The co-operative movement started in India with the avowed object of relieving the farmers from the clutches of money-lenders. The co-operative sector is an important instrument for changing the rural economy. One of the central aims of national policy is to build a co-operative sector as a part of the scheme of planned development. This sector combines the advantages of other forms of business organization, and acts as a balancing sector between private and public sectors.

Co-operation has been playing an important role in the industrial front also. The industries in co-operative sector represent a new dimension in our industrial structure. The co-operative sector has also participated in productive activities by organizing industrial co-operatives. This sector is most suitable for organizing certain decentralized industries and for preserving traditional cottage and village industries.

The development of industrial co-operatives in India can be traced only to the early decades of the nineteenth
century. The country is one among those who have made some progress in the co-operative industrial front. Today the co-operative sector is mainly undertaking productive activities like handlooms, powerloom, spinning, sugar, processing, fertilizers and a broad list of village industries. The Government has been endeavouring to promote cottage industries and other agro-based industries on co-operative basis. The industrial co-operative movement in India was comparatively very slow during the pre-plan period, and was accelerated during the plan periods.

Sugar is a sweetening item and is an essential commodity of mass consumption. It is the co-operative sector which pioneered to organize the cane growers to promote their economic interest. The chronic problem of the cane growers is the reasonable price for cane supply and to eliminate the middlemen.

The early efforts to help the cane growers marked the beginning of co-operative movement in sugar industry.

The present work is a modest attempt to evaluate the role of co-operative sector in sugar industry. The study
emphasizes the progress made during Five Year Plans, enrolment of members, mobilization of resources, size, location, raw material, installed capacity, production performance and financial results.

The chapter scheme of the study is that the subject has been considered broadly under 7 chapters. The first chapter covers the formulation of the research design, emphasizing the statement of the problem, the problem to be investigated, review of literature, objectives, scope, coverage, significance of the study etc.

The second chapter is relating to an overview of the sugar industry in general and in co-operative sector in particular. It deals with the origin and growth, the need for setting sugar factories in co-operative sector, sugar policy etc.

The title of the third chapter is co-operative sector of the sugar industry. The chapter examines the concept of industrial co-operatives, federal structure etc.
The fourth chapter deals with size, location, raw material potential, sugarcane pricing policy and its impact on cooperative sector.

The fifth chapter makes a critical analysis of various aspects of technical performance of sample units to measure production performance.

The marketing mechanism of sugar and net financial results are emphasized in the sixth chapter.

A brief summary of findings, problems identified and measures suggested to solve the problems are presented in the seventh chapter.

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