

THE ROLE OF SUGAR FACTORIES FOR ENTREPRENEURSHIP DEVELOPMENT WITH SPECIAL REFERENCE TO AHILYNAGAR DISTRICT

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Abstract

Rural Development is an improvement in the economic as well as social well-being of a specific group of people i.e. the rural poor and agriculture. The Indian sugar factories are key driver of rural development. The sugar Industries being agro-based processing units, which are located near the supply of raw material namely sugarcane. These industrial units get located mainly in the rural areas. With the location of these processing units in the rural areas it is visualized that these factories can be the most appropriate agents for bringing about rural industrialization and change. The agro-based sugar factories with active Government aid and encouragement led to industrial dispersal in the state like Maharashtra. Along with dispersal of industrialization these factories due to their linkage effects became the growth centers for rural development and change in Maharashtra. The growth of numerous urban areas has helped to mitigate the problem of unemployment by creating job possibilities in expanding sectors and businesses. Ahilyanagar is a district located in an area prone to drought but is benefited from the Pravara River's presence in the major part of the district. The existence of sugar industries has become essential to the region's growth and job opportunities. In order to demonstrate the true function of cooperative sugar industries in Ahilyanagar district, this study uses both primary and secondary data, providing insightful information for researchers, agricultural scientists, and planners. Terms like "agricultural family," "economic activities," "health camps," "beautification," and "social responsibility" highlight the various ways in which these factories affect the surrounding communities. Any rational scheme of economic development aiming at improving the living standards of people, agriculture development should be the starting point. The concept of Rural Development has become a very popular term among planners and policy makers.

Keywords: Rural Development, Sugar Factories, Ahilyanagar District, Government Policy.

Introduction

Development of the co-operative sugar factory would throw up 'local leaders' in whom the local farmers would have faith and confidence, hence these 'local leaders' would be able to mobilize the needed rural support and share capital contribution from the farmers. Once the factory developed under local leadership it was more possible that 'Area development schemes' would be implemented as the local sugar factory leaders would have a natural commitment for area development. Establishment of the sugar factories in the co-operative sector would also help the farmers themselves to manage the affairs of the factory and take important decisions regarding diversification, area development and schemes etc. Hence the farmer members' participation in the working of the sugar factory would be of a high standard. Through the creation of an area development fund schemes benefit the farmers could be undertakes. Hence the Government both at the centre and state encouraged co-operative sugar factories. In addition in the process of growth of a sugar co-operative there would be diversification of productive activities. Ahilyanagar district holds the honor of having the highest number of sugar factories in Maharashtra. The cooperative movement related to the sugar industry initiated in the 1960s in Maharashtra with the declaration of twelve places in the state where

sugar factories could be started. The then Bombay state government declared a share capital of Rs. One Million for establishing sugar factories at these potential twelve places. Under the chairmanship of economist Dhananjayrao Gadgil a central committee was formed by the Bombay State Cooperative Bank. Vithalrao Vikhe Patil, & Gadgil established Asia's first cooperative sugar factory at Pravaranagar in the Ahilyanagar District of the then Bombay state in 1950. The sugar mill, established under the name of Pravara Sahakari Sakhar Karkhana Ltd, had the majority ownership by the local farmers.

The Role Of Sugar Factories For Entrepreneurship Development

In Ahilyanagar district, sugar factories, particularly cooperative ones, have been instrumental in fostering entrepreneurship and socio-economic development, starting with the pioneering Pravara Co-operative Sugar Factory, and have become a dominant aspect of the agro-industrial landscape. Here's a more detailed look at the role of sugar factories in entrepreneurship development, with a specific focus on Ahilyanagar:

1. Pioneering Role of Cooperative Sugar Factories

- **Pravara Co-operative Sugar Factory:** Established in 1950-51, this factory in Ahilyanagar district served as a crucial starting point for the

cooperative sector in the sugar industry, inspiring sugarcane growers and the government to promote similar ventures.

- **Dominant Presence:**
Cooperative sugar mills are now a dominant force in the sugar belt of western Maharashtra, including Pune, Kolhapur, and Ahilyanagar.
- **Socio-Economic Impact:**
Sugar factories have become centers of socio-economic life in rural areas, providing employment, infrastructure, and opportunities for development.

2. Entrepreneurship Development

- **Local Ownership:**
The cooperative model, with majority ownership by local farmers, fostered a sense of ownership and encouraged local entrepreneurship.
- **Ancillary Industries:**
The sugar industry's growth has spurred the development of ancillary industries, creating further opportunities for entrepreneurs.
- **Infrastructure Development:**
Sugar factories have contributed to infrastructure development in the region, such as road construction and irrigation schemes, which further support entrepreneurship.
- **Training and Skill Development:**
Some sugar factories have also played a role in providing training and skill development programs for local people, enabling them to start their own businesses.

3. Ahilyanagar District as a Case Study

- **"Place of Saints":**
Ahilyanagar district is known as the "Place of Saints" and is located between Pune and Aurangabad, with a well-developed road and railway network.
- **Cooperative Movement:**
The district is known for its strong presence of cooperative ventures, including sugar factories, distilleries, spinning mills, paper mills, milk federation, and dairy, which have contributed to the overall development of the district.
- **Sugar Bowl of Maharashtra:**
Ahilyanagar is often referred to as the "sugar bowl of Maharashtra" due to the dominance of the sugar industry in the region.
- **Agro-Climatic Conditions:**
The district's agro-climatic conditions are suitable for sugarcane cultivation, further supporting the growth of the sugar industry.
- **Water Resources:**
The northern belt of the district is rich in water resources due to the Godavari and Pravara

rivers, which are essential for sugarcane cultivation.

Objective

- A study of industrial development in rural area.
- To analyses the growth of sugar industry at global market.
- A study of modern technology used by sugar factory.
- A study of sugarcane development & research
- Analysis of By-Products from sugar factories.

Source of Data

The study is mainly based on primary as well as secondary data through observations, survey, various journals, magazines, Books and Newspaper etc.

The Offices of various sugar industries and the yearly reports of sugar industries are good sources of secondary data. A range of statistical and cartographic methodologies are utilized to examine the gathered information

Scope of The Study

The present study mainly focuses on the growth and productivity of sugar industries. In India the growth of the sugar industry plays an important role in achieving its productivity among the world the study is based on production information.

Need of The Study

Contribution Of Sugar Industry At Rural Development

- Sugar co-operative for their expansion gave importance to better sugarcane production, supply of appropriate agricultural inputs to farmers and increased irrigation facilities in their area of operation.
- In addition growth of educational facilities, medical facilities, etc. were also undertaken as a part of area development by these co-operatives to growth of ancillary units, like paper plants, distillery units etc. which in turn increased employment and led to further industrial development in the rural areas.
- The success of sugar co-operatives in their commitment to area development led to growth of other agro-based processing units like dairy co-operatives, spinning mills, fruit processing units and such agro based industrialization helped in the development of agriculture and brought about the necessary transformation of the rural areas and in the process the benefits of these activities reached the farmers and they too benefited and progressed.

- The sugar factories help to get loans through credit society to the farmers for the lift irrigation.
- A majority of the shareholders of the sugar factory hold 1-3 hectares of land and many of them grow sugarcane on lift irrigation. The factories have also been providing the facility of boring units. It has resulted in increase in area under sugarcane cultivation. Some Co-operative Sugar Factories have sponsored the lift irrigation schemes with a view to increase the land under sugarcane and to fulfill the needs of basic raw material, i.e. sugarcane within the command area.
- The provision of credit facility, improved varieties of seeds, fertilizers, etc. given by the sugar factories to the farmers.
- Supply of Good Quality Sugarcane Seeds.
- After the establishment of the sugar factories in the district the proportion of the users of pesticides and insecticides has increased. Factories give the subsidy on large scale for the pesticides and insecticides.
- The factories give the subsidy to the shareholders on the price of new variety of the sugarcane. Pilot scheme was undertaken for the introduction of improved seeds of sugarcane and the factories have appointed special experts.

Finding and Discussion

The establishment of a sugar industry in a rural region opens up possibilities for a range Of ancillary businesses that help the local farmers and other rural residents. A variety of different commercial endeavors, including banks, bio-digester gas plants, irrigation projects, poultry farms, and enhanced cow breeding programs, are arranged on the basis of the sugar industry. The economic circumstances of landless laborers, other locals, and farmers are all greatly improved by these measures. In addition, the sugar industry starts the construction of educational institutions, medical facilities (including hospitals and dispensaries), and venues for sporting and cultural events. A large percentage of the resources of many sugar industries are directed toward improving the quality of life for the local populace, thus giving their presence greater significance. Thus, the growth of rural industrialization is aided by the diversification of production activities and thus creates job opportunities.

Lift Systems for Irrigation:

In order to increase sugarcane cultivation and meet the demand for its main raw material, sugarcane, within the command area, most of the sugar industries in Ahilyanagar district have started lift system for irrigation. The sugar industry, which also offers bank guarantees to secure loans for irrigation projects in the region, has enthusiastically supported the establishment of these lift irrigation schemes.

Development Of Sugarcane As Economical Support System:

The Ahilyanagar division in Maharashtra has started crushing operations earlier this season than any other division, with 24 sugar mills—the most of any region. According to information provided by the Sugar Commissioner ate, the Ahilyanagar division processed 57.87 lakh tons of sugarcane up until December 11, 2024, producing 44.04 lakh quintals of sugar and attaining a 7.61 percent sugar recovery rate. <http://www.mahaagri.gov.in/rainfall/index.asp> is the source.

To increase sugarcane production, the sugar industries offer farmers a number of programs.

Conclusion

Various schemes have adopted by sugar factory for the surrounding rural area development. In which Agriculture exhibition, Computer Training to employee, Cattle Camp, Felicitation of Meritorious students, Response to emergencies, Supply of Molasses, supply of good quality sugarcane seed, Labor Welfare programs etc. are included. Recently cogeneration of power and distillery project is started in this factory which can give large profit and create more employment opportunity.

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