

C H A P T E R - IIDEVELOPMENT OF CO-OPERATIVE MOVEMENT AND  
ADMINISTRATION IN INDIA AND KARNATAKAdministration :

Administration brings out the very structure of society. It builds a system for the happy social life of the people. Prof. Beard says " the future of civilization itself rests upon our ability to develop a science and a philosophy and practice of Administration ..."<sup>1</sup> lack of valid administration may bring even the mightiest empire to ruins as was the case with ancient Roman empire. Hence, administration is a harbinger of tomorrow. In cooperative movement nevertheless administration has more responsibilities in comparison to public administration. Co-operative movement is related to the total development of the society and the nation. Nehru dreamt a great deal in this context; and considered that co-operation should also play a dominant role to develop the required rural leadership.

Etimologically the word Administration is derived from the Latin words ' Ad ' and ' Ministiare ' which means to serve. In simple language it means the management of affairs or looking after the people. Pfiffner defines that " Administr-ation is the organisation and direction of human and material

resources to achieve desired ends." <sup>2</sup> More or less the definition given by Simon gives the same meaning when he says that " Administration is the consolidation of activities of groups co-operating to accomplish common goals." <sup>3</sup>

There are three sections of Administration as there are three sectors of economy - private, public and co-operative.

Public Administration is defined as government in action though in its wider sense it includes all the activities of the government in the spheres of legislative, Executive and Judicial. But it is mainly concerned with the activities related to executive branch of the government.

#### Co-operative Administration :

Co-operative Administration is that branch of public administration which helps the people to exploit the resources and render services efficiently and democratically and without any profit motive to fulfil their object and needs. Co-operative Administration comes some where between corporation and department administration. It is a new type of administration, co-operative administration does enjoy autonomy like a corporation. The purpose of Co-operative Administration is primarily to safeguard the interest of the producers and secondarily the consumers. Here we find more people participation; because the basic purpose is public participation, in all the

managing aspects of co-operative aspects. The decision making process in co-operative administration has its peculiarities which are worth examining.

Private Administration is apt to function within a frame work of general laws and special laws which control it taking profit and self interest as the driving forces. Public and Private administrations are the two opposite enterprises. But public and private enterprises are with some anomalies and limitations. Between these two co-operative sector tries to combine the merits of private and public sector and avoid the evils of both, Mr. Ashok Mehata, former Deputy Chairman of the Planning Commission opines that the Co-operative Administration can alone help to visualise an agro-industrial society. Mr. Morarji Desai, the former Prime Minister of India says that the co-operative movement becomes strong throughout the country, there would be no need for Public Corporations, like the food Corporation of India for purchasing and distributing agricultural produce.<sup>4</sup>

Co-operative Administration is different from Private and Public Administration. Private enterprises believe in the maximum profits whereas co-operative administration does not maximise the profits.

Public or Governmental Administration is bureaucratic and non responsive where as co-operative administration depends on the democratic structure. It combines merits of freedom and social objectives of the government administration. The end of co-operative administration is the ultimate welfare of the people which is absent in both public and private sectors.<sup>5</sup>

Co-Operation in relation to Co-operative Administration :

Before plunging into the stream of co-operative administration it is better to have a glance at the philosophy of co-operation. " Co-operation is both a system and a spirit, it is both a method of working and moral force. It has an aspiring motto. Each for all and all for each."<sup>6</sup> This sort of principle of co-operation is in operation since the dawn of social life. Co-operation is the foundation of domestic and social life. The present is a scene of exploitation of the poor by the rich. It has been found that 66 % of the world population living on 1/8th income of the world is suffering from abject poverty. Such a condition is politically unstable, morally untenable and psychologically unsound. In order to eradicate the sufferings of these millions of people and to introduce an era of peace and progress and prosperity, it is essential to realise the path of co-operation. Co-operation involves all aspects of human behaviour political, economic, religious and

cultural. Therefore co-operation is the very life and blood of human life and all living organism. It is the primary basis of all human conduct and is the mortar which cements the various parts of a body that is called society. Co-operation is basic to the development of human beings, and essential for a happier and healthier life.<sup>7</sup>

Meaning of Co-operation :

Co-operation is the conception which has come into existence as a reaction against the evils of individualism and capitalism, which led to the concentration of wealth in a few hands on the one hand and exploitation of workers on the other.

The Etimological meaning of the work co-operation is to operate together, to perform together or to do together with the spirit of common welfare.<sup>8</sup>

M. T. Herrick says " Co-operation is the act of persons voluntarily united for utilising reciprocally their own forces, resources or both under their mutual management to their common profit or loss."<sup>9</sup> But more comprehensive definition is given by Prof. Lambert accordingly " Co-operation is an enterprise formed and directed by an association of users applying within itself the rules of democracy and directly intended to serve both its own members and the community as a whole."<sup>10</sup> The meaning of the word co-operation given in the

Encyclopaedia of social work is regarded<sup>as</sup>/another comprehensive definition, accordingly " Co-operation is an important agency for promoting economic and social welfare. It helps to transform the social order voluntarily and in the process build up the moral and material strength of the people."<sup>11</sup>

When we analyse these various meanings of co-operation, the following points are significant. These points are common in all the definitions.

1. Co-operation is oriented with service instead of profit maximisation.
2. It justifies joint action instead of keen competition.
3. It preaches the principle of self help and self reliance.
4. It stresses the moral strength of the members.
5. It is controlled democratically to achieve the common end.
6. Producers co-operation, protects and promotes basically its members.

Mahatma Gandhi once remarked that " Drops in Separation could only fade away, Drops in co-operation made the ocean."

### Co-operative Administration :

When we combine both ' Co-operation ' and ' Administration ' we get Co-operative Administration as a branch of administration which is to function for co-ordinating human efforts. Co-operative Administration is similar to the administration of other prevalent enterprises, though the goal and environment differ considerably. Co-operative Administration takes into its horizon the policies in accordance with the co-operative rules and regulations, incorporated in the co-operative act, the bye-laws, the executive orders issued from time to time and in the implementation by the various agencies.<sup>12</sup> Co-operative Administration is not an organisation created by the government to fulfil the general public, on the other hand it is meant for the constituents who are real owners as well as the beneficiaries. The pivot aspect of Co-operative Administration is its democratic management which shapes and guides the functioning of policy making, planning, decision making and executing machineries at all levels.

### Scope of Co-operative Administration :

Co-operative organisations operate on a set of objectives. If the organisation does not have any idea of objectives to be achieved, it is compared to ship on a high seas without a radar, without knowing anything as to the direction in which it is sailing.

The main objectives of the co-operative organisations are to bring into harmony the best elements of liberalism as well as socialism. Liberalism and socialism are the two powerful modern philosophies, and ensures a more or less complete socialisation of economic functions without affecting the individual freedom. It takes economic and social democracy to every doorstep. The most valuable idea is that it trains and builds up masses of self-reliant, freedom loving and law abiding.

The scope of co-operative administration is tending to many fields as this method of administration is becoming popular in almost all the countries of the world. Co-operative administration is concerned with what and ' how ' of the co-operatives.<sup>13</sup>

The ' what ' is the subject matter of the co-operatives. It can be classified into three broad fields i.e.,

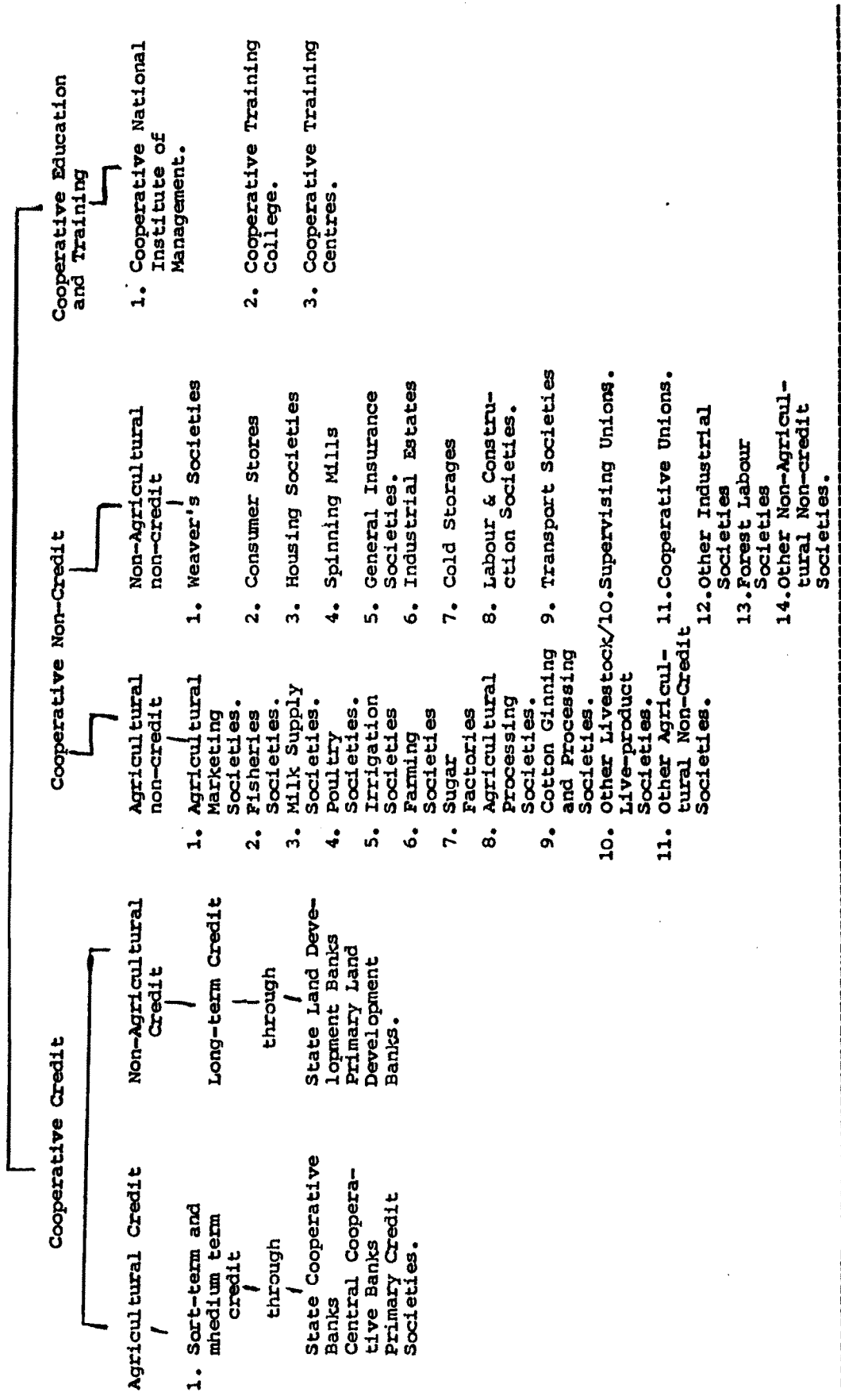
- 1) Co-operative credit
- 2) Co-operative Non-credit and Co-operative education
- 3) Training.

As regards ' how ', it is the technique of management, i.e., the Principles of management which can make the co-operative administration successful and fruitfull.



**T A B L E - 7**

**Main Fields of Cooperative Administration**



Source :- Principles Problems, And Prospects of Cooperative Administration by S.L. Goel, B.B. Goel, p.p. 18,19.

The Principles of Co-operative Administration :

The Principles have been classified by different Management experts into a number of functions.

Clough has given only two functions :

- 1) Making decisions and providing leadership

R. C. Davis gives three functions :

Planning, Organising and Controlling

Newmon, summer and warren list four functions :

Organising, Planning, Leading and Controlling.

Koontz and O'Donnell list five functions :

- i) Planning
- ii) Organising
- iii) Staff
- iv) Direction
- v) Control

Hicks extends to Six functions :

- i) Creating
- ii) Planning
- iii) Organising
- iv) Motivating
- v) Communicating
- vi) Controlling.

Dale goes one step further i.e., seven functions :

- i) Planning
- ii) Organising
- iii) Staffing
- iv) Direction
- v) Control
- vi) Innovation
- vii) Representation.

Many experts on the Administrative Management feel that management is a basic operative force in all complex purposive organisations. It is the function of executive leadership anywhere. It means that management skills are transferable, but there are writers who argue that there are fundamental differences between managing one organisation and the other. Earnest Dale says that the universality of management principles is contradicted by observed examples of the difficulties faced by managers who work in a widely different type of organisation from the one in which they were successful. As such one should be careful in applying the general principles of Management to Co-operative organisations within the peculiar environment surrounding the co-operatives. Prof. H. Desroche, Director of the " Centre derecherches co-operatives " has discussed ' what ' and ' how ' of the co-operative administration very nicely. He includes the following under co-operative administration.

- 1) The management of assets, of the " moneys " you might say ;
- 2) The management of power, with its decision making implications,
- 3) The management of know-how, with its Socio-cultural implications, and
- 4) The management of aspirations, with its ethical, sociological and strategic implications.

The people who contribute to the co-operatives are also the beneficiaries. Moreover, the profits are distributed not in proportion to the capital invested, but to the amount of transactions under taken by the members. This is called the A B C of the co-operative management.

The members who elect the Directors, who choose the specialists who recruit the employees. In the ideal co-operatives the relationships are perfectly harmonious.

The management of know how, on one side there is the problem of the promotion of culture in co-operatives and, on the other side, that of the promotion of co-operation in cultural units. This too is bound to have a bearing. No social movement and especially the co-operatives can exist without aspirations i.e.,

horizon. To start with, there is inter-co-operation at the local level, regional level, national level and finally the international co-operation. This inter co-operative co-operation between non-Governmental organisations within the rigid or flexible framework of the technical assistance. This kind of co-operation also forms part of co-operative management.<sup>16</sup>

#### Importance of Co-operative Administration :

The co-operatives are rendering useful service to the society. It has been rendering a valuable service in bringing socio-economic order in the world through non-violent methods. It helps in the economic upliftment of the weaker sections and bring in social change and order.

The significane of co-operative administration can be discussed under the following heads :

- 1) Economic Advantages
- 2) Social benifits
- 3) Political re-orientation and
- 4) Educational approach

#### 1) Economic Advantages :

Economy is regarded as the backbone of every activity. Every individual must lead a goodlife. A sort of standard of life must be maintained. The co-operatives have assisted its

dependents to secure economic services at lower costs. The significant benefit that has resulted from the co-operative is that it has encouraged rural enterpreneurship leading to rural industrialization. If the co-operative administration is handled efficiently, it is certain that the shape of Rural India can be changed and the real swaraj, or Rama Rajya of Mahatma Gandhi's dream can be realised. India can have rightful place on the world map.

The main economic benefits emerging from the co-operatives can be summarised up in the words of G. S. Kamat.

- a) Service to the relatively weaker sections with due emphasis on the satisfaction of human needs through appropriate production activities and at lower costs as far as possible.
- b) A more egalitarian distribution of wealth and income.
- c) Higher wages and improved receipts for the working member communities of the organisation.
- d) Protection of the consumer from monopolies and other forms of centralised combinations.

- e) Institution of a more economic and efficient distribution system, eliminating the exploitative middlemen, avoiding unproductive overlapping activities, and eliminating fraudulent practices such as higher costs, short weights and adulterated goods.
- f) More purposeful and published practices in business management and operations.
- g) More meaningful generation of employment principles with fair terms to workers in the organisation, providing at the same time opportunities for self-development and progress.<sup>17</sup>

## 2) Social Benefits :

The social benefits of co-operatives are as follows  
 Helps to lead a happy life for all, because co-operatives help a lot in fostering the spirit of self help and mutual aid by creating co-operative common wealth. Co-operation is the means for fine qualities of honesty, loyalty, unity, equality and services. In a nutshell, it can bring social and economic revolution in the country.

B. S. Mathur has summed up the social benefits of co-operatives :

- a) It teaches people to live harmoniously on a community basis. It also teaches the people the lessons of unity, brotherhood and corporate feeling.
- b) In a good co-operative society, litigation extra vagance, drunkenness and gambling are at a discount and in their place will be found self-help and mutual help.
- c) A co-operation relies on the character of the members, so it fosters a sense of responsibility integrity and deligence.
- d) Co-operatives are helping to lessen the social tensions existing in the society.  
According to the Co-operative Planning Committee  
" Co-operation has helped in several counters even to harmonising conflicting social and economic interests."
- e) The co-operative movement is bringing about socio-economic changes in the society, without resorting to under / standable methods and violence. 18



### 3) Political Re-orientation :

India is a vast country with a federal form of Government. The Political leadership both at the union and state is divorced from reality. This sort of leadership does not help in proper perspective planning and policy-making. In well advanced countries, the Democracy is a successful form of Government as there is democracy at the grass roots. A sound democracy functions well when there are well organised self governing institutions at the lower levels. The co-operative institutions can help through educating public opinion, training the local leaders and producing honest and dedicated citizens. Trained, honest and dedicated and farsighted citizens are essential for any efficient and democratic government. Thus political re-orientation by the co-operatives can eliminate so many evils which are responsible for political evils and corruption.<sup>19</sup>

### 4) Educational Approach :

Education is the key factor in any scheme of national development. The main purpose of co-operatives is to develop scientific approach to test all aspects of life. The ultimate purpose of the co-operatives is to develop the critical faculty of all its constituents so that they can take correct decisions at correct time in the interest of the community. It is rightly said that the quality and growth of co-operatives would depend

to a great extent on the application of educational approach by its constituents to solve different aspects of co-operative administration.

In order to make co-operative administration really more effective, it is necessary to re-orient the existing structures and procedures to suit the individual co-operatives each in their own environmental context in case the necessary changes are effected and there is a genuine will on the part of the political administrative and rural elite. It is sure that the future of the co-operatives is bound to be bright and encouraging. <sup>20</sup>

#### Co-operative Movement :

The genuine and congenial concept to be executed is co-operation which is very much admitted and appreciated. It has its own cultural heritage in its evolution, co-operative organisation founded for mutual economic aid existed in most countries in advanced, as well as in developing countries and in urban as well in rural areas. The co-operative way has many forms ranging from local to centralised and federated organisations, from specialised to multipurpose societies. Since earliest times people have worked together in large or small groups to attain social religious or economic objectives. But the modern co-operative movement is not much more than hundred years old. The under-lined philosophy was advocated during the first half of the 19th century by industrialists like Robert Owen in England

and Charles Fourier in France. The real structure of Co-operative Organisation can be traced from 1844 with the establishment of the Rochdale Equitable pioneers society in England. The set of structural and working rules are called Rochdole Principles which have been adopted with modification in most countries and used for a wide variety of operative activities.<sup>21</sup>

The co-operative movement shall be developed as a " shield for the weak " and not as a " Sword for the strong ", small and marginal farmers and agricultural labourers, rural artisans and ordinary consumers belonging to the middle and lower income groups shall be provided the maximum scope to participate in the co-operative institutions.

#### Origin of Co-operative Movement :

England is regarded as the home of Industrial Revolution. During the second half of the 18th and first half of the 19th centuries the industrial revolution took place in U. K. which brought about mechanization of industry, agriculture and transport etc. All this lead to large scale of production, naturally wealth began to concentrate in a few hands, they became the capitalists. Capital became the king in the economic world. This resulted in the emergence of rich and the poor class. Regular exploitation of poor by the rich was throught the 19th century.

The fight against the evils, the consumers united together and opened their co-operative stores. Consumer's co-operation was born in England. It aimed at the abolition of profits of intermediaries.

Consumers in U. K. voluntarily joined together for mutual help and started co-operative retail as well as wholesale stores.

In the world, co-operative movement first started as consumers in 1884 in U. K.

The co-operative movement which started in U. K. spread to Germany in 1854 led to the establishment of co-operative credit societies. In Germany and Italy, the co-operative Finance, in Denmark, the co-operative sale and live stock and Dairy products started simultenously. In U.S.A. also the Co-operative marketing of agricultural produce, including fruits processing. Different countries have different co-operatives.

#### Co-operative Movement In India :

The credit of introducing co-operative movement in India goes to the Britishers. But idea of co-operation in India is as old as the ancient village community. Co-operation always has been the key-note of the Hindus family. In this connection,

Sri Bhajan Lal Union Ex. Minister for Agriculture and Co-operation while addressing 29th Congress of international co-operative Alliance at Stockholm in 1988 stated. " The basic values of co-operation are firmly embedded in the Indian culture. Even today the joint family system is an integral part of the Indian way of life. This system, where all the members of the family-old and young live together,"<sup>23</sup> is the best example of co-operation in daily life. Under the Indian philosophy " Vasudeva Kutumbakam " which means that the universe is a family and an extension of the same thought. Let us move together, speak together here, and let our thoughts be similar i.e., it is the essence of co-operation."<sup>24</sup>

During the second half of the 19th century the conditions of Indian farmers were very poor. The poor farmers were harassed by the rich money lenders. High rate of interest was charged by the rich money lenders and this exploited the poor farmers. To put an end to exploitation in 1901 the Committee under Sir Edward Law and Henry Wolff, an eminent English co-operator supported the idea of co-operation.

The Famine Commission of 1901 strongly recommended the introduction of credit associations.

Progress of Co-operative Movement in India  
from 1906 - 07 to 1911 - 12.

TABLE-II

Sr. No.	Year	No. of Societies	No. of Members	Amount of working Capital in Rs.
1.	1906-07	843	90844	2371683
2.	1907-08	1357	149160	4414086
3.	1908-09	1957	180338	8232225
4.	1909-10	3428	224797	12468312
5.	1910-11	5321	305058	20305800
6.	1911-12	8177	403318	33574162

Source : Agricultural Co-operative Structure in India  
by C. B. Mamoria. p. 16.

The Maclagan Committee said the co-operative movement did not take long to out grow via dreams of its founders.

The movement made significant progress during the initial years. The number of societies, members increased from 843 and 90,844 in 1906-07 to 8177 and 403318 respectively in 1911-12. During this period, the amount of working capital increased from Rs. 23.72 lakhs to Rs. 33.74 lakhs. The above table shows the same details.

Progress of Co-operative Movement in India  
from 1914-15 to 1929-30.

TABLE -III

Sr. No.	Year	No. of Societies	No. of Members	Working Capital ( Rs. 000 )
1.	1915-16	17327	824469	122292
2.	1916-17	23336	108425	311225
3.	1921-22	52182	1974290	311225
4.	1923-24	61106	2313567	405297
5.	1925-26	80182	3058625	576039
6.	1927-28	96091	3070173	767087
7.	1929-30	104187	4181904	895178

Source : Growth and Development of the Co-operative Movement in India by Dr. C. B. Mamoria, p. 22.

The result was the passing of the Indian co-operative credit societies Act of 1904. This act was described as a ' turning point in economic and social history '. The main objective of this Act of 1904 as stated in the preamble " was to encourage thrift, self-help and co-operation amongst agriculturists, artisans and persons of limited means " 1904 Act provided for the legal framework for the co-operative movement in India.

This the co-operative movement had begun with a few co-operative societies in parts of U. P. Punjab and Bengal received government recognition with the passing of the Indian Co-operative Societies Act of 1904.

The co-operative movement entered its second stage in 1912. The Act of 1912 removed the demerits of the Act of 1904 under Co-operative Society Act of 1912. The co-operative movement spread very rapidly. The total number of societies membership and the working capital increased gradually. By the end of 1917-18 there were 23,742 Agricultural Societies and 1451 Non-Agricultural societies. The membership of these societies was 8.5 lakhs and 2.04 lakhs respectively. The working capital of all the Co-operative Societies amounted to Rs. 760 lakhs.<sup>25</sup>

Only after a gap of two years i.e.; in 1914 a committee was appointed under the Chairmanship of Sri Edwar Maclegan to examine " whether the movement, especially in its higher stages and financial aspects was progressing on sound lines and to suggest - Measures which seemed necessary."<sup>26</sup>

Very valuable suggestions were made by the Committees, specially emphasizing the need for through audit and supervision in order to check bad management.



Another land mark in the history of co-operative movement was the introduction of Reforms Act of 1919, Co-operation became a provincial subject, placed under the charge of a Minister. Bombay, Madras, Bihar, Orissa, Coorg and Bengal enacted their own Provincial Acts.

Reserve Bank of India came into existence in 1935, and started the Agricultural Credit Department. Under the able supervision and guidance of Reserve Bank of India, the movement progressed in right direction. This is another milestone in the history of co-operative movement. The movement was expanded in its functions, such as processing, marketing and distribution.

During the period, 1938 to 1945 the movement resulted in increasing the number of Consumers Co-operative Societies, Agricultural Credit Co-operative and Marketing Societies.

TABLE-IV  
Progress of Co-operative Movement from 1931-35 to 1944-45

Sr. No.	Year	No. of Societies	Membership in lakhs	Working Capital (In Crores of Rs.)
1.	1931-35	106	43.22	94.61
2.	1937-38	111	48.05	104.02
3.	1938-39	122	53.07	106.47
4.	1939-40	137	60.08	107.10
5.	1940-41	143	64.00	109.32
6.	1941-42	145	67.04	112.42
7.	1942-43	146	69.01	121.04
8.	1943-44	156	76.09	132.21
9.	1944-45	160	83.06	146.63
10.	1945-46	172	91.06	164.00

Sources : RBI review of the Co-operative Movement in India 1941, p. 4.

There were 1.39 lakh societies having a membership of 91 lakh, total working capital of the co-operative institutions amounting to Rs. 156 Crores. Thus the co-operative movement in India slowly increased its various branches for the welfare of weaker section of the society.

Progress of Co-operative Movement After Independence :

After independence the government of India concentrated its attention towards the Community Development Programme for the upliftment of rural areas. Part IV of the constitution entitled " Directive Principles of State Policy ", co-operation has been adopted as an instrument of State Policy in India in fulfilling the objectives of the Five Year Plans.

The First Five Year Plan which started in 1950-51 recognised, " Co-operation as an indispensable instrument of planned economic action in a Democracy ". As a policy it was decided to encourage all co-operative ventures in various fields. Hence in the First Five Year Plan it is pointed<sup>out</sup> / " As an instrument of democratic planning combining initiative, mutual benefit and social purpose, co-operation must be an essential feature of the programme for the implementation of the Five Year Plans." As a result by the end of the First Five Year Plan there were about 2,40,000 co-operative societies, and 17.62 million members. The total working capital of the co-operative institutions amounted to Rs. 469 Crores.

The Reserve Bank of India setup a committee to study problems of rural credit. In 1954.- The All India Rural Credit Survey Committee submitted its report and suggested many recommendations to strengthen the co-operative movement. The report is considered as a milestone in the history of co-operative movement. For the future progress and development of the co-operative movement, the report was accepted as a blue print."

The Second Five Year Plan (1956-61) has emphasised that " the building up of a co-operative sector is one of the central aims of National Policy." In fact the Second Five Year Plan was built on the basis of the recommendation of the Rural Credit Survey Committee. The significant place was given to co-operative development in national planning, by allocating Rs. 57 Crores against the allocation of Rs. 7.11 crores in the First Five Year Plan.

In the Second Five Year Plan the government strengthened the co-operative societies by contributing a large sum of share capital and improved the capital base. Accordingly good number of Co-operative Sugar Factories came into existence; during the second five year plan period. The number of co-operative societies increased to 3.32 lakhs, where as the number of members raised to 342 lakhs with a increase in the total working capital amounting to Rs. 1,312 Crores.

The Third Five Year Plan (1961-66) pointed that " In a planned economy, pledged to the values of socialist Democracy, co-operation should become progressively the principal basis of organisation in many branches of economic life, notably in agriculture and minor irrigation."

In 1958 The National Development Council envisaged the vital role of co-operative movement in the rural economy. It pointed out that Co-operative and the Panchayat would be the basic agencies to carry out the Community Development Programme. Accordingly the National Development Council chalked out and laid down the policy for the Third Five Year Plan.

There were about 1,92,000 co-operative societies with a membership of 24.6 million at the end of the Third Five Year Plan, with a sum of Rs. 80 Crores spent for the growth of co-operation as against Rs. 34 Crores in Second Five Year Plan.<sup>29</sup>

Higher goals and targets were achieved in the history of co-operative movement during the Fourth and Fifth Five Year Plans period the most significant programmes under taken were -

- i) The introduction of the Crop Plan System.
- ii) Strengthening the resources of co-operative banks and societies.

iii) Linking credit with marketing and processing and reduction of overdues etc. The Fifth Five Year Plan gives more stress to the credit requirements of the small farmers and artisans. Due wietage was also given to revitalise the village societies to make them powerful and strong.<sup>30</sup>

The Sixth Five Year Plan, 1978-83 laid more stress on Agriculture, Industry, removal of poverty, employment, agricultural based village and small scale industries, basic needs and facilities to weaker sections, equality and raising of standard of living. Besides more emphasis was also laid<sup>on</sup>/Integrated Rural Development, Co-operatives at village level which can play an important role in making village self-sufficient and economically sound.<sup>31</sup>

The Seventh Five Year Plan equally stands for promotion of co-operatives. The government almost completely liberalised its licencing policy to the co-operatives and helped to increase the capacity of co-operatives. As a result of which today there are nearly 305 thousand co-operative societies with a total membership of 150 millions.<sup>32</sup>

The co-operative movement in India has completed 75 year in 1979, since its inception in 1904, by passing the co-operative credit societies Act 1904. Since then to this day

98 % of villages are under the influence of the co-operative movement, it has spread to 50 % of families in India; and hence it is important to understand assess the role and impact of co-operatives in rural development. The Eighth Indian Co-operative Congress, Golden Jubilee Year of National Co-op. Union of India, Platinum Jubilee of Co-operative movement are the main events; which got celebrate in the year 1979.<sup>33</sup>

The co-operative movement is large and many sided co-operatives are found useful at village, taluk, district, state, National and International levels. Co-operative activity has extended to members, resources and transactions etc. The economic value of this extends to Rs. 15000 crores per annum i.e.  $\frac{1}{4}$  of National Income it involves 90 Million people 95 % villages are covered. India is land of villages, co-operatives must meet all requirements of all villagers. It should tackle the problems of the hardhit sections of the society. The co-operative movement must become more effecient and a effective in finding out proper solutions of continued exploitation, mesieries either due to natural calamities or man made scarcity and helplessness of the poor.<sup>34</sup>

Success of the co-operatives in India has both the positive as well as negative sides to claim. No doubt top priority has been given to co-operative activities not only in

the constitution but also in the Five Year Plans, and other programmes like 20 point programme as an instrument for eradicating poverty, removal of economic inequalities, introduction of Democratic socialism, welfare state schemes have also been introduced after independence.

The follow up National Policy, the entire Nation has been mobilised and today a strong and sound co-operative sector has emerged, Co-operative sector has made notable achievements in the field of agricultural development specially in production, marketing of agricultural products, consumers protection and creation of employment opportunities.

But all such processings were under the control of Middle-men and businessmen. They earned huge profits and exploited the farmers. The processing needs lot of money and technical knowledge, these two are lacking factors in the farmers. But the same condition could not continue, by the middle of the 20th century, the growers thought of undertaking processing work on co-operative basis. As a result of which not only sugar co-operative processing factories but other types of agricultural goods processing co-operative factories opened.

A Co-operative cotton ginning unit was established in 1917 in the state of Mysore, in 1921 in Gujarat. In the economic development of India, one cannot deny the role of the co-operative processing of agricultural commodities.

In 1954 the government involvement in the co-operative sugar factories took place on a big scale. But it should be noted that during 1933 and 1935 four co-operative sugar factories came into existence. But the co-operative sugar factory of Etikoppa in Andhra Pradesh was the only factory that could survive after independence.

### Sugar Industry in India :

Historical Background : Sugar Cane is one of the most important cash crops grown in India. Sugar cane plays a pivotal role in the agro industrial economy of India. The sugar industry is the second largest among the processing industries in India next only to textile.

India is not only the original home of sugar cane but she is also the largest producer of sugar in the world.

Indians have knowledge about sugar since the vedic period. There is a reference of ' Sarkara ' in ' Atharva Veda ' in 5000 B.C. one can find a good number of references to sugar cane and sugar in Hindu puranas and Buddhist literature. Sugar and sugar cane had a significant place in Hindus and Buddhists rituals. References also can be found in sacred Bible, to sweet-cane probably to sugar cane.<sup>36</sup>



Indians were well aware of preparing sugar even during 4th and 6th centuries. They adopted a simple procedure to produce sugar. The sugar cane was cut into small pieces, the juice was extracted by using heavy weight. The juice was boiled until some solids were formed. The size and shape of the solids were uneven, it was called by the name ' Sarkara '. The big size solids were called as ' Khanda ' thus India was original land of sugar cane and the manufacture of sugar.

It is worthy to note that during 627-650 A.D. the Chinese emperor Tai-Tsung deputed his people to India to study the art of preparing sugar. The art of preparing crude sugar spread to Persia from India in 9th and 10th centuries. The sugar cane spread to North Africa by the Arabs. Similarly the Chinese sent it to Jawa and Philipines. From the 11th century it became international in nature and commercially were developed in Europe.

In the 16th Century the sugar refineries were started in Germany, France and U.K. But at the begining of the 19th century the modern refining system come into existence in England.

The sugar industry began in 1791/India, but the progress of sugar industry on modern lines was slow. The Indian sugar had to face the competition produced in Jawa which

was cheap. Due to low sucrose content and the low yield per acre, Indian sugar could not face the competition of Jawa sugar, therefore the government had to change in the sugartariffs in 1836. This attitude of government attracted some western Indians to invest in Sugar Industry. As a result of this, the sugar factories such as Messrs Parry and company, the Aska and Rosa Sugar Factory came into existence, and even today they are functioning well.<sup>37</sup>

To give new life to sugar industry the Department of Agriculture of Bombay and Madras Provinces determined to conduct research to grow better qualities of sugarcane in 1894 and 1902 respectively. In 1894 the Bombay Govt. established a sugar cane farm at Manjari near Poona, which was followed in 1902 by Madras Govt, by starting a Farm at Samalkot. The researchers like Mellison, J. B. Knight, Hadi, T. S. Venkatraman worked and investigated the variety of cane suitable for subtropical conditions. The sugar cane breeding institution in Coimbatore developed a lot of new varieties of sugarcane, supplied to the farmers and increased the yield per acre and also the sugar recovery in the factories. At present about 95 % of the sugar cane land in the country is growing with improved varieties of cane.

Production of the white crystal sugar, started at the begining of the 20th Century. There were 31 sugar factories in existence upto 1932-33.

The sugar production in India was 3,11,000 tonnes in 1930-31. To meet her domestic needs India required sugar to the tune of four times more than her production. Naturally huge quantity of sugar had to be imported, this required large amount of foreign exchange. To go in detail about this problem the government set up a committee known as " Indian Sugar Committee ". The committee recommended that the existing conditions were more suitable for the expansion of sugar industry could produce sufficient sugar to meet her needs, so the government thought that the Indian Sugar Industry must be protected and encouraged.

1932-1951 The Protection Period :

The Sugar Industry Act of 1932 declared that sugar industry as a protected industry for the duration of 15 years. Due to this Act the sugar industry developed very rapidly. Then the act of 1932 made miracles in the history of the sugar industries in India.

T A B L E - V

Particulars	1931-32	1936-37
1. No. of Sugar Factories	31	137
2. Acreage under cane	3.1 Million	4.6 Million
3. Production of crystal sugar	1,61,000	10,00,000

Source : Spencer and Meade Cane sugar Hand Book.  
( London : John Wiley & Sons p. 12 )

India became self sufficient in respect of sugar within 4 years after the grant of protection until 1938-39 the production went on increasing, but during war period the production of sugar reduced.

Sugar Industry and Plan Period :

After independence the government of India introduced not only the Community Development Programme, but also the Planning Commission of India was asked to chalk out developmental plans keeping in view the need of sugar co-operative in mind. Accordingly the five years plan also introduced for the all round progress of India.

The First Five Year Plan began in 1951-56 the target of sugar production was fixed at 15 Lakh tonnes as against an actual production of 11.16 lakh tonnes. So to increase the production new factories were increased. To increase the capacity of the existing plants proper directions were given. As a result at the end of the First Five Year Plan the sugar industry achieved a record production of 18.9 lakh tonnes. In 1950-51 prior to the initiation of the First Five Year Plan, there were 139 Sugar factories in India of which 3 were co-operative and 136 Joint stock and other factories. Under the

Industries Development And Regulation Act of 1951, all the 139 Sugar factories were registered.

The period between 1956-61 the Second Five Year Plan encouraged the expansion of sugar industry. In 1960-61 a record of 30.29 lakh tonnes was produced. There was a notable increase in the Third Five Year Plan (1961-66) was 35.10 lakh tonnes of sugar production in 1965-66. From 1966 to 1969, these 3 years are called as holiday years.

A Policy of partial control of sugar was followed by government due to change in policy the farmers could get higher prices for sugar cane. This effected in increase in area of cane plantation and the sugar production also increased.

In 1968-69 the sugar production reached a new record of 37.6 lakh tonnes. In 1969 to 1974 the Fourth Five Year Plan iterated the significance of sugar industry. So in 1974-75 there were 247 sugar factories, and produced 42 lakh tonnes of sugar in the year 1975-76.

#### Co-operative Sugar Industries in India :

The introduction of first co-operative sugar factory in 1933 in United Provinces is a remarkable in the history of co-operative sugar industry in India. Three more co-opera-



tive sugar factories were started at Thummapala, Etikoppaka and Vuyyuru in Andhra Pradesh in 1933 and 1935. Etikoppaka co-operative sugar factory is one of the oldest in India today.

The introduction of co-operative sugar factories spread to the then Bombay State after the Second World War. As a result, The Pravaranagar Co-operative Sugar Factory got registered on 31st December 1948. The first bag of sugar came out on 31st December 1950.

The Government of India encouraged the co-operative sector by providing financial assistance, share capital, contribution and also liberal licencing policy i.e. The central government had announced in December 1986, the new sugar licencing policy for the Seventh Plan period under this policy, the initial capacity of new sugar units to be set up during the 7th Plan was fixed at 2500 tonnes cane crush per day as against 1250 TCD in earlier plan. This was done to take advantage of the economics of scale and facilitate incorporation of Modern Technology. SAKTHI SUGARS have emerged as the first in country to handle over one crore tonnes sugar cane and converted the same into superior quality white crystal sugar within 19 years of its inception at Sakthi Nagar, Erode.

This shows that the Governments encouragement for development of sugar co-operative gave a big boost to the increase in the number of sugar co-operatives. This has had various implications, besides the rise in sugar co-operatives. In certain states, especially in Maharashtra the co-operatives have become support structure in political power. There has been an emergence of strong political leaders, who have used sugar co-operatives a base of capturing political power. This has also contributed to the rise of caste structure, feudal development etc. This has been quite popular in the Maharashtra State.

It is worth while to examine the rise of sugar factories in India, and besides state wise rise of sugar factories, which will bring forth a graphical picture of the emergence of the heavy sugar co-operatives.





**SUGAR PRODUCTION**

**TABLE -VII**

**STATE-WISE SUGAR PRODUCTION BY SUGAR FACTORIES IN INDIA**

tState	(In '000 Tonnes)																			
	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88*	1988-89	1989-90	1990-91	1991-92						
	Coop. Tl.	Coop. Tl.	Coop. Tl.	Coop. Tl.	Coop. Tl.	Coop. Tl.	Coop. Tl.	Coop. Tl.	Coop. Tl.	Coop. Tl.	Coop. Tl.	Coop. Tl.	Coop. Tl.	Coop. Tl.						
1. Andhra Pradesh	98	311	49	199	65	263	173	546	154	513	99	295	120	355	161	406	223	529	211	544
2. Assam	8	11	5	7	3	5	8	12	4	8	5	5	2	3	2	2	5	5	10	10
South Bihar	—	7	—	2	—	5	—	13	—	10	—	4	—	1	—	1	—	3	—	3
North Bihar	—	251	—	163	—	189	—	331	—	360	—	221	—	143	—	249	—	296	—	309
3. Bihar (Total)	—	258	—	165	—	194	—	344	—	370	—	225	—	144	—	250	—	299	—	312
4. Goa	8	8	6	6	5	5	12	12	10	10	7	7	7	7	6	6	8	8	9	9
Saurashtra (Guj.)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
South Gujarat	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5. Gujarat (Total)	297	297	222	222	332	332	531	531	473	473	392	392	403	403	557	557	576	576	578	578
6. Haryana	63	133	29	91	38	103	78	172	84	182	75	172	55	137	69	161	154	289	148	272
7. Karnataka	229	487	128	271	193	371	325	648	324	627	182	383	230	441	262	508	298	612	383	745
8. Kerala	17	23	11	16	14	17	14	17	14	19	8	10	6	8	6	7	8	10	5	7
9. Madhya Pradesh	7	62	1	24	5	17	20	58	25	75	23	24	20	51	18	42	22	71	35	85
North Maharashtra	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
South Maharashtra	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
10. Maha. (Total)	1831	2105	1260	1394	1877	2085	2687	3026	2696	3025	1803	1993	2121	2311	2210	2389	2270	2388	2691	2795
11. Nagaland	—	9	—	7	—	4	—	7	—	6	—	3	—	2	—	2	—	4	—	6
12. Orissa	18	20	9	10	9	10	18	21	22	24	16	17	13	14	13	14	20	21	26	28
13. Punjab	67	94	41	52	35	51	83	149	85	150	85	146	85	142	87	146	152	234	144	210
14. Pondicherry	—	26	—	16	—	21	—	25	—	26	4	19	11	28	23	51	28	59	24	50
15. Rajasthan**	12	34	1	11	4	12	8	23	7	26	5	23	3	19	5	13	10	22	—	6
16. Tamil Nadu	213	491	139	367	153	430	305	755	284	651	176	424	259	600	349	811	356	814	352	784
East U.P.	21	377	7	260	7	268	27	516	23	513	22	392	22	267	41	456	83	617	90	656
West U.P.	49	457	41	347	58	434	114	704	113	720	119	651	118	578	81	457	168	823	163	837
Central U.P.	114	628	83	390	105	522	201	861	193	802	167	684	161	633	223	737	373	1117	401	1173
17. U.P. (Total)	184	1462	131	997	170	1224	342	2081	329	2035	308	1727	302	1478	345	1650	624	2557	654	2666
18. West Bengal	—	10	—	3	—	4	—	10	—	9	—	2	—	1	—	1	—	4	—	3
<b>ALL INDIA</b>	<b>3052</b>	<b>5841</b>	<b>2032</b>	<b>3858</b>	<b>2903</b>	<b>5148</b>	<b>4604</b>	<b>8437</b>	<b>4511</b>	<b>8229</b>	<b>3188</b>	<b>5917</b>	<b>6144</b>	<b>4113</b>	<b>7016</b>	<b>4754</b>	<b>8502</b>	<b>5270</b>	<b>9110</b>	
Coop. % of Production	52.3	52.7	56.4	54.6	54.8	53.9	59.2	58.6	55.9	57.8										

\*\* Includes sugar recovered from sugar beet.

\* Provisional & Maharashtra were bifurcated into two price zones each from 1986-87.

Co-Operative Movement and Co-operative Sugar Factories  
in Karnataka :

The co-operative movement in Karnataka began along with the co-operative movement in India. As a result of which the first co-operative society was established in Dharwar District at Kanaginahal in 1904.<sup>39</sup> In the very next year i.e. in 1905, Mysore Co-operative Central Act was passed, this led to the growth of co-operatives in the old Mysore State.

The co-operative Movement in Karnataka area got a new momentum after the reorganisation of states, and the formation of new Mysore State in 1957.

Plan Period and Co-operative Movement in Karnataka :

For the development of co-operatives two important steps were taken in First Five Year Plan (1951-56)

- i) Extension of Co-operatives through the establishment of Multipurpose societies and
- ii) Providing financial assistance to agricultural co-operatives.

A sum of Rs. 8.09 lakhs was spent on co-operatives.

Little progress was made in establishing different co-operatives

such as Housing, Weaving, credit and agricultural and marketing co-operatives. Second Five Year Plan (1956-61) to some extent strengthened the co-operative movement by spending the sum of Rs. 261 lakhs on co-operation.

The significant objectives were placed in Second Five Year Plan as follows :

- 1) To strengthen the financial administrative and technical abilities of co-operatives at all levels.
- 2) To develop agricultural, marketing and processing co-operatives through government assistance.
- 3) To widen the base of co-operatives in rural economic activities through government help.
- 4) To give suitable training facilities to the co-operative staff.

Taking into account the significance of agricultural processing, it was determined to start the co-operative processing units. 32 processing units were registered and 18 units started functioning during the Second Plan period.

In the Second Plan nearly eight co-operative sugar factories were registered and 3 started production by the end of the Second Plan period.

In the Third Five Year Plan (1961-66) Rs. 394 lakhs were spent on co-operation. Four co-operative sugar factories were provided with the financial help of Rs. 47 lakhs. This plan also made provisions for various co-operative processing units.

The Fourth Five Year Plan (1969-74) Rs. 900 lakhs were allocated for the development of co-operation. Ten co-operative sugar factories received economic assistance of Rs. 220 lakhs. Nearly 172 co-operative processing units also given financial help from the government.

Subsequently in remaining Five Year Plans, also the co-operative sugar factories developed. The government liberalised the financial assistance in 1983, there were 28 licensed sugar factories in Karnataka out of which 17 were co-operatives, 8 private and 3 in state sector.

Out of 17 registered co-operative sugar factories, 13 were already under the production, 4 were under construction. About 13 co-operative sugar factories working satisfactorily.

Development of Sugar Factories in Karnataka

T A B L E - VIII

Year	No. of Sugar Factories in Operation	
	Co-operative	Total
1950-51	-	4
1955-56	-	4
1960-61	3	8
1965-66	4	9
1970-71	6	11
1975-76	9	19
1980-81	13	23
1981-82	13	23
1982-83	13	23
1983-84	13	24
1984-85	14	24
1985-86	13	22
1986-87	14	24
1987-88	14	25
1988-89	15	27

Source : Co-operative Sugar Directory and Year Book  
1982-83, p. 415. by N. S. Jain.

India is predominantly an agriculture country of which 80% of the population are agriculturists, who live in rural areas to raise the standard of living. Most of the co-operative sugar factories in Karnataka have been established in rural areas, which is the real India. Thus the co-operative sugar factories have occupied a central place in the upliftment of socio-economic and political life of the rural people. Day-by day the strength of co-operative sugar factories is increasing in Karnataka.

TABLE-IX

## LIST OF SUGAR FACTORIES IN KARNATAKA STATE AS ON

31.03.1989.

## A) COOPERATIVE SECTOR ( WORKING FACTORIES ) :-

Sr. No.	Name of the Sugar Factory	Year of commissioning	Present capacity ( TCD )	Expansion Programme proposed	Telegraphic address
1.	2.	3.	4.	5.	6.
1.	Aland SSK ltd., Aland	1968-69			
2.	Bidar SSK Ltd., Bidar Dist.	1968-69	2000	3500	"BIDAR SUGAR"
3.	Bhadra SSK Ltd., Davangere, Chitradurga Dist.	1977-78	1250	-	"BHADRA SUGAR"
4.	Dakshina Kannada SSK Ltd., Bramhavarā	1984-85	1250	-	"MANGALASUGAR"
5.	Doodhaganga Krishna SSK Ltd., Chikodi, Belgaum Dist.	1974-75	2000	3000	"GANG SUGAR"
6.	Ghataprabha SSK Gokak, Belgaum Dist.	1979-80	1250	2000	"PRABHA SUGAR"

1.	2.	3.	4.	5.	6.
7.	Sri.Halasiddanatha SSK Ltd., Nipani, Belgaum Dist.	1986-87	1250		"HALA SUGAR"
8.	Hemavathi SSK Ltd., Dist. Hassan.	1984-85	1250		"HEMA SUGAR"
9.	Hiranyakeshi SSK Sankeshwar, Belgaum District.	1960-61	3500	5000	"HIRA SUGAR"
10.	Kampli CSF Ltd., Kampli, Dist. Bellary.	1957-58	1200		"RAM SUGAR"
11.	Karnataka SSK Ltd., Haveri.	1983-84	1250		"VARADASUGAR"
12.	Malaprabha CSF Ltd., M.K. Hubli, Belgaum Dist.	1970-71	3500	5000	"RANI SUGAR"
13.	Pandavapura SSK Ltd., Pandavapura, Dist. Mandya.	1959-60	1500	3500	"PAND SAKKAR"
14.	Raibagh SSK Ltd., Raibagh, Belgaum Dist.	1977-78	1250	2500	"RAYA SUGAR"
15.	SriSRI.rama SSK Ltd., Chunchanakatte, Dist. Mysore.	1979-80	1250		"RAM SUGAR"

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Total : 24950

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## B) PUBLIC/JOINT SECTOR ( WORKING FACTORIES )

1.	2.	3.	4.	5.	6.
1.	Mysugar Co.,Ltd., Mandya.	1933	5000	-	"MYSUGAR"
2.	Mysore Paper Mills Bhadravathi.	1984	2500	-	"PAPER MILL"
3.	Davanagere Sugar Works.	1974	1250		"DAN SUGAR"
4.	Gangavathi Sugars	1975-76	2500		"GANGA SUGAR"
Total :			11250		

## C) PRIVATE SECTOR ( WORKING ) :

1.	Sri. Chamundeshwari Sugars, K.M. Doddi.	1974	2500	3500	"CHAMSUGAR"
2.	Gowribidanur Sugars	1965-66	1250	-	"GAURI SUGAR"
3.	ISR Hospet.	1934	2000	-	"GAURI SUGAR"
4.	Mahadeshwara Sugar works, Kollegal.	1975-76	1250	2500	"MAHA SUGAR"
5.	Siruguppa Sugars, Siruguppa.	1973	1500	-	"PODDAR"
6.	Godavari sugar Mills Sameerawadi.	1972	5000	-	" SUGAR MILIS"
7.	Thungabhadra Sugar works, Shimoga.	1954	2500	-	"MERCHANDIS"
8.	Ugar Sugars, Ugarkhurd	1942	5000	-	"UGAR SUGAR"
Total:			17750		

Grand Total Capacity: 53950 tonnes or shing per day.



NEW SUGAR FACTORIES IN COOP SECTOR :

1.	Nandhi SSK, Chickgalagali	-	2500	Licence obtained.
2.	The Krishna SSK, Athani	-	2500	Licence obtained.
3.	Bhagyalakshmi SSK, Khanapur	-	2500	Licence obtained.
4.	Sri. Krishna Ghataprabha SSK Terdal.	-	2500	
5.	Naranja SSK, Bidar.	-	2500	

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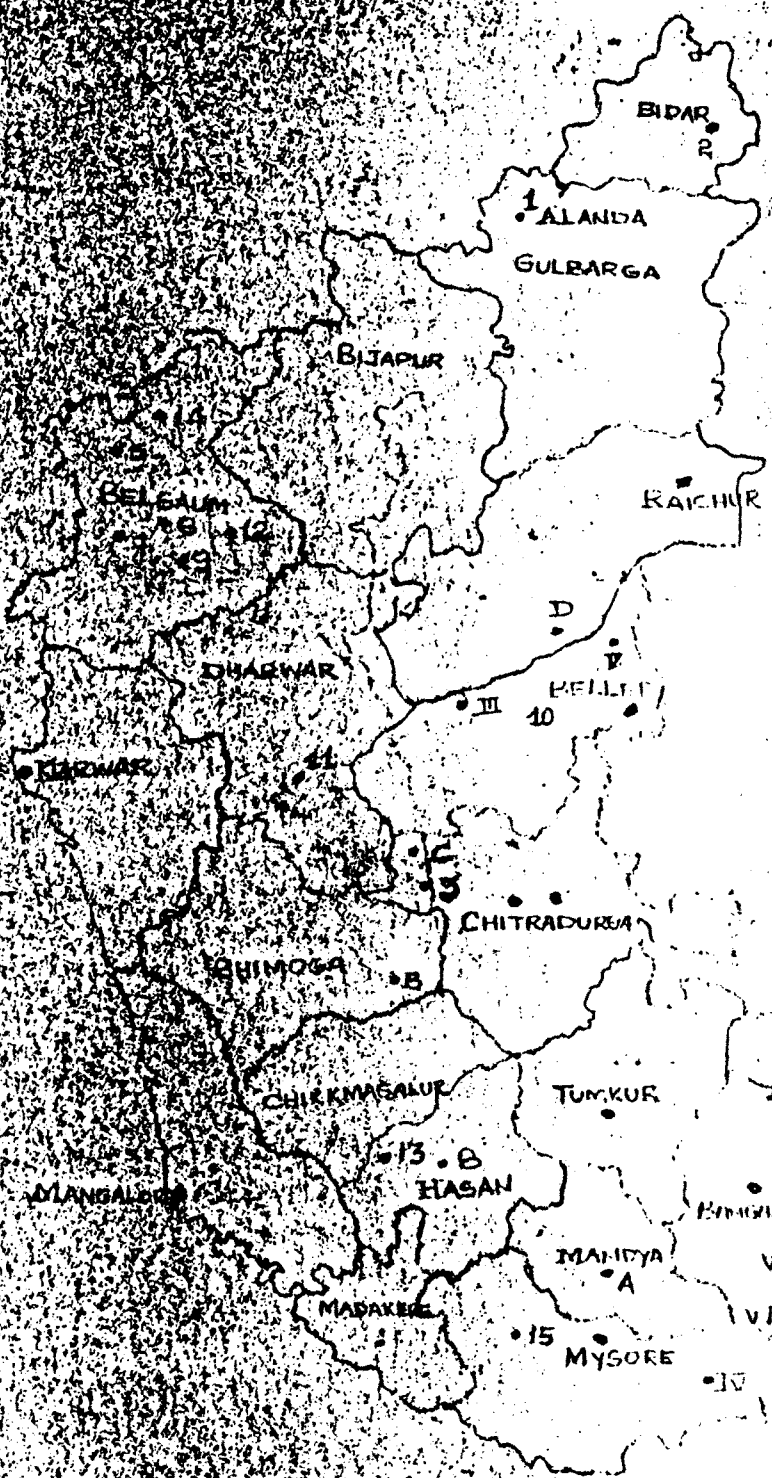
Source : The Office of the Director of Sugar (Mysugar  
Building, III Floor, I.C.Rd. Bangalore - 2.

These charts indicate the total number of Sugar factories working in Public Sector, Private Sector, and in co-operative sector. Comparatively Karnatak has not developed its capacity in sugar production. It is interesting to find that there are only 18 sugar factories working in co-operative sector. Co-operative movement in India suffers from certain defects, but nevertheless it is the only instrument through which social change in rural development is effective. Co-operative movement helps in emergence of rural leadership. There has been rapid and substantial progress in the co-operative field after independence in 1947. The introduction of sugar factories in India has been aimed to develop centres of growth in their respective areas of operation

and bring about general social and economic development by providing various educational, health and communication services for the community at large. Hence in this chapter an effort is made to assess the development of co-operatives in India and especially in Karnatak, from which it can be stated that the growth of sugar factories in Karnatak has been at a very low space.

# MAP OF SUGAR FACTORIES

## KARNATAKA STATE COOPERATIVE SECTOR - A



1. Aland SSK Ltd., Aland
2. Bidar SSK Ltd., Bidar
3. Bhadra SSK, Davangere
4. Dakshina Kannada SSK Ltd., Brahmavara
5. Doodhaganga Krishna SSK Ltd., Chikkodi
6. Ghataprabha SSK, Bokak, Belgaum dist.
7. Sri. Halasiddanatha SSK Ltd., Belgaum dist.
8. Hemavathi SSK Ltd., Hassan dist.
9. Hiranyakeshi SSK, Sankeshwar, Belgaum dist.
10. Kampli CSF Ltd., Kampli, Ballary dist.
11. Karnataka SSK Ltd., Haveri
12. Malaprabha CSF Ltd., M.K. Hubli, Belgaum dist.
13. Pandavapura SSK Ltd., Pandavapura, Mandya dist.
14. Raibagh SSK Ltd., Raibagh, Belgaum dist.
15. Sri. Sriroma SSK Ltd., Chunchanakatti, Mysore dist.

### Public sector - B

- a) Mysugar Co. Ltd., Mandya
- b) Mysore Paper Mills, Bhadravathi
- c) Davangere Sugar Works
- d) Gangavathi Sugars

### PRIVATE SECTOR - C

- i) Sri Chamundeshwari Sugars, K.N. Doddi
- ii) Gauribidanur Sugars
- iii) ISR Hospet
- iv) Mahadevshwara Sugar works, Kollegal
- v) Siruguppa Sugars, Siruguppa
- vi) Godavari Sugar Mills, Sameerwadi
- vii) Thungabhadra Sugar works, Shimoga
- viii) Ugar Sugars, Ugarkhurd

Drawn: *mel*

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