

International Multidisciplinary  
Research Journal

*Indian Streams*  
*Research Journal*

Executive Editor  
Ashok Yakkaldevi

Editor-in-Chief  
H.N.Jagtap

---

Indian Streams Research Journal is a multidisciplinary research journal, published monthly in English, Hindi & Marathi Language. All research papers submitted to the journal will be double - blind peer reviewed referred by members of the editorial board. Readers will include investigator in universities, research institutes government and industry with research interest in the general subjects.

### Regional Editor

Dr. T. Manichander

Mr. Dikonda Govardhan Krushanahari  
Professor and Researcher ,  
Rayat shikshan sanstha's, Rajarshi Chhatrapati Shahu College, Kolhapur.

### International Advisory Board

Kamani Perera Regional Center For Strategic Studies, Sri Lanka	Mohammad Hailat Dept. of Mathematical Sciences, University of South Carolina Aiken	Hasan Baktir English Language and Literature Department, Kayseri
Janaki Sinnasamy Librarian, University of Malaya	Abdullah Sabbagh Engineering Studies, Sydney	Ghayoor Abbas Chotana Dept of Chemistry, Lahore University of Management Sciences[PK]
Romona Mihaila Spiru Haret University, Romania	Ecaterina Patrascu Spiru Haret University, Bucharest	Anna Maria Constantinovici AL. I. Cuza University, Romania
Delia Serbescu Spiru Haret University, Bucharest, Romania	Loredana Bosca Spiru Haret University, Romania	Ilie Pinteau, Spiru Haret University, Romania
Anurag Misra DBS College, Kanpur	Fabricio Moraes de Almeida Federal University of Rondonia, Brazil	Xiaohua Yang PhD, USA
Titus PopPhD, Partium Christian University, Oradea,Romania	George - Calin SERITAN Faculty of Philosophy and Socio-Political Sciences Al. I. Cuza University, Iasi	.....More

### Editorial Board

Pratap Vyamktrao Naikwade ASP College Devrukh,Ratnagiri,MS India	Iresh Swami Ex - VC. Solapur University, Solapur	Rajendra Shendge Director, B.C.U.D. Solapur University, Solapur
R. R. Patil Head Geology Department Solapur University,Solapur	N.S. Dhaygude Ex. Prin. Dayanand College, Solapur	R. R. Yalikal Director Managment Institute, Solapur
Rama Bhosale Prin. and Jt. Director Higher Education, Panvel	Narendra Kadu Jt. Director Higher Education, Pune	Umesh Rajderkar Head Humanities & Social Science YCMOU,Nashik
Salve R. N. Department of Sociology, Shivaji University,Kolhapur	K. M. Bhandarkar Praful Patel College of Education, Gondia	S. R. Pandya Head Education Dept. Mumbai University, Mumbai
Govind P. Shinde Bharati Vidyapeeth School of Distance Education Center, Navi Mumbai	Sonal Singh Vikram University, Ujjain	Alka Darshan Shrivastava Shaskiya Snatkottar Mahavidyalaya, Dhar
Chakane Sanjay Dnyaneshwar Arts, Science & Commerce College, Indapur, Pune	G. P. Patankar S. D. M. Degree College, Honavar, Karnataka	Rahul Shriram Sudke Devi Ahilya Vishwavidyalaya, Indore
Awadhesh Kumar Shirotriya Secretary,Play India Play,Meerut(U.P.)	Maj. S. Bakhtiar Choudhary Director,Hyderabad AP India.	S.KANNAN Annamalai University,TN
	S.Parvathi Devi Ph.D.-University of Allahabad	Satish Kumar Kalhotra Maulana Azad National Urdu University
	Sonal Singh, Vikram University, Ujjain	



## CURRENT DESIGN AND DEVELOPMENT OF A FINANCIAL ACCOUNTING SYSTEMS IN SUGAR SECTORS.

**Jogdankar Haridas B.**

Assist. Prof. in Commerce & HOD. Business Economics, JASC, College, Affiliated Dr. BAMU, Aurangabad.

### ABSTRACT

**F**inancial Analysis is the process of identifying the financial strengths and weaknesses of the firm by properly establishing relationships between the items of the Balance Sheet and the Profit and Loss Account. The project work is an outcome of "A Study on Financial Performance of Selected Companies of Sugar Industry in India". The study was carried out for the period of five years to analyze the financial performance of the company. The main aim of the present study is to find out the Financial Performance of selected Sugar Companies in India. The sample for the present study constituted 20 sugar companies in India. The research design adopted for the present study is analytical in nature and secondary data was collected from the published websites of organization for the research. In the present study Financial Performance is measured using ratio analysis, Altman's Z-score analysis and correlation analysis. The present study would reveal the financial performance of the selected

*sugar companies in the elaborate manner.*

*In a range where there is a requirement for comprehensive development, the sugar business is among the couple of ventures that have effectively added to the rustic economy. It has done as such by monetarily using the provincial assets to take care of the expansive residential demand for sugar and by creating surplus vitality to meet the expanding vitality needs of India. What's more, the industry has turned into the pillar of the liquor business. The segment underpins more than 50 million agriculturists and their families, and 1 conveys esteem expansion at the homestead side.*

**KEYWORDS:** Current Design , Financial Accounting Systems, Sugar Sectors.

### INTRODUCTION

As a rule, sugarcane value represents 2 roughly 70 percent of the ex-process sugar cost . The segment additionally has a huge remaining in the worldwide sugar space. The Indian local sugar showcase is one of the biggest markets on the planet, in volume terms. India is additionally the second biggest sugar creating geology. India remains a key development driver for world sugar, becoming over the Asian and world utilization development normal. All inclusive, in the vast majority of the key topographies like Brazil and Thailand, directions impact the sugar area. Perishable nature of stick, little ranch landholdings and the need to impact residential costs; all have been the drivers for controls. In India, as well, sugar is exceedingly controlled. Since 1993, the administrative condition has significantly facilitated, yet sugar still keeps on being a basic ware under the Essential Commodity Act. There are directions over the whole esteem chain arrive boundary, sugarcane value, sugarcane acquisition, sugar generation and offer of sugar by factories in local and worldwide markets. In any case, crucial changes in the shopper profile and the exhibited capacity of the part to



persistently guarantee accessibility of sugar for household utilization has weakened the requirement for sugar to be considered as a basic item. As per an as of late directed across the nation overview, almost 75 percent of the aggregate non-demand sugar is devoured by modern, independent venture and high wage family sections. Further, notwithstanding for a low salary family unit, 10 percent expansion in sugar cost would bring about under 1 percent increment in the 3 month to month sustenance cost.

Indian sugar industry, the second biggest agro based preparing industry after the cotton materials industry in the nation, has a lion's offer in increasing speed industrialization process and getting financial changes immature country ranges. The sugar business covers around 7.5 percent of aggregate country populace and gives work to around 5 lakh individuals in provincial and the semi rustic zones. Around 4.5 crores ranchers are occupied with sugarcane development in India. Sugar factories (co-agent, private and open) have been instrumental in starting various entrepreneurial exercises in provincial India. The sugar factories not only boosted the economic status of individual farmers but also it pushed the GDP of Indian economy on the upper scale by the increase in the exports of sugar. India is the sixth largest exporter of sugar in the world. Further, the increase in irrigation facilities, cultivation techniques and expertise knowledge boosted the number of sugar factories in India. In last five decades Indian Sugar production share has gone up from 5% to >15% in global sugar production.

### SUGAR FACTORY ERP SOFTWARE

Sugar ERP is a sugar management software which includes all the operations of a sugar cane industry right from cane registration & accepting sugar cane from farmers to the output of a sugar. Information of farmers might be part or non-part, range data, Agricultural land points of interest, Harvesting, transporting subtle elements, shares, Deposit, amount and nature of sugar and stick charging and so on. Different reports, which are, required for everyday operations and MIS reports, appropriate from stick enlistment to budgetary articulations, in short absolutely covers all the real exercises of the association in smooth way.

This project includes various modules like:

#### Cane Development Module

- Cane H & T Billing Module
- Stores Inventory
- Store Accounting
- Purchase Module
- Sugar Sale
- Godown Management
- Financial Accounting

### SELECTION OF INDUSTRY:-

Sugar is one of the essential articles of daily food for the masses and its importance as a part of balanced diet cannot be ignored. It is so sweet that it's every day use brings sweetness in the life of public. According to our holy scriptures in the past feast was used to be broken with sugar cane juice, but now sweetness is depleting from the same juice. Seeing the fully grown up crop of sugar cane the farmer either repent or is obliged to fire the same. Cane area is continuously increasing, yet despite the record production of sugar cane farmers and mill owners are cursing for their misfortune with their arguments. The sugar industry ranks second among the major agro based industries in the country next only to cotton textiles. Sugar industry not only occupies a unique place on the international map, but also a significant role in the national economy. It is rightly said that sugar was produced and consumed in India at a time when the words was not aware of it. India primarily being an agriculture country requires the growth and expansion of those industries, which are based on agriculture. The industry employs 3,56,000 workers and a much larger number of agriculturists and traders who drive their means of subsistence from the industry. The total capital investment in the industry is several 3 thousand crores of rupees. The total number of factories in 2006-2007 was 504 and the production of crystal sugar was 160.68.

Lakh tones in the same period. Out of the total, 68 factories are in public sector spread in the nine states of the country and rests of the mills are in the private sector and co-operative sector. Out of the total highest number of units of the industry are located in Uttar Pradesh, which numbers to 119, out of it 35 Sugar Mills are in Western Uttar Pradesh, 6 Mills are in cooperative sector, 24 in private sector and 5 are run by Uttar Pradesh Sugar Corporation Limited.

### EXECUTIVE SUMMARY

In an era where there is a requirement for comprehensive development, the sugar business is among the couple of ventures that have effectively added to the provincial economy. It has done as such by financially using the provincial assets to take care of the extensive household demand for sugar and by producing surplus vitality to meet the expanding vitality needs of India. Furthermore, the industry has turned into the backbone of the liquor business. The segment underpins more than 50 million ranchers and their families, and 1 conveys esteem expansion at the homestead side . By and large, sugarcane value represents 2 around 70 percent of the ex-process sugar cost . The area likewise has a huge remaining in the worldwide sugar space. The Indian local sugar showcase is one of the biggest markets on the planet, in volume terms. India is additionally the second biggest sugar creating topography. India remains a key development driver for world sugar, becoming over the Asian and world utilization development normal.

### INDIAN SUGAR INDUSTRY

India is the second largest producer of sugar in the world. The Indian sugar industry is the second largest agro industry located in the rural India. The Indian sugar industry has a turnover of Rs.500 billion per annum and it contributes almost Rs.22.5 billion to the central and state as tax, and excise duty every year. It is the second largest agro processing industry in the country offers cotton textiles. About 50 million sugar cane farmers and a large number of agricultural labourers are involved in sugar cane cultivation and ancillary activities, constituting 7.5% of the rural population. Besides the industry provides employment to about 2 million skilled/semiskilled workers and others mostly from the rural areas. The industry not only generates power for its own requirement but surplus power for export to the grid based on by - product- bagasse. It also produces ethyl alcohol, which is used for industrial and potable uses, and can also be used to manufacture Ethanol, an ecology friendly and renewable fuel for blending blending with petrol.

After Brazil, India is the biggest sugar maker on the planet and it leads in sugarcane generation. Be that as it may, if elective sweeteners, for example, khandsari (kind of crude sugar) and gur (jaggery) are incorporated into the overlay, at that point India would be the biggest general maker of sugar. Brazil represents around 22 percent of the worldwide sugar creation and India contributes just about 14 percent. In all, roughly Rs. 1,250 crore is put resources into this industry and it additionally gives vocation to near 2.86 lakh laborers. The business additionally benefits the almost 2.5 crore individuals who develop sugarcane in India. In India, the real sugar creating states are Maharashtra, Gujarat, Uttar Pradesh, Haryana, Tamil Nadu, Punjab, Karnataka, Bihar and Andhra Pradesh. As might be seen from the rundown above, sugar generation is drilled the whole way across India. Be that as it may, the peninsular area has been a superior entertainer than the north Indian states and there has additionally been a continuous move from north to south for the sugar business. One of the real reasons is the better conditions accessible for development in the peninsular part. The sugar business in India is likewise exceedingly limited attributable to issues in transporting sugarcane.

### TYPES OF SUGAR INDUSTRY IN INDIA

The sugar business can be isolated into two parts including sorted out and sloppy division. Sugar processing plants have a place with the composed part and the individuals who deliver customary sweeteners fall into chaotic division. Gur and khandsari are the customary types of sweeteners.

### MANUFACTURING PROCESS OF SUGAR IN INDIA

A few stages are generally taken after to create sugar. These means can be said as below: Extracting juice by squeezing sugarcane Boiling the juice to acquire precious stones Creating crude sugar by turning gems in

extractors Taking crude sugar to a refinery for the way toward separating and washing to dispose of residual non-sugar components and tint Crystallizing and drying sugar Packaging the prepared sugar .

### SUGAR PRODUCTION IN INDIA

In the 2014-15 crushing season, the sugar production of India has seen an expansion of 11.5 percent. The Indian Sugar Mills Association (ISMA) says that starting at 31st March, India had delivered 24.72 million tons of sugar and this was an expansion of 2.84 million tons to the sugar creation of 2013-14. It is evaluated that in the 2015-16 season, 24.8 million tons of sugar will be expended. ISMA gauges that because of the expanded generation in the year passed by, there will be a vestige supply of 8.5 million tons. There will be 2.5 million tons more than what is believed to be the standard necessity in these cases. Maharashtra as of now has right around 25 percent of the sugar plants working in India and it represents about 30 percent of the whole sugar created in India. Truth be told, the sugar processes in Maharashtra should be the greatest in the nation. The majority of these plants are situated at the waterway valleys in the western extends of the Maharashtra Plateau. Ahmednagar is among the main focal point of sugar creation alongside Kolhapur, Pune, Satara, Nashik and Solapur.

#### Current situation in Indian sugar sector

- Sugarcane has become the most remunerative crop
- ✦ Leading to surplus sugarcane and surplus sugar
- Cost of production of sugar in India is high
- ✦ Making Indian sugar uncompetitive
- ✦ Making Indian exports unviable
- FRP for SS 2016-17 fixed at Rs. 2300/tonne
- Sugar mills under huge financial stress due to 4 years of losses
- Ex-mill sugar price realization should be at least Rs. 3600/qtl. to pay above FRP



- Total estimated debt of the industry ~ Rs. 50,000 crore
  - More than Rs. 10,000 crore p.a. of interest burden on the industry
  - Capital investment in the sugar sector possible only when industry makes profit on a continuous basis
- Even at current sugar prices, large no. of sugar mills still make marginal profits only
- Policy suggestions

#### Single Sugarcane Price formula across the country

- In 2015-16 report, CACP recommended that under the Revenue Sharing Formula (RSF), the Total Revenue Pot (TRP) generated from the cane-sugar value chain, which is the value of sugar and its first stage by-products, be

shared between the farmers and the millers in the ratio of their relative costs in producing cane at farm level and converting that cane into sugar and its byproducts at factory level

- Based on the Commission's in-depth study undertaken earlier, this ratio works out to 75:25 at 10.31 recovery rate
- However, arrangement under RSF needs to be aligned with FRP to protect the farmers in the event of any downward movement in prices of sugarcane. The FRP would serve as the floor price which the farmers would receive even when sugar prices fall to a level which leads to prices lower than FRP
- In-line with the recent Sugarcane Acts of Karnataka & Maharashtra

### IMPORT AND EXPORT OF INDIAN SUGAR INDUSTRY

The Indian government has a fairly strict strategy with regards to import of sugar. Amid 2014, it has raised the import obligation from 15 percent to 40 percent with a view to demoralize this side of the sugar exchange and advance fares. Because of the expanded import obligation, refiners discover it rather hard – monetarily unfeasible to be exact – to get sugar particularly from nations, for example, Brazil, Pakistan and Thailand. The Indian government gives an appropriation adding up to Rs. 4,000 for each ton with the expect to advance fares. This is accommodated crude sugar shipments, where the volume is around 1.4 million tons. Nonetheless, notwithstanding that, generally, Indian sugar industry experiences serious difficulties sending out crude sugar attributable to the way that costs have been reliably on a descending winding. The circumstance is particularly unstable at the market in New York, which is viewed as a benchmark.



### Indian Sugar Industry Consumption

Consumption of sugar and related sweeteners in India has expanded over the most recent couple of years. One of the real purposes behind the expanding interest for sugar is the developing populace of India and in addition enhancing monetary conditions. Greater part of the purchasers of the sugar that is created straightforwardly by factories are bread shops, nearby desserts and sweet makers. Together with the soda pop producers, they include just about 60 percent of the customer base. The real shoppers of khandasari are locally working desserts foundations. Gur is additionally utilized as a part of the rustic ranges in its ordinary shape as a sweetener and additionally sustain. Roll makers, nourishment items organizations, pharmaceutical setups, and lodgings and eateries likewise devour reasonable amounts of sugar.

### Indian Sugar Industry Consumption – Impact on Indian Economy

As has been said as of now, just about 2.6 lakh individuals are specifically subject to the sugar business for their occupation. Sugar industry is a farming industry that still gives the most extreme measure of work in India. The sugar business in India additionally happens to be the second greatest agro-based financial action – a reality that goes ahead to demonstrate that it is so vital to maintain the national economy.

### Economic development in India

The financial advancement in India took after communist propelled legislators for the greater part of its autonomous history, including state-responsibility for segments; India's per capita salary expanded at just

around 1% annualized rate in the three decades after its autonomy. Since the mid-1980s, India has gradually opened up its business sectors through monetary progression. After more central changes since 1991 and their reestablishment in the 2000s, India has advanced towards a free market economy. The monetary development has been driven by the extension of administrations that have been becoming reliably speedier than different parts. Good macroeconomic execution has been an essential yet not adequate condition for the noteworthy decrease of destitution among the Indian populace. The rate of neediness decay has not been higher in the post-change period (since 1991).

### The sugar industry

The sugar industry IN the country uses only sugar cane as input; hence sugar companies have been established in large sugar cane growing states like Uttar Pradesh. Maharashtra, Karnataka. Gujarat. Tamil Nadu and Andhra Pradesh. In the year 2003-04 these six states contribute more than 85% of total sugar production in the country. Exhibit I shows the state-wise sugar production in India for 2004-2005 and 2005-06. The government de-licensed the sugar sector in the August 1998, there by removing the restriction on the expansion of existing as well as on the establishment of new units , with the only stipulation that a minimum distance.



Most of the mills in India are not equipped to make refined sugar.

### AGRICULTURE

India positions first worldwide in cultivate yield. Horticulture and partnered divisions like ranger service, logging and angling represented 18.6% of the GDP in 2005, utilized 60% of the aggregate workforce and in spite of a relentless decrease of its offer in the GDP, is as yet the biggest monetary area and assumes a critical part in the general financial advancement of India. Yields per unit zone of all harvests have developed since 1950, because of the unique accentuation put on farming in the five-year designs and consistent enhancements in water system, innovation, use of current rural practices and arrangement of horticultural credit and appropriations since the green unrest.

### Research and or and development.

The Indian Agricultural Research Institute (IARI), developed in 1905, was accountable for the investigation inciting the "Indian Green Revolution" of the 1970s. The Indian Council of Agricultural Research (ICAR) is the apex body in kundiure and related fields, including examination and preparing. The Union Minister of Agriculture is the President of the ICAR. The Indian Agricultural Statistics Research Institute develops new strategies for the framework of cultivating examinations, examinations data in agribusiness, and invests noteworthy energy in quantifiable frameworks for animal and plant imitating. Prof. M.S. Swaminathan is known as "Father of the Green Revolution" and heads the MS Swaminathan Research Foundation. He is known for his advancement of earth sensible cultivating and doable support security.

### Statement of the Problem

Cooperatives in India emerged primarily to tackle the problem of credit. Provision of credit was the only service rendered by cooperatives in the beginning. The size of the credit cooperatives was small. Their transactions were limited to the collection of share capital, purveyance of credit, recovery of loan and so on. Even



these limited transactions were seasonal in nature. The cooperatives did not have paid staff nor could they afford to have such staff. The affairs of the societies were managed by members themselves on an honorary basis. Many of the members did not have formal education and were not familiar with double entry system of book keeping. They therefore followed a simple and indigenously evolved traditional system of book keeping, the dictum of which was "transactions involve either receipt of money or payment of money".

Over the years cooperatives grew from mere associations of local farmers to large complex organizations. This necessitated the redesigning of the traditional method of cooperative account-keeping by incorporating cash, credit, bank, bill adjustment, appropriation and rectification transactions. This system has come to stay in almost all cooperatives.

As the cooperatives grow in size, they need to build up an accounting system which provides information at the right time to the right person for taking different kinds of decisions. The accounting system should help in planning and controlling the operations of the cooperative business. But then, the field realities are different. 1 Krishnasamy O.R., Cooperative Account Keeping, New Delhi: Oxford IBH Publishing Company, 1980, p.256. 21 Cooperatives, by and large, irrespective of their size, have not given serious thought to introducing such an accounting system. The accounts departments in large-sized cooperatives look after only the routine finance functions and the head of the accounts division has to spend much of his time on routine finance functions.

Financial reporting in cooperatives is largely external and mainly in the form of financial statements. Provision of information to internal management to help in the process of decision-making is not quite effective. A series of 'its' describe the position rather piteously. Reports are not prepared in many of the societies; if prepared, they are not prepared frequently enough; if prepared frequently, they are not in proper form; if prepared in proper form, they are not circulated in time; if sent out in time, they are not analyzed by the concerned departments; if at all analyzed, the findings are not used for making decisions.<sup>3</sup> In some cooperative organizations comparative statements of financial performance, profitability ratios, liquidity ratios, efficiency ratios are found only in the audited statement. They are not being studied and used for the day-to-day management to improve performance and profitability. They are, in many cases, prepared to satisfy the financing agencies. This is the state of the accounting system in many larger cooperatives—not to speak of small-sized cooperatives.

Thus, in most of the cooperatives, the accounting function is primarily setup only for record-keeping and not as a source of financial management information, leading to deficiencies in the information available for management.

The issues which need to be examined therefore are: What is the status of financial accounting system in cooperatives? Whether the present financial accounting system is capable to providing required information in time to the management for making different kinds of decisions? If yes, how? If not, why? What is the status of different Management Accounting tools like budgeting, budgetary control, costing, internal audit and management reporting practices in cooperatives? What is the current policy and thinking on Management Accounting in cooperatives? Why has Management Accounting not been introduced in cooperatives? What are the difficulties in introducing the system? These issues form the primary focus of this study. Review of Literature Accounting in India is a little searched area. Research in accounting is still in its infancy.<sup>3</sup> Till the mid-70s, research efforts in commerce and particularly in accounting, gained little momentum. According to a survey made by the Indian Council of Social Sciences Research (ICSSR) in 1976, completed research projects and doctoral theses awarded by Indian universities in accounting and allied areas were only 25 in number.<sup>6</sup> Two studies were published in 1991, one by Saeed (1991) and the other by Banerjee (1991). Saeed's work was based on abstracts of dissertations which had been awarded Ph.D Degrees in different universities in India. The study reveals that, till 1990, out of 326 dissertations in Commerce and Management, only 57 (representing 17.5 per cent) relate to accounting, including auditing and finance. <sup>7</sup> The second study by Banerjee gives a year-wise distribution of total Ph.Ds awarded during the period between 1975-76 and 1985-86, based on ICSSR dissertation abstracts. This study also reveals that the average percentage of Ph. Ds awarded in accounting to total Ph.Ds and to Ph.Ds in Commerce was 18 per cent and 48 per cent respectively.<sup>8</sup> Again, a sample study by Banerjee (1994) revealed two important facts viz., (i) more and more Ph.Ds are being awarded in the field of Accounting; and, (ii) in terms of functional areas of accounting, Ph. Ds produced in Management Accounting were highest in number (65 per

cent), followed by financial accounting (27.5 per cent) and cost accounting (7.5 per cent). This implied that more and more emphasis has been given to studies related to finance, financial accounting and Management Accounting.<sup>9</sup> But the subject of Cooperative Accounting, as a separate discipline in India has been receiving scanty attention from academics and the researchers for the simple reason that Cooperatives follow a unique system of account-keeping which differs significantly from the mainstream system. Many in the academic and accounting profession never tried to study the system of accounting evolved in Cooperatives either in isolation or in comparison with the modern system of account keeping prevalent in the public and private corporations and firms. The State—the sponsor of the cooperative movement—which takes in its hands the entire responsibility of promotion, control and administration of cooperatives (at least in the last three decades) has not also paid much attention to this aspect. Only a few who have been associating themselves with cooperatives have attempted to study, modify and improve the accounting system in cooperatives. Failure to improvise and to rationalize cooperative accounting and absence of established accounting principles and conventions have constituted a 'knowledge gap' for long. However, in recent years, there has been a growing interest among the co-operators on the relevance of the various management practices in cooperatives in the context of the changing economic scenario. The need for rationalising the existing, accounting systems and adoption of modern accounting tools and techniques is being emphasised in many quarters. As a result, certain attempts have been made to study the accounting practices in different types of cooperatives. A review of these studies conducted in the corporate and cooperative sectors is presented in the subsequent pages.



The current accounting practice does not capture the true performance of a Cooperative. It focuses only on the intermediate activity of buying and selling in the case of marketing Cooperatives and buying, processing and selling in the case of manufacturing Cooperatives. They argued that the Cooperatives, being socio-economic organisations, the reporting should cover both the enterprise and the institutional aspects. At the disaggregate level, economic activity of each individual is important and relevant for the member and, at the collective level, members work together for the development and support of the enterprise. The present accounting system/practice is focused on enterprise rather than institutional aspect, which is certainly misleading and inappropriate. Therefore, the study suggested a new framework of financial reporting, which treats members as divisions of the enterprise, that is, the proposed system incorporates the assets and liabilities of the individual members into the enterprise's assets. This, it is argued, would help in evaluation and planning of cooperative action more accurately. The Agricultural Credit Review Committee.

## CONCLUSION

In the time of globalization, sugar industry needs more focused edge which can be given by method for modernization, upgrading profitability, and assembling magnificent quality sugar at aggressive costs. It needs quality administration at each level of movement to upgrade its execution. The Indian sugar industry utilizes sugarcane in the creation of sugar and subsequently, the most extreme number of organizations is probably going to be found in the sugarcane developing territory of India, including Uttar Pradesh, Maharashtra, Gujarat, Tamilnadu, Karnataka and Andhra Pradesh.

The budgetary execution of the organization is vital for the powerful execution of any organization. From the investigation it is discovered that a portion of the sugar organizations chosen for the present examination is

not proficient in keeping up its liquidity, use, productivity and action proportions. Subsequently different recommendations were given to the chose sugar organizations to enhance their monetary position by enhancing their liquidity, benefit, resource administration and use.

## REFERENCES

- 1.The Indian Sugar Industry Sector Roadmap 2017", KPMG in India, 2007. Available at [http://www.in.kpmg.com/pdf/indian\\_sugar\\_industry.pdf](http://www.in.kpmg.com/pdf/indian_sugar_industry.pdf)
- 2.Desai BH, Assessment of Capital Structure and Business Failure", the Management Accountant', 2000; 35(8):605-610.
- 3.Dr Nikam GA. Indian Sugar Industry - A Comparative Study", 'Shree Publishers and distributors, New Delhi. 2006; 2(2).
- 4.Sabapriya Ray, "Reviewing Performance of Indian Sugar Industry: An Economic Analysis",
- 5."India's Sugar Industry-Analysing Domestic Demand and Recent Trends", Ministry of Agriculture, Government of India.
- 6.The India Sugar Industry", CARE Ratings Professional Risk Opinion,
- 7.Report of the Rangarajan Committee on Deregulation of Sugar Sector in India
- 8.Report of High Powered Committee on Sugar Industry", Volume II, Government of India Ministry of Food & Consumer Affairs.
- 9.Basavraj S. Benni. Econometric Analysis of Financial and Physical Performance Indicators of Sugar Factories in Kolhapur District, 'Co-operative Sugar', 2005; 37(3).

# Publish Research Article

## International Level Multidisciplinary Research Journal For All Subjects

Dear Sir/Mam,

We invite unpublished Research Paper, Summary of Research Project, Theses, Books and Book Review for publication, you will be pleased to know that our journals are

### Associated and Indexed, India

- \* International Scientific Journal Consortium
- \* OPEN J-GATE

### Associated and Indexed, USA

- ✦ Google Scholar
- ✦ EBSCO
- ✦ DOAJ
- ✦ Index Copernicus
- ✦ Publication Index
- ✦ Academic Journal Database
- ✦ Contemporary Research Index
- ✦ Academic Paper Database
- ✦ Digital Journals Database
- ✦ Current Index to Scholarly Journals
- ✦ Elite Scientific Journal Archive
- ✦ Directory Of Academic Resources
- ✦ Scholar Journal Index
- ✦ Recent Science Index
- ✦ Scientific Resources Database
- ✦ Directory Of Research Journal Indexing

Indian Streams Research Journal  
258/34 Raviwar Peth Solapur-413005, Maharashtra  
Contact-9595359435  
E-Mail-[ayisrj@yahoo.in](mailto:ayisrj@yahoo.in)/[ayisrj2011@gmail.com](mailto:ayisrj2011@gmail.com)  
Website : [www.oldisrj.lbp.world](http://www.oldisrj.lbp.world)