

CHAPTER FIVE

SHAREHOLDERS OF 'HIRA'

1. Introduction

An analysis of the socio-economic and political characteristics of the members is attempted in this chapter. This will help us to understand the politics at 'Hira' in a proper perspective. Besides, this will also form a basis for studying the characteristics of the directors of 'Hira' vis-a-vis ordinary members.

In the year 1982-83 there were 6,534 producer members spread in 217 villages. They held 9,149 shares contributing Rs. 91,23,000 as share capital. They are spread in 6 Talukas of Karnatak and Maharashtra as shown in Table No. 5.1.

Table No. 5.1

Area-wise membership of 'Hira'

Sr. No.	Name of the Taluka with State	Villages covered in the area of operation	No. of shareholders
1	Hukkeri (Karnataka)	103	3,031
2	Chikodi (Karnataka)	38	1,184
3	Belgaum (Karnataka)	04	32
4	Gokak (Karnataka)	22	220
5	Gadhinglaj (Maharashtra)	64	2,015
6	Ajra (Maharashtra)	13	50
Total		244	6,534

Table No. 5.1 indicates that 68 per cent of shareholders come from Karnataka and 32 per cent from Maharashtra. There are 3 categories of shareholders of 'Hira' (See Chapter No. 4.2). The number of these shareholders has steadily increased over the years and along with that their share capital also has increased. Table No. 5.2 will make clear the increase in the number of shareholders and their share capital.

Table No. 5.2

Membership and share capital of 'Hira'

Item	1963-64	1982-83
<u>Membership</u>		
1. 'A' Class	2,236	6,534
2. 'B' Class	95	244
i) Individuals	26	175
ii) Co-operative societies	69	69
<u>Share Capital</u>		
1. 'A' Class	18,57,722	91,23,161
2. 'B' Class	1,28,262	2,39,325
i) Individuals	39,000	1,67,250
ii) Societies	89,262	72,075
3. Karnataka Government	24,00,000	-

Source: Annual Reports of 1963-64 and 1982-83 of Hira Sugar Factory, Sankeshwar.

Table No. 5.2 indicates that over a period of 20 years the number of shareholders has increased almost three times and their share capital has increased almost five times. Hence the economic position of 'Hira' got improved by which the 24 lakhs of rupees share capital of Karnataka Government was returned in 1979. Comparing to the number and share capital of 'A' Class members to 'B' Class members it is clear that the real owners of 'Hira' are by and large the producer members.

Sugarcane cultivation is capital as well as labour intensive. To cultivate sugarcane a farmer must have irrigated land. The villages situated on the banks of river Hiranyakeshi and having access to its water have a greater area under sugarcane and consequently a larger number of shareholders. There are many villages in the area of operation of the factory which have no shareholders at all. Out of the 244 villages which come under the area of operation of 'Hira', there are shareholders in 207 villages only. In 37 villages in the area of operation of 'Hira' there are no shareholders, due to the lack of irrigation facilities. Those farmers could have grown sugarcane by digging wells, but it is risky. Digging of well requires a lot of capital investment and there is no guarantee that the well will provide sufficient

water. So, only a rich farmer can take the risk of digging a well.

A farmer must also be able to raise resources for various inputs to cultivate the land properly. Sugarcane is a crop of long duration (12 to 18 months). So, a farmer needs two acres of land under sugarcane to be able to harvest one acre a year. Considering the overlapping of land required because of the long duration of crop and the need for greater resources for cultivating sugarcane, a sugarcane grower is a richer person than a farmer cultivating 'dry' crops on the same acreage of land. Those who are able to grow more than five acres of cane are rich by local standards. Table No. 5.3 indicates that most of the shareholders of the factory are small sugarcane land holders. But it does not give a clear picture of the economic position of the family. In many rich families ownership of land is nominally divided on paper to escape the implications of the land ceiling Act. The division is also done to increase the number of voting members in the family. There is another benefit also in having more shareholders in the family. Each shareholder is given one bag of sugar a year at a concessional rate. More shareholders in the family means more bags of sugar for the family. Table No. 5.3 gives cane acreage of shareholders in 1983-84.

Table No. 5.3

Cane acreage of shareholders
in 1983-84

<u>Cane acreage</u>	<u>No. of shareholders</u>
Upto 1 acre	3,048
1 to 2 acres	1,702
2 to 3 acres	809
3 to 4 acres	481
4 to 5 acres	254
5 to 10 acres	427
Above 10 acres	42

Source: Records of Hira Sugar Factory,
Sankeshwar.

The analysis of data reveal that the number of small farmers who hold sugarcane growing land less than 2 acres constitutes a major part of the shareholders. Those who grow sugarcane in more than 5 acres and above of land are small in number i.e., 723 only which is 9.4 per cent of the total shareholders. Hira Sugar factory, in general, may be called as a co-operative business carried on by small farmers residing in rural areas. The shareholders supplied 3,74,990 tonnes and 3,52,363 tonnes of sugarcane in 1981-82 and 1982-83 respectively.

The membership of 'Hira' is large and it is spread in 6 Talukas of two states. Statistical information about the socio-economic background of these members was not available. Therefore, it was decided to take a sample survey of the members to study their socio-economic and political characteristics. Table No. 5.4 gives the areawise composition of the shareholders interviewed.

Table No. 5.4

Areawise composition of sample shareholders

Sr.No.	Taluka with State	No.of villages visited	No. of shareholders interviewed
1	Hukkeri (Karnataka)	09	33
2	Chikodi (Karnataka)	04	13
3	Gadhinglaj (Maharashtra)	05	20
Total		18	66

Source: Records of Hira Sugar Factory, Sankeshwar.

Table No. 5.4 indicates that 66 shareholders from 18 villages in 3 Talukas in the area of operation were interviewed, for the present study. The characteristics of these shareholders are dealt with in two parts. The first part is concerned with socio-economic characteristics. It is

discussed on the basis of the background of shareholders, i.e., age, caste, education, land-holding, occupation etc. The second part provides the political characteristics of the shareholders considering the factors like party affiliation, party offices held, political consciousness etc.

2. Socio-economic Characteristics of Shareholders

The behaviour of a person in social situations is influenced by his personal characteristics such as age, education, caste, economic status etc. It is expected that older, better educated and higher status persons will be activists in the social organisations like co-operatives. These factors are discussed in this part of the chapter.

Age:

Table No. 5.5

Distribution of sample shareholders by age

<u>Age group</u>	<u>No. of members</u>	<u>Percentage</u>
Young 18-35 years	34	51.5
Middle aged - 36 to 50 yrs.	22	33.3
Old - 51 and above	10	15.2
Total	66	

Age is classified into 3 categories young - 18 to 35 years, middle aged - 36 to 50 years and old - 51 and above.

There are persons of all age groups among the sample members. Most of them have been members of 'Hira' for more than 10 years. Some in the middle age and most in the old age group have been the members of 'Hira' since the beginning. They have been associated since formative years, when Appannagouda Patil was a leader and also during the leadership of Basagouda Patil.

Education:

Table No. 5.6

Distribution of sample shareholders by education

<u>Education</u>	<u>No.of shareholders</u>	<u>Percentage</u>
Illiterate	17	25.8
Primary education	32	48.6
Secondary education	13	19.6
Collegiate	04	6.0
Total: 66		100%

Education is a process, by means of which a person develops abilities and attitudes which are necessary for social life. Formal education trains a person in the three 'R's and facilitates imparting education in co-operation to him. It also broadens a person's mental horizon by enabling him to come into contact with the outside world through reading material. So, it is expected that members who are

better educated will tend to be more active in the affairs of 'Hira' than those who have received lower education or no education. In Table No. 5.6 educational status is classified into 4 categories: illiteracy, primary, secondary and collegiate. Some 25.8 per cent of the sample shareholders were illiterate and 48.6 per cent had only primary education. The members who had higher educational status expressed their views freely. They had more knowledge of their society than those who had lower educational status or no education. They participated more actively in the governing of their society than the members with lower educational status or no education.

Caste:

Table No. 5.7

Distribution of sample shareholders by caste

<u>Caste</u>	<u>No.of shareholders</u>	<u>Percentage</u>
1 Lingayat goudar	43	65.2
2 Lingayat Banajager	11	16.7
3 Maratha	06	9.1
Brahmin	02	3.00
Jain	03	4.5
Muslim	01	1.5
<hr/> Total		100.00

The place of caste in the social structure of rural India is very important. "The traditional social system in India was organised around caste structures and caste identities."¹ In the rural community in India, caste groups with their hierarchical status are important structures of power. Table No. 5.7 reveals that 61 per cent of the sample shareholders belong to the Gouder community and 11 per cent belong to the Banajager community and the remaining to the minority communities. Gouder community is clearly dominant in 'Hira'. Most of its members belong to agricultural class having landed property.

Occupation:

Table No. 5.8

Occupation of the sample shareholders

<u>Occupation</u>	<u>No.of shareholders</u>	<u>Percentage</u>
Agriculturists	53	80.3
Businessmen	06	9.1
Job-holders	06	9.1
Others	01	1.5
<u>Total</u>		<u>100.00</u>

Sith reference to primary occupation, shareholders of

1 Kothari, Rajni, Caste in Indian Politics (New Delhi: Orient Longman, 1973) p. 4.

'Hira' may be classified into agriculturists and non-agriculturists. 'Hira' is meant mainly for satisfying the needs of agriculturists. There are some persons who have lands but their primary occupation is not agriculture. Table 5.8 reveals that as many as 80 per cent of the sample members are agriculturists. Agriculturist members get greater opportunities and services in an agricultural society. Naturally, they are more interested in the affairs of the society.

Land holding

Table No. 5.8

Land holding of sample shareholders

<u>Acreage</u>	<u>No. of shareholders</u>	<u>Percentage</u>
1 to 3 acres	35	53.2
3 to 6 acres	20	30.3
6 to 9 acres	05	7.5
9 to 12 acres	05	7.5
12 and above	01	1.5
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Total	66	100.00
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Table No. 5.9

Sugarcane acreage of sample shareholders

<u>Acreage</u>	<u>No. of sample shareholders</u>	<u>Percentage</u>
Nil	01	1.5
Upto 1 acre	25	37.8
1 to 2 acres	17	25.9
2 to 3 acres	11	16.7
3 to 4 acres	05	7.5
4 to 5 acres	01	1.5
5 to 10 acres	06	9.1
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Total	66	100.00
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The main form of wealth in rural areas is land. Among the sample shareholders, the land holdings are either small holdings or medium ones. Table No. 5.8 shows that 53 per cent of shareholders have less than 3 acres of land and 30 per cent of them hold from 3 to 6 acres.

The analysis of Table No. 5.9 shows that one shareholder is 'B' class member and he does not grow any sugarcane. Some 56 per cent of the sample members grow less than two acres of sugarcane.

The level of economic status together with caste

determines the place of persons in the social¹ scale. It is also an index of the ability of persons to participate in the business of co-operatives. The higher the economic status, the greater is the need and scope for using the services of co-operatives and for commanding influence and power in the community.

3. Political Characteristics of Shareholders

In this part of the chapter political characteristics of shareholders is discussed in terms of party identification, membership of other co-operatives, political opinions, preferences, likings and dislikings, participation in general body meetings etc. Harold Lasswell has stated that the study of politics is the study of influence and the influential.² Politics is the process of shaping and sharing power and struggle for power. Politics in rural areas can be more effectively analysed if the relations between the leaders and the followers are studied together.

From among the 66 sample members only 11 had party affiliations, which works out to be 16.6 per cent. Five of them were members of Janata Party, five were members of Congress (I) party and one was a member of Bharatiya Janata Party. The remaining 55 sample members were non-partisan. None of the members held any position of power in any party.

² Lasswell Harold, "Politics: Who gets what, when, how" on Political Sociology (Chicago: University of Chicago Press, 1977) p. 12.

Out of the 11 sample members who were members of political parties, 9 were found to be supporting the sitting Board of Directors. Only one Congress (I) and one JBP member opposed the then Board of Directors.

Out of the sixty-six sample members 60 were members of other co-operative societies. Seventy-three per cent of them were members of two or three co-operatives. Seventeen per cent of them held positions of power in the co-operatives at village level. The analysis of this data reveals that political affiliations of the sample shareholders are considerably less. These members are politically less active.

In order to know how important 'Hira' leaders were to the sample members, they were asked to name the influential persons and give the reasons thereof. The data helped to reveal that Basagouda Patil was considered as the most influential person. It is to be noted that none of the sample members named the Chairman and the Vice-Chairman of the Board of Directors of 'Hira' as the influential persons. M.D. Patil was the Director of the Board since 1974 and the Chairman since 1982. S.M. Patil was a Director since 1978 and Vice-Chairman since 1983. But sample members did not consider them as influential in 'Hira'. Basagouda Patil was a Director since the beginning of the factory in 1956. He had worked as Vice-Chairman from 1966 to 1974 and as the Chairman from 1974

to 1976 and again in 1978 to 1982. He retired from the Chairmanship because of the rule of government that no person could hold a position of power in co-operatives for more than 6 years. Though he retired from the position of Chairmanship and remained only a director, members recognise him and consider him as the leader of 'Hira'. Some of them even call him as the Chairman. It indicates that though Basagouda Patil did not hold any position of power in the Board, he was the leader of 'Hira'. Sample members were asked the question, "Who is the most influential person in 'Hira' Sugar Factory? and why?" Some of the answers were very interesting. Three respondents showed their reluctance to reply the question. Three respondents gave the names of two ex-directors. These three respondents did not know that the persons they named as most influential in 'Hira' were no longer on the Board of Directors and, in fact, were opposed to the sitting board of directors. Ten of the respondents named the directors from their area as the most influential in 'Hira'. Thirteen respondents gave the name of D.T. Patil, who is a director since 1973. The respondents said that D.T. Patil was young and dashing. He went with people. He had co-operative spirit and he helped people. Thirty-seven respondents (56 per cent), considered Basagouda Patil as the most influential person in 'Hira'. They further explained as to why Basagouda Patil was the most influential man. They said, he was a devoted

co-operator; [] ran the factory efficiently and was accessible to the people.

In order to know the leadership process in 'Hira', the sample shareholders were asked the question, "Have you contested any elections of the factory? If yes, when? If not, why?" The answers of the respondents were most interesting and also revealing.

Six of the sample members, i.e., nine per cent of them, said that they belonged to the minority communities and they had no chance of winning the elections and, therefore, they did not contest the elections. The social composition of 'Hira' reveals that sixty-one per cent of the sample members (see Table No. 5.7) belonged to the Gouder community. The composition of the Board of Directors also reveals that 73 per cent of the directors belonged to the Gouder community. Although all members enjoy equal rights in the management of 'Hira' (one member one vote), in reality power is not equally distributed. Leadership in a co-operative society, as in other formal structures, is the function of several factors such as, social and economic background, education, political resources and skills. The positions of power in 'Hira' are generally occupied by big or medium shareholders belonging to the dominant gouder caste.

Twenty per cent of the sample members said that they had

no time as they had lot of personal and family work and they had to cultivate land. They had no time for social and political work. Forty-one per cent of the sample members confessed that they had no ability to contest the elections. They gave various reasons for their inability to contest election. They said, they were uneducated, they had no knowledge of co-operatives, they had no experience, they were not politicians, they were poor and could not afford to spend money for election and so on and so forth. For success in politics one needs a solid social and economic base. A poor man even if he belonged to Gouder community, would have neither time nor the required resources for working effectively to gain leadership positions.

Many of the sample members said that, as the ruling leadership was good, there was no need to contest election against them. It is difficult to say why good and able leaders emerge in one area rather than others. 'Hira' has had a succession of good leaders who enjoyed the confidence of shareholders and who acquired the skills of managing a big industrial enterprise.

Seventeen per cent of the sample members expressed that there was no need for them to contest elections to the Board as they belonged to the group which rules 'Hira' sugar factory.

They said that it was their 'Chain'. Ten per cent of the sample members said that it was impossible to get elected against the sitting board. Besides, the sitting board was very strong, and, therefore, they could not contest the election. A person from minority community has limited opportunities of attaining top leadership positions in the given situations.

Elections were fought between rival factions led by rival leaders. Coalitions were formed between leaders and followers. Ultimately, only two rival panels remained in the field for election. In 1984 elections to the Board of Directors in 'Hira' there were only two rival panels of candidates. In that election 11 directors were to be elected. Each panel nominated 11 candidates to contest the election. One panel was led by Basagouda Patil and another panel was led by Balasaheb Sarwadi. No attempt was made by any body to put a third panel. Nor did any candidate contest elections independently outside the panel. This was not because they were prohibited to do so, but because they realised that they had no chance of winning against the combined strength of rival panels.

4. Shareholders' Participation in General Body

An attempt was made to study the democratic participation of the shareholders in the general body meetings. General

body in a co-operative society is generally regarded as "the supreme authority."³ It is the main "legislative organ" of a co-operative government and a vital means of democratic control. "As an institution of democratic control in which electors directly confront their representatives, it has no parallel in the sphere of public government."⁴ The annual general meeting is the high watermark of the co-operative year.⁵ This meeting provides a forum for a free discussion and criticism. Its purpose is to review the programme and the business of the co-operative for the past year and to plan for the future activities. It gives members a chance to ask questions and to offer suggestions. The members gain information about the working of the society and express their views.

Attendance in the general body is very important, because only by attending the meetings can the members elect the Board of Directors and exercise control over it. Although

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- 3 Watkin, W.P., School of Democracy (Manchester: Co-operative Union, 1951), p. 13.
 - 4 Ostergarrd, G.H. and Halsey, A.H., Power in co-operation (Oxford: Basil Blackwell, 1965), p. 9.
 - 5 Hyre, French M., and Rust, Irwin, W., Organising and conducting Co-operatives' Annual Meetings (Washington: Farmer co-operative Services, U.S. Department of Agriculture, 1957) p. 1.

the effectiveness of the general body meetings depends more upon quality than upon the number of the members attending it, numbers do matter. For the general body meeting is not only a means by which members can question the Board, it is also a means by which the members can be informed and inspired. The larger the attendance in the general body meetings, the greater is the opportunity for the members to exercise control over the affairs of their co-operative and for the Board of Directors to sense the will of the general body members.

It is significant here to know that the general body meeting of 'Hira' held in 1981 was attended by only 36% of the shareholders and that of 1984 was attended by 74% of the shareholders. The increase of attendance in 1984 was due to intense competition in the election and the transport facilities provided to the shareholders by the candidates contesting the election. During the field survey the sample members were asked the question, "do you attend the annual General Body meeting of 'Hira'? and what is your opinion about the General Body meetings?" Fourteen percent of the respondents confessed that they never attended the general body meeting of 'Hira'. Thirty-four percent of the respondents told that they rarely attended the General Body

meetings. Fifty-two per cent of the respondents attended the General Body meetings almost regularly.

In general, only a small proportion of members attended the General Body meetings and voting. Why do many members not take any active part in the government of their co-operative? The reasons are many. One reason is long distance between the residence of some members and the factory. There are difficulties and inconvenience of travel. Another reason is that, quite a number of persons have joined the society only to use it and therefore, they do not bother to attend the meetings. Most of the members lack the concept of membership because of ignorance. That is, they are not conscious of their ownership of the organisation, of the right to vote which that ownership bestows on them and the need for vigilance. They lack ideological involvement in the co-operative.

There is another reason for the apathy of a high proportion of 'Hira' members towards General Body meetings. Co-operative business is mostly unexciting and there is nothing much for the ordinary members to do in it than attend for refreshments given at the time of General Body meeting. They do not find the meetings interesting. Ninetyseven per cent of the sample members who attend the meetings said that they just attended and listened. They did not take any active part

in the discussions and the deliberations of the meetings. Only 3 per cent of the sample members took some part in discussions and asked questions to the Board. It may also indicate that, even if the members are conscious of their responsibilities, they remain apathetic, if the matters to be discussed in the meetings do not seem important to them. Unimportant and routine matters fail to arouse interest or positive feelings of 'involvement' on the part of the members.

Twenty-two per cent of the sample members who attended the General Body meetings felt powerless about influencing final decisions. They felt that the meetings were conducted in a hurry. They felt that the directors would ignore their suggestions. Some of them expressed that there was no proper discussion and the resolutions were passed in a hurry and opposition from the members was not tolerated and the meetings were monopolistic.

Status difference among the members is also a cause of apathy. Poor, ignorant and illiterate members with a lower status do not open their mouths in the meetings. Eleven per cent of such sample members did not have any opinion on the conduct of the General Body meetings.

Seventy-seven per cent of the sample members who attended the meetings expressed their satisfaction about the

conduct of General Body meetings. They felt that there was proper and sufficient discussion and the meetings were conducted peacefully and with decorum. Some of them said that they had full faith in the 'Hira' leadership and were confident that they would take right decisions and therefore, there was no point in asking questions to them.

'Hira' is run on fairly democratic lines. If openness of membership, equality of votes, competition for power and fair elections were some of the tests of a democratic organisation, 'Hira' would easily pass. The sample members were asked the question "Is the factory working on democratic lines?" Many of the members did not understand what the word "democracy" meant. They had to be explained. Sixty-one per cent of them said that the factory was run on democratic lines. Twenty-two per cent of them expressed that the factory was not run on democratic lines. Seventeen per cent of the sample members had no opinion at all and they said that they did not know. The elected leaders of 'Hira' cannot work in an authoritarian manner because of active member interest in the affairs of 'Hira', and the competition among leaders. If the directors of 'Hira' tended to run 'Hira' on authoritarian lines, they may not be elected again. The opposition group would make a capital out of it. The leaders have to make special efforts to keep the members happy as

they cannot take the allegiance and support of shareholders for granted.

5. Socio-economic Impact of 'Hira'

To study the socio-economic impact of 'Hira' on the shareholders and also on this area, the sample members were asked the question, "How do you think the sugar factory has helped you in your economic development?" The responses of the sample members helped to understand the impact of 'Hira' on the economic and cultural life of people in this area. The working of sugar factory has changed the countryside making an effective change in the crop patterns and method of agriculture. Before the establishment of 'Hira' very small number of farmers of this area used to cultivate sugarcane. Usually they were taking crops like jowar, chillies and groundnut. Seeing the economic benefit in sugarcane growing, the farmers who had irrigation facilities went for sugarcane cultivation. The cultivation of cane requires water supply throughout the year. This can be done only with irrigation facilities. After the establishment of 'Hira' many farmers started digging wells to get irrigation facilities. Various private and co-operative irrigation and pipeline schemes were implemented for the supply of water. 'Hira' also undertook many schemes from the very beginning.

Major irrigation schemes were undertaken and completed by 'Hira' at Gotur, Kotabagi, Awargol, Kochari and Sultanpur.

Seventeen per cent of the sample members expressed that they were small land holders and they grew sugarcane on small pieces of land and, therefore, not much economic development in their life has taken place.

Eight-three per cent of the sample members agreed that after becoming shareholder of 'Hira' their economic condition had considerably improved. Specially, more benefitted were those shareholders who had large acreage under sugarcane. All of them said that they were benefitted as 'Hira' gave high rates to the sugarcane supplied by them and also because of the timely payment of Bills.

All the sample members expressed that, now they had no trouble of making jaggery out of their sugarcane. Jaggery market was fluctuating and uncertain. The shareholders of 'Hira' are no longer the victims of the uncertainties of jaggery market, as they get better returns for their cane. The jaggery market was in the hands of traders and businessmen. The merchants indulged in malpractices to get enormous profits. They systematically squeezed the producers. They did not make timely payment to the producers for the jaggery

they sold. They had to approach the merchants a number of times to get their payment. 'Hira' pays them in time for the sugarcane supplied by them. They are free from the exploitation by the traders.

'Hira' has a cane development department. This department is headed by an agriculture officer. The cane development department plans cultivation and growth of cane. It supplies seeds to those shareholders who need them. Factory has various extension services and other facilities given to the shareholders. This has helped the farmers to increase the yield of sugarcane by applying modern methods of agriculture. Factory has a bulldozer which is provided to the shareholders at a minimum rate. Land reclamation and land levelling are done by farmers with the help of the bulldozer.

In the past, farmers had to go to private money-lenders, who charged exorbitant interest rates. Upto 1980 'Hira' provided loans to shareholders for developmental work. Now 'Hira' itself helps the shareholders to secure finance from banks to purchase tractors and trucks and to dig wells and construct pipelines etc., submitting individual cases and assuring on behalf of the farmers. The instalments are paid to the bank by the factory deducting the amount from the bill of the farmers. These tractors and trucks are

used to transport sugarcane and for other agricultural activities. This assistance of 'Hira' has helped the producer members to add to their income. Fifteen per cent of the sample members have constructed wells by taking loans from 'Hira' or from the banks on the surity of 'Hira', twenty-nine per cent got pumpsets and pipe-lines and fourteen per cent constructed new houses. Some of them even could purchase more lands.

Ninety-five per cent of the employees of 'Hira' are local. 'Hira' employs thousands of persons during the season for harvesting and transporting. Thus, the factory has created new employment opportunities directly or indirectly, for the local people, helping them to acquire new skills and attitudes through work in a modern factory. Factory has become instrumental to improve the economic conditions of poor farmers by encouraging them to start ancillary industries like dairy. Every shareholder gets a bag of sugar annually at concessional rates.

The factory has donated more than 30 lakhs of rupees to various educational institutions and hospitals in this area. 'Hira' has maintained an ambulance which is made available to needy patients in the rural areas with minimum charges. In brief, it can be stated that the affairs of 'Hira' are

certainly influenced by the majority community. It is but a natural role that caste and class do play in co-operative movement.