

## **CHAPTER - IV**

### **PROGRESS OF THE YASHAWANT CO-OPERATIVE SUGAR FACTORY LTD. KHANAPUR**

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### **PROGRESS OF THE YASHAWANT CO-OPERATIVE SUGAR FACTORY LTD. KHANAPUR**

#### **4.1. INTRODUCTION:-**

Yashawant cooperative sugar factory is established in the semi drought region. Late. Sampatrao (Nana) Mane has established the factory at Nagewadi keeping the motives which are beneficial for whole region like crushing of sugarcane should be increased, farmers would get right price for their goods and as one of the employment sources for the youngsters. In the beginning he realized the shortage of capital but finally it was collected. From the very beginning, inadequacy of sugarcane and drought situation for long time was the problems faced by the factory. Due to this entire situation become critical for the factory.

#### **4.2. MEMBERSHIP:-**

In the first season of crushing the number of cane producer members was 4601 ('A' class) and in cooperative institution it was 4 ('B' class). Up to 30<sup>th</sup> September, 1986, 326 members were belongs SC and ST out of 4601members.

Distribution of members has shown in the table no. 4.1. There were 7,341 producer members till 31-03-1990 while 71 were non-producer members. In that year total members were 7413.

**Table No 4.1**  
**Distribution of membership of Yashawant Cooperative Sugar Factory Ltd.**  
**Khanapur (1991 to 2002)**

Years	Producer Members (Class 'A')	Non-producer Member (Cooperative institutes) Class 'B'	Govt. of Maharashtra	Total Members
1990-91	7341 (-)	71	1	7413 (-)
1991-92	7347 (0.08)	71	1	7419 (0.08)
1992-93	7347 (0.00)	71	1	7419 (0.00)
1993-94	7347 (0.00)	71	1	7419 (0.00)
1994-95	7347 (0.00)	71	1	7419 (0.00)
1995-96	12865 (75.10)	78	1	12944 (75.10)
1996-97	12865 (0.00)	78	1	12944 (0.00)
1997-98	12908 (0.33)	78	1	12987 (0.33)
1998-99	12908 (0.00)	78	1	12987 (0.00)
1999-2000	12933 (0.19)	78	1	13012 (0.19)
2000-01	12942 (0.06)	80	1	13023 (0.06)
2001-02	12943 (0.007)	82	1	13026 (0.007)

Source: Compiled from the report of Yashawant Co-operative Sugar Factory

Note : 1. Figures in parentheses shows percentage change.

2. Actual figures as on 31 March.

Table No- 4.1 shows the distribution of members of Yashawant cooperative Sugar Factory Ltd. Khanapur. The producer membership of the factory under study ranges between 7341 to 12943 during the period under study, it was 7341 in 1990-91 which has increased up to 12943 in 2001-02. Where as the non-producer membership which is called as 'B' class members range between 71 to 82 during the period under study. Government of Maharashtra is one of the members of the factory in question.

It is observed from the table that-

- 1) Number of producer members i.e. 'A' class members remained constant for the period 1991-92 to 1994-95.
- 2) Number of non-producer members i.e. 'B' class members has been remained constant during 1990-91 to 1994-95 and 1995-96 to 1999-2000.
- 3) Percentage of 'A' class and 'B' class members ranges between 99.02 percent to 99.39 percent and 0.95 percent to 0.59 percent.
- 4) Compound growth rate of the producer and non-producer member of the factory under study is 4.64 and 10 respectively.

#### **4.3. SHARES:-**

The Yashawant Cooperative Sugar Factory had 4741 producer member shareholders during the first crushing season and cooperative institutes members share was only 4. Where as Maharashtra Government purchased 14325 priority right shares.

In the 1991 year producer member shares were 7482. While non-producer member share were only 74. The Maharashtra Government purchased 13832 shares along with it was purchased 570 shares for Godowns also.

Table No. 4.2

Distribution of the Shares of Yashawant Cooperative Sugar Factory Ltd. Khanapur (1991 to 2002)

Years	Shares Of Producer Members (Class 'A')	Growth rate.	Shares of Non-producer Member (Class 'B')	Growth rate	Shares of Gov. of Maharashtra	Growth rate	Total Shares	Growth rate
1990-91	7482 (34.98)	---	74 (0.35)	---	13832 (64.67)	---	21388 (100)	-
1991-92	7482 (36.71)	0.00	74 (0.36)	0.00	12825 (62.92)	-7.28	20381 (100)	-4.70
1992-93	7482 (36.71)	0.00	74 (0.36)	0.00	12825 (62.95)	0.00	20381 (100)	0.00
1993-94	7482 (36.71)	0.00	74 (0.36)	0.00	12825 (62.95)	0.00	20381 (100)	0.00
1994-95	7482 (38.40)	0.00	74 (0.37)	0.00	11925 (61.21)	-7.01	19481 (100)	-4.41
1995-96	13000 (55.49)	73.75	- (0.00)	--	10425 (44.50)	-12.57	23425 (100)	20.24
1996-97	13000	0.00	81	9.45	9525	-8.63	22606	-3.49

	(57.50)			(0.35)		(42.13)		(100)	
1997-98	13000 (57.50)	0.00	81 (0.35)	0.00	9525 (42.13)	0.00	22606 (100)	0.00	0.00
1998-99	13000 (57.50)	0.00	81 (0.35)	0.00	9525 (42.13)	0.00	22606 (100)	0.00	0.00
1999-2000	13000 (58.69)	0.00	81 (0.36)	0.00	9066 (40.93)	-4.81	22147 (100)	-2.03	
2000-01	13000 (58.69)	0.00	83 (0.37)	2.46	9066 (40.93)	0.00	22147 (100)	0.009	
2001-02	13000 (62.29)	0.00	83 (0.39)	0.00	7784 (37.30)	-14.14	20867 (100)	-5.78	

Source: compiled from the report of Yashwant Cooperative Sugar Factory Ltd. Khanapur.

Note: 1) Actual figures shows as on 31 March.

2) Figure in parenthesis represents percentage to total share

Table No-4.2 shows the distribution of the shares of Yashwant Cooperative Sugar Factory ltd. Khanapur (1991 to 2002).

It is observed from the table that-

1) From 1990-91 seasons to 1994-95 seasons the shares of producer members and non producer members was constant.

2) In 1996, the numbers of producer member shares become 13000; it was increased by 73.75 percent as compared to previous year.

3) The share has decreasing constantly but increased by 20.47 percent in the year 1995-96.

4) The shares of non producer member in the year 1996-97 to 1999-2000 have not increased. However it has been increased in the year 2000-01 compared to the previous year.

5) Number of shares purchased by the Gov. of Maharashtra has been decreased from 13832 to 7784 during the period under study.

6) Percentage share of shares purchased by producer members ranges between 34.98 percent to 62.29 percent.

7) Percentage share of Non-producer members shares range between 0.35 percent to 0.39 percent.

8) Percentage share of Maharashtra Government range between 37.30 percent to 64.67 percent.

9) In 1996-97, share of non-producer members increased by 9.45 percent as compared to previous year.

#### **4.4. SHARE CAPITAL:**

Yashwant Cooperative Sugar Factory sells their shares to producer members, non producer members and government of Maharashtra for erection of fund or finance. The fund plays most important role in the development of cooperative institution. In total fund of the factory share capital raised by authorized share is most important from the point of view of cooperative institution. If the share fund is available in abundant ratio, the factory will produce the good amount of sugar in low cost.

In the collection of share capital factory faces the obstacles from time to time. Therefore running factory takes excess amount of debts from banks and that's why the burden of debts and interest was increased on factory.

In Table no 4.3. It has been shown share capital provided by various factors to the factory. In the year 1990-91, the authorized share capital of the factory was 665.00 lakhs while paid up share capital was 370.63 lakhs. It means that percentage of the paid up share capital was 55.73% to authorized share capital.



Table No. 4.3

## Distribution of the Share Capital of Yashawant Cooperative Sugar Factory Ltd. Khanapur.

Years	Producer Members (Class 'A')	Growth rate	Non-producer Member (cooperative institutes) (Class 'B')	Growth rate	Gov. of Maharashtra	Growth rate	Authorized Capital	Paid up Capital	Growth rate
1990-91	113.25 (30.54)	---	1.08 (0.29)	---	256.50 (69.16)	---	665.00	370.83 (100)	---
1991-92	124.78 (32.64)	10.18	1.09 (0.28)	0.92	256.50 (67.08)	0.00	665.00	382.37 (100)	3.11
1992-93	134.06 (34.23)	7.43	1.09 (0.27)	0.00	256.50 (65.49)	0.00	665.00	391.65 (100)	2.42
1993-94	137.06 (34.73)	2.23	1.09 (0.27)	0.00	256.50 (64.99)	0.00	665.00	394.65 (100)	0.76
1994-95	137.06 (36.39)	(0.00)	1.09 (0.28)	0.00	238.50 (63.32)	-7.01	665.00	376.65 (100)	-4.56
1995-96	231.14 (52.43)	68.64	1.23 (0.27)	12.84	208.50 (47.29)	-12.57	665.00	440.87 (100)	17.05
1996-97	235.07 (55.05)	1.70	1.49 (0.34)	21.13	190.50 (44.60)	-8.63	665.00	127.06 (100)	-3.13

1997-98	263.90 (57.89)	12.26	1.50 (0.32)	0.67	190.50 (41.78)	0.00	797.50	455.9 (6.75)	6.75
1998-99	273.19 (58.71)	3.52	1.54 (0.33)	2.66	190.50 (40.94)	0.00	1147.50	465.23 (100)	2.04
1999-2000	281.48 (60.49)	(3.03)	1.54 (0.33)	0.00	181.33 (38.96)	-4.81	1147.50	464.35 (100)	-0.18
2000-01	287.48 (60.86)	2.13	1.58 (0.33)	2.59	183.33 (38.38)	1.10	1147.50	472.39 (100)	1.73
2001-02	288.32 (64.70)	0.29	1.63 (0.36)	3.16	155.69 (34.93)	-15.07	1147.50	445.64 (100)	-5.66

Source – Compiled from reports of Yashawant Cooperative Sugar Factory

Note – 1. Figures in parentheses indicates percentage to total paid up capital.

2. Actual figures show as on 31<sup>st</sup> March.

In 1991-92, share capital provided by producer share holders was increased by 10.18 % as compared to previous season and in total paid up share capital it was increased by 3.11%. But there was no considerable growth in share capital provided by Maharashtra Government and non producer cooperative institutes.

From 1991-92 to 1994-95 seasons there was no growth in share capital provided by producer share holders while no growth in the share capital provided by non producer share holder. The share capital decreased by 7.01 % provided by Maharashtra government, due to this paid up capital increased by very small rate.

In season 1995-96, share capital provided by producer shareholders was increased by 68.84%. While share capital provided by non producer shareholder was increased by 12.84% compared to the previous year. But share capital decreased by 12.57% provided by Maharashtra government. Total paid up share capital increased by 17.0% compared to previous year.

The factory increased the authorized share capital and it increased up to 797.50 lakh rupees in 1997-98. The share capital was increased by 12.26% provided by producer shareholders. And it was increased by 0.67% provided by non producer share holders. There was no growth in share capital provided by Maharashtra government. Total paid up share capital increased by 6.75%. The share of paid up share capital in authorized share capital was 57.16%.

In year 1998-99, the factory increased authorized share capital up to 1147.50 lakh rupees. The share capital increased by 3.52% provided by producer share holders and it is increased by 2.66% provided by non producer share holders. But there was no growth in the share capital provided by Maharashtra Government.

During the period under study, there is slightly increase in the share capital provided by producer and non producer share holders. While share capital constantly decreased this was provided by Maharashtra government. The share of paid up capital was 38.89% in 2001-02. It is necessary that the share of paid up capital should be greater in out of the total authorized capital. But in Yashawant Cooperative Sugar Factory, the share of paid up share capital was near to 58% in 1998-99, while 401% in 1998-99.

#### 4.5. AREA OF OPERATION:-

Yashwant Cooperative Sugar Factory Ltd. Khanapur is situated in Khanapur Taluka at Nagewadi. An operational area of Yashwant Cooperative Sugar Factory Ltd. Khanapur is spread over in one Taluka in the year 1999-2000, consisting 96 villages in command area. After 2002, command area had created consisting villages from the drought area. There was no enough sugarcane supply to the factory from this area and the creation of new Taluka named Kadegaon including same villages of Khanapur Taluka were the main causes to expand the operational are of the factory. By correcting the laws the operational area of the factory was increased including, Khanapur, Kadegaon, Khatav and Man Taluka.

#### Operational area before 2002

#### 96 villages in operational area

1.	Newari	2.	Ambegaon	3.	Vidiraybag
4.	Kherade (Vita)	5.	Kanaherwadi	6.	Chikhahol
7.	Hingangade	8.	Gardi	9.	Ghanwad
10.	Kherade (Wangi)	11.	Yetgaon	12.	Bhikawadi (Khu.)
13.	Mahuli	14.	Kadepur	15.	Amarapur
16.	Yeade	17.	Chikhali	18.	Belawade
19.	Sasepade	20.	Tondoli	21.	Upale (M)
22.	Upale	23.	Hanmantwadiye	24.	Nhavi
25.	Nemsod	26.	Shivani	27.	Vihapur
28.	Shalagoen	29.	Raygaon	30.	Hingangaon
31.	Shoholi	32.	Kadegaon	33.	Khanapur
34.	Balawari(Khanapur)	35.	Ainwadi	36.	Hivare
37.	Jodhalkhindi	38.	Jadhavwadi	39.	Menganwade

40.	Benapur	41.	Sultangade	42.	Palasi
43.	Banur	44.	Karanj	45.	Mohi
46.	Posewadi	47.	Dhondewadi	48.	Bhadakewadi
49.	Shedagewadi	50.	Ghoti (Bu)	51.	Ghoti (Khu.)
52.	Revangaon	53.	Kusabawadi	54.	Gorewadi
55.	Mulanwadi	56.	Bhikawadi	57.	Kotij
58.	Dhanewadi	59.	Tupewadi	60.	Lengare
61.	Bhoud	62.	Madhalmuthi	63.	Jakhinwadi
64.	Valuj	65.	Sangola	66.	Salashinge
67.	Devikhindi	68.	Vejegaon	69.	Valkhad
70.	Bhendawade	71.	Bombalwadi	72.	Renusewadi
73.	Karadewadi	74.	Alas and	75.	Khambale
76.	Kalambi	77.	Dhawaleshwar	78.	Wazar
79.	Tandulwadi	80.	Kargve	81.	Mangalur
82.	Bamani	83.	Pare	84.	Chinchani (M)
85.	Kurali	86.	Renavi	87.	Bhakuchiwadi
88.	Vita	89.	Nagewadi	90.	Tadachiwadi
91.	Vasumbe	92.	Bhambarde	93.	Kamalapur
94.	Ramapur	95.	Bhalawani	96.	shelakbhav

**Operational Area after 2002:-**

**65 Villages in Khanapur Taluka**

1.	Chikhalhol	2.	Hingangade	3.	Gardi
4.	Ghanwad	5.	Mahuli	6.	Khanapur
7.	Balawadi (kha.)	8.	Ainwadi	9.	Hivare
10.	Jondhalkhindi	11.	Jadhavwadi	12.	Manganwadi
13.	Benapur	14.	Sultangade	15.	Palashi
16.	Banur	17.	Karanj	18.	Mohi
19.	Posewadi	20.	Dhondewadi	21.	Bhadakewadi
22.	Shedagewadi	23.	Ghoti (khu)	24.	Ghoti (Bu)
25.	Rewangaon	26.	Kusbawade	27.	Mulanwadi
28.	Gorewadi	29.	Lengare	30.	Bhud
31.	Madhalmuthi	32.	Jakhinwadi	33.	Valuj
34.	Sangola	35.	Salshinge	36.	Bhikawadi
37.	Devikhindi	38.	Vejegaon	39.	Valakhad
40.	Bhendawade	41.	Alasand	42.	Khambali (Bu)
43.	Kelambi	44.	Dhewaleswar	45.	Wazar
46.	Tandulwadi	47.	Karve	48.	Mangalur
49.	Bamani	50.	Pare	51.	Chinchani
52.	Kurli	53.	Renavi	54.	Vita
55.	Bhakuchiwadi	56.	Nagewadi	57.	Todachiwadi
58.	Vasumbe	59.	Bhambarde	60.	Kamalapur
61.	Bhalawani	62.	Panchalingnagar	63.	Balawadi(Bu)
64.	Jadhavnagar	65.	Devnagar		

### 37 Villages in Kadegaon Taluka

1.	Newari	2.	Ambegaon	3.	Vidiaye raybag
4.	Kherade (Vita)	5.	Kheradewangi	6.	Kherade (W)
7.	Yetgaon	8.	Bhikawadi (Khu)	9.	Kadepur
10.	Amarapur	11.	Yade	12.	Chikhali
13.	Belawade	14.	Sasapede	15.	Tondoli
16.	Upale (M)	17.	Shivajinagar	18.	Nimsod
19.	Upale (W)	20.	Hanmantwadiye	21.	Shivani
22.	Vihapur	23.	Shalegaon	24.	Raygaon
25.	Hingangaon	26.	Soholi	27.	Kadegaon
28.	Kotij	29.	Dhanewadi	30.	Tupewadi
31.	Bhambalewadi	32.	Renusewadi	33.	Karandewadi
34.	Shelakbhav	35.	Ramapur	36.	Yewalewadi
37.	Tupewadi				

### 33 Villages in Khatav Taluka

1.	Mayani	2.	Kaledhone	3.	Pancahwad
4.	Vikhale	5.	Hivar wadi	6.	Anfal
7.	Dhondivadi	8.	Datewadi	9.	Palasgaon
10.	Khatawal	11.	Ainkul	12.	Chitale
13.	Mahasumi	14.	Nimsod	15.	Morale
16.	Goregaon	17.	Pimpari	18.	Banpuri
19.	Ainbawade	20.	Gursale	21.	Nadawal
22.	Yaralwadi	23.	Katar khatav	24.	Vaduj
25.	Hingane	26.	Bombale	27.	Dambewadi
28.	Kanherwadi	29.	Umbarde	30.	Suryachiwadi
31.	Kankatre	32.	Padal	33.	garalewadi

### 10 Villages in Man Taluka

1.	Pingali	2.	Karakasal	3.	Gondawale (Bu)
4.	Gondawale (khu)	5.	Dahiwadi	6.	Vaduj
7.	Kukudwad	8.	Narawane	9.	Hivtad
10.	Londawade				

#### 4.6. PERIOD OF SEASONS:-

The crushing season of sugarcane is depends on its availability. If the availability of sugarcane is excess the period of crushing season will be increased for long days. On the other hand if the availability of sugarcane is in low the period of crushing season decreased. Basically Vasantdada Sugar Institute, Pune, expressed the view every factory must be run for 160 days for crushing distillation of sugar. It is need of time. In this respect Yashawant Cooperative Sugar Factory Ltd. Khanapur collect the sugarcane from area of operation and out of operational area for crushing season. Due to lack of sugarcane availability in area the factory collects sugarcane from outside that's why factory is facing competition for the collection of sugarcane. Due to the shortage in sugarcane supply factory cannot run long period for crushing distillation.

**Table No. 4.4**  
**Period of Crushing Season**

Years	Starting date of the Season	Closing date of the Season	Gross days of the season	Net days of the season	Actual day of working hours of season
1991-92	3-11-1991	10-5-1992	190	184	4061.42
1992-93	12-11-1992	30-4-1993	170	152	3364.55
1993-94	15-11-1993	3-4-1994	140	120	2643.83
1994-95	30-11-1994	6-5-1995	188	179	3947.75
1995-96	9-11-1995	24-6-1996	229	214	4724.58
1996-97	18-11-1996	17-4-1997	157	141	2123.33
1997-98	20-11-1997	17-4-1998	149	134	2958.35



1998-99	13-11-1998	25-5-1999	191	162	3566.20
1999-2000	17-11-1999	22-5-2000	181	176	3892.50
2000-01	2-11-2000	6-4-2001	156	143	3155.40
2001-02	6-11-2001	26-2-2002	113	103	2269.8

Source: compiled from the annual reports of the Yashwant cooperative sugar factory of Khanapur.

The table No. 4.4 gives us the information about the beginning and closing of the crushing season. It also represents gross days and net days of crushing season. Generally in a season the factory crushes cane for 6 months. During the period under study on an average the factory has crushed the cane for 170 gross days and 155 net days.

If the factory is to be run efficiently the factory has to work 3960 hours in crushing period. But during the period under study data, it is come to know that on an average the crushing hours of the factory under study are only 3000.

In 2001-2002, the crushing season was only 103 days, because in that season, there was drought in the operational area.

#### **4.7. CANE CRUSHED AND CAPACITY UTILIZATION:-**

The approved (Sanctioned) crushing capacity of the factory is 1250 TCD. It is hardly possible for the factory to make total use of its installed capacity because of lack of required sugarcane production and regular draughts in its operational area. But factory has made maximum use of its capacity bringing the cane from its operational area as well as other areas.

**Table No. 4.5**

**Cane Crushed, Crushing Rate per Day and capacity utilization in percentage**

Sr. No.	Year of the Season	Installment Capacity (TDC)	Cane Crushed (M. Ton)	Available Days	Crushing Rate Per Day (Hrs) (M.T.)	Capacity Utilization (%)
1.	1991-92	1250	285769 (-)	190	1504.04	120
2.	1992-93	1250	242291 (-15.21)	170	1425.24	114
3.	1993-94	1250	155727 (-35.72)	140	1112.33	88
4.	1994-95	1250	294185 (88.91)	188	1564.81	125
5.	1995-96	1250	354842 (20.61)	229	1549.52	123
6.	1996-97	1250	224070 (-36.85)	151	1483.90	118
7.	1997-98	1250	205437 (-8.31)	149	1378.77	110
8.	1998-99	1250	289267 (40.80)	191	1514.48	121
9.	1999-2000	1250	342978 (18.56)	188	1824.35	145
10.	2000-01	1250	280136 (-18.32)	156	1795.74	143
11.	2001-02	12500	175412 (-37.38)	113	1552.31	124

Source – 1. Complied from Vasantdada Sugar Institute Report.

2. Complied from Annual Report of Yashawant Cooperative Sugar Factory Ltd. Khanapur.

TDC – Thousand Tones crushing per day.

The above table indicates the installed capacity in TDC, cane crushed in Metric Tones, available days, crushing rate per day in M.T. and capacity utilization in percentage.

In this above calculation of capacity utilization % following formula has been used.

Cap. Utin. % = Cane crushed during the season M.T.

Avg. days X Daily Crushing Capacity (TCD)

Avg. Days = Available Hrs = Actual Crushing Hrs. + lost hrs.

22

22

Above formula has been developed by the Vasantdada Sugar Institute Pune.

In the season of 1991-92 the factory had crushed 285769 M.T. cane and crushing rate per day was 1504.04 M.T. In this season the factory had utilized 120 % crushing capacity.

In the season 1992-93 the factory crushed 242291 M.T. sugarcane. It was decreased by 15.21 % as compare to previous year. In this season crushing rate per day was 1425.25 M.T. and capacity utilization was 114%. If we compare, we can conclude that the crushing rate per day and percentage of capacity utilization is lowered than previous year.

In the year 1993-94 the factory crushed 155727 M.T. sugarcane. It was decreased by 35.72 % as compared to previous year. Due to the lack of sugarcane in the operational are, the crushing was reduced. In this season capacity utilization of the factory was only 88 %.

In the year 1995-96, 354842 M.T. Sugarcane was crushed. It was increased by 20.61 % as compared to previous year. The crushing season was 229 days. The crushing rate per day was 1549.52 M.T. the capacity utilization was 123 %

In the season 2001-2002, 175412 M.T. sugarcane was crushed. It was decreased by 37.38 % as compared to previous year. The crushing season was 113 day due to lack of sugarcane supply.

The factory had been close from 2002 to 2005 due to the reduction in availability of cane and increasing loss of factory. But from the year 2005-2006 the

factory again started under the supervision of Rajarambapu Sahakari Sakhar Karkhana Ltd. Islampur.

To sum up, we can say that the progress of the factory was a better, in case of the crushing capacity and capacity utilization but the availability of sugarcane is the major obstacles facing the factory.

#### **4.8. CANE CRUSHED IN OPERATIONAL AREA AND OUTSIDE THE AREA:**

The operational area of the factory is semi drought area. In this area there is no single perennial river. Irrigation field in the area is very low. Due to this the cane to crush for the factory is not enough provided enough and hence to utilized more than half of its capacity the cane has to be brought from the outside the operational area.

**Table No 4.6**

#### **Distribution of Crushed Sugarcane between Operational and Outside Area**

Sr. No.	Year of the Season	Cane crushed		
		In operational Area (M.T.)	In outside the operational Area (M.T.)	Total (M.T.)
1.	1991-92	137371 (48.08)	148398 (51.92)	285769 (100)
2.	1992-93	101272 (41.10)	141019 (58.20)	242291 (100)
3.	1993-94	41287 (26.52)	114440 (73.48)	155727 (100)
4.	1994-95	124158 (40.21)	170027 (57.79)	294185 (100)
5.	1995-96	146347 (41.25)	208495 (58.75)	354842 (100)
6.	1996-97	110603 (49.37)	113467 (50.63)	224070 (100)
7.	1997-98	96043 (46.76)	109394 (53.24)	205437 (100)
8.	1998-99	93230	196037	289267

		(32.23)	(67.77)	(100)
9.	1999-2000	143000 (41.70)	199978 (58.30)	342978 (100)
10.	2000-01	79548 (28.40)	200588 (71.60)	280136 (100)
11.	2001-02	10631 (6.07)	164781 (93.93)	175412 (100)

Source – compiled from annual reports of Yashawant Cooperative Sugar Factory Ltd. Khanapur of the respective year.

Note: figures in parenthesis indicates percentage to total cane crushed.

In table No.4.6 total cane crushed, cane crushed in operational area and cane crushed outside the area along with percentage is shown.

In the season 1991-92, 285769 M.T. cane was crushed out of it 137371 M.T. sugarcane was from the operational are and percentage of crushed cane from this area was only 48.08 % and 51.92 % was from the outside of the operational area.

In year 1992-93, 101272 M. T. sugarcane was from operational area. It accounts for 41.10 % sugarcane from operational area and 58.20% sugarcane form outside the operational area.

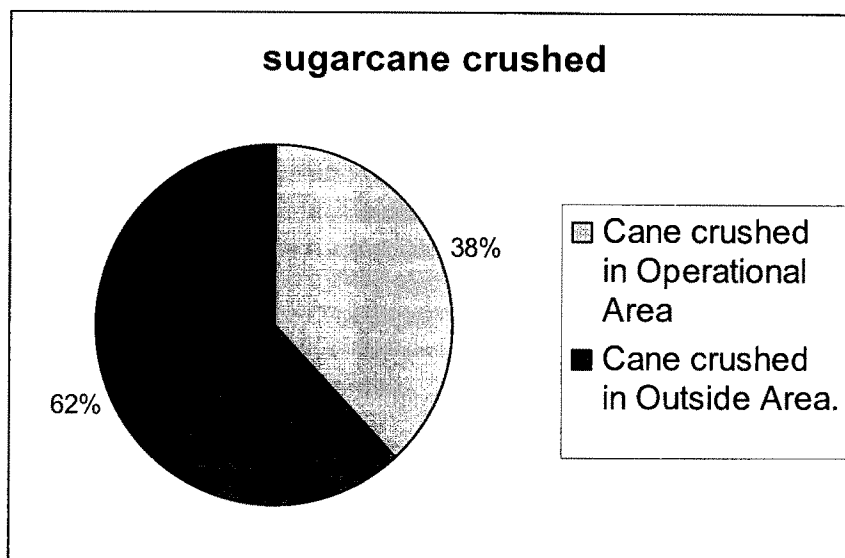
In year 1993-94 only 41287 M.T. sugarcane become available for crushing from the operational area. It means that the percentage of crushed sugarcane from operational area was only 26.52% to the total crushed cane.

In the season 2001-2002 only 175412 M.T. sugarcane was crushed out of which 10631 M.T. sugarcane was from operational area. It accounts 6.07 % cane was from the operational area, while 93.44% sugarcane from outside the operational area.

Due to lack of sugarcane the factory was closed from 2002 to 2005.

If we consider table No.4.6 it is come to know that 62% sugarcane is brought from outside the operational area for crushing and only 38% sugarcane is produced from the operational area.

**Diagram No.4.1 Sugarcane Crushed**



From above pie diagram it is clear that out of the total crushed sugarcane, only 38% cane was from the operational area and remaining 62 % sugarcane was from the outside area.

To manage the factory in a proper and a creative way there is necessity of crushing minimum 3 lakh M.T. sugarcane in each season. But presently only 98,499 M.T. sugarcane is being crushed in the factory from the operational area. Hence it is concluded that the less availability of sugarcane than requirement is the main and most important obstacles before the Yashwant Cooperative Sugar Factory.

#### **4.9. PRODUCTION OF SUGAR: –**

Yashwant Cooperative Sugar Factory produced the sugar through bringing the sugarcane from operational as well as out of operational area. There are some changes occur in the production of sugar because the availability of sugarcane is operational area. Factory tried to bring maximum sugarcane from out of operational area and produced the sugar. There are some ups and downs appear in the production of sugar because the factory compete with other factories for bringing maximum sugarcane from out of operational area and it have to spend more money on transportation.

**Table No. 4.7**  
**Sugar Production**

Sr. No.	Year of the Season	Sugar Production (Quintal)	Growth Rate in Sugar Production	Recovery (%)
1.	1991-92	336270	---	11.7
2.	1992-93	273690	-18.61	11.2
3.	1993-94	176351	-35.56	11.3
4.	1994-95	330050	87.15	11.2
5.	1995-96	370811	12.34	10.4
6.	1996-97	249171	-32.80	11.1
7.	1997-98	225270	-9.59	10.5
8.	1998-99	333190	47.90	11.5
9.	1999-2000	380009	14.05	11.7
10.	2000-01	326600	-14.05	11.4
11.	2001-02	193700	-40.69	11.0

Source : Compiled from annual report of the Yashawant Cooperative Sugar Factory Ltd. Khanapur of the respective year.

Table No.4.7 shows the production of sugar, Growth rate and Recovery of the Yashawant Cooperative Sugar Factory Ltd. Khanapur during the time under study.

It is observed from the table that:-

1) In the year 1991-92 the production of sugar was 336270 quintal. But as compared to the previous year in 1991-92 the factory has been produced 14144 quintal sugar more than previous year. In this year the sugar recovery was 11.7 percent.

2) In the season 1992-93 the sugar production was 273690 quintal which is reduced by 18.61 percent. The sugar recovery was 11.3 percent.

3) In the year 1994-95 the sugar production was 330050 quintal which is increased by 87.15 percent as compared to previous year and the sugar recovery was 11.2 percent.

4) In the season 1995-96 and 1997-98 the sugar recovery is lowered than any other seasons.

5) If we consider the growth rate of sugar production within 11 years it is negative and it is -3.85 percent in the period of 1991-92 to 2001-2002 is reduced rather than increased.

The average sugar recovery in all season has been 11.1percent. Recovery of the factory is high because the Yashwant Cooperative Sugar Factory is in high sugar recovery zone.

#### **4.10. MOLASSES PRODUCTION: –**

Yashwant cooperative sugar factory get the production of molasses with sugar. There is growth and reduction in the distillation of sugarcane which affected the production of molasses. In the process of production of sugar the factory acquired the molasses production which has been sold to share holder as a fertilizers. The production of molasses is most important because it give the extra profit to factory with sugar production.

In the production of sugar factory produced baggas also. The changes can occur in the baggas production because of the changing situation in sugarcane distillation. Out of total baggas of some is used for boiler as a fuel.



**Table No 4.8****Molasses Production**

Sr. No.	Year of the Season	Molasses Production (in Tones)	Growth Rate	% of molasses per ton sugarcane	% of bagas Per ton Sugarcane
1.	1991-92	108622.40	-	3.79	32.438
2.	1992-93	99091.20	-8.77	4.087	33.377
3.	1993-94	62481.50	-36.94	4.01	30.97
4.	1994-95	124882.20	99.87	4.24	29.46
5.	1995-96	166407.60	33.25	4.69	31.75
6.	1996-97	93079.60	-44.06	4.15	31.11
7.	1997-98	86171.40	-7.42	4.19	28.75
8.	1998-99	12226.210	-85.81	4.22	30.10
9.	1999-2000	15366.250	25.68	4.48	27.90
10.	2000-01	12547.750	-18.34	4.46	28.69
11.	2001-02	7933.300	-36.77	4.52	27.76

Source – Complied from Annual Reports of the Yashawant Cooperative Sugar Factory Ltd. Khanapur.

The table shows No4.8 the production of molasses and baggas along with their percentage of the Yashawant Cooperative Sugar Factory Ltd. Khanapur.

In the year 1991-92 the production of molasses was 108622.40 ton. The ratio of produced Molasses with per ton sugarcane was 3.79 percent and the ratio of produced baggas with per ton sugarcane was 32.438. In the year 1992-93 the production of molasses was decreased by 8.77 percent. But the ratio of average of molasses with per ton sugarcane increased in 0.297 percent. In the same way the production baggas is also increased in 0.939 percent. In 1993-94 the production of

molasses is decreased in 36.94 percent. The comparison with previous year the average ratio of baggas with sugarcane is degreased 2.407 percent.

In years 1994-95 and 1995-96 the production of Molasses has been increased by 99.87 percent and 33.25 percent respectively. The average ratio of baggas with per ton sugarcane proportionally increased in 2.29 percent. The percentage of Molasses with per ton sugarcane is remained as excess than 4 percent. If we compare the percentage of Molasses in 1995-96 is 4.69 percent. This figure shows that the percentage of Molasses in 1995-96 is greater than all other seasons.

From 1996-97 the production of molasses is decreased. Only in the year 1999-2000 the molasses was produced by 25.68 percent which is better than previous year. Again the molasses production is decreased in the year 2000-01. In 1996-97, the production of baggas has been increased by 31.11 percent. In 1997-98 its growth rate was 28.75 percent. This figure shows that the production of baggas is decreased as compared to previous year. In the season of 1999-2000 the proportion of baggas per ton sugarcane was 27.90 percent. In 2001-02 the proportion of baggas per ton sugarcane was 27.76 percent. If we compared the proportion of baggas production to sugarcane in 2001-02 is very low than other respective years.

If we think about respective eleven years the production of Molasses has been increased sometimes. There are ups and down production of molasses because in distillation of sugarcane caused by availability of sugarcane in operational and out of operational area. In the crushing season of 1991-92 the percentage of molasses to sugarcane is lower i.e. 3.79 percent. But in the following year it remained more than 4 percent.

#### **4.11. PURCHASE RATE OF SUGARCANE: –**

Yashwant Cooperative Sugar Factory purchases the sugarcane by taking into consideration the cost of statutory minimum price and state advisory price. Due to lack of sugarcane in operational area that time it faced the competition with other factories. In market for running the factory they purchase sugarcane at extra cost some time. The cost of sugarcane is affected on the production cost of sugar. Therefore, there is most important to study the price of sugarcane.

**Table No. 4.9**

**Purchase rate of Sugarcane**

Sr. No.	Year of the Season	Cost of sugarcane (Per tonns Purchase Rate in Rs.)	Change in Sugar can cost Per tonns (%)
1.	1991-92	426	-
2.	1992-93	540	26.76
3.	1993-94	830	57.70
4.	1994-95	675	-18.67
5.	1995-96	565	-16.29
6.	1996-97	645	14.15
7.	1997-98	808	25.27
8.	1998-99	667	-17.54
9.	1999-2000	639	-4.19
10.	2000-01	760	18.93
11.	2001-02	850	11.84

**Source** – Compiled from Annual Report of Yashawant cooperative sugar factory Ltd. Khanapur.

In the Table No4.9 has presented the purchase rate which has been given by the factory.

In the season 1991-92 the cane purchase rate was Rs. 426 per tone while in the 1992-93 season it was Rs. 540 per tonns. It was increased by 26.76 percent as compared to the previous year. In 1993-94 year, the purchase rate was Rs. 830 per tonns. And it was changed by 57.70 percent as compared to previous year.

In the 1994-95 season the factory had given Rs. 675 purchase rate per tonn. And it was lowered than the previous year 1993-94. in the year 1995-96 the purchase rate was Rs. 565 per tonn, it was decreased by 16.29 percent as compared to previous year.

The factory had brought sugarcane by paying Rs. 808 for per tones. In 1997-98. The purchasing amount is 25.27 percent more than previous year. The cost of purchasing sugarcane is decreased per tonne in 1998-99 and 1999-2000. It decreased by 17.54 percent and 4.19 percent respectively as compared to previous years. In 2000-01, it has been increased by 18.93 percent over a previous year.

We come to conclusion that the purchase rate has increased gradually. The factory has tried to give purchase rate as recommended by state Adviser price and statutory minimum price (SMP).

#### **4.12. DEBT POSITION OF THE FACTORY:-**

Yashwant Cooperative Sugar Factory has taken debts for mid term and working capital from Maharashtra State Cooperative Land Dev. Bank Ltd., District Central Cooperative Bank, Vita Merchant Cooperative Bank ltd., Bank of Baroda and the state government.

Detail information of factory debt is given in the following table.

Table No. 4. 10

Debt Position of Yashwant Cooperative Sugar Factory Ltd. Khanapur

Sr. No.	Years	Loan (Rs)			Growth Rate
		Mid Term Loan	Working Capital i.e. Short Term Loan	Total Loan	
1.	1991-92	22290182 (23.40)	72985514 (76.60)	95275696 (100)	---
2.	1992-93	30536182 (20.87)	115800586 (79.13)	14336768 (100)	53.59
3.	1993-94	39693252 (32.74)	81562681 (67.26)	121255933 (100)	-17.13
4.	1994-95	32830082 (15.80)	174958690 (84.20)	207788772 (100)	71.36
5.	1995-96	26424541 (10.26)	231187147 (89.74)	257611688 (100)	23.97
6.	1996-97	25301818 (8.77)	263312247 (91.23)	288614065 (100)	12.03
7.	1997-98	22958290 (9.38)	221829874 (90.62)	244788164 (100)	-15.18
8.	1998-99	28143259 (9.85)	257631878 (90.15)	285775137 (100)	16.74
9.	1999-2000	21811531 (6.49)	314268344 (93.51)	336079875 (100)	17.60
10.	2000-01	54943270 (12.03)	401887614 (87.97)	456830884 (100)	35.92
11.	2001-02	178372479 (36.45)	311090545 (63.55)	489463024 (100)	7.14

Source – Compiled and computed from Annual Report of the factory.

Note – Figures in parentheses indicates percentage to total loan.

In Table No.4.10 shows the mid term loan, working capital and total loan i.e. short term loan of Yashwant Cooperative Sugar Factory. It is observed from the table that,

1) The percentage of mid term loan of the factory is ranges between 36.45 percent to 6.48 percent.

2) Percentage shows of working capital ranges between 93.51 percent to 63.55 percent.

3) The proportion of the mid term loan has been decreasing since 1993-94 to 1999-2000.

4) The proportion for working capital was constantly increasing for 1991-92 to 1999-2000 with exception of 1993-94.

5) The share of working capital is in large amount in the total loan.

6) Excluding 1993-94 and 1997-98 in the duration of study, the total loan constantly increased.

7) The large number of increased in the total loan in the year 1992-93, 1994-95 and 2000-01.

8) The large number amount is taken as a loan for working capital therefore the loan for interest is constantly increasing on the factory.

9) In the year 1999-2000, mid term debts percentage share is low in total debt but greater percentage share is of the working capital.

The debt has been increasing of the factory. The debt was taken by the factory in large amount and constantly due to this the expenditure on the debt was increased. The factory is taking large amount of debt for working capital, so that the factory has to give more interest.

#### **4.13 COST STRUCTURE OF THE FACTORY:**

##### **4.13.1. CANE CUTTING AND TRANSPORTATION COST: –**

Yashwant Cooperative Sugar Factory has been increased tremendous expenditure on sugarcane cutting and transportation. There is lack of cane in operational field; therefore factory carried cane from out of Maharashtra and out of operational area. There is a need to study the expenditure incurred on sugarcane

cutting and transportation. It is also important because factory spend more money on transportation and sugarcane cutting; it is an item of expenditure. Hence the production cost of sugar is increased. The expenditure of sugarcane cutting and transportation is frequently increased because of the less availability of sugarcane in operational area, which leads to increase into of laborers and the increase in expenditure of transportation.

**Table No 4.11**

**Average Per tonns cost of sugarcane cutting and transportation**

Sr. No.	Season	Cane cutting and transportation cost	Growth Rate
1.	1991-92	99.95	-
2.	1992-93	111.68	11.73
3.	1993-94	152.69	36.72
4.	1994-95	136.03	-10.91
5.	1995-96	129.74	-4.62
6.	1996-97	103.42	-20.28
7.	1997-98	128.85	24.58
8.	1998-99	166.69	29.36
9.	1999-2000	194.59	16.73
10.	2000-01	261.06	34.15
11.	2001-02	270.54	3.63

Source – Compiled and computed from Annual Reports of Yashawant cooperative sugar factory Ltd. Khanapur.

The expenditure of cane cutting and transportation was Rs. 99.95 per tonne in 1991-92, in that it increased by 11.73percent in 1992-93. The expenditure increased by 36.72 percent in 1993-94. From 1994-95 to 1996-97, in these three season the cane cutting and transportation expenditure decreased.

From 1997-98 the expenditure incurred on cane cutting and transportation has been increased by 24.58 percent in 1997-98 as compared to previous year and it

increased by 29.36 percent in 1998-99. In the year 2000-2001, the expenditure incurred on sugarcane cutting and transportation was the highest.

Cane cutting and transportation are the crucial factors in the sugar production. 38 percent sugarcane is available in the operational area and remaining 62 percent sugarcane is being brought from outside the operational area. That's why the factory has been spending more on the cane cutting and transportation.

#### **4.13.2. INTEREST, SALARY AND MANAGEMENT EXPENDITURE:-**

Interest, salary and managerial expenditure play an important role in the cost of sugar production. Yashawant Cooperative Sugar Factory has spent on salary interest and management. It is shown in the following table No. 4.12.



**Table No. 4.12**

**Expenditure of Interest, management, Salary and Wages (in rupees)**

Sr. No.	Season	Expenditure of interest	Managerial expenditure	Salary and wages expenditure
1.	1991-92	14488034 (44.84)	8182326 (25.32)	11583146 (35.85)
2.	1992-93	25035488 (55.98)	8873587 (19.84)	13279436 (29.69)
3.	1993-94	27344346 (59.91)	8983856 (19.68)	13150793 (28.81)
4.	1994-95	27982648 (58.19)	8734498 (18.16)	14813771 (30.81)
5.	1995-96	46229561 (64.92)	6796590 (9.54)	18531015 (26.02)
6.	1996-97	42757395 (10.68)	5668992 (1.41)	43086626 (10.76)
7.	1997-98	43361101 (13.33)	6337881 (1.94)	36199908 (11.13)
8.	1998-99	54275209 (15.15)	7493647 (2.09)	38939261 (10.87)
9.	1999-2000	63859363 (13.46)	8161488 (1.72)	47292251 (9.97)
10.	2000-01	72219439 (13.32)	8347699 (1.54)	57593766 (10.63)
11.	2001-02	84187829 (22.82)	8450427 (2.29)	57385502 (15.55)
12.	2002-03	-	10133184 (2.91)	11670298 (3.35)
13.	2003-04	-	1799291 (1.43)	22282316 (17.80)
14.	2004-05	-	1375538 (1.12)	5891744 (4.82)

Source – Compiled and calculated from Annual Reports of the Yashawant Cooperative Sugar Factory Ltd. Khanapur.

Note – Figures in parentheses indicates percentage in total expenditure.

**A. Expenditure On interest: –**

An rs.14488034 rupee has been spending on interest. Out of total expenditure 44.84percent expenditure is only on interest. The expenditure on interest has been increased in 1992-93. It was 55.98 percent. In 1993-94 is 59.91 percent amount was spending on interest. In the year 1994-95 the expenditure has been decreased by 1.72 percent compared to the year 1993-94.

In the year 1995-96, 64.92 percent expenditure was incurred on the interest in the total expenditure. This is the highest amount among the last five years.

During the span of five years i.e. 1991-92 to 1995-96, expenditure incurred on interest remained more than 50 percent. The higher portion of interest cost is main problem for the factory.

In 1996-97, out of total expenditure interest cost amounts 10.68 percent. The expenditure of on the interest payment rang between 13 to 15percent during 1996-97 to 2000-2001. In the year 2001-02, 22.82percent was paid against interest's payments.

The expenditure incurred on the interest payments is greater than other expenditures of the factory. Due the higher interest payment the economic position of the factory has been worsened.

**B. Managerial Expenditure :-**

Out of the total expenditure 25.32 percent portion was spent on the management in year 1991-92. It has been decreased up to 19.84 percent in 1992-93 as compared to previous year. In 1994-95, 18.16 percent portion was spent on the management.

Out of the total expenditure the expenditure incurred on management range between 18 to 25 percent during the span of five years i.e.1991-92 to 1994-95. But from 1995-96, the percentage of expenditure incurred on the management has been decreased.

### **C. Expenditure on wages and salary: –**

In the year 1991-92, out of total expenditure of the factory 35.85 percent was incurred on the salary and wages. It was 29.69 percent in 1992-93. It means that this has been decreased by 6.16 percent as compared to the previous year.

In the year 1993-94, 28.81 percent amount has been spent on the salary and wages. It accounts was 30.81 percent to total expenditure.

It is observed from the table No.4.12 that-

- 1) Percentage of expenditure incurred on salary and wages ranges between 3.35 to 35.85.
- 2) In the year expenditure incurred on salary and wages was 35.85 percent, where it was 3.35 percent in 2002-03.
- 3) The expenditure on the interest was so higher than other two expenditures that are why the factory has taken debt for working capital. Therefore, the factory has come in debt trap.

### **4.14. BONUS EXPENDITURE:-**

**Table No. 4.13**

#### **Bonus Expenditure of the Factory**

Sr. No.	Year of the Season	Declared Bonus (%)	Total Bonus Paid (Rs.)	Growth Rate (%)
1.	1991-92	16.66	2239486	-
2.	1992-93	16.66	2568402	14.68
3.	1993-94	16.66	2671764	4.02
4.	1994-95	16.66	2782069	4.12
5.	1995-96	16.66	3690501	32.65
6.	1996-97	8.33	4391805	19.00
7.	1997-98	12.50	2096785	-52.25
8.	1998-99	18.75	3409190	62.59
9.	1999-2000	16.66	3791397	11.21
10.	2000-01	16.66	5759063	57.89
11.	2001-02	8.33	5982352	3.87

Source – Compiled and calculated from Annual Report of the Yashawant Cooperative Sugar Factory Ltd. Khanapur.

It is observed from the table No.4.13 that-

- 1) During the span of study the factory under study has been paid bonus every year to the share holders.
- 2) The bonus paid by the factory under study range between 8.33 to 18.75 percent.
- 3) In the year 1996-97 and 2001-2002 the factory has been paid lowest bonus i.e. 8.33 percent.
- 4) In the year 1998-1999 the factory has been paid highest bonus i.e. 18.75 percent.
- 5) The factory has been paid 12.50 percent in the year 1997-1998.
- 6) Remaining all the years under study the factory has been paid 16.66 percent bonus per year.

#### **4.15. AVERAGE COST OF SUGAR PRODUCTION: –**

The average cost of sugar production per quintal is determined by two methods. In the first method average cost sugar production is determined by excluding cane price. In the second method, the cane price and other production expenditure is included. The share of sugarcane price is very important in the sugar production cost.

The average cost of sugar production per quintal of Yashawant Cooperative Sugar Factory is given in the following table No. 4.14.

**Table No. 4.14**

**Average cost of sugar production**

Sr. No.	Year of the Season	Including cane Cost	Growth Rate (%)
1.	1991-92	700.07	-
2.	1992-93	879.40	25.61
3.	1993-94	1276.65	45.17
4.	1994-95	1086.72	-14.87
5.	1995-96	1164.88	7.19
6.	1996-97	1156.41	-0.72
7.	1997-98	1467.18	26.87
8.	1998-99	1398.95	-4.65
9.	1999-2000	1408.95	0.17
10.	2000-01	1489.60	5.72
11.	2001-02	1830.12	22.85

Source – Compiled and calculated from Annual Report of the Yashawant Cooperative Sugar Factory Ltd. Khanapur.

In table No.4.14 has shown the average cost of sugar production with including cane cost.

It is observed from the table No.4.14 that-

- 1) The average cost of sugar production increased by 25.16 percent in the year 1992-93.
- 2) The average cost of sugar production increased by 45.27 percent in the year 1993-94 and this growth was the highest during the period under study.
- 3) The average cost of sugar production decreased in the year 1994-95, 1996-97 and 1998-99 respectively.
- 4) The average cost of sugar production increased by two and half in the year 2001-02as compared to the year 1991-92.

5) During the period under study the average cost of sugar production has been increased from Rs.700.07 to Rs. 1830.12 per quintal.

#### 4.16. SELLING OF SUGAR: –

Yashawant Cooperative Sugar Factory is constructed the four godowns for storage of sugar. The storage capacity of godowns is 240000 quintals. There is separate sell department for selling of sugar. The sugar should be sell according to government determined prices and the percentage of open sugar prices. Every year government declares the prices of sugar and factory also sells their sugar according to these prices. Yashawant Cooperative Sugar Factory sells their sugar by the government determined prices and opens market method. In the year 1991-92 and 1992-93 factory has sold the sugar under the policy of Sampat Committee.

**Table No. 4.15**  
**SELLING OF SUGAR (in quintal)**

Sr. No.	Year of Season	Internal Controlled Market	Internal Free Market	Total	Growth Rate (%)
1)	1991-92	122287 (46.47)	140910 (53.53)	263197 (100)	-
2)	1992-93	112382 (40.09)	168007 (59.91)	280389 (100)	6.53
3)	1993-94	130173 (42.33)	177351 (57.67)	307524 (100)	9.67
4)	1994-95	61442 (30.04)	143092 (69.96)	204534 (100)	-33.49
5)	1995-96	98686 (39.51)	151145 (60.49)	249831 (100)	22.14
6)	1996-97	137887 (42.54)	186298 (37.46)	324185 (100)	29.76
7)	1997-98	135433 (44.84)	166644 (55.16)	302077 (100)	-6.81
8)	1998-99	10785 (41.23)	150817 (58.77)	256602 (100)	-15.05

9)	1999-2000	82151 (30.24)	189523 (69.76)	271674 (100)	5.87
10)	2000-2001	111074 (35.50)	201832 (64.50)	312906 (100)	15.17
11)	2001-2002	90502 (29.07)	220899 (70.93)	311401 (100)	-0.48

Source – Compiled and calculated from Annual Reports of Yashawant Cooperative Sugar Factory Ltd. Khanapur

Note – Figures in parentheses indicates percentage to total sale.

In that table No-4.15 shows the data about selling of sugar from 1991-92 to 2001-2002.

It is observed from the table No-4.15 that-

1) The sugar sold by the factory under study in internal control market range between 29.07 to 46.47 percent during the period under study.

2) The sugar sold by the factory in internal free market range between 53.33 to 70.90percent during the period under study.

The above table shows that sugar sold by internal control market has been declined where as and sugar sold by internal free market has been increased during the period under study. It is because of government policy regarding sugar sale that reduction in sugar sale by internal control market caused by liberalization policy.

#### **4.17. CHANGE IN AVERAGE PRICE OF SUGAR:-**

Yashawant Cooperative Sugar Factory Ltd. sells the controlled quotas sugar by the determined price of government, where as the open quotas sugar sells according to the market price. Sugar is essential object in life therefore government buys it in lower price than market price. There is permission to factory sell the some amount of sugar out of total produced sugar by the market price. Under the Sampat committee policy factory sell the controlled quotas sugar by the extra price than determined price.

**Table No. 4.16**  
**AVERAGE PRICE OF SUGAR:-**

Sr. No.	Year of the Season	Internal Controlled Price (Rs.)	Internal Free Price (Rs.)
1.	1991-92	492.30	680.32
2.	1992-93	534.82	773.17
3.	1993-94	646.32	988.28
4.	1994-95	772.39	1111.87
5.	1995-96	808.19	1082.94
6.	1996-97	853.46	1118.96
7.	1997-98	978.17	1257.75
8.	1998-99	988.75	1252.10
9.	1999-2000	994.76	1274.05
10.	2000-2001	1121.31	1302.57
11.	2001-2002	1990.19	1293.55

Source: – Compiled from Annual Report of the Yashwant Cooperative Sugar Factory Ltd. Khanapur.

Table No.4.16 shows the average price of sugar sold by the factory under study in both free and controlled market. It is observed from the table that-

- 1) During the period under study the average price of sugar in internal controlled rate ranges between Rs. 492.30 per quintal to Rs. 1990.91 per quintal.
- 2) The average price of sugar in controlled rate was Rs.492.30 per quintal in 1991-92 which has increased gradually up to Rs.1990.91 per quintal in 2001-2002.
- 3) During the period under study internal free price of sugar sold by the factory under study range between Rs. 680.32 per quintal to Rs. 1302.57 per quintal.
- 4) The average price of sugar in free rate was Rs.680.32 per quintal in 1991-92 which has increased up to Rs. 1302.57 per quintal in 2001-02.
- 5) Though the internal free price has been increased during the period under study, there is no steady increase in the price. In the year 2001-02, it has been



decreased up to Rs. 1293.55 per quintal from Rs. 1302.57 per quintal in 2000-01.

#### 4.18. INCOME AND EXPENDITUR OF THE FACTORY:-

Yashawant Cooperative Sugar Factory Ltd. has earned income by selling sugar, Molasses, Bagas and petrol or diesel. Which they spend money on management, wages, sugarcane cutting and transportation, interest. The income and expenditure is most important for the analysis of financial position of the factory. If we compare the income with expenditure, there are the incomes always lower than expenditure. Continuous excess expenditure over caused into availability of sugarcane.

**Table No. 4.17**

#### **Annual Income and Expenditure**

Sr. No.	Year of the Season	Total Income	Total Expenditure	Net Profit
1.	1991-92	8690123 (--)	32303562 (--)	-23613939
2.	1992-93	35137855 (304.34)	44719042 (38.43)	-9581187
3.	1993-94	2152521 (-93.87)	45639821 (2.05)	-43487300
4.	1994-95	13794062 (540.83)	48080372 (5.34)	-34286310
5.	1995-96	54234642 (293.71)	71200779 (48.08)	-16966137
6.	1996-97	397152423 (632.28)	400245841 (462.13)	-3093418
7.	1997-98	281056272 (-29.23)	325164164 (-18.75)	-44107892
8.	1998-99	340955348 (21.31)	358174515 (10.15)	-17219167
9.	1999-2000	471443894	474121843	-2677949

		(38.27)	(32.37)	
10.	2000-01	500666007 (6.19)	541800464 (14.27)	-41134457
11.	2001-02	249853312 (-50.09)	3668846379 (-32.28)	-118993067
12.	2002-03	197324228 (-21.02)	347852598 (-90.51)	-150528370
13.	2003-04	41484940 (-78.97)	125748794 (-63.84)	-83663854
14.	2004-05	12250590 (-70.46)	122055549 (-2.93)	-109804959

Source – Compiled from Annual Report of the factory.

Note – Figures in parentheses indicates annual growth rate.

In above table No-4.17 shows the factory's income, expenditure and net profit.

It is observed from the table No.4.17 that-

1) The total income and expenditure of the factory was Rs.8690123 and Rs 32303562 in 1991-92 expenditure. Expenditure always exceeds income caused in to loss to the factory.

2) The total income of the factory in the year 1992-93 has been increased by 304.34 percent as compared to the previous year.

3) Income of the factory during the period 1994 to 1997 has increased considerably.

4) In the study period, income was increasing and decreasing constantly.

5) Factory's total expenditure has been increased from 1991-92 to 1996-97.

6) After considering the study, it is clear that factory's expenditure has been remained higher than income.

7) Due to excess expenditure over income of the factory during the period under study the factory has been suffered losses every year.

**CHAPTER – V**  
**REASONS BEHIND THE SICKNESS IN YASHAWANT**  
**COOPERATIVE SUGAR FACTORY**

**5.1. INTRODUCTION:**

**5.2. REASONS BEHIND THE SICKNESS:**

- 1) **HIGH COST OF SUGAR PRODUCTION:-**
- 2) **INADEQUATE SUPPLY OF SUGARCANE:**
- 3) **INCREASING EXPENSE OF INTEREST:**
- 4) **EXTRA EXPENDITURE ON SUGARCANE CUTTING AND TRANSPORTATION:**
- 5) **RISING SALARIES AND WAGES:**
- 6) **RISING IN THE MANAGEMENT EXPENDITURE:**
- 7) **LAZY LABORERS AND OFFICIALS:**
- 8) **FAILURE IN THE DEVELOPMENT OF SUGARCANE FOR THE FACTORY:**
- 9) **DROUGHT:**
- 10) **NON-PRODUCTION OF BY- PRODUCT PLANT:**
- 11) **MISMANAGEMENT:**