

CHAPTER - V

SUMMARY CONCLUSIONS AND SUGGESTIONS

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In Chapter First, a brief introduction about the place of sugar industry in Indian economy has been described. It has been pointed out that sugar industry is second largest consumer goods in India, it ranks third in terms of its contribution to net value added, it has total capital investment of Rs. 1,350 crores, it employs 3.25 lakh workers and has created indirect employment for 25 million cultivators of sugarcane.

Its by products are utilized for the production of alcohol, Plastics, fibre board etc. It has contributed to socio economic development of regions around its respective locations.

This industry has been organized on cooperative principles in major part of the country and mainly in Maharashtra. In Maharashtra production of sugar is maximum. The reasons are a favourable physical and geographical factors that are available here. These have shifted the locational pattern of sugar industry from Uttar Pradesh to the South and in Maharashtra. This industry in India progressed from 29 units in 1931 to 371 units in 1986-1987.

In Maharashtra sugar industry has 85 units. Out of this Ahmadnagar (13) and Kolhapur(11) have major units organized on cooperative principles. In respect of cane crushing capacity,

production, Recovery, these two districts predominate.

Thus, it can be said that sugar industry is top ranking agro based consumer goods industry, fulfilling all the economic objectives of generation of employment raising of income, investment, consumption savings and thus attaining capital formation. Besides this it is contributing to rural development, improving agriculture, raising social cultural levels in the regions.

The present study is related to the working and growth of Shree Vithal Sahakari Sakhar Karkhana Ltd. Venunagar, Gursale situated at Pandharpur Tahsil of Solapur District.

The main objectives are to study the development and growth of sugar factory; study impact on 'A' grade shareholders; study the cropping pattern etc. and suggest remedies for various problems.

METHODOLOGY AND SAMPLES :

Out of 4682 producer members at the first crushing season 5% of producer members from 14 villages were selected through simple random method covering only 'area' of Pandharpur Tahsil, having irrigation facilities 71 members were selected. Two schedules for respondents and for sugar factory were used.

COLLECTION OF DATA :

The data relating to two time point were collected from the survey. Viz. before(1979-1980) and after (1985-1986) the

establishment of sugar factory. Questionnaire was prepared and was canvassed.

Besides annual reports of the factory, final manufacturing reports of the factory, Agricultural Office Account office etc. were used and use of secondary source such as books, Journals, reports etc.

The present work is of evaluatory nature.

In Chapter Second Profile of Solapur District has been presented. On the whole this region falls in rain shadow area. The natural resources like, forest, minerals are not in plenty. Major part of the district consists of rural areas. Naturally, agriculture is the main activity of the district.

The important feature of this region is the completion of irrigation project, namely Ujani Dam. As a result of this dam along with the rivers running in the district, commercial crops are grown increasingly. The supply of electricity is available to the 882 villages in the district.

Solapur is an important centre of cotton textile industry but recently due to this irrigation facilities and sugarcane crops various talukas have started sugar factories and brought economic prosperity to the region which suffered from regular on slaught of famine. In day to come Ujani Dam will surely transform the economy of the region by encouraging sugar factories.



In Chapter Third " Working and growth of Shree Vithal Sahakari Sakhar Karkhana Ltd., Venunagar, Gursale" has been presented.

Pandharpur Taluka had been famine hit. But initiative of local leaders was responsible for the establishment of the sugar factory under study. Water supply from Ujani dam enabled the farmers to grow sugarcane in the region.

The sugarcane crushing rose from 127462 M.T. in 1980-1981 to 381388.058 M.T. in 1986-1987. Sugar production rose from 124727 Qtls in 1980-1981 to 397711 Qtls in 1986-1987. Rise in recovery was also seen from 9.79% in 1980-1981 to 10.42% in 1986-87.

In respect of number of producer members, it is found that the number increased from 4682 in 1980-1981 to 6883 in 1986-1987.

The area of operation is expanded from 78 villages to 92 villages (1986-1987). The total workers increased from 474 in 1980-1981 to 638 in 1986-1987. Total area under sugarcane rose from 2045.88 hect. in 1980-1981 to 4336.44 hect. in 1986-1987. Total crushing days rose from 135 in 1980-1981 to 186 in 1986-1987.

Similarly, total hours of actual crushing rose from 2486.15 in 1980-1981 to 4039.0 in 1986-1987.

From this it is found that the factory under study is making progress in respect of sugar and its by products. As a result of this.

It has contributed to agricultural development in the regions from where producer members supply sugarcane. The factory supplies improved cane seeds, soil testing facilities, supply of fertilizers, irrigation scheme. etc. Measures to improve social cultural levels if the workers have been taken, it may develop subsidiary activities like dairy, poultry and cooperative credit society. Sugar factory has initiated these growth oriented schemes.

Thus, it is found that producer members get assured markets and fair prices as the factory purchases sugarcane from the producer members. The cooperative sugar factories pay higher prices than the support prices declared by the Government. With a view to maintain the continuity in the sugarcane supply the cooperative sugar factories have taken the responsibility of cutting sugarcane and transporting it to the factories. As a result of all these advantages the incomes of the producer members rise, and the land under sugarcane also has increased.

Sugar factory supply number of facilities to the producer members.

1. Improved seeds, fertilizers, analysis of soil, guidance in respect of sugarcane plantation have been supplied raise the per acre yield of sugarcane.
2. Sugarcane Development Board has been created to help the farmers in respect of scientific cultivation of land, to disseminate the information about newer technologies to them.

3. The factory has given crop loan, motor pump, tractor to the producer members on the guarantee given by nationalised bank viz. Baroda Bank. The producer members have benefited by these facilities.
- 4 The cooperative sugar factory has raised the credit of the producer members as these members have become eligible to get loans from cooperative societies and nationalised bank.
- 5 A number of subsidiary activities and institutions on cooperative basis has been encouraged by cooperative sugar factory in the compus of sugar factory.
- 6 The factory has been responsible for the growth of cooperative credit societies and lift irrigation schemes.
- 7 The factory has taken a project of "Seed Plots" to ensure a steady supply of quality sugarcane to the farmers.
- 8 Some amount is deducted from the payment of bills to the members and these payments are contributed to 'Area development fund' out of these funds, the factory undertakes public utility functions and educational institutions.
- 9 The sugar factory, has introduced a number of infrastructural facilities like, roads link roads for smooth running of bullock carts and tractors.
- 10 Savings and capital formation have taken place as a result of location of sugar factory in rural areas. It has increased

the number of members, share capital and equity capital.

This how that income of the producer members has been properly utilised in rural areas.

11. Saving habits of the producer members have been encouraged by acceptance of interest free loans and non refundable deposits from the producer members.
- 12 Sugar factory has undertaken lift irrigation schemes for supply adequate water to the crops in the farm.

In this way the sugar factory has undertaken various schemes for the development of rural areas around it, sugar factory has become an instrument of upliftment of producer members. Other cooperative societies and economic activities are emerging. A transformation in social economic life is taking place. The working and growth of sugar factory under study is taking conscious steps to achieve this along with the economic status of the producer members.

In Chapter Four, the economic impact of Shree Vithal Sahakari Sakhar Karkhana on the producer members has been studied.

The cooperative sugar factory under study has played important role in starting the process of transformation of region around it, in respect of economic, social aspects. It has contributed to the infrastructural facilities, agricultural development. It encouraged subsidiary economic activities like

dairy, poultry, Its endeavours in respect of supply of improved seeds, fertilizers, assistance for purchase of modern agricultural equipments, irrigation facilities are important.

The establishment of the sugar factory under study has benefited the producer members. This has been revealed by the findings of the survey, undertaken of 71 producer members, to study different aspects of the impact.

As a result of the sugar factory, number of small farmers becoming producer members rose over the period during which sugar factory was not established. The increasing number of small farmers have achieved the objective of cooperation.

Before the factory came into existence the primary ^{co-op.} of land irrigated was 42.99 but after its establishment it rose to 69.84% similarly there was a decline in the percentage of non irrigated land, i.e. these producer members could now irrigate the land because of irrigation facilities made available by Ujani dam.

Number of producer members who could take to dairy activities rose from 14 (before 1979-1980) to 61 in 1985-1986. Poultry activity was insignificant. Attention will have to be paid to it.

The crop pattern adopted by producer has changed for better food and commercial crop. e.g. before 1979-1980, Jowar/maize were the main crops, showing 91.54% and 22.53% respectively. In 1985,

the percentage of jawar declined to 60.56 and that of maize to 18.30%

The percentage of producers taking sugar cane was 38.02% before 1979-1980, but it rose to 88.73% vegetable was taken by 9.85% of producer members in 1979-1980 and by 10 producer members in 1985-1986.

Thus, as a result of sugar factory in the region the producer members shifted their crop pattern from traditional to commercial crops, feeding the sugar factory, for gaining more income.

Almost all the producer members had adopted improved agricultural tools such as engine, electric motor, tractor, besides plough kulav etc.

Before the establishment of the factory, the producers depended on money lenders mainly but after the establishment of the sugar factory, they relied heavily on cooperative credit society cooperative bank, commercial bank. This shows that institutional finance has played important role in supply of finances or loans to the producer members.

As a result of increased income and other facilities provided by the factory and other institutions, the producer members have started investing in permanent assets like land (39.43%) well (29.07%) Pipeline (38.02%) electric motor (52.11%) etc. capital formation has resulted due to this.

The improved incomes have reflected in the use of purchase of consumer durables quality cloths, improved diets. In short their consumption pattern has changed making their standard of living high.

The producer members, could spend on milk vegetables, eggs, non vegetables food.

The use of cotton cloth shows decline from 87.32% in (1979-80) to 55.34% in 1985-1986; Terrycot rose from 12.67% in 1979-1980 to 81.69% in 1985-1986. Use of terrylin rose from 16.90 in 1979-1980 to 68.78% in 1985-1986, woollen from 4.22% to 53.92% and from 5.63% to 2.11% during the above periods respectively.

In the dynamic world, persons want comforts and speed to keep pace with the dynamic world. Producer members could do this because of the sugar factory. In 1985-1986, 69.01% members could purchase bicycles, 42.25% motor cycles, 48 producer members could get radio, besides other goods giving comforts. The number of comfortable houses has increased from. (45.20% to 63.53%) and number of non comfortable houses decreased from (54.8% to 32.47%) in 1985-1986.

As a result of all these investments in permanent assets, consumer durables, housing etc. they could save 16% of their income.

On the whole the economic impact of sugar factory under study is favourable on the producer members surveyed.

SUGGESTIONS

1. Larger number of producer members could make use of all the facilities made available by the factory.
2. The factory should give guidance to the producer members about use of fertilizer seeds, water insecticides etc. In view of the growing salinity, loss, in per hectare yield seen in other operational areas of sugar factories in the state, the factory under study should take preventive measures from now onwards to avoid future danger.
3. Favourable geographical and irrigational conditions are available here. In this situation it will pay more to the factory if it gives more attention to guide the farmers in respect of use of fertilizers, improved seeds of sugarcane such as Co 7219, CO 571, 7704. They should be made available for plantation purpose. It is said these varieties contain 10 to 12% recovery.
4. There should be coordination between the sugarcane planning adopted by the sugar factory and crop planning adopted by the producer members.
5. The producer members who are in the directors of the sugar factory should maintain continuous relation with the producer members in their areas. So that they will be able solve the difficulties of the members.

6. The factory should give necessary financial assistance to enable producer members to start subsidiary economic activity. Whatever financial assistance by way of loans is given to the producer members may be deducted from the sugarcane bills to be received by the producer members.
7. The producer member also should extend the conscious cooperation to the sugar factory which has been started the local leaders.
8. Producer members should not forget that the factory has brought plenty and prosperity to the dry, dreary region which suffered from famine in the past.