



**MARKETING EFFICIENCY OF MARKETING COOPERATIVE
A CASE STUDY OF AVINASHI AGRICULTURAL COOPERATIVE MARKETING SOCIETY
LTD.AVINASHI (TK),TIRUPUR DISTRICT TAMILNADU**

Dr. P. Velusamy* S. Arunkumar**

***Assistance Professor of Cooperation, Sri Ramakrishna Mission Visyalaya College of Arts and Science, Coimbatore Tamilnadu.*

**Ph.D Research Scholar Department of Cooperation Sri Ramakrishna Mission Visyalaya College of Arts And Science, Coimbatore, Tamilnadu.*

Abstract

Marketing societies have been creating, maintaining and enhancing the economic development among the community. They seek to raise agricultural output, create employment and eradicate poverty by providing market accessibility to farm producers, securing reasonable and remunerative prices, supplying adequate inputs like seeds, fertilizers, pesticides, agriculture implements at reasonable prices, implementing effective linking of credit with marketing, distributing consumer articles at reasonable prices through fair price shops,etc. They help to promote the growth and development event in the most remote rural areas. Agricultural marketing comprises all the activities involved in the moment of product from farm to the final consumer. It includes assembling, processing, grading, branding, package, storage, transportation, and demand forecasting as that of general marketing. An attempt is made to examine the marketing cooperative(ACMS), membership positions, analyze the trend in resource mobilization,performance of businesses, evaluate the diversified business activities and the marketing society.

Keywords:*Agricultural Marketing,development,diversified business activities.*

1. Introduction

In India, evolution of co-operative marketing is as old as the co-operative societies Act of 1912, which recognized non-credit forms of co-operation, including marketing, the first market society started in India was the kumbakonam agricultural society in 1913, which supplied seeds, manures, implements and arrangement of sale of the products of its members. In the year 1915 and 1917 two marketing co-operative societies were formed at Hubli and Gadag respectively. The basic objective was to encourage the cultivation of improved cotton and sell it collectively. In 1918, the south canara planter's co-operative society was formed in the Madras province for joint sale of areca nut.

In 1920-21 there were only 31 co-operative societies. The Royal Commission on Agriculture (1928) stressed the need for group marketing instead of individual marketing. In 1945, the Co-operative Planning Committee recommended that at least 25 percent of marketable surplus should be channelized through co-operative societies within the next 10 years by framing one society for the group of 200 villages.

At present, the cooperative marketing structure comprises 2,633 general purpose primary cooperative marketing societies at the Mandi level, covering all the important mandies in the country, 3,290 specialised primary marketing societies for oilseeds, etc., 172 district Central Federations and the National Agricultural Cooperative Marketing Federation of India Ltd., (NAFED) at the national level. NAFED is the apex cooperative marketing organisation dealing in procurement, distribution, export and import of selected agricultural commodities.

In tamilnadu objectives are fulfilled through 113 primary co-operative marketing societies functioning in Tamil Nadu. Tamil Nadu Cooperative Marketing Federation is the apex institution of cooperative marketing societies in all the districts except Nilgiris, Thanjavur, Tiruvarur and Nagapattinam. Thanjavur Cooperative Marketing Federation is functioning as apex society for the cooperative marketing societies in Thanjavur, Tiruvarur and Nagapattinam districts.



2. Objectives of the study

- 1 To study the trend in membership and resources mobilization.
- 2 To evaluate the business performance of the society
- 3 To assess the diversification business activities of the society
- 4 To offer suitable suggestions and conclusion.

3. Research Methodology

A case study method was adopted for this study. The ACMS was purposely selected for this study. The present study is based on secondary data and information provided by the society in this publication annual reports for the period from 2009-2010 to 2018-2019.

4. Statistical Tools

The collected data is analyzed with the help of statistical tools like percentage, mean, standard deviation etc...

5. Membership

A society was endowed with the dynamic and enlightened leaderships from the yearly days which was instrumental in creating solid foundations. The total number of were 22568 as on 30-03-2019.

Table-1, Members Position

S. No	Years	No of Members	Percentage increase / decrease
1	2009-2010	16535	-
2	2010-2011	16535	-
3	2011-2012	16535	-
4	2012-2013	17803	7.7
5	2013-2014	22434	26
6	2014-2015	22484	0.22
7	2015-2016	22490	0.03
8	2016-2017	22510	0.09
9	2017-2018	22568	0.26
10	2018-2019	22568	-
Mean		20246.2	
S. D		2944.36	
C. V		8669266.2	

The members position of the society has been increasing over the years. There was a increase in total membership during the year (2009-2010 to 2018-2019).mainly due to admission of more members due to the cooperative election conducted in the year 2017-2018. The average membership of the society was 20246.

6. Share Capital.

Share capital was the important source of working capital in cooperatives. The below table shows the share capital position of the agriculture cooperative marketing society.



Table-2, Share Capital Position

Rs in lakhs

S. No	Years	Share capital	Percentage increase/decrease
1	2009-2010	18.51	-
2	2010-2011	17.92	-3.18
3	2011-2012	16.84	-6.02
4	2012-2013	22.84	35.62
5	2013-2014	22.86	0.08
6	2014-2015	15.69	-31.36
7	2015-2016	15.78	0.57
8	2016-2017	14.83	-6.02
9	2017-2018	14.89	0.40
10	2018-2019	14.90	0.6
Mean		17.5	
S. D		3.087	
C. V		9.535	

The share capital position of the selected society was analyzed. It shows that the share capital position was fluctuating trend during the study period. During the study period 2012-2013 to 2013-2014 it shows the highest position of share capital due to admission of new members. The average share capital position was Rs 17.50 lakhs.

7. Main Activities

Agriculture Produce Marketed

Agricultural marketing cooperatives perform many functions. They may assemble the products of a number of producers into larger lots to facilitate more efficient handling and more competitive sales, and then grade and ship these lots to market. The weightiest of produce auctioned by the society is ensured without any waste at all. The service charge (iecommission) Collected from the members is a margin of 2% of the value of the produce marketed. As soon as the auction is over the society makes immediate cash payment to the farmer without making them to wait for vealization of purchase value from the merchants concerned. The below table shows the agricultural produce sales of the ACMS.

Table-3, Value of Agriculture Commodities Marketed

Rs in lakhs

S. No	Years	Agricommodity marketing	Percentage increase/decrease
1	2009-2010	1,512.33	-
2	2010-2011	2,082.30	37.68
3	2011-2012	2,249. 13	7.25
4	2012-2013	2, 016.26	-12.30
5	2013-2014	3, 285.16	62.93
6	2014-2015	2, 145.88	-34.67
7	2015-2016	1,768. 89	-17.56
8	2016-2017	906.22	-48.76
9	2017-2018	1, 007.92	11.23
10	2018-2019	1,314.35	30.40
Mean		1828.84	
S. D		698.49	
C. V		487889.341	



The above table shows that agricultural products sales position. ACMS is important marketing center for cotton it is grown by the farmers in the Tirupur district and also nearby district. The society arranged to market the agricultural produce of its members especially cotton on commission basis. The Average sale of agricultural produce marketing was Rs.1828.84.

The agriculture sales position of the society shows the fluctuated trend over the years. There was a decrease in the total agricultural sales during the year. 2016-2017 ie (-46.76%). There was also an increase in the total agricultural sales in the year 2013-2014 due to good yield by farmers ie(62.93%). The average agriculture produce marketed was 828.84.

7.2 Fertilizer supply

A fertilizer or fertiliser is any material of natural or synthetic origin that is applied to soil or to plant tissues to supply one or more plant nutrients essential to the growth of plants. Many sources of fertilizer exist, both natural and industrially produced. that also been supplied by the society has been shown in below table.

Table-4, Fertilizer Supply Positions, (Rs in lakhs)

S. No	Years	Fertilizer supply	Percentage increase/decrease
1	2009-2010	0.75	-
2	2010-2011	1.38	84
3	2011-2012	2.78	1.44
4	2012-2013	2.03	-26.97
5	2013-2014	4.20	6.89
6	2014-2015	0.27	-93.57
7	2015-2016	0.06	-77.32
8	2016-2017	0.02	-99.38
9	2017-2018	-	-
10	2018-2019	0.14	-
Mean		1.16	
S. D		1.434	
C. V		2.059	

The above table shows the fertilizer supply position of the society . There was a decrease in the total fertilizer supply during the year 2014-2015. There was also an increase in the total fertilizer supply in the year 2013-2014 due to demand for fertilizers by the farmers. So the society the overall position of the fertilizer positions shows the fluctuating trend during the study period ie (2009-2010 to 2018-2019) The average supply if fertilizer was 1.16

8. Loans.

Pledge loan issued position

The society is advancing loans on pledge of produces so that the farmers can store their produce and sell them at a better price.



Table-5, Pledge Loans Issued Position (Rs in lakhs)

S. No	Years	Pledge loan	Percentage increase/decrease
1	2009-2010	7.55	-
2	2010-2011	15.20	98.69
3	2011-2012	30.55	99.34
4	2012-2013	50.30	66.00
5	2013-2014	67.36	33.91
6	2014-2015	71.45	6.07
7	2015-2016	77.12	7.93
8	2016-2017	70.08	-8.19
9	2017-2018	85.12	20.22
10	2018-2019	96.73	13.63
Mean		57.21	
S. D		30.217	
C. V		913.017	

The above table reveals that the pledge loan issued by the society in the year 2009-2010 ieRs 7.55 lakhs it increased Rs 96.73 in the year 2018-2019. It shows the increasing trend during the study period. The above table clearly shows that the farmers has availed huge amount of pledge loan from the society. The average produce pledge loan was 57.21.

8.2 Jewel loan issued.

The society has got its own fund but it can be used in only the season. During the offseason the society could not utilize the fund which affected the profitability. Hence, the society advance loans to members on the pledge of jewel. By harnessing the available funds on jewel loans, the society is now able to get profitability.

Table-6, Jewel Loan Position (Rs in lakhs)

S. No	Years	Jewel loan issued	Percentage increase/decrease
1	2009-2010	387.22	-
2	2010-2011	961.68	48.35
3	2011-2012	1271.26	32.192
4	2012-2013	1447.50	13.86
5	2013-2014	1222.28	-15.55
6	2014-2015	1120.87	-8.29
7	2015-2016	1160.38	3.52
8	2016-2017	1028.21	-11.39
9	2017-2018	1001.01	-2.64
10	2018-2019	942.13	-5.88
Mean		1054.254	
S. D		281.91	
C. V		79472.973	



The above table shows the main objective of the cooperative society service motive and the profit is secondary. The return on capital ie.dividend is limited so as to use bulk of profit for strengthening. So that society strengthening the business the jewel loan issued to members and non-members. The above table predicts the jewel loan position of the society. It is evident from the table that the jewel loan position showed an fluctuating trend during the study period. The society issued average of jewel loan was 1054.25

9. Business Result Positions

Table-7, Business Result Positions

Rupees in lakhs

S. No	Years	Businesses result	Percentage increase/decrease
1	2009-2010	128.56	-
2	2010-2011	70.15	-45
3	2011-2012	80.16	14.26
4	2012-2013	115.27	43
5	2013-2014	119.41	15.20
6	2014-2015	103.65	-13
7	2015-2016	118.80	14.61
8	2016-2017	124.11	4.46
9	2017-2018	101.81	17.96
10	2018-2019	120.53	18.38
Mean		108.245	
S. D		19.445	
C. D		378.139	

The prime objective of a cooperative organization is services and earning profit is secondary. However these units are expected to earn a profit to be on the safe side and such profit are ploughed back to the benefit of the members of the society. The table No. 7 indicates the profit position of the society. The society maximum years continually running on profit however with a fluctuating trend during the study period average profit position per year was 128.24 percent.

10. Diversified Activities of The Society.

Petrol bunk

The society has also been appointed as the retail dealer of the India oil cooperation for the sales at petrol and diesel. The bunk was functioning in Mangalam Road at Avinashi.

Medical stores

The society is running 3 medical shops at nearby avinashi. Though its medical stores, the society distributes drugs and medicines for human beings, poultry and veterinary medicine at reduce rates offering 15% discounts to the customers and that is stabilized the market price.

Distribution of the agricultural inputs requirements.

The society marks timely supply of inputs requirement of the agriculture like quality cotton seed, Chemical Fertilizer of repute firms, pesticides of popular manufacture, agriculture implements such as sprayer, sickles, spades etc.. At reasonable margin all this input requirements disturbing through its societies.

11. Suggestions.

1. The society can open more branches to diversity the business in nearby areas.
2. The society should get back to the banana's tender that will increase the value of business if support to the famous to get better price.



3. The society should concentrate on agri produce sales of coconut in every week in the premises, it is very support to the coconut growers.
4. The society can start mobile recharge service center to the member and to the public's.

12. Conclusion

The ACMS is one of the unique society which functioning in the Tirupur district. As the society have largest marketing activities in cotton and banana due to loyal member and their active participation. Transparency in all the activities, market intervention operation through participation in the bid process, low service service charge, infrastructure facilities to the members and traders, immediate payments to farmers are the key indicators for the growth and development of the society in a competitive environment. As of now, the society is travelling in the right path and hope if will have an all round growth by serving to members better and the stakeholders simultaneously.

Reference

1. Government of Tamilnadu (2015-2016), policy note on cooperation (Cooperation , food and consumer protection department).
2. Ranganathan, (2014) Reasons for slow progress of cooperative marketing societies in Tamilnadu, International journal of world Research.
3. Annual reports of various years .
4. <http://www.nafed-india.com/home.asp>.
5. <http://www.agridr.in/tnaueagri/eagri50/AECO242/pdf/lec05.pdf>.