

A Disparity of the Capital Structures of The Primary Milk Producers Cooperative Societies in Kovanur and Thalayatimandhu

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Abstract

The purpose of the overall research was to evaluate the capital structures of the Primary Milk Producers Cooperative Society in Kovanur, Peariyanaicken Palayam block, Coimbatore, and Thalayatimandhu, Nilgiris Block, The Nilgiris. Analyzing the differences in working characteristics and financial results between the two dynamic societies is one of the study's key goals. The acquisition and distribution of milk as well as related businesses are the study's primary areas of focus. Whether or not the key conclusions apply to the miners is debatable. Methods and sampling techniques, particularly purposive random, were used, and over the course of a decade, secondary sources of data from the society were obtained. Ratio analysis was used as one of the analysis tools. In addition to stating that research-based recommendations are generally highly significant and instructive to other similar academics, it is advantageous for experimenters to investigate topics that are similar to themes that are investigated in and surrounding districts.

Keywords: Dairy Cooperatives, Dairy Farms.

Introduction

Dairy cooperatives and agricultural parcels are critical in providing rural gainful employment as well as a consistent source of revenue in an effort to improve the quality of life for India's rural citizens. Tamil Nadu is one of the top producing states in India, with 1 crore daily users and a daily milk production of 14.5 million liters. Dairy farming is acknowledged as a tool for social and economic development in India. A typical herd kept by farmers consists of one or two dairy animals, such as cows and/or buffaloes. In any developing country, increasing milk output is probably the biggest problem facing the dairy industry. Policies must become increasingly geared toward the market to overcome this issue. The dairy cooperatives and the Tamil Nadu sector have had a significant impact on economic growth. With 608.59 thousand farmers as members, the state's 13,240 village-level milk producers' cooperative organisations operated under the TCDF (2019–20). The typical amount of milk produced every day by such cooperatives was 986.61 kg, or about 4% of the total amount collected in India by dairy agricultural cooperatives. The dairy industry's numerous agents purchase, process, and sell milk. These milk marketing agents have traditionally been divided into "completely disorganised or formal" and "coordinated or formal" groups.

An "unregulated" or "casual" approach is described in this paper when some or all of the parties engaged in milk production, collection, preparation, and transportation work in an unregulated area where taxes and benefits are applied and also not circumvented.

REVIEW OF LITERATURE

Dr.G.Thanikacchalam and Others (2022), Attempted Study on A Study on The Financial Performance of Nilgiris District Cooperative Milk Producers' Union Limited, Ooty. The Aimes of the Study A Study on the Financial Performance of Nilgiris District Cooperative Milk Producers Union Limited, Ooty, was carried out to examine the general operations of such a chosen district cooperative milk producer's union. For this study, a case study approach is used. Data about the Nilgiris District Co-operative Milk Producers Union's business results is gathered from its annual report and accounts, audit reports, and other official records. Additionally, talks are held with the authorities whenever and wherever necessary. For the study, the Nilgiris District Cooperative Milk Producers Union was specifically chosen. A thorough schedule was created and implemented. Membership, share capital, current assets, current liabilities, borrowings, deposits, reserves, company operations, financial performance, etc. were all included in the schedule. The milk union has had significant cumulative losses during the past ten years (2011–2012), which cover the high cost of milk production and processing as well as depreciation and maintenance costs. The milk union's financial performance is measured using a variety of ratios. Pasteurization, homogenization, and standardisation of milk are expected to produce excellent financial results. It was discovered that the chosen unit's current ratio was 0.12, which was insufficient and unsatisfactory. Therefore, actions might be taken to increase retained earnings, which would raise the current ratio, and suggestions might be made to improve viability.

Avinash K. and Others (2014), Published an article, Analysis of Marketed Surplus and Disposal Pattern of Milk on Commercial Dairy Farms In Maharashtra. The study's purpose Thus, milk yield and surplus marketing are determined by farm size category and season. Given the current state of milk yield and the oversupply of milk being sold, milk's seasonal contribution as a percentage of the overall marketable surplus Milk Disposal Pattern and Relative Shares of Each Marketing Agency in Milk Market Surplus, The state, district, tehsils, and commercial dairy farms were chosen using a multistage clustering technique. The Maharashtra region was specifically chosen because it is a state that is at the forefront of dairy growth and that can be efficiently accessed. Within such a dynamic environment, the livestock industry is well-positioned to serve as a significant growth driver for India's contemporary dairy industry. According to a study on business dairy farms in Maharashtra, the commercialised surplus as a fraction of milk yield was 94.48, 94.81, and 96.96 percent for tiny, middle, and major farms and ranches, respectively. The sampling farms sold 33.16 percent of the marketable leftover milk to a cooperative dairy, 55.65 percent to a corporate dairy, and 11.19 percent to a milk supplier, among the overall amount of milk they discarded each day. From small, medium, and large categories of farms, accordingly, milk contributed 38.69 percent, 20.68 percent, and 40.63 percent of the total marketable surplus. On the commercial dairy farms in the research area, the disposition pattern of positive animals showed a propensity for being disposed of by structured organisations. In a nutshell, commercialization can be described as activity that is concentrated on the business.

ISSUES OF THE PROBLEMS

Even though milk is a fragile good, any surplus cannot be kept for an extended period of time. In contrast to all other agricultural products, milk has a relatively limited shelf life, usually no longer than three hours. As a result, the fanner must market his produce twice daily, every day of the year, within three hours of creation. Producers who produce milk are at the mercy of middlemen and milk marketers, and they are frequently taken advantage of. Another issue is the lack of adequate infrastructure improvements. Due to the long distances involved, the lack of adequate roads and transportation, and the farmers' inability to pool their milk and create cooperative transportation methods, it is extremely difficult for the farmer to transport his produce to the auction twice weekly. When farmers use their milk to make products, the manufacturing processes are outdated and inefficient, the final product is irregular and unclean, and the marketing strategies are haphazard and illogical. current research The Primary Milk Producers Cooperative Societies in Kovanur and Thalayatimandhu have various financial systems.

AIMS OF THE STUDY

- ❖ General Working profile on Kovanur and Thalayatimandhu Primary Milk Producers Cooperative Societies.
- ❖ Capital Structures Analyze on Kovanur and Thalayatimandhu Primary Milk Producers Cooperative Societies.
- ❖ Discussion on the Stable Suggestion and Remedies on the Societies.

METHODS AND MATERIALS

The evaluation of the Kovanur and Thalayatimandhu Primary Milk Producers Cooperative Societies is accomplished through a case study design. The current research employed the purposive sampling approach to gather secondary data from the sample societies. ten years The Kovanur and Thalayatimandhu Primary Milk Producers Cooperative Societies' annual reports, which can include financial statements and statements of financial position, are used as the source of secondary data. cooperative periodicals, as well as from online digital resources. In order to gather information from the societies' members, the accidental sampling approach was also used. A thorough schedule and questionnaire were produced and used, The schedule covered general aspects, financial elements, and other business processes. These materials were used to isolate data from the selected societies.

ANALYSING AND INTERETATING OF DATA

Members Position

S. No	Year	Kovanur (PMPCS)			Thalayitimandhu (PMPCS)		
		Members	GI	GR	Members	GI	GR
1	2010-11	155	100	0	260	100	0
2	2011-12	155	100	0	260	100	0
3	2012-13	155	100	0	260	100	0
4	2013-14	155	100	0	210	80.8	-19.2
5	2014-15	155	100	0	210	80.8	0
6	2015-16	155	100	0	180	69.2	-14.3

7	2016-17	155	100	0	130	50	-27.8
8	2017-18	188	121.3	21.3	130	50	0
9	2018-19	188	121.3	0	130	50	0
10	2019-20	188	121.3	0	104	40	-20
	AVG	164.9	106.4	2.13	187.4	72.1	-8.13
	SD	15.9405	10.28	6.73	61.22	23.5	10.98
	CV	9.66678	9.667	316	32.67	32.7	-135

* **GI-Growth Index, GR-Growth Rate, AVG-Average, SD-Standard Deviation, CV-Coefficient of Variation.**

According to the above table, KPMPCS' membership position climbed from 155 in 2010–11 to 188 in 2019–20, while Thalayatimandhu PMPCS saw a decrease in membership position. Membership climbed by 155 members on average during the 2010–2011 fiscal year, or by 164 members on average. TPMPCS VeryWeel began to form a society during the study period. In the Primary Milk Producers Cooperative Society, members' seats finally expanded after a year.

Members Share Capital

S. No	Year	Kovanur (PMPCS)			Thalaytimandhu (PMPCS)		
		Amount	GI	GR	Amount	GI	GR
1	2010-11	3100	100	0	2600	100	0
2	2011-12	3100	100	0	2600	100	0
3	2012-13	3100	100	0	2600	100	0
4	2013-14	3100	100	0	2100	80.77	-19.23
5	2014-15	3100	100	0	2100	80.77	-19.23
6	2015-16	3100	100	0	1800	69.23	-14.29
7	2016-17	3100	100	0	1300	50	-27.78
8	2017-18	3760	121.3	21.3	1300	50	-27.78
9	2018-19	3760	121.3	0	1300	50	-27.78
10	2019-20	3760	121.3	0	1040	40	-20
	AVG	3298	106.4	2.13	1874	72.08	-8.129
	SD	318.81	10.28	6.73	612.18	23.55	10.98
	CV	9.66678	9.667	316	32.667	32.67	-135

* **GI-Growth Index, GR-Growth Rate, AVG-Average, SD-Standard Deviation, CV-Coefficient of Variation.**

The table's revelations show that the KPMPCS members' share capital has declined over the past seven years, falling from Rs. 3,100 to Rs. 2,600 in 2010–2010. The research period decreased from 2017–18 due to the members' shareholdings growing by 3,100, the growth rates of 121.3% and 21.3%, and the very low TPMPCS scores.

Net Profit Ratio

S. No	Year	Kovanur (PMPCS)		Thalayitimandhu (PMPCS)	
		Net Profit (Thousands/Lakhs)	Net Profit Ratio	Net Profit (Thousands/Lakhs)	Net Profit Ratio
1	2010-11	0.38	1.37	1.95	6.66
2	2011-12	0.91	2.37	2.55	6.84
3	2012-13	0.98	2.35	1.68	3.79
4	2013-14	0.70	1.61	0.58	1.38
5	2014-15	0.93	1.75	0.81	1.68
6	2015-16	2.16	3.59	0.15	0.31
7	2016-17	1.03	1.95	0.64	1.4
8	2017-18	2.86	5.05	1.56	3.61
9	2018-19	1.12	2.06	2.76	6.97
10	2019-20	57.23	1.26	0.50	1.26

The table depicts that the 2017–18 net profit ratio was 5.05%. increased milk sales of 60.10 lakh litres, a net profit of 2.86 lakhs, decreasing milk sales of 27.79 lakh litres, and a net profit ratio of at least 0.31 for TPMPCS in the 2015–16 fiscal year. Milk sales were 0.38 (thousands) with a 1.37% net profit ratio. Milk sales and acquisition are beneficial to society.

Specific Expenses Ratio

S.No	Year	Kovanur (PMPCS)	Thalayitimandhu (PMPCS)
		Specific Expenses Ratio	Specific Expenses Ratio
1	2010-11	0.94	8.63
2	2011-12	0.68	88.2
3	2012-13	0.58	5.55
4	2013-14	0.83	5.40
5	2014-15	0.53	48.20
6	2015-16	0.42	5.14
7	2016-17	0.47	4.81
8	2017-18	0.23	5.91
9	2018-19	0.28	8.58
10	2019-20	0.23	7.30

The figures illustrate that particular spending ratio of 0.94 percent for the years 2010–2011, training expenses of 0.26 thousand, and milk sales of 27.79 litres (lakhs) growing. The best-ever year for milk sales in the milk producers cooperative society and TPMPCS was 2017–18, when the particular expenses ratio decreased to 0.23, trading expenses increased to 0.25, and milk sales increased to 60.10 litres (lakhs). 2011–12 was the finest year in the past 10 years for data processing, and the Society purchased the most milk that year for 88.02.

Operating Profit Ratio

S. No	Year	Kovanur (PMPCS)	Thalayitimandhu (PMPCS)
		Operating Profit Ratio	Operating Profit Ratio
1	2010-11	2.77	3.75
2	2011-12	5.00	33.60
3	2012-13	4.95	3.70
4	2013-14	4.52	4.57
5	2014-15	4.85	4.55
6	2015-16	6.74	5.75
7	2016-17	6.84	5.23
8	2017-18	7.73	5.96
9	2018-19	5.78	6.96
10	2019-20	7.08	8.16

The annual profit ratio was 7.73% in 2017-18 and 7.08% in 2018-19, and ChipandiSadalwar had a significant impact on overall by 4.38 lakhs in 2017-18. The operating margin ratio decreased by 2.77% in 2010-11, ChipandiSadalwar costs decreased by 0.77 thousand in 2010-11, and finally ChipandiSadalwar costs decreased by 0.77 thousand in 2011-12. The costs for the primary milk producers.

Gross Profit Ratio

S.No	Year	Kovanur (PMPCS)	Thalayitimandhu (PMPCS)
		Gross Profit Ratio	Gross Profit Ratio
1	2010-11	4.1	0.07
2	2011-12	2.68	1.88
3	2012-13	2.83	0.14
4	2013-14	2.63	0.12
5	2014-15	2.86	0.25
6	2015-16	3.19	0.29
7	2016-17	4.1	0.04

8	2017-18	3.92	0.42
9	2018-19	4.33	0.28
10	2019-20	5.19	0.35

The graphic indicates that the year 2019–20 had an increase in the rate of gross profit to 5.19 percent, while the year 2022–12 saw a decrease to 2.68 percent in the gross profit ratio. After the success of the Kovanur Primary Milk Producers Cooperative Society and in juxtaposition to the TPMPCS, which has a very low gross profit ratio in the two variable societies, the effectiveness for the 2019–20 year capital gain, milk sales, and gross profit ratio also were strengthened.

DISCUSSIONS

- To offer every Society individual Members with access to veterinary facilities
- To set up financial assistance for members whose desire is to acquire dairy cattle
- To disseminate expertise concerning dairy animal care.
- To Provide a Transportation Specialty Hills Area Society Members.
- To tackle and handle the difficulties confronting milk producers.
- To educate society's founding members regarding themselves.

CONCLUSION

On a growing trend along societies Kovanur and Thalatatimandhu, on streams of either declining milk procurement or volume of sales, on a beginning section of perspective, exceptionally well in productivity and acquisition and processing raised in the figure twofold societies The assessment processes of such dairy systems and operational processes of multiple successful societies, as well as the development of two extreme values of the Primary Milk Producers Cooperative Society in Kovanur, Pearlyanaicken Palayam block, Coimbatore, and Thalayatimandhu, Nilgiris block, The Nilgiris, play significant roles in a society's capability to improve its members' postures in the years ahead.

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