CHAPTER V
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PROBLEMS OF THE MILLS AND STEPS TAKEN BY
THE SALEM CO-OPERATIVE SUGAR MILLS LTD.,
MOHANUR FOR IMPROVING THE OVERALL
PERFORMANCE.

5.1 INTRODUCTION – PROBLEMS OF THE MILLS

The following are some of the problems, which met by Salem Co-operative Sugar Mills Ltd., Mohanur in the previous years.

1. NON-AVAILABILITY OF HIGH SUGAR VARIETIES:

High sugar varieties result in more sugar recovery and high yielding varieties produce more sugarcane yield per acre. But farmers are not interested in growing high sugar varieties in the local area.

2. LOW CANE PRICE:

Main problem faced by the mills is non-payment of high price for cane supplied. Since the price announced by
the Government is not profitable to the growers, the growers go for other alternative crops like Korai and Bañana.

3. NON-AVAILABILITY OF ADEQUATE SUGAR CANE IN TIME:

Availability of raw materials for sugar production is very limited due to low cane price.

4. DELAY IN ANNOUNCING THE CANE PRICE:

Cane price announced by Government is not early before the date of cultivation. So, cultivators are not in a position to take decision about weather to cultivate sugarcane or not.

5. PROBLEM OF LOCAL CRUSHING:

Local crushing means supplying cane to jaggery production. Another problem suffered by this mill is local crushing. Because they pay more than the price paid by the mills. Naturally growers prefer to supply their cane to jaggery producers.
6. RAISING ALTERNATIVE CROPS:

Since the cost of raising alternative crops is less than that of sugarcane, cultivator in the area of operation of this mills prefer to raise other crops such as Korai and Banana. Also they feel the benefits derived from these crops are more than that from sugarcane.

7. HEAVY TRANSPORTATION CHARGES:

The farmers from distant places have to bring the sugarcane to the mills. The high cost of transport drives the growers to other alternative crops.

8. HEAVY CANE CUTTING CHARGES:

Since the overhead expenses are heavy in raising sugarcane, growers are not willing to raise sugarcane.

9. LOSS OF MORE PRODUCTIVE HOURS:

The loss of productive hours due to want of sugarcane, engineering reasons like mechanical and electrical, general cleaning and others was increasing.
10. HEAVY OPERATING COST:

Since the operating expenses for production are high the profit of the mills is decreasing from year to year.

5.2 STEPS TAKEN BY THE MILLS FOR IMPROVING THE PERFORMANCE:

The Salem Co-operative Sugar Mills has taken more steps to improve performance of the concern. It takes necessary steps to improve the quality of the cane cultivated, employment of labour properly and utilising fully the machine capacity for the betterment of the mills.

The following are the steps taken by the mills:

1. The mill suggests the farmers to cultivate suitable varieties of sugarcane.

2. The mill also maintains a cane farm with an area of 16 acres whereby a package of varieties has been cultivated in trials and suitable variety of cane is recommended to the farmers.

3. To improve productivity, the growers are advised to cut the cane only at proper age of the cane.

4. The growers are also given proper advices for the application of bio-fertilizers such as acetobactor, azopirillum
and phosphobactrim are distributed to the farmers. A subsidy of 50% is allowed to the farmers from the original price of the above bio-fertilizers.

5. The ratoon field is properly managed by application of additional dosage of urea.

6. The farmers are advised to remove the trash instead of burning them in order to improve germination.

7. It facilitates the workers with more welfare measures to improve performance.

8. They take necessary steps to test the soils of the farmers at free of cost.

9. Application of organic manure such as Vermi-compost and trash-compost is also advised to the farmers for improving the overall performance.

10. The mill now modernizes the equipments to improve its productivity.

5.3 CONCLUSION:

The Salem Co-operative Sugar Mills Ltd., Mohanur has taken a number of steps to improve the performance of the mills. Through this only cane crushed performance sugar output performance of the mills are satisfactory now.