

C H A P T E R - V

OBSERVATIONS AND SUGGESTIONS

5.1 Observations

5.2 Suggestions

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As compared to all Maharashtra Sugar Industries, the share of Datta Sugar Factory was 2.5% in the year 1992-93 in the production of sugar. Annual production of sugar during the year 1992-93 was 84,126 tonnes. The duration of crushing was also high in Shree Datta Sugar. Total Maharashtra crushing season was 135 days in the year 1992-93 but for this sugar factory, duration was 145 days. As compared to total crushed cane in 1992-93, cane crushed by Datta Sugar was 6,88,025 tonnes i.e. 2.31% of total crushing in Maharashtra. In the area of Datta Sugar, total land in cultivation of cane was 26,500 hectares, it is 6.4% of total Maharashtra. Per hectore production was also high in the year 1992-93, i.e. 76.10 to 1991-92 year i.e. 72.28 tonnes. But recovery of sugar was reduced by 0.03% as compare to 1991-92, i.e. 12.21%.

While studying the share capital; in the year 1972 the number of shareholder was 4647, and in the year 1992-93 it was 21,669. It was increasing every year, the main reason for this was the expansion programmes. Total share capital of Datta Sugar in the year 1991-92 was 282.22 lakhs.

In case of area of sugarcane availability, two districts' land is under the area of Datta Sugar. From Kolhapur district, Four Talukas 87 villages, and from Belgaum

(Karnataka) district, two talukas, 28 villages, were supplying cane to Datta Sugar.

In case of Human power/Men Resource the number of total employees in the year ending 31.3.1994, is 1823 persons; there were 1249 persons on permanent basis; 515 persons seasonal basis and 50 as trainees yearly cost of human power was 113.69 lakhs in the year 1992-93. Total human power was distributed among various department. In sugar department, 870 persons on permanent basis, 510 persons on seasonal basis. The number of seasonal workers is high during the crushing season.

There are 438 engineers and 261 workers, in which 251 engineers , 55 workers are on permanent basiss while classifying the workers; 33 persons are unskilled, 199 persons are semi-skilled and 33 are skilled in Shree Datta Sugar Factory.

In capital resource; 2.94 crores were invested in starting of factory. Out of the 2.94 crores, 46 lakhs were collected from shareholders and remaining was collected from Govt. Loans, Deposits etc. The required capital was raised by different ways, in the year 1992-93, share capital was 4.70 crores, S.D.F. loan was 16.90 crores, Maharashtra Co-op.Bank loan was 25.12 crores and SIICM loan was 7.40 crores. The total capital investment in Datta Sugar Factory

was 128.17 crores. The percentage to share capital and surplus and total investment was 19%, it means out of 128 crores the factories own capital was 24 crores. Share capital to loan ratio was 1:2:02 and it was favourable. In the year 1993 20.83 lakhs loan repayment was made, there was no any loan taken in this year 1993. Investment in fixed capital was Rs. 54.35 crores; and in current assets Rs. 67.73 crores.

In case of machinery resource, in the year 1993 total cost was 28.79 crores. In the year 1990 it was 24.77 crores; in between two year it was increased by 4.02 crores. While studying the capacity utilisation of machinery, it is observed that the machine productivity trend is satisfactory but when rate of crushing per hour is considered, situation is improved. In the year 1992-93 per hour crushing was 190 tonnes, and in 1993-94 it was 192 tonnes. Per hour sugar production was reduced in the year 1994; in the year 1993 per hour sugar production was 240 quintals and in 1994 it is 230 quintals. In 1994 98.61% capacity was utilised. In 1993 it was 98.96%. The main reasons of non-utilisation of capacity are cane shortage, cleaning and rain.

Land is another important resource, total land in Datta Sugar factory was 70.37 hectore. It was utilised for different reasons. Total cost of land as on March 1994 was Rs. 34.02 lakhs.

While studying stock of spare parts and other stocks, in 1993 cost of stocks was 6397.14 lakhs and in 1992 it was 4828.29 lakhs. It means an increase in the stock of materials and spare parts by Rs. 1568.85 lakhs. Because of this more working capital is locked. It is not favourable. In study of per rupee sugar production, 112 grams sugar production was made by investing one rupee. Cost of per bag producing sugar was 890 in the year 1993. It was 604 in the year 1992, an increase of Rs. 286 because of cost of cane.

Finally, resources management in Datta Sugar Factory is satisfactory.

5.2 SUGGESTIONS

"Resource Management" is a part of "Management", it contain utilisation and management of different resources. Because of resource, it is possible to achieve the organisational objectives and give more satisfaction to members. Researcher wants to make following suggestions on the basis of study conducted.

- 1) To increase the number of permanent human force for achieving objectives of organisation, and there must be good relation between managers and other staff and workers.
- 2) Provide better educational facilities and increase the living standard of workers and their family members .

- 3) It is necessary to increase owned capital and reduce borrowed capital i.,e. long term debts in order to save the outgoing amount of interest on debts which can be done increasing share capital and deposits from farmers.
- 4) Due to machanical, electrtical and cane shortage problems, rate of lost hours is increasing. So it is necessary to keep watch on these problems carefully.
- 5) Maintainance of machinery is very important in the utilisation of capacity ; so it is responsibility of engineering department to see maintenance of machinery.
- 6) Investment in current assets is increased than the last year, so increase the turnover rate is necessary to control working capital.
- 7) Production of sugar is decreasing year by year. So it is necessary to increase the working duration of factory by providing continuous cane.
- 8) Recovery rate is also decreased in 1993 so cane cutting should be made after checking the cane.
- 9) There must be own plant of factory to develop new sugarcane.

In addition to above suggestions researscher wants to make the following general suggestions :-

- 1) Attention should be given to continuous maintaanence of machines. This can be facilitated oiling and

continuous chekcing.

- 2) Ensure quality and timely repairs and maintenance of machinery and available additional spare parts.
- 3) Continuous research should be made in factory to come out with new ideas in production style.
- 4) Exercise better control on loans and their repayments in time.
- 5) Provide better facilities to farmer members of factory by giving competitive rate for cane and concert efforts may be made to educate them as to.
- 6) Reduce the cost of per bag production and improve return.
- 7) Increase per hectore production of cane by providing new techniques of production; fertilizers and irrigational facilities.