A Study on Budgetary Control with Special Reference to Coimbatore District Co-Operative Milk Producer’s Union Limited, Coimbatore

Amala V Venkatasami*
GIM, Coimbatore, India

Abstract
The Study entitled "A Study on budgetary control" (with special reference to Coimbatore district co-operative milk producers union limited, Coimbatore).

Coimbatore district co-operative milk producers union restricted may be a co-operative sector endeavour, engaged within the process of milk and amp; producing the milk product, it recently launched 3 new variants of union milk. District co-operative milk producers union restricted is found within the central a part of Coimbatore. The company workplace of the union relies at Madras, covering four districts of Annur, Tirupur, Sulliathap, Shanmugapuram.

The budget management is enjoying a significant role within the organization. The role of fund management is that the essence of a business. The knowledge is that the blood and fund management may be a heart; within the body the centre plays the role of supply pure blood to all or any the weather of the body together with the brain. The fund management plays precisely the same role within the organization. The system ensures that associate degree applicable information is collected from the varied sources. Processed and sent more to all or any the destitute destinations.

Thus I have been chosen the budgetary control as the specific area of the study. Therefore a study has been taken up on "A study on budgetary control" (With special reference to Coimbatore district co-operative milk producers union limited, Coimbatore).

Introduction

Budget and budgetary control
A budget is a plan expressed in quantitatively, usually monetary term, covering a specific period of time, usually one year. In other words a budget is a systematic plan for the utilization of manpower and material resources.

Budgetary management is that the method of firm of budgets about varied activities and comparing the budgeted figures with the particular performance for inward at deviations, if any. Consequently, there can't be monetary fund management while not budgets. Monetary fund management may be a system that uses budgets as suggests that of coming up with and dominant.

The on tops of definitions reveal the subsequent necessities of monetary fund control:

1. Institution of objectives for every operate and section of the organization.
2. Ascertainment of the causes for such deviations of actual from the budgeted performance.
3. Taking appropriate corrective action from completely different on the market alternatives to realize the specified objectives.

Advantages of monetary fund management
The advantages of monetary fund management could also be summarized as follows:

1. It facilitates reduction of value.
2. Budgetary management guides the management in coming up with and formulation of policies.
3. Budgetary management facilitates effective co-ordination of activities of the varied departments and functions by setting their limits and goals.
4. It ensures maximization of profits through value management and optimum utilization of resources.
5. It helps to the management economical and economic production management.
6. It facilitates corrective actions, whenever there's inefficiencies and weaknesses comparison
7. Actual performance with budget.
8. It guides management in analysis and development.
9. It ensures economy in operating.
10. It helps to adopt the principles of ordinary cost accounting.

Scenario of Dairy Industry in India
Dairy is place where handling of milk products is done. Technology refers to the afflictions of scientific knowledge for practical purpose.

*Corresponding author: Amala Venkatasami, M.B.A, GIM, Coimbatore, India, E-mail: venkat.asha1988@gmail.com
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Copyright: © 2015 Venkatasami AV. This is an open-access article distributed under the terms of the Creative Commons Attribution License, which permits unrestricted use, distribution, and reproduction in any medium, provided the original author and source are credited.
Dairy technology has been defined as that branch of dairy science, which deals with the processing of manufacturing of milk products on industry scale.

The Indian dairy industry has made rapid progress since independence. A large number of modern milk plants and product factors has been established these organized dairies have been successful engaged in routine commercial production of paste section milk and various dairy products. With modern knowledge of the protection of milk during transportation, it becomes possible to locate dairies where land was less expensive and corps could be growth more economically.

In Indian, the market milk technology may be considered to have commenced in 1950, with the functioning of milk colony, and milk product technology in 1956, with the establishment of Amul dairy Anand.

**Dairy industry in India**

More than 2500 million people economically active in agriculture in the world probably 75% regional of them are wholly or partly dependent on livestock farming. India which has 66% of economically active population engaged in agriculture. The share of livestock is estimated at 21% of total agriculture sector.

**National Dairy Development Board (NDDB)**

The nation dairy board was creating to promote, finance and activities that seek strength farmer cooperatives and support national policies that are favourable to the growth of such fundamental to NDDB'S effort are cooperative principle and cooperative strategies.

The national dairy development board is an institution of nation importance setup by an act of parliament of India. The main office is located in Anand, Gujarat with regional offices throughout the country. NDDBS subsidiaries include mother dairy, Delhi it was founded by Dr. Varghese kurien and Dr. Amrita Patel is the current chairman of the national dairy development board Anand.

NDDB has now integrated 96000 dairy cooperative in what it calls the Anand pattern linking the village society to the state federations in a three-tire structure.

NDDB launched its perspective plan for 4 thrust areas:

1. Quality assurance,
2. Productively,
3. Institution building,
5. Dairy co-operative account for the major share of processed liquid milk marketed in the country. Milk is processed and marketed by 170 milk producers' cooperative unions, which federate into 15 state co-operative milk marketing federations.
6. The diary development department's program and activities seek to strengthen the functioning of diary co-operatives, as producer-owned and controlled organizations. NDDB supports the development of dairy co-operatives by providing them financial assistance and technical expertise, insuring a better future for Indian farmers.

Over the years, brands created by co-operatives have become synonymous with quality and value. Brands like Amul (GCMMF), Vijaya (AP), Verka (Punjab), Saras (Rajasthan), Nandini (Karnataka), Milma (Kerala), Gokul (Kolhapur), Aavin(Tamilnadu), are those that have earned customers confidence.

**Some of the major diary co-operatives federations include**

1. Andra Pradesh Diary Development Co-operative Federation Ltd., (APDDCF)
2. Bihar State Co-operative Milk Producers Federation Ltd., (COMPFED)
3. Gujarat Co-operative Milk Marketing Federation Ltd., (GCMMF)
4. Hariyana dairy Development Co-operative Federation
5. Himachal Pradesh state Milk Producers Federation Ltd., (HPSCMPF)
6. Karnataka co-operative Milk Producers Federation Ltd., (KMF)
7. Kerala state co-operative Milk Producers Federation Ltd., (KCMMF)
8. Madhya Pradesh state co-operative Dairy Federation Ltd., (MPCDF)
10. Pradeshik Co-operative Dairy Federation Ltd., (UP PCDF)
11. Punjab State Co-operative Dairy Federation Ltd., (MILK FED)
12. Rajasthan co-operative Dairy Federation Ltd., (RCDF)
13. Tamilnadu co-operative Dairy Federation Ltd., (TCMPF)
14. West Bengal co-operative Milk Producers Federation Ltd., (WBCMP)

**Milk production from 1996 to 2020**

<table>
<thead>
<tr>
<th>Year</th>
<th>Production</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td>52 million</td>
</tr>
<tr>
<td>2013</td>
<td>100 million</td>
</tr>
<tr>
<td>2014</td>
<td>108 million</td>
</tr>
<tr>
<td>(Projected) 2020</td>
<td>150 million</td>
</tr>
</tbody>
</table>

India is one of the leading World's major Milk Producers Unions in the year of 1997-1998 of 71% where others are comparatively less and Australia has a least Score of 9%. But expected to increase in the upcoming years towards 2020.

**The Coimbatore District Co-Operative Milk Producer’s Union Ltd**

The dairy development department was established in 1958 at Tamilnadu. The administrative and statutory control over all the milk co-operative in the state were transferred to the dairy development was made as the functional limited was registered in the state on 1st Feb 1981.

The commercial activities of the development such as milk procurement, processing, chilling, packing and sale of milk to the consumers etc… hither to dealt with by the Tamilnadu dairy development corporation ltd, were transferred to the newly registered...
Tamilnadu. Co-operative milk producers federation limited, popularly known as “Aavin”.

In the wake of liberalization policy, private dairies have also entered into field of dairying. As per the directions of the humble chief minister of Tamilnadu high priority has been given for performance of milk co-operative by adopted a systematic approach and strategy in milk co-operative societies, union and federation in the state of Tamilnadu.

The cattle population in India is approximately 15% of total cattle population in the world India stood no.1 position in milk production. Tamilnadu is one of the leading states in milk production. The milk production in Tamilnadu per is 45.88 lakhs litres. This union was started on 15/09/1987.

Registered societies =655
Functioning societies =527
Total members =112597
Female members =29607
Daily avg. milk procurement/day= 300000 litres
Daily avg. milk sales/day= 250000 litres

**Objectives of the Dairy Development Department**

1. Assure a remuneration price for the producers by the members of the milk producers cooperative societies through a stable steadily and well organized market support.
2. Distribution of quality milk and milk products to the consumer at reasonable price.
3. Keeping these objectives in mind, a number of activities are undertaken by the dairy development department.
4. Provision of tree veterinary health cover to all animals owned by the members of milk cooperatives.
5. Implementation of artificial insemination of farmers with the modern animal husbandry methods and practice.
6. All activities which are essential for the up gradation of the mulch animals and improving productivity.

**Functions of District Co Operatives**

There are 17 district cooperatives milk producers union functioning in the state of Tamilnadu covering 30 districts. There are 15 districts in district cooperative milk producers union with an installed processing of 19.42llpd. There are 36 chilling capacities of 13.55ll pd.

1. Establishment of chilling centres.
2. Formation of new milk router to collect milk produced by the members of the societies.
4. Supply of quality milk to Chennai metro under hygienic conditions.
5. Fixation of procurement and selling price of milk.
6. Increase of liquid milk sales by introducing innovative sales promotional activities.
7. Supply of input to the members of the societies.
8. Render veterinary health service and emergency service to the cattle of members of primaries to impart training on first aid and an artificial insemination to the staff of member’s societies.

**Product available**

1. Butter
2. Milk and cream
3. Ripening
4. Aging
5. Churning
6. Draining and washing
7. Salting and working
8. Packing and storage
9. Curd
10. Flavored milk and others

**Review of Literature**

Badu and Daniel study was a budget may be a practical statement ready before a present amount of your time of the policy to be pursued throughout that amount for the aim of getting given objectives. Budgeting associate degree monetary fund management systems play a number one role in each company or establishment by serving to in establishing an economical internal control system for making property competitive advantage. The Tennessee board of Regents (2006) defines budgeting because the method whereby the plans of industries area unit understood into associate degree itemized, licensed and systematic arrange of operation, expressed in financial terms for a given amount. Budgeting, at each management level and operation level appearance at the long run and lays down what needs to be achieved. “A budget may be a quantitative expression of an inspiration of action ready prior to of the amount to that it relates. It’s an inspiration expressed in terms cash ready and approved before the budget amount that show financial gain, expenditure and capital to be used [1]. The approach the research worker won’t to conduct this analysis. The chapter contains analysis framework, population and sample, sample technique, information assortment instrument, information assortment activities furthermore as methodology of information analysis. Inadequate monetary resources will undermine the effective implementation of organic process comes in MMDAs. Budgets area unit necessary as they providentially manage scarce monetary resources and at identical time function a way of expenditure authorization, management and analysis base. Monetary management is so necessary side of public administration of each nation and it’s one in all the weather that builds government effective. It involves monetary prediction, monetary designing and budgeting, monetary reportage and auditing. Currently sensible monetary management is getting used by donors as a precedent for debt relief like HIPC and different monetary help to developing countries. The preparation method for the annual budget involves an excellent deal of energy, time, and expense. Hence, it’s necessary that a rustic should be able to follow accurately all the ways of making ready associate degree annual budget. In budgeting, the main focus isn’t solely to arrange the budget, however additional significantly to own a follow-up operation for budgeting and to act in keeping with legendary information. Information collected were altered, evaluated
and measured against the analysis to confirm their completeness, consistency, accuracy and connexion. Microsoft package was utilized in the process of primary and secondary information gathered through the administration of the info assortment instruments. This is often to change information gathered to be conferred into tables, graphs and charts for qualitative explanations and analysis on budgeting and monetary fund controls.

The planning, programming and budgeting process is the central feature of defence management for providing resources to the defence force to ensure the defence and protection of the state in alignment with national security and defence policy. Thus, defence budgets should be the result of good short, medium, and long-term plans that are based on open and clear defence and national security policy. Descriptive and qualitative analyses demonstrate that there was no strict accountability, which allow creating sense of institutional budget perception. There is no reasonable cost estimation practice. Lack of adequate and experienced budget workers is other issue that contributes to worsen the problems. It should also prepare annual plan and budget based on the strategy. One of the responsibilities of budget users is controlling costs and constantly improving the ways of doing things. A budget has been approved by the legislature and monies appropriated, the goal is to ensure the efficient and effective use of resources to implement sectorial priorities. This requires careful monitoring and evaluation of operational performance both within the armed forces and by civil servants. As indicated in the introductory part of the paper, statistical package for social science (SPSS) application has been applied to analyze the data. The descriptive analyses were also supported by the open-ended responses given during the collection of data, interview responses, reports, and literature reviews.

Budgetary control as a proven management tool helps organization management enhances improved performance of any economy in a different ways. Its primary function is to serve as a guide in financial planning operation; it also establishes limits for departmental excesses. It helps administrative officials to make careful analysis of all existing operations, thereby justifying, expanding, eliminating or restricting present practice. The inability to recognize the problem concerned and fixing a boundary of investigation creates an obstacle for the successful implementation of budgeting and control. Budgeting is a familiar and very important type of short range plan; a plan that is expressed in a numerical terms how the resources of a company can be distributed to attain a desired profit. Since working out a budget force a company to determine how much money will be coming in, what cost will be incurred, it serves a dual purpose to become a controlling as well as a planning operation. The use of the budget as a yardstick in the daily activities of the operation, performance measurement and its evaluation, analysis of key elements of the questionnaire, lessons learned to arrest any shortfalls and the way forward in meeting budget target are ascertained. In all, a total of 44 out of 61 responded to the questionnaire.

“The processes by which managers assure that resources are obtained and used effectively and efficiently in the accomplishment of the organization’s objectives”. The many methods for managing the strategic management and budgeting processes; the right methods for any particular firm according to the author depend on factors such as its industry, size, number of divisions, product lines or business units, management preferences, history and culture. Regardless of how these processes are managed, they share a single goal: improving the ability of both strategic management and budgeting to contribute to business performance. A strategic review committee often consists of executives representing diverse areas who meet to address challenges to the firm’s strategic direction. Such committees supplement the annual strategic planning processes. By including executives from throughout the firm, including those responsible for a firm’s strategic management and budgeting processes, ramifications arising from changes in one area of the firm for others are more quickly identified. The sources of literature, techniques employed in data collection, research purpose, data analysis as well as critiques to the method use. In a research process, it is important that information provided satisfies the purpose and should be reliable as well. Therefore this will depend on the method of data collection employed. The reason to this is due to the fact that if data collected does not suit the purpose, then it would be difficult to analyze and the research would be considered as inappropriate.

Avatar PRASAD 2010 Budget and monetary fund management, each at management and operational level appearance at the long run and lays down what should be achieved. Management checks whether or not or not the plans area unit accomplished, and puts into result corrective measures wherever deviation or deficiency is going on. This study examines however budget and monetary fund management will impact on the performance of the IT sectors of Manasi data technologies Pvt. Ltd. This reviewed the performance of the IT trade in previous and gift times. It's discovered that the performance of this trade depends on the planning, development, implementation and management of computer-based data systems, significantly package applications and constituent. A budget fixes a target in terms of rupees or quantities against that the particular performance is measured. A budget is closely associated with each the management operate yet because the accounting operates a company. Budget provides as a valuable aid to management through designing, coordination and management. It's a tool that measures the social control performance of a company. It promotes sensible morale and generates harmony within the organization. Applications that don't add production will value firms a lot of greenbacks. Imagine what number potential customers would go away an internet web site if the links didn't work properly. Sound quality assurance programs utilizing high-quality testing tools area unit needed to make sure client satisfaction. A scientific approach to facilitate effective management performance is profit designing and management or budgeting. Budgeting is so associate degree integral a part of management in an exceedingly means, a monetary fund system has been delineate as a historical combination of a “goal setting machine for increasing associate degree enterprise profits and a goal achieving machine for facilitating structure coordination and designing whereas achieving the budgeted targets”.

The slow house of structure performance in Nigeria has been attributed partly to inadequacy within the method and implementation of budget and monetary fund management. This paper aims at filling the gap as a method of teaching managers associate degree integral part of management in an exceedingly means, a monetary fund system has been delineate as a historical combination of a “goal setting machine for increasing associate degree enterprise profits and a goal achieving machine for facilitating structure coordination and designing whereas achieving the budgeted targets”.

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what individuals required to try to do within the Nineteen Seventies, performance improvement was supported meeting monetary targets instead of effectiveness, companies then long-faced issues within the 1980s and 1990s after they weren't willing to expend money on innovations so as to remain with the rigid budgets. Firms were solely involved with meeting sales targets, that they thought-about as necessitates, to the harm of consumer's satisfaction and how they were being treated. Consistent with conductor, management involves the creating of selections based mostly on relevant data that results in plans and actions that improve the employment of the productive assets and services offered to organizations management. Effective and economical management is alleged to be based on standards with that actual performance is compared. If there aren't any standards, then there is no effective live of attainment.

Prentice Hall Budgets, by definition, got to be ready in advance; and for this reason, they're usually brought up in terms of their being a part of a feed forward system. Feedback could be a term of times detected each in accounting and normal use. Feed forward, on the opposite hand tends to be less of times detected, however this word incorporates the foremost necessary facet of budgeting: observing things before, brooding about the impact and implications of things before trying to require management of things before. Monetary fund management relates to the institution of budgets relating the responsibilities of budget holders the wants of a policy. Monetary fund management additionally relates to the continual comparison of actual with budgeted results: it will this to undertake to make sure that the objectives of that policy area unit achieved; or to supply a basis for the amendment of these objectives. Jones and Pendlebury provide US some insight into the start of the budgeting cycle after they gift a “Timetable for preparation of elaborated revenue budget and capital programmed” for a neighbourhood Authority. They show that the method starts in Gregorian calendar month within the year preceding the budget amount with the draft budget manual being sent to Finance Officers, World Health Organization can discuss this draft with their division workers (with a read to adoption or amendment). The interrelatedness aspects of this instance have most likely not fazed US therefore far: the character of interrelationships is that they usually go unnoticed! So as to hit the purchases in units, we've got to work out the gap and shutting stock amounts and that we got the sales units. Thus, if we've got calculated the stock budgets incorrectly, the acquisition amounts are wrong, and also the purchases budgets are dishonest.

It was reported that "nothing was given out of the treasure without a written order. History has in that Joseph budgeted and stored gains. Budgets were first introduced in the 1920s as a tool to manage and cash flows in large industrial organization.1990s when they were not willing to spend money on innovations in order to stay with the rigid budgets. Glautier [1] state that” the emergence of scientific management philosophy with the advent of industrial capitalism for the industrial revolution of the eighteenth century, which presented a challenge for industrial management. Omolehishw defined, a budget as a plan of revenue and capital items in future. Hence the study has been entitled as “A study on budgetary control (with special reference to Coimbatore district co-operative milk producers union limited, Coimbatore) [10-12]. Our observations highlight a contradictory side of fund control: whereas it's relevant at intervals associate unstable surroundings, it performs best in associate surroundings that is much managed [7,8].

Research and Methodology

Research methodology

The research methodology is characterized into three different groups

1. First groups we include those methods which are concerned with the collection of data
2. Second group consists of these statistical techniques used for establish relationship
3. Third group consists of those methods which are used to evaluate the accuracy of the results

Research design

The research design adopted for the Research work is "Analytical Research "design in which what, when, why and how the topic is used in this study [9].

Statement of the problem

1. The purpose of the study is to estimate of receipts and payments of revenue and capital items in future. Hence the study has been entitled as “A study on budgetary control (with special reference to Coimbatore district co-operative milk producers union limited, Coimbatore) [10-12].
2. To analyze how budgetary control helps the milk union to select best course of action.
3. To provide a detailed plan of action for a business over a period of time.
4. To revise the budget in the light of changed circumstances.

Objectives of the Study

1. To analyze how budgetary control helps the milk union to select best course factors.
2. To revise the budgets in the light of changed circumstances.
3. To give suggestion towards correlation preparation method.
4. To suggest measures to reduce the costs and improve the financial position.
5. A budgetary control department fulfil the needs of organizations.

Statistical tools used
The following techniques can be used in connection with analysis and interpretation of financial statements.
1. Ratio analysis
2. Correlation
3. Operating expenditure estimate

Limitations of the study
1. The study is only limited to the available information in the department.
2. The success utility of budgeting depends in the co-operation and participation of all members of management.
3. The establishment of a budgeting process takes time. Also sometimes too much are expenses.
4. Efforts may therefore not be made to exceed the performance beyond the budgeted targets.
5. Effective implementation of budgetary control depends upon willingness, co-operation and understanding among people reasonable for execution. Lack of co-operation leads to inefficient performance.
6. Frequent changes may be called for in budgets due to first changing industrial climate.

Data analysis and Interpretation

Ratio analysis
Data has been analysed from the various ratios and the results had been showed below (Table 1).

Correlations
Relationship between stock turnover ratio and net profit ratio
analysis: Null hypothesis: There is no relationship between Stock turnover ratio and Net profit ratio.

Alternative hypothesis: There is relationship between Stock turnover ratio and Net profit ratio (Table 2).

Correlation formula: \( r = \frac{\sum xy}{\sqrt{\sum x^2 \cdot \sum y^2}} \)

\( r = 0.54 \)
\( r = 103.59 / \sqrt{664.34 \cdot 23.72} \)
\( r = 0.825 \)
\( \bar{x} = \Sigma x/n (449.25/5) = 89.85 \)
\( \bar{y} = \Sigma y/n (13.73/5) = 2.75 \)

Relationship between operating ratio and capital turnover ratio
Null hypothesis: There is no relationship between operating ratio and capital turnover ratio (Table 3).

Alternative hypothesis: There is relationship between operating ratio and capital turnover ratio (Table 3).

Correlation formula: \( r = \frac{\sum xy}{\sqrt{\sum x^2 \cdot \sum y^2}} \)

\( r = 3.61 / \sqrt{3.434 \cdot 5.121} \)
\( r = 0.861 \)
\( \bar{x} = \Sigma x/n (209.03/5) = 41.61 \)
\( \bar{y} = \Sigma y/n (10.625/5) = 2.1 \)

Estimated expenditure
2009-10, 2010-11, 2011-12, 2012-13 and 2013-14 financial year expenditure of Coimbatore district co-operative milk producer's union ltd, Coimbatore, was estimated (Table 5).

Findings and Suggestion
1. In the year 2013-2014 the gross profit ratio was increased and the net profit in the year 2012-13 was decreased.
2. In the year 2013-14 the operating ratio was increased but decreased in the next year and the operating profit ratio in the year 2009-10 was decreased.
3. Fixed asset turnover ratio is increasing and working capital turnover ratio is decreased
4. Total asset turnover ratio and stock turnover ratio is increasing.
5. Current and liquid ratio shows increasing trend.
6. Fixed assets ratio and propriety ratio is increasing.
7. The opening of milk products (Figure 1) 2011-12 it increased and purchase (Figure 2) of the milk from milk unions 13-14 was increased compared to the previous year.
8. Trade charges (Figure 3) paid and due 2013-14 it increased, and tax paid 12-13 was increased compared to the previous year.
9. Tax paid (Figures 4 and 5), Interest paid (Figure 6), Provisions (Figure 7) (bonus, Gratuity) decreased compared to the previous year.
10. There is no relationship between Stock turnover ratio and Net profit ratio.
### Table 1: Analyzed data from the various ratios.

<table>
<thead>
<tr>
<th>Particular</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
<th>2012-13</th>
<th>2013-14</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>N.P Ratio</td>
<td>0.137</td>
<td>0.159</td>
<td>0.654</td>
<td>0.057</td>
<td>5.671</td>
<td>9.46</td>
</tr>
<tr>
<td>Operating Ratio</td>
<td>90.433</td>
<td>88.853</td>
<td>89.912</td>
<td>91.039</td>
<td>89.014</td>
<td>445.22</td>
</tr>
<tr>
<td>Operating Profit Ratio</td>
<td>0.547</td>
<td>1.138</td>
<td>1.681</td>
<td>0.986</td>
<td>6.283</td>
<td>11.94</td>
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<tr>
<td>Capital Turnover Ratio</td>
<td>2.325</td>
<td>4.745</td>
<td>2.497</td>
<td>2.097</td>
<td>2.064</td>
<td>16.74</td>
</tr>
<tr>
<td>Fixed Asset Turnover Ratio</td>
<td>10.901</td>
<td>11.977</td>
<td>12.600</td>
<td>13.671</td>
<td>12.774</td>
<td>65.68</td>
</tr>
<tr>
<td>Stock Turnover Ratio</td>
<td>61.169</td>
<td>37.221</td>
<td>39.986</td>
<td>45.227</td>
<td>25.888</td>
<td>209.49</td>
</tr>
<tr>
<td>Current Ratio</td>
<td>1.259</td>
<td>1.244</td>
<td>0.973</td>
<td>1.089</td>
<td>1.878</td>
<td>7.26</td>
</tr>
<tr>
<td>Liquid Ratio</td>
<td>1.230</td>
<td>1.227</td>
<td>0.954</td>
<td>1.064</td>
<td>1.619</td>
<td>5.16</td>
</tr>
<tr>
<td>Absolute Liquid Ratio</td>
<td>0.397</td>
<td>0.579</td>
<td>0.267</td>
<td>0.383</td>
<td>0.477</td>
<td>1.72</td>
</tr>
<tr>
<td>Fixed Asset Ratio</td>
<td>0.213</td>
<td>0.396</td>
<td>0.198</td>
<td>0.153</td>
<td>0.162</td>
<td>0.97</td>
</tr>
<tr>
<td>Proprietary Ratio</td>
<td>1.023</td>
<td>0.952</td>
<td>0.965</td>
<td>0.459</td>
<td>0.729</td>
<td>3.40</td>
</tr>
</tbody>
</table>

Inference: Calculate value is (0.825). There is no relationship between Stock turnover ratio and Net profit ratio. Hence Null hypothesis is accepted. Correlation of co-efficient in the above table lays between -1 to +1.

### Table 2: Relationship between stock turnover ratio and net profit ratio.

<table>
<thead>
<tr>
<th>Particular</th>
<th>Rs</th>
<th>Rs</th>
<th>Rs</th>
<th>Rs</th>
<th>Rs</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>X</td>
<td>61.169</td>
<td>37.221</td>
<td>39.986</td>
<td>45.227</td>
<td>25.888</td>
<td>209.49</td>
</tr>
<tr>
<td>Y</td>
<td>0.137</td>
<td>0.159</td>
<td>0.654</td>
<td>0.057</td>
<td>5.671</td>
<td>9.46</td>
</tr>
<tr>
<td>χ = x - X</td>
<td>-25.503</td>
<td>-26.92</td>
<td>85.718</td>
<td>2.128</td>
<td>-35.45</td>
<td>449.25</td>
</tr>
<tr>
<td>λ = y - Y</td>
<td>-0.425</td>
<td>1.995</td>
<td>-0.253</td>
<td>-0.653</td>
<td>-0.686</td>
<td>13.73</td>
</tr>
<tr>
<td>λχ2</td>
<td>0.34</td>
<td>0.99</td>
<td>0.004</td>
<td>1.41</td>
<td>0.69</td>
<td>3.434</td>
</tr>
<tr>
<td>λχλ</td>
<td>0.181</td>
<td>3.98</td>
<td>0.06</td>
<td>0.43</td>
<td>0.47</td>
<td>5.121</td>
</tr>
</tbody>
</table>

Inference: Calculate value is (0.861). There is no relationship between operating ratio and capital turnover ratio. Hence Null hypothesis is accepted. Correlation of co-efficient in the above table lays between -1 to +1.

### Table 3: Relationship between operating ratio and capital turnover ratio.

<table>
<thead>
<tr>
<th>Particular</th>
<th>Rs</th>
<th>Rs</th>
<th>Rs</th>
<th>Rs</th>
<th>Rs</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>X</td>
<td>90.433</td>
<td>88.853</td>
<td>89.912</td>
<td>91.039</td>
<td>89.014</td>
<td>449.25</td>
</tr>
<tr>
<td>Y</td>
<td>2.325</td>
<td>4.745</td>
<td>2.497</td>
<td>2.097</td>
<td>2.064</td>
<td>13.73</td>
</tr>
<tr>
<td>χ = x - X</td>
<td>0.583</td>
<td>-0.997</td>
<td>0.062</td>
<td>1.189</td>
<td>-0.836</td>
<td>103.59</td>
</tr>
<tr>
<td>λ = y - Y</td>
<td>-0.425</td>
<td>1.995</td>
<td>-0.253</td>
<td>-0.653</td>
<td>-0.686</td>
<td>13.73</td>
</tr>
<tr>
<td>λχ2</td>
<td>0.34</td>
<td>0.99</td>
<td>0.004</td>
<td>1.41</td>
<td>0.69</td>
<td>3.434</td>
</tr>
<tr>
<td>λχλ</td>
<td>0.25</td>
<td>1.99</td>
<td>0.02</td>
<td>0.78</td>
<td>0.57</td>
<td>3.61</td>
</tr>
</tbody>
</table>

Inference: Calculate value is (0.54). There is no relationship between working capital turnover ratio and operating profit ratio. Hence Null hypothesis is accepted. Correlation of co-efficient in the above table lays between -1 to +1.

### Table 4: Table refers to relationship between working capital turnover ratio and operating profit ratio.
S.NO | Particular | 2009-10 | 10-11 | 11-12 | 12-13 | 13-14
---|---|---|---|---|---|---
1 | Opening products of the milk | 28127929 | 29172936 | 48363067 | 30793481 | 47565412
2 | Purchase | 1099339346 | 1326740095 | 1369801002 | 1596786477 | 1736798698
3 | Trade charges paid and due | 187670500 | 209735504 | 248478475 | 261637560 | 325478580
4 | Tax paid | 6283155 | 10096781 | 12491021 | 18776311 | 14416230
5 | Interest paid | 147050 | 121895 | 41489 | 0 | 0
6 | Provisions(bonus, sub, due to co-op union, gratuity) | 3425968 | 3323703 | 3274643 | 3172699 | 3042470
7 | Reserve created | 49707385 | 68843991 | 4631957 | 68127322 | 12201097


Interpretation:

11. There is no relationship between operating ratio and capital turnover ratio (Figure 8).

Suggestions

As the result of study budgetary control of Coimbatore district co-operative milk producers union limited the given the following suggestions.

1. It is Essential to maintain the good management control
2. It is Mandatory that the organisation has to always maintain the good working capital
3. Maintain the good corporate governance
4. Fluctuations are common in every organization but sustainability is very important so to maintain the stability.
5. The processes of indent taking and billing through on line transaction processing systems is very important.
6. Use the new technologies to maximize the quality of output.

Conclusion

It is interesting to note that budgetary control Coimbatore district co-operative milk producers union limited is doing well and growing phenomenally. Based on the finding and experience the researcher had, while conducting the study on “budgetary control department” as a researcher I came to the following conclusion.
1. Budgetary control department works as a back bone of top management. It is one of the important plan for every management for their Business

2. With the support of good budgetary control the management of marketing, finance, production and personnel become more efficient. So it is essential to regulate proper Budgetary control for all organisation.

References