

CHAPTER II

PROFILE OF THE RAJARAMBAPU PATIL

SAHAKARI SAKHAR KARKHANA

- (1) Historical Development
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CHAPTER - II

PROFILE OF THE RAJARAMBAPU PATIL SAHAKARI KARKHANA

(1) HISTORICAL DEVELOPMENT :

Rajarambapu Patil Sahakari Sakhar Karkhana Ltd., Rajaramnagar, formerly known as Walwa Taluka Sahakari Sakhar Karkhana Ltd., Sakharale, Dist. Sangli came into existence in August, 1968, on account of constant efforts of spirited leader, late Shri Rajarambapu Patil.

Before the establishment of Rajaram Karkhana, there were well established co-operative sugar factories like Krishna Sahakari Sakhar Karkhana Ltd., Retharebudruk, (Dist. Satara), Shetkari Sahakari Sakhar Karkhana Ltd., Sangli and Warana Sahakari Sakhar Karkhana Ltd., Warananagar (Dist. Kolhapur). But some villages of Walwa Taluka were not under the area of operation of any of the above factories. Hence sugarcane growers had to face many difficulties as regards the crushing of their sugarcane. Being an eminent leader in Walwa taluka, Shri Rajarambapu Patil took into consideration these difficulties and with a view to enrich life of farmers of Walwa taluka in respect of economic, social and educational field, he started Rajaram Karkhana in the fertile valley of Warana and Krishna river. This factory is situated 4 K.M. away from Islampur.

Rjaram Karkhana was registered on 17th August, 1968 as "Walwa Taluka Shetkari Sahakari Sakhar Karkhana Ltd., Sakharale, Dist. Sangli" and its registration No. is SA.N/P G.R.(A) 3. The foundation ceremony of this Karkhana took place on 22nd December, 1968 and it received the industrial permit on 12th February, 1969. The erection of the plant was completed in stipulated time within a span of only 14 months (March, 1969 to May, 1970). The trial crushing was taken on 5th June, 1970. The actual crushing was started in the crushing season 1970-71. Following table shows the progress made by Rajaram Karkhana during the last 20 years.

Table No.2.1 : Statement Showing Key Figures of Rajaram Karkhana.

Sr.No.	Particulars	As on 31st March	
		1971	1989
1.	Producer Members	2,504	8,664
2.	Share Capital (Rs.lakh)	62.68	159.79
3.	Reserve Funds (Rs.lakh)	31.82	1255.16
4.	Deposits (Rs.lakh)	8.90	1741.51
5.	Crushing capacity :		
	(a) Sanctioned - TCD	1,250	4,000
	(b) Actual - TCD	1,250	2,000
6.	Sugarcane crushed in MT	1,50,653	3,47,779
7.	Sugar Bagged	1,75,658	4,23,005

Sr.No.	Particulars	As on 31st March	
		1971	1989
8.	Sugarcane Acrage in the area of operation.	5,819	12,854
9.	Recovery Percentage	11.76	12.27
10.	Cane Price paid (Rs.per tonne)	100	476
11.	Area of operation (villages)	83	103

SOURCE : Annual Reports of the Years 1970-71 and 1988-89 of Rajaram Karkhana.

(2) AREA OF OPERATION :

The villages of two talukas i.e. Walwa and Tasgaon of Sangli District come under the area of operation of Rajaram Karkhana. The total number of villages under the area of operation upto 1987-88 was 83 of which 8 villages were from Tasgaon taluka and remaining 75 were from Walwa taluka. For its convenience the Karkhana had made six divisions or zones of these 83 villages which were as follows :-

<u>Zone No.</u>	<u>No.of villages</u>
1	15
2	11
3	14
4	13
5	18
6	12
Total...	<u>83</u>

In the year 1988-89 additional 20 villages from Walwa taluka were included in the area of operation of Rajaram Karkhana. At present the total number of villages under area of operation of Rajaram Karkhana is 103 of which 8 villages are from Tasgaon Taluka and remaining 95 villages are from Walwa taluka.

(3) MEMBERS :

The members of Rajaram Karkhana are of three types :-

- (a) Sugarcane producers,
- (b) Co-operative Societies,
- (c) Govt. of Maharashtra,

The following table shows the comparative position of the membership as at the end of March 1971 and March 1989.

Table - 2.2 : Statement showing Comparative Position of Members.

S.No.	Particulars	As on 31st March	
		1971	1989
1.	Producer Members (Class-A)	2,504	8,500
2.	Backward Class (SC & ST)	-	164
	Producer Members		
3.	Non-Producer Members (Class-B)	-	-
4.	Co-operative Societies (Class-B)	60	115
5.	Govt. of Maharashtra	1	1
	Total...	2,565	8,780

SOURCE : Annual Reports of Rajaram Karkhana.

From these figures it can be clearly stated that it is the real co-operative sugar factory owned, managed and run by the farmers themselves.

(4) OPERATIONAL ASPECTS :

Rajaram Karkhana is recognised as one of the well developed co-operative sugar factories in the Maharashtra State. The first crushing season was started in the year 1970-71. So far it has completed 20 crushing seasons successfully, competing with the other well developed sugar factories in the same region and has made a tremendous progress in the 20 year period from 1970-71 to 1988-89. After achieving a desired level of financial stability it has increased its crushing capacity from 1250 TCD to 2000 TCD in 1978 and decided to increase it to 4000 TCD in crushing season 1989-90.

It is most prominent in sugar recovery. The recovery percentage has never fallen below 11 per cent except in the year 1972-73 when it stood at 10.99 per cent, just close to 11 per cent. In the year 1974-75, 1975-76, 1977-78 and 1988-89 its recovery percentage has hit the mark of 12.01, 12.02, 12.10 and 12.27 respectively.

Since its inception Rajaram Karkhana has been paying highest price per tonne to the cane growers by minimising

the expenses and by maximising output and efficiency. The price paid per tonne to the cane growers by the Karkhana has received prizes many times from the Govt. of Maharashtra.

In order to utilise the molasses, a by-product, the factory established a distillery plant in the year 1976 to manufacture alcohol and foreign liquor. Acetone plant was established in the year 1983.

One can very well analyse the efficiency of the Karkhana in respect of its crushing, recovery, price per ton given to the cane growers from the table given below.

Table - 2.3 : Statement Showing Yearwise Operational Aspects of Rajaram Karkhana.

Year	Days of crushing	Crushing in M.T.	Sugar Bags produced.	Recovery %	Price per tonne in Rs
1970-71	163	1,50,653	1,75,658	11.76	100
1971-72	147	1,65,610	1,88,402	11.36	136
1972-73	166	2,14,280	2,34,263	10.99	141
1973-74	170	1,78,486	2,02,069	11.37	157
1974-75	171	2,30,039	2,76,792	12.01	175
1975-76	185	2,51,390	3,01,858	12.02	166
1976-77	171	2,35,399	2,69,595	11.45	152
1977-78	203	2,76,482	3,34,400	12.10	136
1978-79	239	3,96,787	4,78,444	11.70	178

Year	Days of crushing	Crushing in M.T.	Sugar Bags produced.	Recovery %	Price per tonne in Rs
1979-80	183	3,33,023	4,08,347	11.56	254
1980-81	187	3,73,371	4,42,853	11.75	324
1981-82	229	4,73,407	5,53,877	11.69	275
1982-83	215	4,61,088	5,40,960	11.71	257
1983-84	150	3,35,240	3,98,944	11.88	268
1984-85	173	3,81,435	4,54,215	11.90	350
1985-86	164	3,83,396	4,61,651	11.90	400
1986-87	201	4,50,303	5,25,765	11.64	400
1987-88	202	4,61,773	5,35,882	11.60	437
1988-89 upto 31st March	152	3,47,779	4,23,005	12.27	476

SOURCE : Annual Reports of Rajaram Karkhana.

(5) MANAGEMENT :

The general Superintendence, direction and management of the affairs of the Karkhana is vested in the Board of Directors. The Board of Directors comprises of 25 members, the break-up of which is as follows :-

- (1) Elected by 'A' class members i.e. producer members. 18
- (2) Nominated by 'B' class members i.e. Co-operative Societies. 1
- (3) Elected from financially weak members 1
- (4) Elected by Scheduled Caste and Scheduled Tribe members. 1

(5)	Representative of Sangli District Co-operative Bank	1
(6)	Representative of Govt. of Maharashtra	1
(7)	Technical and financial expert (Co-opted)	1
(8)	Managing Director is an ex-officio member	1
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	TOTAL...	25
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Managing Director is the Chief executive and is appointed with prior permission of the State Government.

The Chairman and Vice-Chairman are elected from amongst the elected directors. The term of office of Board of Directors of the Karkhana is 5 years.

For proper execution and efficient management of the Karkhana various committees and sub-committees have been formed. These committees are Executive Committee, Agriculture Sub-Committee, Purchase Committee, Lift Irrigation Committee, Construction Committee, By-Product Committee and Staff Committee.

(6) ORGANISATION STRUCTURE :

As regards administrative set-up, Managing Director is Chief Executive and all the heads of the various departments are subordinates to him. The decisions are always taken in Board of Directors' Meetings. The execution of these

decisions is made by Managing Director with the help of departmental heads. In order to improve the day-to-day working, efforts are made to maintain harmonious relationship amongst the staff and Board of Directors. The following is the separate chart showing the organisation set-up in figure 2.2 :-

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DEPARTMENT-WISE WORKING IN BRIEF :

Department-wise working in brief is as follows :-

(1) **General Office :**

This department looks after the secretarial work.

(2) **Account Department:**

This department maintains various accounts relating to transactions of the Karkhana.

(3) **Agriculture Department :**

This department performs various functions relating to agriculture from production of sugarcane to supply of sugarcane to the Karkhana.

(4) **Civil Department ;**

This department carries out construction and expansion programmes of the Karkhana. It also carries out repairs and maintenance of Karkhana buildings, roads etc.

(5) **Medical and Sanitary :**

This department provides medical facilities to employees of Karkhana and looks after the sanitation.



(6) Vehicle Department :

This department makes necessary arrangement of vehicles to officers of the Karkhana and carries out repairs and maintenance of the vehicles of Karkhana.

(7) Irrigation Department :

In order to bring more and more land under irrigation this department prepares plans and estimates, proposals of co-operative irrigation schemes, obtains water permissions, and helps in completing the irrigation schemes.

(8) Distillery Department :

This department performs various functions relating to manufacture of alcohol and foreign liquor.

(9) Engineering Department :

It helps in maintaining control over working conditions and production methods and process.

(10) Manufacturing Department :

It carries out the function of production of sugar.

(11) Stores Department :

It safeguards the inventory, issue inventory to various departments as per the requirements and maintains upto date record of inventory.

(12) Time Office Department :

It records the time of every coming in and going out of worker for the purpose of attendance record and wage calculations.

(13) Sugarcane Development Department :

Intensive cane development activities are to be carried out for effecting adequate cane supply.

(14) Water Management Department :

For economic use of available water this department prepares water budget and helps in fixing cropping pattern to farmers. It prepares irrigation schedule through computer and makes applicable to irrigation schemes.

(15) Labour office Department :

It performs the function of selection and training of workers and placing them to jobs for which they are best suited. Manpower planning and development is the main function of this department.

(16) Sugar Godown Department :

Storing and safeguarding the sugar is main function of this department.

(17) Watch and Ward :

It looks after the general safety of the Karkhana.

(18) Acetone Department :

It performs the function of manufacture of acetone.

The total number of office staff and workers as on 1st April, 1989 was 953. The departmentwise number of staff and workers are shown below.

Table - 2.4 : Statement Showing Position of Office Staff and workers as on 1st April, 1989 of Rajaram Karkhana.

Name of the department	PT	SL	DL	TOTAL
General Office	28	6	2	36
Account Department	48	15	-	63
Agriculture Department	77	87	8	172
Civil Department	14	1	1	16
Medical & Sanitary	13	-	1	14
Vehicle	18	2	-	20
Irrigation Department	12	9	3	24
Distillery Department	38	13	5	56
Engineering Department	139	81	38	258
Manufacturing Department	39	125	7	171
Stores Department	9	13	-	22

NAME OF THE DEPARTMENT	PT	SL	DL	TOTAL
Time Office Department	6	2	-	8
Sugarcane Development Dept. including Soil Testing	7	-	-	7
Water Management Dept.	10	-	-	10
Labour Office Dept.	1	1	1	3
Sugar Godown Dept.	4	-	-	4
Watch and Ward	27	9	4	40
Acetone	12	-	17	29
TOTAL :	<u>502</u>	<u>364</u>	<u>87</u>	<u>953</u>

PT : Permanent, SL : Seasonal, DL : Daily Wage,

Source : Office Record of Rajaram Karkhana.

(7) OTHER ASPECTS :

i. DISTILLERY :

In order to utilise the molasses, a by-product, the Karkhana established a distillery plant in the year 1976 to manufacture alcohol. Its initial capacity was 15,000 ltrs. per day and presently it is manufacturing 75,000 ltrs. per day. Besides, this it has started manufacturing foreign liquor.

ii) ACETONE :

Acetone plant of 15 Tonnes per day capacity was established in the year 1983. It was pioneering work of this kind in the history of the co-operative sugar factory.

iii) COMPUTER :

For effective and efficient management the Karkhana has installed a computer on 27th August, 1985 and set old mark in the history of co-operative sugar sector.

iv) BANKING FACILITIES :

In order to provide banking facilities to various institutions run by the karkhana and to the farmers, it has established Rajarambapu Patil Sah. Bank Ltd., Peth in the year 1981. At present 5 branches of the bank working in the area of operation of Karkhana.

v) EDUCATIONAL FACILITIES :

Without education the total social uplift is impossible. So the karkhana established educational complex right from primary school to engineering college with the help of - Kasegaon Education Society, Kasegaon.

vi) OTHER :

Besides this, the karkhana is running co-operative consumer stores, co-operative dairy and petrol pump.

vii) LIFT IRRIGATION :

49 Co-operative lift irrigation schemes benefitting 52,000 acres of land have been undertaken.

Thus from close scrutiny of the history, operational efficiency, establishment of industries based on by-products, irrigation schemes undertaken, use of modern technology and establishment of educational institutions and bank, it will be clear that the Karkhana has introduced many socio-economic activities in its area of operation and has been running presently under the dynamic leadership of Mr. Jayant Patil.

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