

**COOPERATIVE MARKETING FEDERATION**

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**ABSTRACT**

Tamil Nadu State Coir Cooperative Marketing Federation (TANCOFED) plays a vital role in buying and selling coir products. Currently, there are 64 Coir Cooperatives societies under the TANCOFED. Where coir industry cooperative societies are buying and selling coir products from most cooperatives. Which are helpful for most of the poor people in Tamil Nadu. This study mainly focuses on challenges and opportunities in TANCOFED. In future, self-employed workers will develop by buying and selling coir products made by so that the environment is not affected. TANCOFED should work together with members of Coir Cooperative Societies and Coir Cooperative Federation which will result in upliftment. It needs to work closely with financial institutions to should ensure the coir workers' credit and other financial services. This study summarizes the challenges, to be existing competition with private companies. Government should give full attention to the development of these industries so that they industry do not die out. This study to create awareness among these policymakers, industrial stakeholders, and the public regarding the challenges and opportunities of coir industrial cooperatives. The researcher concludes that there should be awareness among people from all walks of life to buy and sell coir products through the development of the Coir Industrial Cooperatives.

**Keywords:** *Coir board, Coir product, Exporters, TANCOFED, NCDC,*

**INTRODUCTION**

The industrial is the most important contribution of people to the economic development of every country. Industrialization is the most important contributor to the great economic progress in the present times and it will be very beneficial for new entrepreneurs in the future to create more employment opportunities and improve rural development by promoting the social economy of the small and medium-scale industries and improving the productivity of the coir

industrial projects from villages to cities. Small businesses can be a major contributor in the future if proper vocational training is given to the people living in various villages; they will take the next step in economic progress. Various government organizations and non-government organizations are helping to develop the industrial, paving the way for a huge improvement not only in Tamilnadu but also in India. Most people depend on this industrial for their livelihood and if coir products are used in all sectors and this coir cooperatives will develop and it will be a great contribution to eliminate unemployment. The Coir industrial cooperative societies play a vital role in the employment generation, especially for womenfolk in the State.

### **PROFILE OF TANCOFED**

TANCOIR is a cooperative society that abides by Tamil Nadu Cooperative Societies Act, which was established in 1954 by Tamil Nadu Coir Industrial Cooperative Society Limited TANCOIR with the objective of promoting the coir industry in Tamil Nadu. It is the second largest patron of coir products in India, introducing this assiduity in pastoral areas through Industrial Cooperatives. The first coir artificial cooperative society has been organized on 18th September 1958 in Kanyakumari District under the name of Kollengode Coir Workers Industrial Cooperative Society Ltd., latter in the time 1962; Kanyakumari Central Coir Marketing Industrial Cooperative Society came into actuality. Coir units under cooperatives have been organized in nearly all the sections for producing coir products thereby came the largest product network for coir assiduity in Tamil Nadu. Nearly 11500 workers are engaged in coir products under this sector. The entire production process has been atomized under Integrated Coir Development Project (ICDP) and other schemes, with the backing of the State Government, Coir Board (GOI), and NCDC. Tamil Nadu State Coir Cooperative Marketing Federation Ltd., (TANCOFED) is the apex marketing confederation for all these coir artificial cooperative societies. TANCOFED was registered on 5th September 1984 and started functioning on 12th December 1984. This is an Apex society formed for the welfare of primary coir industrial cooperative societies which are playing vital roles in employment generation, especially for womenfolk in the State. It is a cooperative society registered under the Tamil Nadu Cooperative Societies Act and is governed by a Board of Directors elected by members of the society. The coir industry in Tamil Nadu has a long history, dating back to the 19th century. It was initially established as a cottage industry in the coastal regions of the state and gradually grew into a major industry, employing thousands of people. The state is known for its high-quality coir products such as coir mats, coir yarn, coir pith, and coir ropes, etc.,

## **STATEMENT OF THE PROBLEM**

Coir products have been one of the most sought-after products in recent times, as they have been selling high-quality at low prices without any damage on the effective environment. Due to the fact that various products produced during the period can cause pollution to the environment, the products made of plastic are being sold more in the market, thus the production of coir product is decreasing. It causes a huge environmental impact. The present study examines and proposes the current status of the industry from three major dimensions of production, marketing, environment and suggests that the efficiency of the coir industry may also be of great help in making its products completely eco-friendly.

## **IMPORTANCE OF THE STUDY**

The coir industrial cooperative societies make a specific contribution to the economy viz. Creating employment, especially in rural areas. This study helps identify the government policy gaps, Challenges, and Opportunities in the Tamil Nadu coir industry and as a whole strategy to enhance their development. It is a study to raise awareness among policymakers, industrial stakeholders, and the public about the challenges and opportunities of coir industrial and operatives. This industry is well-resourced and creates a more equitable environment for investment growth. People from all walks of life should start using the coir product instead of plastic; this will help in the development of these associations.

## **OBJECTIVES OF STUDY**

The main objectives of the study are:

1. To improve the knowledge of Tamil Nadu Coir Industrial Cooperative Societies.
2. To study challenges and opportunities in Tamil Nadu State Coir Cooperative Marketing Federation
3. To scrutinize problems faced by Coir Cooperative Societies in Tamil Nadu.

## **METHODOLOGY OF THE STUDY**

The study is based on secondary data. The data are collected from Annual reports, Audit reports, bylaws, various books, journals and collated information received. The researcher collated information directly from the Tamil Nadu State Coir Cooperative Marketing Federation (TANCOFED).

## **PERIOD OF THE STUDY**

The research study covered a period of 11 years from 2011-2012 to 2021-2022 for the collection of data.

## **PERFORMANCE OF THE TAMILNADU STATE COIR COOPERATIVE MARKETING FEDERATION**

TANCOFED members also play an important role in coir products activities and performance. Therefore, these members are members of the Tamil Nadu Early Coir Industry Cooperative Society and are buying and selling the products produced by the cooperatives globally. So they are using products made from coconut fiber in foreign states and abroad. Rope materials for pulling chariots in temple festivals, construction works, painting, fire departments are being sold through TANCOFED, and mattresses and pillows are being sold to government and private hospitals etc. In particular, TANCOFED plays an important role in selling eco-friendly tires. Also, by extracting the fibers from the coconut shell, sorting the fibers, and making lumps called pithu from the waste, value-added products such as toys, plant pots, foot pads, pillows and beauty products are being sold through TANCOFED.

### **TANCOFED in the Implementation of ICDP Scheme**

1. Securing Approvals obtaining necessary approvals from entities such as the Coir Board, NCDC, and the state government.
2. Financial Management: Overseeing funds allocation and management on behalf of the Societies.
3. Fixed asset establishment supervising the establishment of permanent assets, including buildings, within the Societies.
4. Tender Document Preparation: Creating comprehensive tender documents for procurement processes.
5. Machinery supplier selection carefully selecting machinery suppliers through a diligent evaluation process, considering their past performance. This evaluation is facilitated by an "Evaluation Committee."
6. Tender evaluation rigorously evaluating submitted tenders.
7. Machinery trial run observing trial runs of the machinery at the supplier's facility.
8. Performance Assessment: Monitoring the machinery's operational performance and assessing its effectiveness.



**Performance activities of Tamil Nadu State Coir Cooperative Marketing Federation**

S.No	Year	Membership	Trend	Growth	Societies (in number)	Trend	Growth	Purchase (Rs.in Lakhs)	Trend	Growth	Sales (Rs.in Lakhs)	Trend	Growth	Profit / Loss (Rs.in Lakhs)	Trend	Cumulative Loss (Rs.in Lakhs)	Trend
1	2011-12	54	67.32	66.67	72	72.50	72.56	106.57	112.84	105.39	117.29	123.39	114.51	-2.13	-2.81	-56.21	-53.05
2	2012-13	73	67.95	67.36	74	71.73	71.75	87.15	108.60	100.75	104.01	119.44	110.34	1.67	-2.04	-54.54	-54.75
3	2013-14	73	68.57	68.07	69	70.95	70.94	123.7	104.36	96.30	135.2	115.49	106.32	0.03	-1.27	-54.51	-56.46
4	2014-15	73	69.20	68.78	69	70.18	70.15	148.7	100.11	92.06	159	111.53	102.44	2.64	-0.51	-51.87	-58.16
5	2015-16	72	69.83	69.49	69	69.41	69.36	92.29	95.87	88.00	101	107.58	98.70	1.40	0.26	-50.47	-59.86
6	2016-17	72	70.45	70.22	69	68.64	68.58	22.81	91.63	84.12	23.28	103.63	95.11	0.05	1.03	-50.47	-61.57
7	2017-18	72	71.08	70.95	69	67.86	67.81	109.56	87.38	80.41	122.69	99.67	91.64	-15.96	1.79	-79.16	-63.27
8	2018-19	72	71.71	71.70	69	67.09	67.05	97.09	83.14	76.87	111.04	95.72	88.30	-8.03	2.56	-87.19	-64.97
9	2019-20	74	72.34	72.44	66	66.32	66.30	81.26	78.90	73.48	103.32	91.77	85.08	9.36	3.33	-77.83	-66.68
10	2020-21	70	72.96	73.20	65	65.55	65.56	65.82	74.66	70.24	77.78	87.82	81.98	20.26	4.09	-57.57	-68.38
11	2021-22	70	73.59	73.97	64	64.77	64.82	72.95	70.41	67.14	85.29	83.86	78.99	2.00	4.86	-57.4	-70.08

**Source:** Audit Report of TANCOFED

From the above table, the Performance of number of members in the societies registered from 54 to 74 gradually increased in study period. The growth rate of membership varies each year but in generally remains positive. The number of the society indicating a gradual decrease in each year, shows that the trend and growth decreases from 2011-12 to 2021-2022. The purchase of coir was high in purchased in the year 2017-18, There is no rise and fall upward downward trend in purchases. The sale in lakhs indicates that the trend and growth differ each year. The trend in the Profit/Loss percentages varies from period to period. There is no consistent Profit/Loss suggesting that the profitability has not followed a specific pattern over time. The cumulative loss trend represents that it has different values; bust the general trend shows an increasing cumulative loss.

**Tamil Nadu State Coir Cooperative Marketing Federation Profit - Loss and  
Cumulative Loss is given the below**

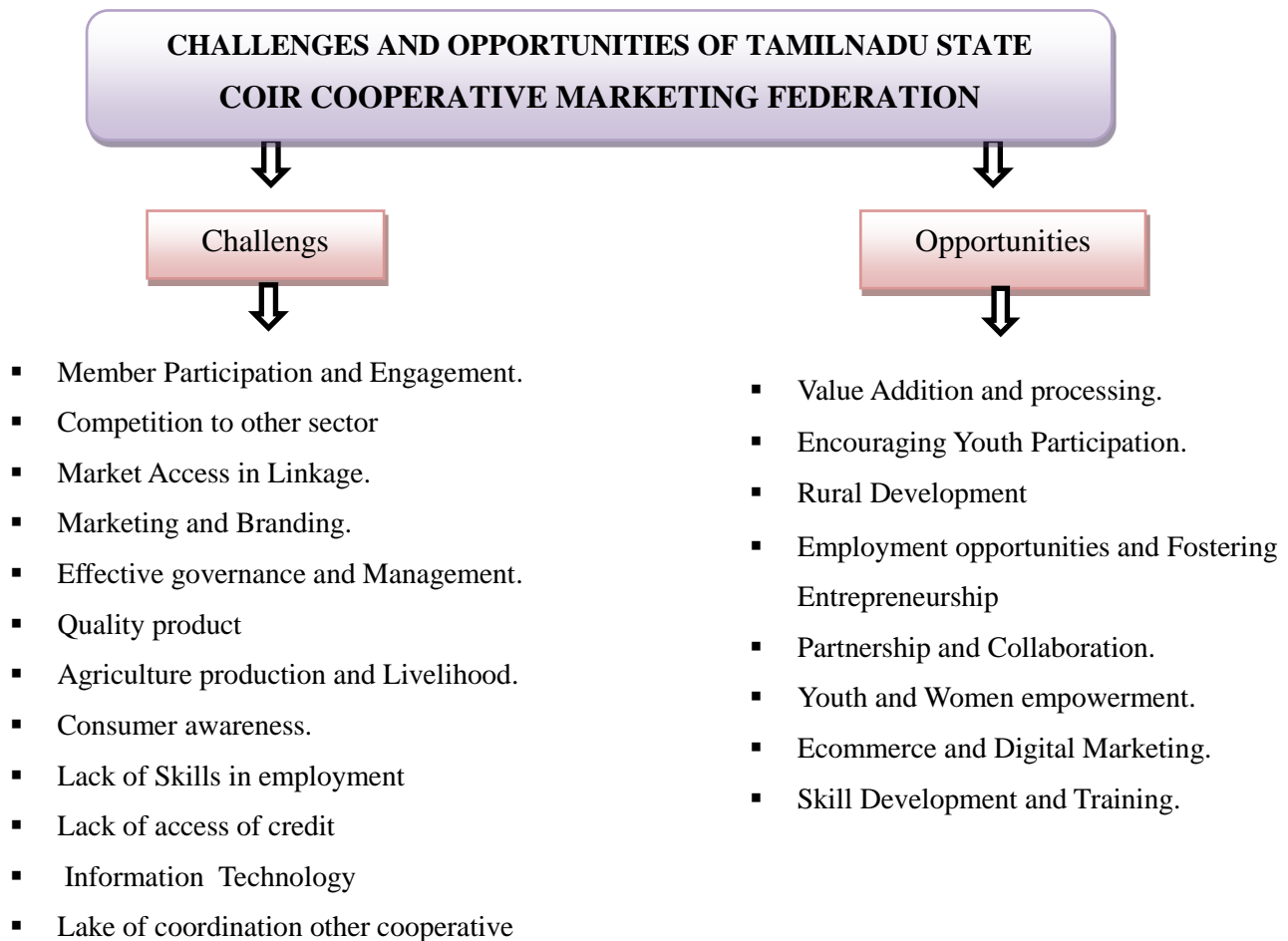
Particulars	N	Descriptive Statistics				Skewness	Std. Error	Kurtosis	Std. Error
		Minimum	Maximum	Mean	SD				
Membership	11	54	54	70.45	5.592	-3.038	.661	9.633	1.279
Societies	11	64	64	68.64	2.873	.137	.661	.249	1.279
Purchases	11	23	23	91.73	32.848	-.408	.661	1.328	1.279
Sales	11	23	23	103.55	34.887	-.961	.661	2.424	1.279
Profit / Loss	11	-16.00	-16.00	1.0364	9.01191	.271	.661	2.069	1.279
Cumulative Loss	11	-87	-87	-61.55	13.156	-1.151	.661	-.280	1.279
Valid N (list wise)	11	----							

*Source: Compiled and computed from secondary data through SPSS*

The Descriptive statistics show the yearly progress in membership, societies, purchase, and sales of products in Tamil Nadu State Coir Cooperative Marketing federation for the past 11 years from 2011-2022. From the data, we can infer that the federation has experienced cumulative losses over the given period. The average cumulative loss is approximately -61.55, indicating that, on average, the society has been incurring losses. The difference in mean value and SD value indicates that there is significant variability in the data. The skewness value .661 indicates that the distribution of data of each variable is moderately right-skewed that means data is skewed towards higher values. The kurtosis value of 1.279 suggests that the distribution is slightly more peaked than a normal distribution which indicates that the losses have been relatively less extreme and dispersed compared to a normal distribution.

### **ACHIEVEMENT OF COIR INDUSTRIAL COOPERATIVES**

1. Introduce the trade and industry of coir by converting the Agro waste of coconut husk into fiber, yarn, rope, mats, matting, mattresses, etc.
2. Proved the magic of value addition, employment, and income generation at 4 stages using the same basic raw material which is a unique concept for Agro waste.
3. Demonstrated that the trade and commerce in this field can be grown similarly to the white fiber sector in Kerala, thereby causing to establishment 100s of coir units in the State.



## FINDING AND SUGGESTION

- Tamil Nadu State Coir Industrial Cooperative Federation (TANCOFED) plays a significant role in the coir industry. The industry is experiencing huge growth and it provides livelihoods to a considerable number of people in rural areas in the state of Kerala and Tamil Nadu. The TANCOIR, being a cooperative society, has a critical role to play in empowering the coir workers and improving their socio-economic conditions. However, TANCOFED also faces several challenges that need to be addressed for its successful functioning.
- From the study of Performance of the TANCOFED the growth rate of sales has varied each year particularly during the COVID Period. In the year 2019-20 Membership 74, Societies 66, Purchases 81.26% and Sales 103.32% were gradually increased.
- One of the major challenges facing TANCOFED is the lack of modernization in the coir industry. TNCOIR operating under TANCOFED considers it important to provide new



modern machinery, technology and proper training to employees to improve the quality of its products and increase its market share.

- TANCOIR also faces challenges in marketing its products. While the coir industry in Tamil Nadu has a considerable market, the competition is fierce, and TANCOIR needs to find ways to differentiate its products from its competitors. It develops a strong brand image and invests in marketing and advertising to reach a customer base.
- To improve the current period, buying new machinery and using it can produce excess coir products. Instead of buying only coconut shells from the agricultural peoples, buy the coconut and use it as organic oil. The current oil companies add 50% chemicals so they can produce and sell coconut oil naturally. By selling this natural tree oil in all government ration shops and fair-price shops it will work well for the development of society and the welfare of the people. All government officials must buy products made of coir once a year. A coir-made object should be displayed in various government and non-government museums.
- An ordinance should be issued that all government department offices should buy coir products. Again, follow the old method and use tea string bags. This will reduce the use of plastic. Adequate training and incentives should be given to people who can work in the coir industry. Adequate machinery should be set ups for well-functioning coir cooperative societies. Promotional products are very effective in increasing sales in current times.

## CONCLUSION

TANCOFED plays a significant role in the coir industry; it is recommended that people from all walks of life should buy products made of coir. Floor mats, cushions and pillows made entirely of plastic should be avoided and replaced with coir products. Similarly, natural coir waste can be used externally as compost. This study is helpful in identifying the challenges and opportunities in Tamil Nadu coir industry it is a strategy to enhance the development of the coir industry as a whole. It is a study to generate awareness among policymakers, industrial stakeholders, and the public. The researchers concluded that people from all walks of life should be aware buy and sell products made of coir which helps in the development of TANCOFED.

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