

**I N T R O D U C T I O N**

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CHAPTER - IINTRODUCTION**I.1: PHILOSOPHY OF COOPERATION :**

Co-operation is a voluntary organization of the weaker section of the society on the principle of self help with mutual aid. It functions on democratic lines with equal importance of man and capital. Although any co-operative organization is business organization; it is association of man first and then that of capital.

It logically follows that any co-operative business organization functions on the basis of value judgement and the principles such as open membership limited interest on capital; distribution of profit in proportion to business; co-operative education and training, political neutrality and cash trading etc.

The rise of co-operative movement in India in 19th Century was one of the instruments of economic policies adopted by the then British Govt. to solve the rural economic problems i.e. low productivity of agriculture indebtedness and poverty of the farming community. It initiated the process of monetisation of the rural economy through the establishment of primary agricultural co-operative credit societies, consumer's co-operative societies and multipurpose, societies.

The co-operative movement was imposed upon the people by the Govt. The movement created the sufficient infrastructure in the rural areas and it helps a lot in creating the well built three-tier Co-operative Credit structure in rural areas. It is particularly during the plan periods that the Co-operative movement which could get grip in the field of agricultural credit, could capture the agro based industrial sector of marketing of agricultural products, inputs, processing of agricultural commodity like Sugarcane, Cotton, Jute etc. Thus the spread of Co-operative movement in the agro-industrial sector could give more scope to farming community for enhancing the level of income during the planned period.

The Co-operative Sugar Industry particularly in the Maharashtra State is one of the biggest Co-operative processing industries which is functioning as growth centre for rural development. The co-operative sugar factories not only function as an instrument for raising the agricultural output but they also help in developing whole region through the other activities like productions of the by-products i.e. Alchole, liquor, paper, poultry farming.

It is surprising to note that during the second plan period the sugar industry was located mainly in Northern side of India i.e. Bhihar, U.P. at that time these states were ahead of Maharashtra regarding sugar production.

Maharashtra State at that time had the small share of 17.3% of the total production in the year 1960. At present, the situation has changed to such an extent the contribution of Maharashtra State in sugar production accounted for the highest percentage of 42.

Out of total 80 sugar factories in Maharashtra nearly 70, factories are in co-operative sector. The fact that speaks the role of co-operative sugar factories in the State.

**I.2 : THE PRESENT RESEARCH WORK :**

The proposed research work <sup>aim</sup> tries to study the role of co-operative sugar factory as an instrument for socio-economic development of the rural population in Maharashtra State with <sup>spt</sup> particular reference to Shri Panchaganga Co-operative Sugar factory, Ganganagar.

**I.3 : THE MAIN OBJECTIVES OF THIS PROJECTS ARE AS FOLLOWS :**

1. To take a brief review of and growth of sugar industries in India and Co-operative sugar factory in Maharashtra.
2. To study the organization pattern of Co-operative sugar factory.
3. To analyse the financial position of this organization with view to assessing the economic viability of this Co-operative agro-industries as growth centre for rural development.

4. To study the economic impact of the Co-operative sugar industry with particular reference to development of agriculture, irrigation development, change in cropping pattern, modernisation of agriculture etc. in the rural area.
5. To study the social impact of the factory with particular reference to development of education of the population of the command area of this factory.
6. To study, the cultural and motivational welfare activities, health improvements, programmes adopted by the factory.
7. To investigate the problems and prospects of development of Co-operative sugar factories in the Maharashtra with view to suggesting some policy implications if possible.

#### I.4 : M E T H O D O L O G Y :

While considering the time limit and resources at our disposal, we have made a purposive selection of one of the oldest co-operative sugar industries in Kolhapur district. It is named as Shri Panchganga Sahakari Sakhar Karakhana Limited, Ganganagar, Ichalkaranji, which is developing fast under the dynamic leadership of the great freedom fighter and veteran cooperator Honourable Desh-bhakta Shri Ratanappa Kumbhar.

In order to study the economic impact of the factory, we have made use of the secondary data which was made available by the authority. It is out<sup>of</sup> limitation here that we have studied the economic impact at the aggregate level. In order to study the social impact, It needs to be noted here that, we could not study the economic impact of the sugar factory at the level of individual farmers.

In order to study the overall socio-economic impact of the sugar factory in the region, we have selected one small village in the command area of this sugar factory.

Sajani village was purposely selected for this case study. Again it needs to be explained here that the socio-economic impact created by the factory in the Sajani village cannot be generalized.

① What type of data is collected has not been mentioned  
 ② What type of impact is to be mentioned has not been mentioned

**I.5 : CHAPTER SCHEME :**

In addition to this first introductory chapter, we have developed, the present research work as follows -

1. Growth of sugar industry.
2. Profiles of Shri Panchaganga Sahakari Sakhar Karkhana Ltd. Ganganagar, Ichalkaranji.
3. The financial position of the factory.
4. Economic impact.
5. Social impact.
6. A case study of Sajani village.
7. Findings and conclusions.