

Chapter- III

Profile of the Sugar Factories

BAB. BALASAHEB KHARDEKAR LIBRARY
SHIVAJI UNIVERSITY, KOLHAPUR.

CHAPTER – III

PROFILE OF THE SUGAR FACTORIES

3.1 INTRODUCTION:

In the industrial field in Maharashtra the business of sugar industry is very significant and sugar industry is regarded as glory of industrial life at that time they had to face the problem of poverty, unemployment etc. In order to solve these difficulties the co-operative movement became very useful and under the blessing of co-operative movement the sugar industry in India got flourished. The credit of opening the first sugar factory in Asian Countries goes to India. The first sugar factory was established at Prawaranagar in Ahamadnagar district of Maharashtra on co-operative basis. The pioneer of the first co-operative sugar factory goes to Late Padmashri Vitthalrao Vikhe Patil. The sugar factory has played an important role in the life of people belonging to this drought affected area. Prior to this at malingner one such an attempt was done by Late Heribhau Girame, but it was unsuccessful. The Maharashtra sugar industry got rally flourished for the last 45-50 years from the days of the establishment of Prawara Co-operative Sugar Factory. "Help each other", "Not me but you", become the mottos of these co-operative established sugar factories. The great leaders like Late Yashwantrao Chavan, Vasantraodada Patil, encouraged the sugar industry.

The Sangli district has well developed co-operative network in all sectors co-operative organizations. The co-operative organizations are playing very important role in the development of Sangli district and life style of the peoples in the Sangli district. In Sangli district there are 13 sugar factories these all the sugar factories are working on co-operative basis. These co-operative factories are very well supported to the financial development of the farmers in the district. These factories are provided large amount of employment to the peoples in the district. These sugar factories are also provided other services to the society like financial support, education facilities, medical facilities, sport facilities, water supply scheme. So, co-

operative sugar factories are playing very important role in the overall development of the Sangli district.

In the present research work the researcher has selected two co-operative sugar factories in the Sangli district. These are providing good service in their operational area. These sugar factories are played very important role in the development of life style of the farmers. These two co-operative sugar factories are one is HKASSK Ltd. Ltd; Walwa, which is established in walwa taluka district Sangli and another one is KSSK Ltd. which only one sugar factory in Plaus taluka district Sangli. The brief information about these two selected co-operative sugar factories are given in the profile of these two sugar factories, which given idea about the performance and working practices of these two co-operative sugar factory in Sangli district.

3.2 HUTATMA KISAN AHIR SAHAKARI SAKHAR KARKHANA LTD.WALWA: (HKASSK Ltd.)

3.2.1 History of Sugar Factory-

The HKASSK Ltd.has established a very significant position in the sugar industry business in Maharashtra. The Karkhana is situated at walwa in the Sangli district of Maharashtra. The village walwa is at a distance of 10 km. from Islampur. The Sangli district comprise nine talukas and walwa is one of the taluka near the HKASSK Ltd.a feeder flows of Krishna river. The Board of Directors of the HKASSK Ltd.has run the sugar factory very efficiently with the help of employees and shareholders. At the same time as a part of social commitment it has encouraged to attract kids towards education and to utilize education as a means of progress, the factory has started totally thirty nursery schools in its work field. The factory also provided health maintenance facilities and medical assistance to its members, workers, and other peoples in the operational area. For the continuous supply of sugarcane the factory executed many water supply schemes, sugarcane investigation and development schemes, supply of agromin and bio-gas grant schemes etc. the guidance is given to the farmers for the increase the production of sugarcane by factory. The factory has earned name by enlisting a good sugar production

record. It is a by thing of proud to mention have that the factory is well known for giving to the sugarcane products highest rate in India.

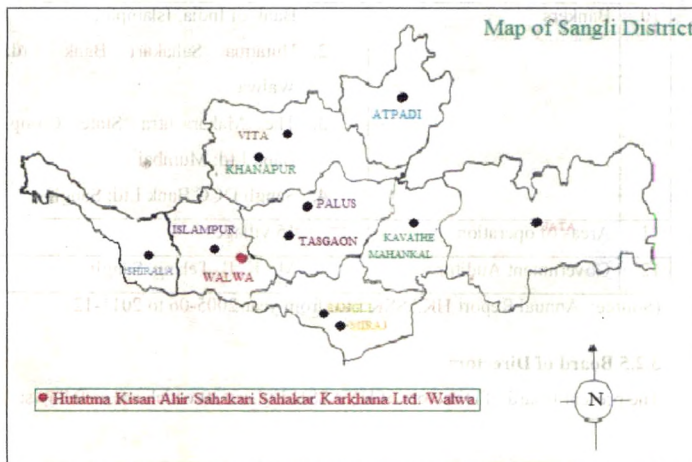
The founder of the factory is neither a member nor chairman nor a director of the factory and affix the completion of every five year term there is a position of changing both directors and chairman. Indeed due to these new method adopted the factory has been successful in maintaining the record of high production of sugar all over India for the last ten years.

3.2.2 Establishment and Registration of the Factory:

HKASSK Ltd. was established on 28th Jan. 1984 under the leadership of Hon. Shri. Nagnath Naikawadi for the development of the sugarcane farmers. As per the recommendation done by the government of Maharashtra the HKASSK Ltd. got approval from the Government of India on 26th March 1981 vide application No. is L.I. 125(B) 389/78. The factory was duly registered as per the Maharashtra Co-operative Act, 1960.

The factory has got the industrial approval on 28th Jan. 1984; the industrial approval no. is C.I.L. 26(84), New Delhi. The boiler of the factory was lit up at first on 29th Jan. 1984.

3.2.3 Location Map of Sugar Factory:



16854

3.2.4 General Information about the Sugar Factory:

The general information about the HKASSK Ltd. was given under the following table:

1.	Name and address of the sugar factory	Hutatma Kisan Ahir Sahakari Sakhar Karkhana Ltd. Walwa, Tal: Walwa Dist: Sangli, Pin code: 416313
2	Industrial Approval No.	No. C.I.L. 26(84) New Delhi Date: 29/06/1981
3	No. and Date of Registration	No. S.A.N./ P.R.G./ A.4 Date: 29/06/1981
4	Date of commencement of commercial production of sugar	29/01/1984
5	Nature of constitution	Co-operative Sector
6	Tar	"Hutatmasakhar"
7	Telephone No.	267538, 267540, 267541
8	Email ID	ast_hkl@bsnl.in
9	Crushing Capacity	2500 me. Tan
10	Bankers	1. Bank of India, Islampur, 2. Hutatma Sahakari Bank Ltd; Walwa 3. The Maharashtra State Co-op. Bank Ltd; Mumbai 4. Sangli DCC Bank Ltd; Sangli
11	Areas of operation	15 villages
12	Government Auditor	Mr. K. B. Telang, Sangli

(Source: Annual Report HKASSK Ltd. from year 2005-06 to 2011-12)

3.2.5 Board of Directors

The present Board of Directors of HKASSK Ltd. are 20 which are as follows:

Sr. No	Name	Designation
1	Shri. Vaibahv Naganth Naikvadi	Chairman
2	Miss. Vandana Mahadev Mane	Vice-Chaiman
3	Shri. Shankar Anna Khot	Director
4	Shri. Bajirao Nivarutti Mohite	Director
5	Shri. Janardan Dattu Jadhav	Director
6	Shri. Suresh Nemu More	Director
7	Shri. Balaso Yashwant Tandale	Director
8	Shri. Tukaram Hari Kadam	Director
9	Shri. Balakrishna Tukaram Ghare	Director
10	Shri. Popat Shaamrao Jadhav	Director
11	Shri. Shivaji Dattu Patil	Director
12	Shri. Sunil Bhanudas Rakate	Director
13	Shri. Ananda Bandu Patil	Director
14	Shri. Eknath Bhau Waghmare	Director
15	Shri. Shankar Tukaram Patil	Director
16	Shri. Suryakant Bapu Kumbhar	Director
17	Shri. Kondiba Rama Maske	Director
18	Miss. Sunita Ankush Mali	Director
19	Shri. D. R. Ghode	Govt. Representative
20	Shri. Ramchandra Govindrao Mohite	M.D.

(Source: Annual Report HKASSK Ltd. from year 2005-06 to 2011-12)

3.2.6 Area of Operation:

The HKASSK Ltd. is situated in Walwa taluka. A command area of HKASSK Ltd. is spread over in two taluka i.e. Walwa and Palus. The number of villages under the area of operation was 15 of which 10 villages were from walwa taluka and remaining 5 villages were from Palus taluka. These 15 villages under the area of operation of the karkhana were divided in different 5 zones according to convenience. The 5 zones of the villages under the area of operation are as follows:

Zone – I	i. Gotkhindi ii. Padwalwadi iii. Gatadwadi iv. Lonarwadi
Zone – II	i. Walwa ii. Ahirwadi
Zone – III	i. Nagrale ii. Pundi iii. Pundiwadi iv. Shirgaon
Zone – IV	i. Nagthane ii. Kholewadi
Zone – V	i. Masuchiwadi ii. June Khed iii. Nave Khed

(Source: Annual Report HKASSK Ltd. from year 2005-06 to 2011-12)

3.2.7 Objectives of the Sugar Factory:

The HKASSK Ltd. is established for the development of the farmers and for their growth by providing well return to their production. The sugar factory has fulfilled the various objectives in respect of the society are as follows:

- 1) To give the good market rate to the farmers who supply the sugarcane to the factory.
- 2) To keep the good relations with the customers and farmers and to maximize their satisfaction.
- 3) Maximum utilization of manpower and production capacity and proper utilization of raw material for good recovery.
- 4) To increase sugarcane and agriculture production by using scientific method of agriculture production.
- 5) To promote the economic and social betterment among the members through self-help and mutual aids in accordance with the co-operative principles specified in the first scheduled of the act.
- 6) To encourage self-help, thrift and co-operation among members.

- 7) To providing finance to the farmers at minimum interest rate for their development.
- 8) To supply water for the agriculture sector by introducing various water supply schemes.
- 9) To manufacture sugar and their byproducts out of sugarcane grown and supplied by members of the society and other to sell the same to the best advantage.
- 10) To undertake such other activities as are identical and conducive to the development of the society.
- 11) To acquire and install machinery for the utilization of the byproducts and buy raw material and sell finished product in the course of utilizing and marketing the byproducts.
- 12) To improve the recovery rate of sugar production by using different varieties of sugarcane and other techniques of production to increase the profitability.

3.2.8 Performance of Sugar Factory:

3.2.8.1 Number of shareholders of sugar factory:

The shareholders are the owners of the sugar factory. The shareholders of HKASSK Ltd. have divided in the different types. These are producing shareholders, non-producing shareholders and state government. The numbers of shareholders of the sugar factory for last years are given as under.

Table No. 3.1
Number of shareholders of HKASSK Ltd.

Year	Produced shareholders	Non-produced shareholders	State Government	Total shareholders
2005-06	8133	36	-	8169
2006-07	8133	36	-	8169
2007-08	8126	36	-	8162
2008-09	8128	36	-	8164
2009-10	8126	36	-	8162
2010-11	8129	36	-	8165
2011-12	8130	36	-	8166

(Source: Annual Report HKASSK Ltd. from year 2005-06 to 2011-12)

3.2.8.2 Share capital of sugar factory:

The HKASSK Ltd. has authorized share capital of Rs. 20,40,00,000/- having face value Rs. 5,000/- each share out of which 25000 shares of produced shareholders 2000 shares of non-produced shareholders and state government have 23000 shares of having face value of Rs. 3000/- each share. The state government has undertaken redeemable preference shares in sugar factory.

Table No. 3.2
Share capital of HKASSK Ltd.

Year	Authorized capital	Issued capital
2005-06	20,40,00,000	4,28,79,424
2006-07	20,40,00,000	4,27,37,881
2007-08	20,40,00,000	4,36,47,955
2008-09	20,40,00,000	4,37,60,948
2009-10	20,40,00,000	4,32,51,336
2010-11	20,40,00,000	4,43,44,897
2011-12	20,40,00,000	4,45,66,515

(Source: Annual Report HKASSK Ltd. from year 2005-06 to 2011-12)

3.2.8.3 Sugar production of factory:

The total sugar production is depending upon the availability of sugarcane in that particular year. The sugar production of HKASSK Ltd. was divided in controlled sugar and open market sugar production.

Table No. 3.3
Sugar production of HKASSK Ltd.

*(in quintals)

Year	Controlled sugar production	Open market sugar production	Total sugar production
2005-06	61280	551520	612800
2006-07	71947	647528	719475
2007-08	78514	706621	785135
2008-09	81857	786058	867915
2009-10	163880	655520	819400
2010-11	80008	720067	800075
2011-12	112530	687320	799850

(Source: Annual Report HKASSK Ltd. from year 2005-06 to 2011-12)

3.2.8.4 Income from sale of sugar:

The HKASSK Ltd. has earned income for sale of sugar in the Levi market, open market and export of sugar out country. The income trend of sugar sale is show as follows:

Table No.3.4
Income from sale of HKASSK Ltd.

Year	Levi sugar	Open market sugar	Export	Total sugar
2005-06	26368558	726129607	55809488	808307653
2006-07	152345745	420133980	304565512	877045238
2007-08	2366865	619283849	381130083	1002780797
2008-09	100496000	812764000	121358000	1034618000
2009-10	193916000	1959424000	-	2153340000
2010-11	110125000	1825168000	-	1935297000
2011-12	151835000	1755542000	-	1907377000

(Source: Annual Report HKASSK Ltd. from year 2005-06 to 2011-12)

3.2.8.5 Recovery Rate of sugar factory:

The HKASSK Ltd. having higher recovery rate of sugar in country. The higher recovery rate shows the efficiency and productivity of the sugar factory. Karkhana has won the prize for higher recovery rate of sugar production. The trend of the recovery rate of sugar is shown follows:

Table No.3.5
Recovery Rate of HKASSK Ltd.

Year	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Recovery rate	13.35	12.83	13.60	13.10	13.21	13.00	13.12

(Source: Annual Report HKASSK Ltd. from year 2005-06 to 2011-12)

3.2.8.6 Staff of the factory:

The employees are the live asset of the factory. Employees are responsible for the success or failure of company. The profitability of the factory is largely

depending upon the quality of the staff of the factory. The HKASSK Ltd. has following staff.

Table No. 3.6
Staff of the factory of HKASSK Ltd.

Year	Permanent workers	Seasonal workers	Total workers
2005-06	372	209	581
2006-07	372	214	586
2007-08	365	215	580
2008-09	357	208	565
2009-10	346	204	550
2010-11	345	201	546
2011-12	347	203	550

(Source: Annual Report HKASSK Ltd. from year 2005-06 to 2011-12)

3.2.8.7 Workers shift system:

Sugar manufacturing process is continues process it needs employees to take care of the operations 24 hours. So company employees its workers in 3 different shifts and also provide weekly off on routine basis. The shift system of the company is as follows:

Table No.3.7
Workers shift system of HKASSK Ltd.

Shifts	Timing	Break
I	4.00am to 12.00pm	30 min.
II	12.00p:n to 8.00pm	30 min.
III	8.00pm to 4.00am	30 min.
Office and Administration Staff		
I	8.00am: to 12.00pm	60 min.
II	12.00p:n to 5.00pm	

(Source: Annual Report HKASSK Ltd. from year 2005-06 to 2011-12)

3.2.9 Other Services or Facilities Provided By Sugar Factory:

The HKASSK Ltd. has provided other facilities and services to the shareholders, workers and also to the society.

3.2.9.1 Provided fertilizers to the farmers:

The HKASSK Ltd. has provided fertilizers to member farmers at lower rate. It is helpful to the farmers for increasing the production from their farm because of fertilizer are available at lower rate and on credit basis the profitability of the farmers are also increased and they can earn more profit by increasing the production.

3.2.9.2 Sugarcane conferences and sugarcane development workshops:

The HKASSK Ltd. has organized the farmer's conference and sugarcane development workshops with the support of Agriculture Universities and Vasantdada Sugar Institution, Pune every year. In this conference the experts are given information to the farmers about new technology, new sugarcane seeds, about the water management. This conference and workshops are helpful to the farmers in the increase the sugarcane production and it is also improved the financial position of the farmers. This one very important activity was introduced by this sugar factory for the development of farmers in the area of operation and lots of farmers are benefited by this conference and workshops.

3.2.9.3 Water supply scheme:

The sugar factory has started various water supply schemes for the agriculture sector in the area of operation for this water supply schemes the sugar factory has taken finance from the banks also from the sugarcane development funds; own funds of the sugar factory are also used. At present this water supply schemes has provided water near about 8643 acre area of agriculture sector, because of this various schemes lot of area of agriculture sector has under the irrigation. The HKASSK Ltd. has started near about 50 water supply schemes in it area of operation and near about 5500 farmers are benefited by this water supply schemes.

3.2.9.4 Education Development:

This sugar factory has given very important contribution in the development of education facility in the area of operation. The sugar factory has given awards to the students for given motivation to them. The sugar factory has also

started sugar school to the children's of the sugarcane cutlers in the factory place. Schools and colleges are also started by the sugar factory.

3.2.9.5 Workers welfare schemes:

In the sugar factory all workers are the members of the Maharashtra workers welfare association, Mumbai. They have provided various facilities by the association and sugar factory for their financial development. The sugar factory has himself given same contribution about finance to this workers welfare association. From this association facilities are provided to the workers and their family like medical support, educational support, scholarship to the students of the workers.

3.2.9.6 Computerized System:

In 21st century the every work is done by the using advanced technology. The sugar factory has also introduced computerized system in their regular working. At present in sugar factory share, agriculture, deposit, fertilizer, seeds, ken account department work done by using computerized system, also storage account and sugar account are also done by using computer. The computerized system increased the acquires of the work and it is done in less time, so it is more profitability to the sugar factory.

3.2.10 The Factory and Relations With Labors:

The labours are the asset of the factory. The success of the sugar factory had been largely depending upon the quality and performance of the workers. The sugar factory has also given various facilities to the workers; they get good salary and accommodation facilities from the factory that's why the relations between the sugar factory and labours remain good. It is very helpful in the development of the sugar factory.

3.2.11 By Products of Sugar Factory:

The HKASSK Ltd. has produced different by products. These by products are increased the profitability of the sugar factory.

1) Distillation:

The unit uses molasses, which is waste the production of sugar, as raw material for distillation. These molasses has about 40 % to 45% of sugar in it.

2) Bagasses:

The fibrous material of sugarcane which is after extraction of juice comes out from mill house is called bagasses and is used as fuel for boilers. In HKASSK Ltd. use the bagasses for high pressure boilers to generate steam. Thus generated steam is used to produce electric power by using extraction turbo generation set.

3) Press MUD:

The press MUD is obtained in the produce of sugar production. It is used as manure. The HKASSK Ltd. has sold press MUD to the farmers.

3.2.12 Awards Achieved By Sugar Factory:

The HKASSK Ltd. has achieved various awards for their better performance in the sugar production.

1) National Federation of Co-operative Sugar Factories Ltd; New Delhi, has given second prize to the sugar factory for Higher Recovery Rate in the year 2010-2011.

2) Vasantdada Sugar Institution, Manjari, Pune, has given First Prize for Higher Sugarcane Production to the member of sugar factory shri. Dayandev Tukaram Gurav in the year 2009-2010.

3) National Federation of Co-operative Sugar Factories Ltd; New Delhi, has given second prize for Good Financial Management in South Zone in the year 2008-09.

4) Vasantdada Sugar Institution, Manjari, Pune, has given First Prize for Brilliant Technical Performance in South Zone in the year 2008-09.

3.3 KRANTI SAHAKARI SAKHAR KARKHANA LTD. KUNDAL: (KSSK LTD.)

3.3.1 History of Sugar Factory:

KSSK Ltd. was located at Kundal, Tal: Palus, Dist: Sangli. The Kundal is villages which have large area of sugarcane production and having good facility of water supply for the agriculture sector. Kundal is the village near about Palus by 5 km. west of the Palus taluka. The Palus taluka is well

developed by industrial movement. There is lot of industries in Palus taluka. The KSSK Ltd. is only one sugar factory in Palus taluka. The KSSK Ltd. has given very important contribution in the development of the Palus taluka.

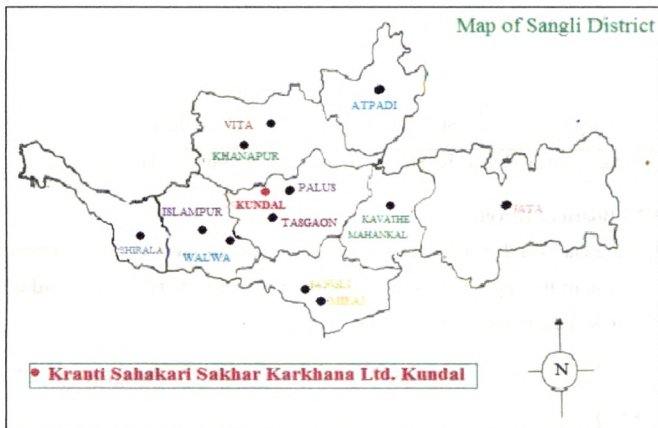
The KSSK Ltd. was established under the guidance of Krantiagrani Dr.G.D.Bapu Lad. This sugar factory is his dream and he makes lot of efforts for the establishment of this sugar factory. Now days this sugar factory is one of the leading sugar factory in Maharashtra in less time for the supply of continuous and good quality sugarcane the sugar factory established various water supply schemes for the agriculture sector in the area of the operation. In the year 2011-2012 the sugar factory has completed 10 crushing seasons successfully from the establishment the sugar factory has given good return to the farmers and shareholders so that the sugar factory has achieving well status and goodwill in the society. The sugar factory has using 100% or more than that crushing capacity from the establishment, so the factory is having good position in respect of profit and other operational management.

The sugar factory also take efforts for the social responsibility by providing finance to the farmers, given facilities like schools, colleges, hospitals, insurance policy to the shareholders. By providing this social responsibility the sugar factory has given large contribution in the development of the area of operation. Also the sugar factory achieved lot of awards at national level in sugar production.

3.3.2 Establishment and Registration of the Factory:

KSSK Ltd. was started under the guidance of Krantiagrani Dr.G.D.Bapu Lad. He takes a lot of efforts for the establishment of the sugar factory. The sugar factory was established on 18th March, 1997. The Industrial Approval No. L.I.-56. The KSSK Ltd. was registered under the Maharashtra Co-operative Act, 1960. The registration is done on the 12th May, 1997 and number is S.A.N./ T.G.N./P.R.G.(A) / 576.

3.3.3 Location Map of Sugar Factory:



3.3.4 General Information about Sugar Factory:

The following is the information about the KSSK Ltd. which given general introduction of the sugar factory.

1.	Name and address of the sugar factory	Kranti Sahakari Sakhar Karkhana Ltd. Kundal. Tal: Palus Dist: Sangli, Pin Code – 416309
2	Industrial Approval No.	No. C.I.L. 56 / New Delhi Date: 18/03/1997
3	No. and Date of Registration	No. S.A.N./ T.G.N./ P.R.G./ (A) /578 Date: 12/05/1997
4	Nature of constitution	Co-operative Sector
5	Tar	“Krantisakhar” Kundal
6	Telephone No.	(02346) 271601, 272075
7	Email ID	krantisugar@rediffmail.com
8	Crushing Capacity	2500 me. Tan
9	Bankers	1. State Bank of India, Palus 2. IDBI Bank Branch- Islampur 3. The Maharashtra State Co-op. Bank Ltd; Mumbai

		4. Bank of India Branch – Takari
10	Activity under taken	Production of sugar and its by products
11	Areas of operation	71 villages
12	Government Auditor	Shri. D.S.Khandekar

(Source: Annual Report KSSK Ltd.from year 2005-06 to 2011-12)

3.3.5 Board of Directors:

The present Board of Directors of KSSK Ltd.has 24 members. The present chairman of the sugar factory is Shri. Arun Ganpati Lad. The other board of directors of the sugar factory is as follows:

Sr. No	Name	Designation
1	Shri. Arun (Anna) Ganapati Lad	Chairman
2	Shri. Popat Narayan Sankpal	Vice-Chairman
3	Shri. Mohan Shamrao Pawar	Director
4	Shri. Shirrang Dinkarao Patil	Director
5	Shri. Bhimrao Chandru Mahindha	Director
6	Shri. Lalaso Shidu Mahadik	Director
7	Shri. Popat Vasant Fadtare	Director
8	Shri. Tukaram Aaba Pawar	Director
9	Shri. Javahar Ramgonda Patil	Director
10	Shri. Suryakant Dattatraya Buchade	Director
11	Shri. Bharatshiha Bhujangrao Fadnaik	Director
12	Shri. Ramchandra Datta Pawar	Director
13	Shri. Atamaram Vithoba Harugade	Director
14	Shri. Dilip Dattatraya Patil	Director
15	Shri. Ramchandra Ganapatrao Deshmukh	Director
16	Shri. Kundlik Jyoti Thorat	Director
17	Shri. Dattajirao Aakaram Mohite	Director
18	Shri. Laxman Tukaram Hendre	Director
19	Shri. Nivartti Sakharam Patil	Director
20	Shri. Prashant Bhupal Chougule	Expert Director

21	Miss. Anandibai Janardhan Khude	Director
22	Miss. Shobha Sambhaji Salunkhe	Director
23	Shri. D. R. Ghode	Government Representative
24	Shri. Jagdish Ganesh Haralikar	M.D.

(Source: Annual Report KSSK Ltd. from year 2005-06 to 2011-12)

3.3.6 Area of Operation:

The KSSK Ltd. has located at kundal. The area of the sugar factory has divided in four talukas which is Palus, Kadegaon, Khanapur and Tasgaon. The total villages under the area are distributed in 5 different zones. At present the total number of villages under the Palus taluka, Kadegaon taluka, Khanapur taluka, Tasgaon taluka is 32, 17, 06 and 16 respectively. The total numbers of villages under the area is 71.

1. Kundal Zone

Kundal	Kumbhargaoon	Ghogaon
--------	--------------	---------

2. Dudhondi Zone

Dudhondi	Pundi	Pundiwadi	Dhayari
Tupari	Devaratre	MohiteVadgaon	Asad
Ambak	Chinchni	Sonkire	Padli
Soansal	Shirgaon	Shirasgaon.	-

3. Burli Zone

Nagarale	Burli	Amanapur	Dhangaon
Vitthalwadi	Santgaon	Ankalkhop	Bhilwadi
Sukhwadi	Khatav	Bhramnal	Vasgade
Chopadewadi	Khandobachiwadi	Malwadi	Hajarwadi
Burungwadi.	-	-	-

4. Palus Zone

Sanwantpur	Palus	Gondilwadi	Sandagewadi
Bambwade	Nagaon	Nimani	Neharunagar
Julewadi	Yelavi	Tasgaon	Kavathe Ekand
Shirgaon	Bindri	-	-

5. Balawadi Zone

Rajapur	Morale	Andhali	Wajar
Aalsand	Tandulwadi	Balawadi	Ramapur
Kamalapur	Bhalavani	Shelakabav	Shivani
Hingangaon	Tadasar	Wangi	Nimblak
Alate	Chikhalgotar	Borgaon	Shirgaon
Wanjarwadi	Dhavali	-	-

(Source: Annual Report KSSK Ltd. from year 2005-06 to 2011-12)

3.3.7 Objectives of the Sugar Factory:

The specific objective of the KSSK Ltd. has been given as follows:

- 1) To encourage proper development of agricultural industry amongst the members on co-operative lines by introducing modern methods of agriculture and by promotion of principles of co-operative and joint farming method so as to secure best advantages of modern large scale agriculture production.
- 2) To adopt scientific methods of agriculture production to increase sugarcane and agricultural production.
- 3) To provide the facilities for transporting and harvesting of sugarcane to members of the factory.
- 4) To establish supplementary units based on by products like bagasse, molasses and pressmud.
- 5) To make provision of irrigation schemes and execute these schemes for increased the production.
- 6) To introduce different types of schemes for all round development of members, workers, and society as a whole within the area of operation.
- 7) To provide maximum employment to the people in the area of operation of the factory.
- 8) To provide financial support to the farmers for their overall development at minimum interest rate.
- 9) To improve the recovery rate of sugar by using advanced technology.

10) To developed different new varieties of sugar for improving the production of the sugar.

3.3.8 Performance of Sugar Factory:

3.3.8.1 Number of the shareholders of the sugar factory:

The total shareholders of KSSK Ltd. are classified in three different way, producing shareholders, non-producing shareholders, and state government. The sugar factory is large industrial unit so state government has also given contribution to the capital establishment of co-operative sugar factory. The number of shareholders for last 7 years of sugar factory is given as follows:

Table No. 3.8
Number of shareholders of KSSK Ltd.

Year	Produced shareholders	Non-produced shareholders	State Government	Total shareholders
2005-06	14833	17	1	14851
2006-07	15174	17	1	15192
2007-08	15248	18	1	15267
2008-09	15355	18	1	15374
2009-10	15789	18	1	15808
2010-11	15837	19	1	15857
2011-12	15790	19	1	15810

(Source: Annual Report KSSK Ltd. from year 2005-06 to 2011-12)

3.3.8.2 Share capital of the sugar factory:

The authorized share capital of the KSSK Ltd. has Rs. 40 cores have a face value of Rs. 5000 each share. The 19000 share of produced shareholder, 1000 shareholder of unproduced and 60000 shares of state government which is redeemable preference shares. The total share capital of sugar factory for last 7 years where as follows:

Table No. 3.9
Share capital of KSSK Ltd.

Year	Authorized capital	Issued capital
2005-06	40,00,00,000	19,84,26,384
2006-07	40,00,00,000	21,13,69,245
2007-08	40,00,00,000	21,47,20,704
2008-09	40,00,00,000	22,39,11,409
2009-10	40,00,00,000	23,56,42,564
2010-11	40,00,00,000	23,61,04,046
2011-12	40,00,00,000	23,65,05,990

(Source: Annual Report KSSK Ltd. from year 2005-06 to 2011-12)

3.3.8.3 Sugar production of factory:

The sugar is the last output of the sugar factories production. The total sugar production of KSSK Ltd. has distributed in controlled sugar and open market sugar.

Table No.3.10
Sugar production of KSSK Ltd.

*(in quintals)

Year	Controlled sugar production	Open market sugar production	Total sugar production
2005-06	40,041	3,60,369	4,00,410
2006-07	54,485	4,90,365	5,44,850
2007-08	61,466	5,53,194	6,14,660
2008-09	46,349	4,17,141	4,63,490
2009-10	1,29,852	5,19,408	6,49,260
2010-11	70,850	5,91,470	6,60,702
2011-12	80,550	6,50,200	7,03,750

(Source: Annual Report KSSK Ltd. from year 2005-06 to 2011-12)

3.3.8.4 Income from sale of sugar:

The KSSK Ltd. has earned income for sale of sugar in the Levi market, open market and export market of sugar. The trend of the income by sale of sugar of the factory was as follows:

Table No.3.11
Income from sale of KSSK Ltd.

Year	Levi sugar	Open market sugar	Export	Total sugar
2005-06	11,09,468	35,23,55,000	38,25,96,250	35,34,64,468
2006-07	76,654	40,67,22,374	16,47,48,280	78,93,55,279
2007-08	18,02,045	49,81,64,206	5,62,93,870	66,47,14,532
2008-09	3,63,70,386	80,35,63,460	-	89,62,27,717
2009-10	20,66,136	1,34,09,66,432	23,48,16,500	1,34,30,32,568
2010-11	16,14,90,591	1,49,15,85,786	-	1,88,78,92,877
2011-12	17,90,55,473	1,66,77,46,245	-	1,84,68,01,718

(Source: Annual Report KSSK Ltd. from year 2005-06 to 2011-12)

3.3.8.5 Recovery Rate of sugar factory:

The recovery rate of sugar factory has shown the productivity of the sugar factory. Higher the recovery rate it shows the higher productivity of the sugar factory. From the establishment of the KSSK Ltd. having good recovery rate of sugar production.

Table No.3.12
Recovery Rate of sugar factory of KSSK Ltd.

Year	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Recovery rate	12.09	11.51	12.92	12.01	12.44	11.85	12.00

(Source: Annual Report KSSK Ltd. from year 2005-06 to 2011-12)

3.3.8.6 Staff of the sugar factory:

The development of sugar factory is largely depending upon the availability of good quality workers. The sugar factory as good as the staff. The employee is the assets of the sugar factory. The productivity and profitability of the sugar factory is largely depending upon the staff of the sugar factory. The trend of the staff of the sugar factory is given below:

Table No.3.13
Staff of the sugar factory of KSSK Ltd.

Year	Permanent workers	Seasonal workers	Total workers
2005-06	138	163	301
2006-07	137	438	575
2007-08	139	469	608
2008-09	139	478	617
2009-10	140	501	641
2010-11	134	500	634
2011-12	137	502	639

(Source: Annual Report KSSK Ltd. from year 2005-06 to 2011-12)

3.3.8.7 Workers shift system:

Sugar production is continuous process. It needs employees to take care of the operations 24 hours. The KSSK Ltd. has employees its workers in 3 different shifts and also provide weekly off on routine basis. The shift system of the sugar factory as follows.

Table No.3.14
Workers shift system of KSSK Ltd.

Shifts	Timing	Break
I	5.00am to 01.00pm	30 min.
II	01.00pm to 9.00pm	30 min.
III	9.00pm to 5.00am	30 min.
Office and Administration Staff		
I	10.00am to 2.00pm	30 min.
II	2.30pm to 5.30pm	

(Source: Annual Report KSSK Ltd. from year 2005-06 to 2011-12)

3.3.9 Other Services and Facilities Provided By the Sugar Factory:

The KSSK Ltd. has provided various services to the society and other units related to the sugar factory

3.3.9.1 Soil Testing Center for farmers:

The KSSK Ltd. was established a soil testing center for the farmers, where farmers can test the soil in their farm and identify which factors are required for the increasing the production. This center was established in the year 2007.

This was provided by the Agricultural Minister of India, Hon. Sharadchandraji Pawar. After the establishment of soil testing center the farmers can take production from the farm in less water, fertilizers and in minimum cost. So this center is very useful for the farmers to make a profitable farming.

3.3.9.2 Sugarcane Development Program:

From the establishment of the sugar factory the Karkhana was introducing the sugarcane development program for increasing the sugarcane production for that purpose they are started the various schemes and programs, which is providing various qualities sugarcane seeds to the farmers, providing financial help to the drip irrigation schemes, provided fertilizers to the farmers at minimum rate on credit. This program helped in the increasing the production of sugarcane in the area of the operation.

3.3.9.3 Water Supply Schemes:

The KSSK Ltd. was given important contribution in the water supply schemes in the area of operation. The sugar factory has also starts some new water supply schemes in the operational area. These schemes are Veralamai Sahakari Water Supply Scheme, Vasant Water Supply Scheme, Shivshambho Water Supply Scheme and Basaveshwar Water Supply Scheme. These schemes supply water for the agriculture sector in the area of operation of the sugar factory, which is helped in the increased the production of sugarcane.

3.3.9.4 Accident Insurance Policy Provided to the Shareholders:

The KSSK Ltd. was started accident insurance policy to the shareholders of the factory. This insurance policy scheme was started from year 2009-10 under this policy the shareholders have given insurance benefits up to Rs. 1, 00,000/- from the sugar factory. This policy is very useful to the shareholders in the financial problems for medical treatment in accident time.

3.3.9.5 Sugar School:

The sugar factory has provided every year sugar school facility to the children's of the sugarcane cutting workers. Sugar factory management and Plaus local authority together starts this scheme for the education of the labours Childs. In this sugar school class are taken from 1st to 6st in which 80 students are taken education, so because of this sugar school the education

need of the workers children are completed and they can also take education at free of cost.

3.3.9.6 Computerized System:

The KSSK Ltd. has used computerized system for its establishment. In modern world the computerized system is very important for the down work in time at acquire. The sugar factory has made all the departments computerized like, production department, sales department, account department, stock department, etc. because of the computerized system; the work is done in time. The profitability of the sugar factory is also increased.

3.3.9.7 Provided Fertilizers to the Farmers:

The sugar factory is given fertilizers to the farmers according to the requirement of the crops. The sugar factory has given guidance to the farmers for the using which types of fertilizers in the farm for increasing the production. The fertilizers are available to the farmers at minimum price to the farmers and they have also provided credit facility to the farmers. The production of sugarcane is also increased after the availability of fertilizers in time.

3.3.10 Sugar Factory and Labour Relationship:

The KSSK Ltd. was provided the accident insurance policy around 2 lakh to 4 lakh of all the workers, employees and officers in the factory. The sugar factory also provided quick medical services from Dr. Pratap Kulkarni, because of all the efforts taken by the sugar factory the relationship with workers are very good. The contribution of the labours in the production and profitability of the factory so management has given regular bonus to the workers of the factory.

3.3.11 By Products of Sugar Factory:

The KSSK Ltd. has produced different type of by products other than sugar production:

1) Co-generation Power Plant:

The sugar factory has started co-generation power plant on 16/2/2010, from the power plant project t the sugar factory has produced 1, 42, 34,800 units

power in first season out of which the sugar factory has used 2789600 units power for their own use and 11445000 units power is sold out to the MSEBC Ltd; from that factory has earned Rs. 5, 47, 85,880/-

2) Bagasses:

The bagasses is also are by products of the sugar factory. Bagasse is used by the sugar factory for the fuel of the boilers. The sugar factory has earned income from the sale of the bagasses near about Rs. 4, 50, 00,000/- every year. This is helped in the increased the profitability of the sugar factory.

3) Press mud:

The press is obtained in the sugar factory in the process of sugar production. The press mud is used in the farm for the increased production. The sugar factory has sale near about Rs. 35, 00,000/- press mud to the farmers every year.

3.3.12 Awards Achieved By Sugar Factory:

The work done by the KSSK Ltd. in the area of the sugar industry is very recommendable. For the performance of sugar factory in small period of life they have achieved lot of awards from state and national sugar federation.

I] Awards received from National Federation of Co-operative Sugar Factories Ltd; New Delhi.

- i. First Prize in Higher Technical Performance in Year 2005-06.
- ii. First Prize for Sugarcane Development Program in the year 2007-08.
- iii. Second Award for the Higher Recovery Rate in the year 2008-09

II] Awards received from Vasantdada Sugar Institute, Manjari, Pune:

- i. First Award for Higher Technical Performance in the year 2007-08.
- ii. First Prize for Good Financial Management in South Zone in the year 2007-08.
- iii. First Prize for Sugarcane Development in South Zone in the year 2008-09

3.4 CONCLUSION:

The co-operative sugar factories are playing very significant role in the development of the Indian economy as well as in Maharashtra. The HKASSK Ltd. and KSSK Ltd. in Sangli district of Maharashtra have leading co-operative sugar factories. The HKASSK Ltd. was established in Walwa taluka and it takes very important efforts in the development of area from its establishments. The HKASSK Ltd. was old sugar factory as compared to KSSK Ltd. The KSSK Ltd. located at Palus taluka, which is only one sugar factory in the taluka. This both sugar factory are working well in their operational area. The financial and operational performance of these two sugar factories is very important in the development of the Walwa and Palus taluka. These two sugar factories are also working for social development of the area. For that purpose these sugar factories are providing lot of social services in the area for fulfillment of social responsibility.

After the establishment of these sugar factories the agriculture development was made very fast and the financial situation of the farmer in the area are also improved year after year. These two sugar factories have received various awards for the performance in sugar industry at state and national level. It shows their increasing trade in the performance of sugar factory.