

## A FINANCIAL STUDY ON MADURA EMPLOYEE'S COOPERATIVE THRIFT AND CREDIT SOCIETY LIMITED

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### ABSTRACT

*Cooperative societies in India played an important role in development of agriculture, banking, thrift and savings and it is an organization of group of people with collective responsibilities and thoughts for the development of needy. This study is focused on the financial performance of the Madura Employee's Cooperative Thrift and Credit Society Limited from 2016-17 to 2020-21. The information obtain from the study is known that the sources like share capital, profit position and others are stable at upcoming years. The tools like growth index, growth rate and trend value is used in the financial analysis of the study. The suggestion given in the study will be truly used in the upcoming years for the development of the society sources.*

**KEYWORDS:** Cooperatives, Financial Performance, Sources.

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### Introduction

Madura Employee's Cooperative Thrift and Credit Society Limited No. CC2243 is registered as cooperative society under Tamilnadu cooperative societies act 36 of 1985. The operations of the society be utilised for loans to members for useful purposes and to act as agent for the joint purchase of the domestic and other requirements of its members. The members are benefited from low class to the next level in the society.

### Statement of Problem

The problem faced by the society is lack of effective management by the members to promote the society profit position and poor administrative setup when is compared to other societies administration. The members of the society are not aware of the cooperative thoughts and ideas.

### Objectives of the Study

- To focus on the MKS Cooperative Society.
- To know the administrative setup of the society.
- To analysis the financial position of the particular society.
- To promote social and economic betterment of members with the help of cooperative principles.

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**Methodology**

The study is based on survey collected from MKS Cooperative society with the help of secondary data.

**Secondary Data**

The secondary data was collected from various possible records like journals, annual reports, magazines and books.

**Area of the Study**

The study was under taken in MKS Employee's Cooperative Thrift and Credit Society, dharampuri

**Sample Size**

The study was conducted with the sample size of 5 years data.

**Sampling Technique**

The sampling technique used in the study was purposive sampling.

**Analytical Tools Used**

The collected data were edited, scrutinized before the actual commencement of the tabulation procedures. Statistical methods of analysis were also used Growth Index, Growth Rate and trend value were used for the study.

**Membership**

The members are the possessor of the society and in 2020 the membership of the society has grown lot up to 6737.

S No	Years	Membership	Growth index	Growth rate	Trend Value
1	2016 - 2017	1315	100	0	7759
2	2017 -2018	1125	85.5	-14.44	8851
3	2018 -2019	1120	85.17	-14.82	9943
4	2019 -2020	1200	91.25	7.14	11035
5	2020 -2021	6737	509.50	461.41	12127
Averages		<b>2299.4</b>	<b>174.284</b>	<b>87.858</b>	<b>9943</b>

The current table shows the membership position of the particular society from 2016-2017 to 2020-2021 were started with 1315 and the membership was not stable in 2017-2018 to 2019-2020. The growth index was not stable from the year 2017-18 to 2018 to 2019 and in the year 2020-2021 it has increased up to 509.50. Growth rate were in negative position in the year 2017-2018 with -14.44 and in the year 2018-2019 with -14.82 and increased with 461.41 in the year. The analysis of the trend value has shown in the above which will increase the membership from 7759 in 2022 to 12127 in the end of 2026.

**Share Capital**

Share capital is the money a business raises in exchange for members in the society. Shares can only be issued to members. A cooperative cannot issues shares to a persons unless that person agrees to become a member including committing to any active membership obligation.

S.No	Year	Share Capital	Growth index	Growth rate	Trend Value
1	2016 -2017	3245970	100	0	32052280
2	2017- 2018	5438960	167.56	67.56	36829265
3	2018 -2019	1678539	51.71	-69.13	41606250
4	2019 -2020	1245890	38.38	-25.77	46383234
5	2020 -2021	29227428	900.42	2245.90	51160219
Average		<b>8167357.4</b>	<b>251.614</b>	<b>443.712</b>	<b>41606250</b>

The above result shows the share capital position of the society from 2016 -2017 to 2020-2021. Share capital position was not stable and it has decreased up to 1245890 in the year 2019-2020. It has been grown lot in the year 2020-2021 with 29227428. The growth index also decreased up to 38.38 in the year 2019 and increased up to 900.42 in the year 2020-2021. Growth rate has been increased in 2020-2021 up to 2245.90. If the society is running in the same position in upcoming years the reserve fund will increase from 32052280 in 2022 to 51160219 in the end of 2026.

**Deposits**

S. No.	Years	Deposits	Growth Index	Growth Rate	Trend Value
1	2016 - 2017	23578530	100	0	38709855
2	2017- 2018	42168940	178.84	78.84	39273534
3	2018 - 2019	54389190	128.97	28.97	39837213
4	2019 -2020	23678490	100.42	-56.46	40400892
5	2020 - 2021	35642150	151.16	63.19	40964571
Average		<b>35891460</b>	<b>131.878</b>	<b>22.908</b>	<b>39837213</b>

The table has shown the position of the deposits from the year 2016-2017 were not stable year by year. The growth index of the year 2016-2017 is about 178.84 and decreased to 151.16 in the end of 2020-2021 and growth rate is about 78.84 in 2016-2017 and become to 63.19 in 2020-2021. The trend value of upcoming 5 years is in above table which shows 38709855 in 2022 and increase to 40964571 in 2026.

**Borrowings**

S. No.	Years	Borrowings	Growth Index	Growth Rate	Trend Value
1	2016 - 2017	1560	100	0	3034
2	2017 - 2018	1378	88.33	-11.66	3266
3	2018 - 2019	1267	81.21	-8.05	3499
4	2019 - 2020	3467	222.24	173.63	3732
5	2020 - 2021	1679	107.62	-51.57	3965
Average		<b>1870.2</b>	<b>119.88</b>	<b>20.47</b>	<b>3499</b>

The table shows the borrowings position of the society from 2016-2017 to 2020-2021 were slightly increasing and decreasing every year. The growth index of the table shows 88.33 in 2017-2018 and increased to 107.63 in the year 2020-2021 and growth rate is shown as -11.66 and decrease to -51.57 in the end of 2020-2021. If the society is running in the same position in upcoming years the borrowings will increase from 3034 in 2022 to 3965 in the end of 2026.

**Profit Position**

The profit is the extra benefit earned during the particular year through effective business practices.

S. No.	Years	Profit Position	Growth Index	Growth Rate	Trend Value
1	2016-2017	75724	100	0	106261
2	2017-2018	35926	47.44	-52.55	116392
3	2018-2019	89,646	118.38	149.54	126524
4	2019-2020	76,727	101.32	-14.41	136655
5	2020-2021	1,05,980	139.95	38.12	146786
Average		<b>69505.75</b>	<b>101.418</b>	<b>24.14</b>	<b>126524</b>

The result of the above table shows the profit position of the particular society from 2016-2017 to 2020-2021 were not stable year by year. The growth index of the 2017-2018 is about 47.44 and increased to 139.95 in 2020-2021 and growth rate is about -52.55 in 2017-2018 and slightly increased to 38.12 in the year 2020-2021. The trend position of the upcoming is in above table from 106261 in 2022 and will increase to 146786 in the end of 2026.

**Management**

Subject to such resolutions as the general body time to time pass, the executive management of the affairs of the society shall vest in a committee consisting of not more than nine members of whom managing

**Limitation of the Study**

- The study is limited to 5 years of data (2016-2017 to 2020-2021) but not considered before and after the study.
- The study was focused only within the society.

- Lack of previous research study on the topic.
- Conclusion of the study is purely depends on the data collected from the society.

#### **Suggestions**

- Trained and experienced staff stands.
- Income could be increased.
- Increase authorised share capital.
- Team work could be the part of the society.
- Proper planning should be made in each and every area.
- Each and every members must be updated with technology used in the modern world.

#### **Conclusion**

After various analysis made in this society they will improve their performance in the following years. The society shows that the profit position will not be decreased and members will repay their loans properly. The society realised the value of cooperative principles and ideas and will follow in upcoming years in effective manner. They will introduce new and effective schemes for the betterment of the members and as well as for the betterment of the society. The repayment of loans by the member will be clearly mentioned to members by the society for the development of the society.

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