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Working Performance of Agricultural Producers' Cooperative Marketing Societies in Namakkal District, Tamil Nadu, India

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Abstract:

The establishment of cooperative marketing societies paves the way to overcome the problems arising out of the present system of marketing agricultural produce. The objectives of economic development and social justice of the country aims to channelize the agriculture produces through cooperative institutions. Private agencies dominate the Indian food grains trade. Farmers complain of the marketing system because they get lower prices, mainly due to high marketing charges and the prevalence of malpractices. The efforts of the government to improve the marketing system of agricultural commodities have been only partially successful in creating healthy conditions for scientific and efficient marketing. This paper attempts to analyse the performance of cooperative marketing societies in Namakkal District.

Keywords: Cooperative marketing, Agricultural marketing, Performance of Cooperative marketing societies, Problems and suggestions

1. Introduction

The cooperatives sector has played an important role in the economy of the country. It is an integral part of national economy. It has made significant contributions in agro-processing, distribution of inputs like fertilizers, storage and marketing. The cooperative marketing has three distinct characteristics that separate from other business. They are member owned; members controlled and generate member benefit. Marketing cooperatives deals with the marketing of agricultural production such as food grains and commercial crops. Marketing cooperatives are helpful to meet the requirements of the farmers. The Cooperative marketing has conferred multifarious advantages on the farmers. Now, instead of marketing their produce separately, they market it together through one agency. Marketing Cooperatives are involved in marketing of chemical fertilizers, pesticides, agricultural machinery and equipments and agricultural commodities at affordable prices. The rural areas of Namakkal district are well-known for the cultivation of commercial crops like cotton, groundnut, gingili, turmeric and food crops like paddy and cereals. It was reported that more than 60 per cent of the people were engaged in cultivation of cotton, groundnut, gingili and turmeric and more than 50 per cent of farming communities were provided with a good package of benefits from cooperative marketing societies. Three Agricultural Producers Marketing Cooperative Societies such as Thiruchengode Agricultural Producers Cooperative Marketing Society (TCMS), Namakkal Agricultural Producers Cooperative Marketing Society (NCMS) and Rasipuram Agricultural Producers Cooperative Marketing Society (RCMS) are functioning in Namakkal district, Tamil Nadu.

2. Statement of the Problem

Looking at the State level data, it was the fact that out of 110 Primary Cooperative Marketing Societies, only 17 societies incurred loss. But, commodity wise target and achievement hit the working performance, which resulted into low profitability, poor capital base and inadequate working capital size of the agricultural cooperative marketing societies. This trend would question the sustainability of these marketing cooperatives in the long run. Therefore, to assess the real picture at the micro level, an empirical research study is needed to evaluate the Cooperative Marketing Societies.

3. Objectives of the Study

- 1.To study the profile of Sample Societies in Namakkal District.
- 2.To analyze the working performance of Sample Agricultural Producers' Cooperative Marketing Societies.

4. Definitions of Cooperative Marketing Societies

Cooperative marketing is the system by which a group of farmers join together to carry on some or all the processes involved in bringing goods from the producer to the consumer and registered under the Tamil nadu Cooperative societies Act 1983.

5. Working Performance of Sample Cooperative Marketing Societies

The working capital of the selected societies comprised of both owned and borrowed funds and in turn the owned fund composed of share capital and reserves while the borrowed funds consisted of deposits and borrowings.

5.1. Working Capital of Sample Societies

| Year | Name of the Marketing Society | | |
|-------------|-------------------------------|---------------|---------------|
| | TCMS | NCMS | RCMS |
| 2004-05 | 1362.44 | 111.27 | 317.10 |
| 2005-06 | 1280.18 | 113.45 | 227.05 |
| 2006-07 | 1550.04 | 160.18 | 138.09 |
| 2007-08 | 1808.61 | 151.26 | 122.48 |
| 2008-09 | 2663.11 | 235.29 | 112.81 |
| 2009-10 | 3600.76 | 327.59 | 193.64 |
| 2010-11 | 6158.06 | 518.68 | 899.59 |
| 2011-12 | 6527.53 | 484.92 | 446.28 |
| 2012-13 | 7125.82 | 863.69 | 475.92 |
| 2013-14 | 8127.57 | 958.10 | 779.51 |
| Mean | 4020.41 | 392.44 | 371.25 |
| S.D | 2686.48 | 309.92 | 279.03 |
| C.V% | 66.82 | 78.97 | 75.16 |
| AGR | 23.82 | 30.36 | 41.05 |
| CAGR | 26.86 | 29.89 | 16.83 |

Table 1: Working Capital of sample societies (Rs.in Lakhs)

Source: Audit and Annual Reports of sample Marketing Cooperatives in Namakkal district for various years

The above table highlights the working capital position of the sample societies. Working capital of all the societies has registered high at the end of the study period followed by fluctuation between the years 2004-05 and 2013-14. The volume of working capital in TCMS (Rs.8127.57 lakhs) was found higher than other societies.

Mean value of TCMS were greater than other societies which stood at Rs.4020.41 lakhs. SD of this society was also found high. More variations in the growth were found in NCMS recording the CV of 78.97 percent. AGR of RCMS and CAGR of NCMS were also appreciable during the study period. In short, the working capital base of TCMS was quite satisfactory due to the strong capital base and good turnover with strong clientele base.

5.2. Total Investment

Every society should have a comprehensive investment policy duly approved by the Board of Directors. The investment policy should cover both short term investment and long term investment.

| Year | Name of the Marketing Society | | |
|-------------|-------------------------------|--------------|--------------|
| | TCMS | NCMS | RCMS |
| 2004-05 | 84.74 | 43.61 | 4.08 |
| 2005-06 | 92.13 | 52.14 | 4.08 |
| 2006-07 | 106.32 | 33.83 | 4.56 |
| 2007-08 | 157.98 | 35.14 | 6.21 |
| 2008-09 | 202.24 | 42.70 | 11.06 |
| 2009-10 | 264.28 | 45.19 | 11.06 |
| 2010-11 | 353.38 | 47.70 | 12.06 |
| 2011-12 | 393.83 | 52.42 | 12.06 |
| 2012-13 | 402.10 | 58.64 | 23.05 |
| 2013-14 | 423.92 | 56.77 | 18.48 |
| Mean | 248.09 | 46.81 | 10.67 |
| S.D | 136.85 | 8.39 | 6.35 |
| C.V% | 55.16 | 17.93 | 59.48 |
| AGR | 20.45 | 4.42 | 22.93 |
| CAGR | 22.91 | 3.93 | 21.82 |

Table 2: Position of Total Investment of sample societies (Rs.in Lakhs)

Source: As in table 1

The above table indicates the position of total investment. Total investment of TCMS has been gradually increased over the years and stood at Rs.423.92 lakhs as against Rs.84.74 lakhs in the year 2004-05. Total investment position of NCMS and RCMS has fallen at the end of the study period. Total investment of RCMS (Rs.18.48 lakhs) was lower than other marketing societies.

5.3. Turnover of Sample Societies

Since agricultural products are season based, the marketing societies have several marketing operations. For instance, cotton is produced and marketed from July to September and in winter from December to April, gingili seeds from June to August, groundnut from September to February, castor seeds from December to March, coconut from January to March, maize from April to July and from September to October, and sunflower from January to February and from September to October. Banana is marketed throughout the year. While marketing the output, the selected units under the study followed two systems viz. Open bid auction system, and Secret bid tender system. Generally the open bid auction system is followed for larger quantity of commodities whereas the secret bid tender system is followed for lesser quantity of commodities.

| Year | Name of the Marketing Society | | |
|-------------|-------------------------------|---------|----------|
| | TCMS | NCMS | RCMS |
| 2004-05 | 10206.08 | 3254.85 | 4813.29 |
| 2005-06 | 9991.75 | 2981.69 | 5533.80 |
| 2006-07 | 13902.70 | 3984.26 | 6069.68 |
| 2007-08 | 13778.34 | 4251.37 | 6459.19 |
| 2008-09 | 19150.67 | 4592.45 | 7340.24 |
| 2009-10 | 21241.69 | 3426.82 | 9721.83 |
| 2010-11 | 27667.08 | 3730.25 | 15812.55 |
| 2011-12 | 31628.25 | 4526.95 | 14681.33 |
| 2012-13 | 31590.95 | 3546.13 | 11457.76 |
| 2013-14 | 30047.29 | 5374.06 | 12764.19 |
| Mean | 20920.48 | 3966.88 | 9465.39 |
| S.D | 8788.00 | 727.91 | 4008.24 |
| C.V% | 42.01 | 18.35 | 42.35 |
| AGR | 13.96 | 8.30 | 13.57 |
| CAGR | 15.71 | 3.50 | 13.75 |

Table 3: Total Turnover of the sample societies (Rs.in Lakhs)

Source: As in table 1

The above table highlights the annual turnover of the sample societies. Annual turnover of all the societies has fluctuated during the study period. Annual turnover of TCMS has increased from Rs.10206.08 lakhs in the year 2004-05 to Rs.30047.29 lakhs in the year 2013-14. In NCMS, the annual turnover stood at Rs.5374.06 lakhs at the end as against Rs.3254.85 lakhs in the year 2004-05. The same trend continued in RCMS also.

Mean value of TCMS (Rs.20920.48 lakhs) was greater than other sample societies. AGR and CAGR of the society was also satisfactory showing 13.96 and 15.71 respectively. To conclude, annual turnover of TCMS was appreciable during the study period. As TCMS is famous for its arrangements and infrastructure facilities for marketing the producers of its members, it maintains grading system, cold storage and multiple products marketing arrangements.

5.4 Total value of Marketing of Agricultural Commodities

| Year | Name of the Marketing Society | | |
|-------------|-------------------------------|---------|---------|
| | TCMS | NCMS | RCMS |
| 2004-05 | 4674.46 | 754.38 | 954.46 |
| 2005-06 | 3471.50 | 514.75 | 758.84 |
| 2006-07 | 5926.10 | 721.17 | 1401.82 |
| 2007-08 | 4853.07 | 554.58 | 1219.94 |
| 2008-09 | 7166.00 | 789.39 | 1409.01 |
| 2009-10 | 7211.40 | 825.42 | 1855.73 |
| 2010-11 | 9380.88 | 2552.77 | 4691.68 |
| 2011-12 | 11428.72 | 1939.81 | 2812.84 |
| 2012-13 | 10988.60 | 1653.63 | 2188.58 |
| 2013-14 | 12139.05 | 1741.60 | 3160.58 |
| Mean | 7723.98 | 1204.75 | 2045.35 |
| S.D | 3092.15 | 707.04 | 1212.79 |
| C.V% | 40.03 | 58.69 | 59.30 |
| AGR | 14.85 | 23.11 | 25.94 |
| CAGR | 14.21 | 16.55 | 17.06 |

Table 4: Total value of Marketing of Agricultural Commodities (Rs.in Lakhs)

Source: As in table 1

The above table indicates the total value of marketing of agricultural commodities. In TCMS, the total value of these commodities has increased from Rs.4674.46 lakhs in the year 2004-05 to Rs.12139.05 lakhs in the year 2013-14. In NCMS, it stood at Rs.1741.60 lakhs in the year 2013-14. In RCMS, it stood at Rs.1741.60 lakhs in the year 2013-14 as against Rs.754.38 lakhs in the year 2004-05. The same trend was observed in RCMS also.

Mean value of marketing of agricultural commodities was greater in TCMS (Rs.7723.98 lakhs) than other societies. AGR and CAGR of RCMS were found high constituting 25.94 percent and 17.06 percent respectively.

5.5. Profit Position of Sample Marketing Societies

Though the main aim of cooperatives was not maximizing profit, they should earn profit in order to render efficient service to its members. It was found that all the three selected societies were working on profit and the TCMS had been working profitably from its inception. It was reported that the TCMS had received several shields, awards and prizes from different organizations for its outstanding performance. The TCMS had certified that an ISO 9001-2000 for the best services to the public and members for providing marketing, processing, sale of agricultural inputs, financial services, and sale of controlled and non-controlled goods.

| Year | Name of the Marketing Society | | |
|-------------|-------------------------------|-------|-------|
| | TCMS | NCMS | RCMS |
| 2004-05 | 61.38 | 22.47 | 16.42 |
| 2005-06 | 72.63 | 10.65 | 18.61 |
| 2006-07 | 84.51 | 16.05 | 7.20 |
| 2007-08 | 125.45 | 20.83 | 27.09 |
| 2008-09 | 187.22 | 29.15 | 41.27 |
| 2009-10 | 208.65 | 31.76 | 60.40 |
| 2010-11 | 81.69 | 54.30 | 75.06 |
| 2011-12 | 224.37 | 3.12 | 29.05 |
| 2012-13 | 244.68 | 4.15 | 30.10 |
| 2013-14 | 347.72 | -6.77 | 50.68 |
| Mean | 163.83 | 18.57 | 35.59 |
| S.D | 94.22 | 17.45 | 21.19 |
| C.V% | 57.51 | 93.97 | 59.54 |
| AGR | 34.31 | -#- | 40.21 |
| CAGR | 18.36 | -#- | 15.60 |

Table 5: Position of Net Profit (Rs.in Lakhs)

#-Series contains non-positive values. Growth rates are not calculated.

Source: As in table 1

The above table indicates the position of net profit in sample societies. Position of net profit was fluctuating during the study period in all of the sample societies. Net profit of TCMS has increased from Rs.61.38 lakhs in 2004-05 to Rs.347.72 lakhs at the end. Net profit of RCMS showed Rs.50.68 lakhs at the end as against Rs.16.42 lakhs in the year 2004-05. NCMS has also incurred heavy loss at the end of the study period.

Mean value of TCMS stood at Rs.163.83 lakhs during the study period. AGR of RCMS (40.21) and CAGR of TCMS (68.36) were satisfactory during the study period. Profitability of NCMS has come down due to inefficient management, increase in operating costs, lower volume of sales and lack of active member participation.

6. Findings of the Study

The following are the major findings of the study:

- In TCMS, the share capital position has come down from Rs.16.79 lakhs in the year 2004-05 to Rs.14.64 lakhs in the year 2013-14. The same trend has been observed in RCMS also. At the same time, the share capital position of NCMS has gradually increased from Rs.9.88 lakhs in the year 2004-05 to Rs.12.34 lakhs in the year 2013-14.
- The volume of reserve funds in TCMS was found greater than other societies. Reserve fund of TCMS has increased from Rs.584.72 lakhs in the year 2004-05 to Rs.1087.73 lakhs in the year 2013-14.
- The deposits position of TCMS and RCMS have registered an increasing trend during the study period followed by small fluctuations. CAGR of RCMS (23.02 percent) was satisfactory during the study period.
- Mean value of total borrowings of TCMS was greater than all other sample societies registering Rs.3766.69 lakhs. The total debt of NCMS stood at Rs.769.84 lakhs in the year 2013-14 as against Rs.20.32 lakhs in the year 2004-05. Total borrowings recorded two fold increases in RCMS registering Rs.538.84 lakhs at the end.
- Working capital of all the societies was high at the end of the study period followed by fluctuation between the years 2004-05 and 2013-14. The volume of working capital in TCMS (Rs.8127.57 lakhs) was found higher than other societies.

- Mean value of total investment of TCMS (Rs.248.09 lakhs) was greater than other societies. Total investment position of NCMS and RCMS has fallen at the end of the study period. Total investment of RCMS (Rs.18.48 lakhs) was lower than other marketing societies.
- Mean value of sale of agricultural inputs of TCMS (Rs.123.94 lakhs) was greater than other societies. Total sale of inputs in NCMS was very meager which stood at 0.26 in the year 2013-14. The same trend was observed in RCMS also.
- The mean linkage of credit with marketing was high in TCMS. But, AGR of RCMS was appreciable during the study period showing 11.29.
- Severe fluctuations were found in NCMS and RCMS in granting the agricultural pledge loan. This loan was disbursed to Rs.286.27 lakhs at the end as against Rs.23.92 lakhs in the year 2004-05 in TCMS.
- Mean value of annual turnover of TCMS (Rs.20920.48 lakhs) was greater than other sample societies. AGR and CAGR of the society was also satisfactory showing 13.96 and 15.71 respectively.
- In TCMS, the total value of marketing of agricultural commodities has increased from Rs.4674.46 lakhs in the year 2004-05 to Rs.12139.05 lakhs in the year 2013-14. In NCMS, it stood at Rs.1741.60 lakhs in the year 2013-14. AGR and CAGR of RCMS were found high constituting 25.94 percent and 17.06 percent respectively.
- In TCMS, the number of staff members has been increased from 172 to 194 at the end of the study period. In NCMS, there was 65 staff members in the year 2013-14 and in RCMS, there were 60 staff members in the year 2013-14.
- Total income of TCMS has recorded five-fold increase showing Rs.1648.33 lakhs at the end of the study period as against Rs.342.76 lakhs in the year 2004-05. Total income of RCMS have also registered increasing trend. In NCMS, total income has started to decline in the last two years of the study period.
- In all the societies, operating expenses have been increasing year by year. Operating expenses of TCMS was increased from Rs.281.38 lakhs in the year 2004-05 to Rs.1300.61 lakhs at the end of the study period.
- The sale of controllable goods has registered nearly three-fold increase both in TCMS and in RCMS. In NCMS, the sale of controlled goods has increased from Rs.629.38 lakhs in the year 2004-05 to Rs.1031.63 lakhs in at the end.
- The sale of non-consumable goods was highly fluctuating in all the societies. In TCMS, the sale of non-consumable goods has increased from Rs.152.73 lakhs in the year 2004-05 to Rs.271.81 lakhs in the year 2013-14. Mean value of RCMS (490.33 lakhs) was greater than other societies.
- The gross profit of the sample societies have been increasing over the years with small fluctuations. Though the mean value of TCMS (Rs.368.54 lakhs) was higher than other societies, AGR (24.90) and CAGR (22.04) of RCMS were found high.
- Net profit of TCMS has increased from Rs.61.38 lakhs in 2004-05 to Rs.347.72 lakhs at the end. Net profit of RCMS showed Rs.50.68 lakhs at the end as against Rs.16.42 lakhs in the year 2004-05. NCMS has also incurred heavy loss at the end of the study period.
- The economic viability ratio was found to be higher in RCMS (32.65) than other societies. This ratio was found to be minimum in TCMS (10.18). One way ANOVA Results showed that the mean economic viability ratio varied significantly among the three Cooperative marketing societies. So, the null hypothesis was rejected.
- The operational efficiency ratio was found to be higher in NCMS (4.92) than other societies. This ratio was found to be minimum in RCMS (2.44). One way ANOVA Results showed that the mean operational efficiency ratio varied significantly among the three cooperative marketing societies. So, the null hypothesis was rejected.
- The managerial competency ratio was found to be higher in TCMS than other societies. This ratio was found to be minimum in NCMS. One way ANOVA Results showed that the mean managerial competency ratio did not vary significantly among the three cooperative marketing societies. So, the null hypothesis was rejected.
- The mean gross profit ratio was found to be higher in TCMS (2.27) than other societies. This ratio was found to be minimum in NCMS (1.78). One way ANOVA Results showed that the mean gross profit ratio did not vary significantly among the three cooperative marketing societies. So, the null hypothesis was accepted.
- The mean net profit ratio was found to be higher in TCMS (1.04) than other societies. This ratio was found to be minimum in NCMS (0.63). One way ANOVA Results showed that the mean net profit ratio did not vary significantly among the three cooperative marketing societies. So, the null hypothesis was accepted.
- The mean working capital ratio was found to be higher in RCMS (1604.97) than other societies. This ratio was found to be minimum in TCMS (478.71). One way ANOVA Results showed that the mean working capital ratio varied significantly among the three cooperative marketing societies. So, the hypothesis was rejected.
- The mean working capital to share capital ratio was found to be higher in TCMS (370.75) than other societies. One way ANOVA Results indicated that the mean working capital to share capital ratio varied significantly among the three cooperative marketing societies. So, the hypothesis was rejected.
- The mean working capital to turnover ratio was found to be higher in TCMS (0.17) than other societies. One way ANOVA Results indicated that the mean working capital to turnover ratio varied significantly among the three cooperative marketing societies. So, the hypothesis was rejected.
- The mean agricultural marketing to total turnover ratio was found to be higher in TCMS (37.50) than other societies. One way ANOVA Results indicated that the mean agricultural marketing to total turnover varied significantly among the three cooperative marketing societies. So, the hypothesis was rejected.

- The mean agricultural pledge loan to total turnover ratio was found to be higher in NCMS (1.57) than other societies. One way ANOVA Results indicated that the mean agricultural pledge loan to total turnover ratio varied significantly among the three cooperative marketing societies. So, the hypothesis was rejected.

7. Conclusion

The Analysis of the data and information showed that the Cooperative Marketing Societies are sound in their business performance and have been offering varieties of core as well as allied services as needed by farmers. The study presumed that the economic impact will be visible and more explicit among farmers who have continually availed and used the services for a long period time. Increase in farm production/ farm productivity has resulted to increase in farm income. They together have brought occupational stability and increase in living standard among farmers.

The economic impact is more visible among small farmers than others. This finding is on our expected line since cooperatives are the shield against the persons of small means. Cooperatives however, need to serve large section of the farming community without discrimination on any economic criteria and the like, so that they can bring holistic structural and functional developments in the marketing system on the one hand and the agricultural sector on the other. To accomplish the above task, it is essential that the Cooperative Marketing Societies at base level should be economically viable units and structurally sound enough. Efforts need to be, therefore, taken to strengthen the cooperative marketing institutions at any cost as they pave way for sustainable democratic development to humanity.

8. Suggestions of the Study

Few suggestions are made to maximize the working performance of Cooperative Marketing Societies in Namakkal District under the study:

✓ **Input and Output Marketing**

The CMSs are supplying inputs like seeds, fertilizers, pesticides and agricultural implements at reasonable cost. However they should take necessary actions to distribute required inputs adequately with good quality at right time. The CMSs have to allocate more money to Price Fluctuation Fund. These societies are also expected to facilitate the outright purchase and control of the price spread of the agricultural produces in the market.

✓ **Allied Marketing Services**

The CMSs may join their hands with PACS to encourage and motivate the farmers to implement the scheme of linking of credit with marketing which helps the CMSs to increase their volume of business on the one hand and helps the PACS to facilitate easy recovery of loans on the other hand. To help the farmers to fetch reasonable price for their agricultural produces and to facilitate the effective distribution of controlled and non-controlled goods, the CMSs should have adequate storage facilities. They should take necessary actions to undertake grading and processing activities to create value addition to agricultural produces brought by farmers which in turn helps the farmers to get fair prices. To facilitate output marketing, the CMSs should extend sufficient market facility, transportation facility, market information, insurance facility and the like to their farmer members.

✓ **Augmenting the Sources of Funds**

To extend more appropriate and relevant services to the farmer members the CMSs need to strengthen their internal resources. In this regard the CMSs may take appropriate steps to approach District Central Cooperative Bank (DCCB) and other Cooperative organization working in their area of operation to subscribe more shares. The CMSs may also take efforts to mobilize more deposits (term deposits) from members and non-members and other cooperative and private institution working in their command area. Further the CMSs need to initiate the DCCB, Govt. and NCDC to sanction more loans with subsidy which can be used for providing produce pledge loans, issuing jewel loans, constructing go-downs, etc to fulfill the needy services of their members.

✓ **Service Utilization**

The CMSs are extending number of services to farmers. Although more number of farmers availed more than one services, the CMSs should encourage their members to avail almost all services extended by them in order to bring economic development in their lives. In this regard the CMSs should create a good awareness among the members, though the majority members have knowledge about cooperatives. Despite the CMSs should arrange different education and training programmes to create enlightenment especially among small farmers and motivate them to participate in cooperative management since the small farmers are lacking beyond.

✓ **Strengthening the Linking of Credit with Marketing**

The growth and development of cooperative organizations depends on the effective implementation of the principle, 'Cooperation among Cooperatives'. This principle insists that one cooperative organization has to integrate with other cooperative organization to increase its volume of business and ultimately to work as a viable institution / unit. In this context, the PACS need to cooperate and coordinate with marketing cooperatives and vice-versa. The effective implementation of the scheme of linking of credit with marketing, not only facilitates the recovery of loans easily in case of PACS, but also increases the volume of business (turnover) in case of marketing societies. Similarly it helps the farmers not only to avail crops loans at cheaper rate of interest, but also to get reasonable and remunerative prices for their agricultural produces. Strengthening the linking of credit with marketing is indispensable and inevitable to form a strong marketing chain to eliminate the intermediaries who enjoy lion's share of price paid to the farmers.

✓ **TCMS Model**

Since inception, the TCMS has been working very successfully and profitably in its business operations by rendering more and more (required and essential) services to its member farmers. In addition, it is acting as an exemplary society in the field of agricultural marketing in India. Thus, it is regarded as TCMS Model. The TCMS model – need to be adopted by other APMCSs through establishing coordination and amalgamation with TCMS. The following activities / proposals are suggested in this context.

- ✓ **Integrated Processing Units:** The other marketing societies (NCMS and RCMS) in the region/district should join their hands with TCMS to establish an integrated processing unit at a centre place to create value addition to agricultural produces and achieve the economy of the operation of such processing units. For instance, establishing cotton processing units, setting up of oil extraction mills, paddy processing units and the like. In such case, all marketing societies together can promote a common brand to their processed goods and can overcome the stiff competition posed by the private processing units.
- ✓ **Procurement Outlets:** The TCMS has already established a number of procurement outlets to facilitate the outright purchase. In this connection, the other marketing cooperative can also join with TCMS to operate more procurement outlets, so that they can establish market leadership for the notified agricultural commodities in the region.
- ✓ **Increase the Input Procurement Centers:** The TCMS procures varieties of quality inputs from different sources and in turn supplying them to its farmers at reasonable cost. In this respect, the other societies working in the region can establish a cordial relationship with TCMS to operate more number of input procurement centers, so that farmers can get the required inputs with required quality at reasonable prices.
- ✓ **Collaboration with Regulated Markets:** All cooperative marketing societies functioning in the region can collaborate with regulated markets, so that they can establish market leadership in the procurement, processing and sale of agricultural commodities in the district. This may enable for perfecting the marketing system.

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