Co-operative Act in the year 1912. In our planner, co-operative sector has been given almost attention and as a result achieved spectacular progress.

The first plan ( 1951-56 ) set a target to bring 50 percent of the villages and 30 percent of rural population under co-operation in ten years through establishing primary credit co-operatives and primary agricultural processing and marketing institutions. The target of second five-year plan ( 1956-61 ) was to supply credit of Rs. 136 crores for co-operative movements. Actual results in this direction were not satisfactory in the light of target set. The third plan continued with the target fixed in earlier plans and primary societies were recognised. The membership was

increased from 17 millions to 27 millions and nearly 90 percent villages were covered as against 75% at the end of the second plan with considerable attention to co-operative marketing. In fourth plan, more emphasis was laid on agricultural co-operatives and consumer co-operatives. In fifth plan stress was laid on structural improvement of a large number of non-viable primary agricultural and marketing co-operative societies, consumer stores. In sixth plan, accepted co-operation as most widely distributed and organised credit system to provide all types of credit to rural areas revival of non-viable co-operative units and providing professionally trained personnel to co-operative institution. At present if we consider sugar industry, there are 355 co-operative sugar factories in our country and out of these, 98 factories are in Maharashtra State only. Thus in Maharashtra Government has employed great deal of financial resources during plan period.

Increase in quantity merely can not be considered as a symbol of development and progress. Though 98 Co-operative Sugar factories are at credit of Maharashtra State, their benefits to the farmers who have provided their hardened money as share capital and sugar-cane crop taken over One & Half years, is an important aspect of study. Here the researchers has made an attempt to evaluate the benefits received by farmers at factory level in the light of their

investment in sugar factory. For this purpose "SHRI VITHAL SAHAKARI SAKHAR KARKHANA, LTD., VENUNAGAR, GURSALE, DISTRICT SOLAPUR", is selected.

### 1.2 OBJECTIVES OF THE STUDY

The study in hand is partial fulfilment of the university requirement for master degree in Philosophy, Commerce and Management, leading to M.Phil. ( Commerce & Management ) Qualification. The study is undertaken with the following specific objectives:-

1. To take a review of co-operative sugar industry.
2. To study the investment made by the factory in the period covered under study i.e. 1980-81 to 1985-86.
3. To know the different sources of above investment.
4. To study the performance of the factory and the returns received by the member farmers of the factory in the study period.
5. To study the contribution of the factory to the regional development in the study period.
6. To suggest ways & means for overcoming the weaknesses in the operating style of the factory, if any.

### 1.3 METHODOLOGY OF THE STUDY

The methodology adopted for the purpose of the study is a 'CASE STUDY METHOD' in which the factory under study, " SHRI VITHAL SAHAKARI SAKHAR KARKHANA LTD.VENUNAGAR, GURSALE',

is assumed to be a representative sample of co-operative sugar factories located in the region, say, district and studied in depth to achieve the objectives mentioned in Chapter 1.2.

For this purpose random sample method (convenient purposive sample) is adopted as the data was very accessible to the researcher in the unit selected as he belongs to the same place and a son of a member farmer of the factory.

#### 1.4 DATA COLLECTION

For the present study, in hand mainly secondary data is made use of. The data utilised for this purpose is obtained from the following sources:-

a) Annual financial statements published by the organisation.

#### b) Review of literature-

An extensive review was undertaken of the books, periodicals, trade journals etc. available in the following libraries-

(i) Library Of Chh. Shahu Central Institute of Business Education and Research, Kolhapur,

(ii) Balasaheb Khardekar Library, Shivaji University, Kolhapur.

The data so obtained is subject to further analysis and interpretation.

In order to bridge the gap between published information and actual practice, personal discussions, were

held with the officers of the factory.

#### 1.5 SCOPE AND LIMITATIONS OF THE STUDY

The scope of the study is limited to six years since 1980-81 to 1985-1986 and may possess following few limitations too.

As the study is entirely based on secondary data, it could form a limitation of the study. Secondly the unit is selected considering the convenience of researcher without applying methodological ground which may or may not be considered as a representative sample of the units located in the region. Thirdly most of the information analysed in the study is financial in nature and made available in annual reports which may involve number of adjustments of confidential nature and about which the researcher is unaware with. Fourthly, the researcher has not gone to take a survey at farmer's level on account of time constraint.

#### 1.6 THE ORGANISATION OF THE STUDY

The study in hand is organised in Six Chapters. The Chapter No.1 deals with methodological issues of the study in which mode of data collection etc. is discussed in detail. In the Chapter No.2 theoretical frame work of the study, is presented in which objective of investments and other related issues are explained. The Chapter No.3 is devoted for the general Review of Sugar Industry in which sugar industry at national level and state level is discussed. In Chapter No.4 the assesment of the performance of the factory is made.

And Data Analysis of the study is presented in Chapter No.5 and in the last Chapter No.6, observations and suggestions of the study are presented. In the last part of the study BIBLIOGRAPHY is given alongwith the necessary Annexures.

## 1.7 CHAPTER SCHEME OF THE STUDY

### CHAPTER NO.1 : METHODOLOGICAL NOTES

- 1.1 Introduction.
- 1.2 Objectives of the study.
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- 1.4 Data collection.
- 1.5 Scope and limitations of the study.
- 1.6 Organisation of the study.
- 1.7 Detailed Chapter Scheme.

### CHAPTER No.2 : THEORETICAL FRAME WORK

- 2.1 Introduction.
- 2.2 Meaning and definition of Investment.
- 2.3 Importance of Investment.
- 2.4 Types of Investment.
- 2.5 Need of Sound Capital Investment.
- 2.6 Factors of capital investment.
- 2.7 Various methods of evaluating the capital Investment project.

**CHAPTER NO. 3 : A REVIEW OF SUGAR INDUSTRY**

3.1 Sugar Industry in India.

3.2 Sugar Industry in Maharashtra.

**CHAPTER NO. 4 : PROFILE OF THE ORGANISATION**

4.1 Introduction.

4.2 Profile of the Pandharpur Taluka

4.2.1. Historical perspective of the organisation.

4.4 Managerial aspect of the factory.

4.5 Area of operation.

4.6 Progress of cane crushing.

4.7 Sugar Production and Recovery Rate.

4.8 Organisation Chart.

**CHAPTER NO.5 : ANALYSIS OF INVESTMENTS AND BENEFITS**

5.1 Investment by the Shareholders.

5.2. Returns to shareholders.

5.2.1 Reported price for sugar cane.

5.2.2 Other Benefits.

5.2.3 Adjusted price for sugarcane.

5.3 Investment of the factory.

5.4 Operating performance of the factory.

**CHAPTER No.6 : OBSERVATIONS & SUGGESTIONS OF THE STUDY**

6.1 Observations regarding the Investment of  
the Shareholders.



6.2 Observations regarding Returns to Shareholders.

6.3 Observations regarding Investment of the  
factory.

6.4 Suggestions of the Study.

BIBLIOGRAPHY

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