

## **Chapter – III**

### **Profile of Bharati Bazar**

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## Chapter – III

### Profile of Bharati Bazar

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#### 3.1) INTRODUCTION:-

The co-operative sector in India has played an important role in economic development of the country. It has certainly made a significant contribution in the sector like farming, manufacturing, sugar industries, dairies, processing co-operatives, fisheries, distribution of fertilizers, housing, banking, co-operative marketing etc. The concept of co-operation is originally coined by England's Rochdale Pioneers against capitalist exploitation, in the early period of the 19<sup>th</sup> century in 1843. The object of Rochdels co-operative society was to establish self supporting co-operative living colony's to provide houses and daily needed articles at cheaper rates to its members. In simple words co-operation is the voluntary democratic organization based on equality and equity for promotion of common interest of the members.

Consumer cooperatives are enterprises owned by consumers and managed democratically which aim at fulfilling the needs and aspirations of their members. They operate within the market system, independently of the state, as a form of mutual aid, oriented toward service rather than financial profit. Consumers' cooperatives often take the form of retail outlets owned and operated by their consumers. Consumer Cooperatives are formed by consumers in obtaining various goods at reasonable prices and guarantee standard. It is a legal body, registered under the Cooperative Act, with its members as its shareholders. Members voluntarily co-invest in their cooperative stores to fulfill their purchasing needs.

Maharashtra state is leading in co-operative movement. A first co-operative store was started in 1904 at Mumbai. There after number of consumer store are started all over Maharashtra state. The main aim of co-operative consumer stores it is to supply quality goods regularly at the reasonable price. For the development of rural economy the co-operative consumer stores plays crucial role in Indian Economy. Hon. Dr. Patangrao Kadam had started "Bharati Central Co-operative Grahak Bhandar Ltd.," Pune with its brand name

as *Bharati Bazar*. It is located at the prince area of the of Pune city known as Alka takies – Corner which is near to Sadashiv Peth and Narayan Peth Pune. Bharati Bazar is a successful in all the marketing activities.

From last forty year Bharati Bazar has develop their marketing activities in Pune, Sangli, Kadegaon, Bibewadi, Hadapsar area. They have got outstanding success in marketing of consumable goods and supply of Gas to Bibewadi area. Their total annual turnover was year more than 36 corers in the year 2011-12. Their main Bazars and Branches are at Pune, Gultekadi Market Yard – Pune, Hadapsar, Sangli and Kadegaon.

The main aim of the present study is to make an analytical study of Bharati Bazar, Pune. This is success story of co-operative departmental stores from western Maharashtra. Co-operative sector facing the number of problems in marketing activities recently Govt. of India has taken a decision of FDI in Retail Sector that will also affecting on co-operative consumer stores, so researcher has decided to do the study on working and managements problems of Bharati Bazar Pune.

#### **A) Profile of the Bharati Bazar Pune**

Bharati Bazar is one of the largest shopping bazaar in the Sangli district. It is the branch of the Bharati Central Co-operative Customer Organisation Ltd. Pune which was established in 1973. Hon. Patangraoji Kadam is the founder of the organization. Bharati Bazar is founded its branch at Sangli near rajwada chowk in September 1994. Bharti Bazar is situated in the central part of the Sangli city. It becomes a popular in very short period. In 21<sup>st</sup> century many international companies opened their branches in biggest malls with attractive advertise but this bazaar created goodwill by giving satisfaction to the all segments in the society rich as well as poor.

Bharati Co-operative customer organization, Pune was started their various branches at different part of the country within very short period. Following are the details of these branches-

1. Bharati Bazar (Autonomous Dept.) – Pune
2. Bharati Bazar- Hadapsar, Pune
3. Bharati Gas (LPG Gas agency)- Pune.

4. Bharati Bazar (Autonomous Dept.)- Rajwada Chowk, Sangli.
5. Bharati Bazar (Wholesale Dept.)- Pune.
6. Bharati Bazar- Kadegaon.
7. Bharati Krushi Seva Kendra- Kadegaon.
8. Dhankavades General Stores – Dhanakawadi, Pune

Bharati Bazar opens various schemes and festival offers for the consumers such as Notebook Mohotsav, Food Grians Mahotsav, Rice Mahotsav etc. This branch arranges various programmes for the sale of their goods.

**Bharati Madhyavarti Sahakari Grahak Bhandar Ltd.**

Bharati Vidyapeeth Bhavan 13,

Sadashiv Peth Pune –30

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**\* Board of Directors \***

Dr. Mrs. Madakini Sudhakar Pansare  
Chairman

Mrs. Vijaymala Patangrao Kadam

Dr. Hanmantrao Mohanrao Kadam

Mrs. Sanjavani Vijay Patil

Mrs. Asha Kale – Naik

Mrs. Dipti Dilip Satpute

Mr. Laxmanrao Bapu Lokhande

Mrs. Sandhya Suresh Savant

Dr. Haresh Pandharinath Deshmukh

Mr. Vasanttrao Bhagvatrao Mehtre  
Vice- Chairman

Dr. Kalyani Shridhar Devekar

Shri Rajendra Raghunath Utturkar

Dr. Sulaxana Dilip Kulkuarni

Dr. Anita Sardar Patil

Dr. B. N. Pawar

Mr. Shripad Balkrishna Patil

Mr. Vijay Ramchandra Thombare

(Government Representative)

Chief Manager of the Organization

Mr. Jagganath Anandrao Shinde

Board of Directors is a managing body conducted 12 meetings in their 2013-14. Daily activities and management has handled by chief manager Mr. J. A. Shinde. Hon. Patangrao Kadam, Founder of this organization is giving leader and valuable guidance for retail marketing.

### 3.2) BHARATI BAZAR MARKETING ACTIVITIES

- **Dipavali Kit:** In the festival of the Diwali Bharati Bazar provides Dipavali Kits and for sale. In the year 2010-11 Bharati Bazar sold 5000 Dipavali Kits. Bazar sold sugar for only Rs. 14 per K.G. and Sunflower oil for Rs. 61 per liter depend upon the share to their members.
- **Rice, food grains and notebook Festival:** Bharati Bazar arranges various types of festivals such as Rice festival; Note book Festival and Food grains festivals. In the last year Bharati Bazar facilitates 42 types of sample of the rice and food grains. By using this festival Bharati Bazar sold their rice and food grains near about Rs. 40 lacks.
- **Special offers for the customers:** Bharati Bazar also gives special offers for the customers from the last five years. It gives very important facility i.e. Delivery to home. Bazar also takes order of goods delivery by phone. Bharati Bazar gives regular facilities to their customers. Bharati Bazar announces special offers on the price on Saturday and Sunday.
- **Regular offers for the customers:** There are various facilities provide by Bharati Bazar for the customers such as one kg. Sugar is given at Rs.12/- on purchase of the articles of above Rs. 250/- and Daily lucky customers scheme for who will purchase of Rs. 499/- or above Rs. 500.

### 3.3) FINANCIAL MANAGEMENT

#### **Profit Distribution in the year 2011-12 (*Bharati Bazar Annual Report*)**

Bharati Bazar distributes their profit in the various types of accounts. During the year 2011-12 Bazar have net profit of Rs. 25,29,797/- distributes this money as follows-

**Table No 3.1**  
**Profit Distribution for 2011-12**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Rs.</b>
1	Reserve Fund (25%)	6,32,449
2	Bharati Vidyapeeth Charitable Trust (20%)	5,05,959
3	Price Fluctuation Fund (15%)	3,79,470
4	Building Fund (40%)	10,11,919
	<b>Total</b>	<b>25,29,797</b>

Source – Bharati Bazar Annual Report 2011-12

• **Working Capital Management**

Bharati Central Grahak Bhandar Ltd., Pune has last 40 years history. Hon. Dr. Pantanrao Kadam has started this co-operative Bharati Bazar basically at Pune district Hon. Dr. Kadam Saheb has given strong support of leadership. At present they have branches of Bharati Bazar at Sangli, Kadegaon and Hadapsar.

**Table No. 3.2**

**Share Capital and Shareholders**

Sr. No	Particular	2008-09	2009-10	2010-11	2011-12
1	Total Shareholders	3179.00	3258	3477	3686
	a) Personal Shareholder	3130.00	3209	3428	3637
	b) Co-Operative Society	49.00	49	49	49
	c) Govt. of Maharashtra	1.00	1	1	1
2	Recover Shares	1107455.00	1064355	1042705	1074205
	a) Personal Shareholder	317980.00	338880	380255	475755
	b) Co-Operative Society	18475.00	18475	19450	19450
	c) Govt. of Maharashtra	771000.00	707000	643000	579000

Source: - Bharati Bazar – Annual Report – 2011-12.

Above table shows the status of shareholder from 2008-09 to 2011-12. in 2008-09 there were 3179 member out of which individual shareholder were 3130, co-operative 49 and Maharashtra Govt.

In 2011-12 there are 3637 members. It shows than in last 4 years 507 member are increased. Table also exhibits the pad capital from last 4 years. It was 1107455 in 2008-09. It reached to Rs. 1074205 it shows decreased in amount of paid up capital. In 2008-09, Individual capital was 317980 it reached at Rs. 475755, Where as co-operative societies Rs. 18475 and Rs. 19450 in 2011-12. The share capital of Maharashtra Govt. was Rs. 771000 in 2008-09 and Rs. 579000 in the year 2011-12. It shows the real financial possible of Bharati Bazar.

### 3.4) MARKETING and SALES PROMOTIONAL ACTIVITIES:-

Bharati Bazar is a central co-operative departmental stores run by the co-operative organization. They have whole sale out late at Pune and Branches at Hadapsar, Kadegaon and Sangli are the Retail Stores supplying the goods to consumers their main aim is to supply the quality goods to the consumers at reasonable price. It is observed that sales turnover of the Bharati bazaar has increase from last three years in the year 2009-10 turnover was 25.21 cores it reached to 36.63 cores it shows increase of sales turnover within three year is more than 10 cores. This is a satisfactory group of the Bharati bazaar in the co-operative sector following tables reviles the purchases, sales and trading profit of the Bharati bazaar.

**Table No. 3.3**

#### **Sales Turnover of Bharati Bazar (in lakhs)**

Sr. No	Particular	2009-10	2010-11	2011-12
1	Total Purchases	2290.13	3837.92	3361.52
2	Total Sales	2521.94	3121.71	3663.21
3	Total Trade Profit	210.99	250.69	282.55
4	Net Profit	10.46	16.75	25.29

Source:- Bharati Bazar Annual Report 2011-12

Above table shows the position of total purchases, total sales and net profit of Bharati Bazar from 2009 into 2011-12. in the year 2009-10 total purchases were 2290.13 lakh it reached to 3361.52 lakhs in 2011-12. It is a riding trends of purchases and sales total of Rs. 2521.14 in 2009-10, Rs. 3121.17 in 2010-11 and Rs. 3663.21 lakhs in 2011 -12. Net Profit was 10.46 lakh and Rs. 25.29 lakhs in 2011-12. It shows that Bharati Bazar is in best position with getting better profit.

#### • **Akshaya Deposit Scheme for Customers:-**

Bharati Bazar started the Innovative scheme as Akshaya Deposit Scheme for Customers which becomes popular in Pune and Sangli area Under this scheme customers have to deposit amount of Rs. 10,000/- and they will get goods of Rs. 150 per month it gives return of Rs. 1800 per year. This is a new marketing strategy adopted by Bharati bazar for marketing promotion.

- **Home Delivery of Goods:-**

Bharati Bazar started Home Delivery Services to their consumers at Pune and Sangli Branch for Sales Promotional Purpose. Under this scheme customer has to purchase goods more than Rs. 2000 then organisation provided home delivery of the goods to the customers destinations in the limited area provided by the Bharati Bazar. In Pune City home delivery facility is provided to Kothrod, Deecan, Sadashiv Peth, Pashan and Shivaji Nagar area as well as facility is provided to katraj and Parvati area.

- **E-Banking Facility:-**

Bharati Bazar has provided e-banking facilities to their customer and members as a required financial facility for the purpose of convenience. Customer can use debit / Credit card facility for their purchasing the goods at Pune and Sangli Branch. In gas agency unit all customers have to pay their amount in cash only. There is no any e-banking facilities available at this unit.

- **Credit Facilities:-**

Bharati Bazar is provided credit facilities only to their educational institutes of Bharati organization. It is observed that Bharati Co-operative organization is not giving any credit facility to the customers or members at 8 branches of this organization. In retail marketing consumers are interested to purchase their consumable goods on credit of up to one month from private kirana stores. So they are accepted to purchase their consumable goods from private stores instead of co-operative organization such as Bharati Bazar.

### **3.5) PROGRESS AT A GLANCE –(1998 to 2012)**

Consumer cooperatives enterprises are owned by consumers and managed democratically which aim at fulfilling the needs and aspirations of their members. They operate within the marketing system, independently of the state, as a form of co-operative organization for supply of quality of goods at reasonable price rather than business profit. Consumers' cooperatives often take the form of retail outlets owned and operated by their consumers. Consumer Cooperatives are formed by consumers in obtaining various goods at reasonable prices and guarantee standard. It is a legal body, registered under the Cooperative Act, with its members as its shareholders. Members voluntarily co-invest in their cooperative stores to fulfill their purchasing needs.



**Table No – 3.4****Progress at a Glance -1998 to 2012****(in a lakhs)**

Year	Share Holder	Share Capital	Total Sale	Closing Stock	Gross Profit	Other Income	Total Salary	Total Exps.	Net Profit
1998	2072	16.11	1195.74	59.95	74.60	14.66	30.19	81.83	7.43
1999	2380	15.85	1371.14	65.65	82.63	14.15	33.83	91.18	5.59
2000	2431	15.42	1381.77	66.28	88.71	9.23	39.71	90.83	7.11
2001	2449	14.83	1387.75	55.45	98.82	15.50	42.63	110.56	3.77
2002	2458	14.24	1377.42	78.34	97.41	10.64	42.57	106.38	1.67
2003	2465	13.60	1430.58	66.22	104.53	13.40	47.94	125.60	0.00
2004	2763	13.40	1615.72	62.86	118.50	11.88	49.62	128.99	1.39
2005	2896	12.98	1603.87	68.62	118.50	8.31	49.36	123.43	3.38
2006	3006	12.53	1612.55	77.43	131.82	7.91	54.50	134.00	5.72
2007	3072	12.01	1899.81	71.23	147.46	14.89	69.27	159.32	3.02
2008	3114	11.51	2030.76	76.04	165.92	14.34	76.59	174.47	5.80
2009	3179	11.07	2351.31	71.03	180.31	14.64	84.25	185.59	9.35
2010	3258	10.64	2521.94	90.22	210.99	18.15	96.82	218.68	10.46
2011	3477	10.42	3121.71	103.83	250.69	23.34	118.89	257.28	16.75
2012	3686	10.74	3663.21	137.08	282.55	34.87	140.43	292.13	25.29

Source: - Bharati Bazar Annual Report 2011-12

Table No 4 exhibits details regarding progress of Bharati bazaar from last 14 years it shows that in the year 2012 total sales was Rs. 36,63,21,000/- and Net Profit was Rs. 25,29,797/- it indicates that profit returns on total sales are 5% to 7%. As per the principle of co-operation the aim is to no profit but give the services to customers with quality supply of the goods.

- **Information of the Branches**

Bharati Bazar has started 8 different branches at Pune, Sangli and Kadegaon the detail information about their branches are under.

**Table No. 3.5**  
**Information of the Branches – 2011- 12**

Sr. No.	Branches	Place	Starting Date	Area (in Sq. Ft.)	Sales (Rs. In Lacks) 2010-2011	Sales (Rs. In Lacks) 2011-2012
1	Bharati Gas Agency	Bibvewadi	28/03/1983	300	629.95	809.59
2	Retail Department	Pune	1/6/1986	2500	400.00	600.57
3	Bharati Bazar	Market yard Pune	27/04/1990	1800	834.12	850.55
4	Bharati Bazar	Sangli	19/09/1994	3500	479.24	542.77
5	Bharati Krushi Seva Kendra	Kadegaon	2/6/1994	600	220.47	211.87
6	Bharati Bazar	Kadegaon	8/4/1997	3000	364.19	459.30
7	Bharati Bazar	Hadapsar	9/1/2002	1780	192.00	186.86

Source:- Bharati Bazar Annual Report 2011-12

Above tables shows the branch developments of the Bharati bazaar and their activities from 1973 to 2013. Their retail stores at Pune, Hadapsar, Kadegaon and Sangli.

Following table shows the details the regarding share holders, share capital, total sales, closing stock, gross profit, as well as net profit of the Bharati bazaar.

### 3.6) CATTLE FEED MANUFACTURING KADEGAON UNIT:-

Bharati Bazar has started has own manufacturing unit of Cattle Feed Manufacturing unit at Kadegaon from 2010-11. This unit is developing their own distributional channel through Bharati Bazar. This is only one co-operative departmental stores in Western Maharashtra started their own manufacturing unit. There is potential need for food processing in rural area which gives employment generation and women empowerment. Western Maharashtra is leading in cultivation and production of Fruits and Vegetables so there is highly need of grading packing and processing units through co-operatives that will be benefited to out rural farmers.

### 3.7) ESTIMATE OF BHARATI BAZAR :-

Following table gives detail financial information of estimated expenses of salary marketing expenses advertisement maintenance expenses of the Bharati Bazar for the year 2014-15. This statement also gives information about estimated sales, estimated business profit and Net profit of the Bharati Bazar for the year 2014-15

Table No – 3.6

#### Estimate of Bharati Bazar 2014-15

Estimated Sales 2014-2015	Estimated Business Profit 2014-2015	Estimated Expenses 2014-2015	Estimated Net Profit 2014-2015
57,00,00,000.00	5,49,75,000.00	5,27,25,000.00	22,50,000.00

Sr. No	Particulars	Estimated Expenses 2013-14	Actual Expenses 2013-14	Excess Expenses 2013-14	Estimated Expenses 2013-14
1	Salary P.F ESI	2,21,00,000.00	1,87,96,643.00	-	2,20,00,000.00
2	Meeting and Travelling	6,00,000.00	5,14,260.00	-	6,00,000.00
3	Bank Commission and Interest	60,00,000.00	55,55,441.63	-	70,00,000.00
4	Land Expenses and Property Tax	27,50,000.00	25,91,617.00	-	30,50,000.00

5	Postage and Telegram	3,00,000.00	4,36,561.40	1,36,561.40	5,00,000.00
6	Printing and Stationery	4,50,000.00	4,00,650.88	-	5,00,000.00
7	Audit Fee	3,50,000.00	1,72,472.00	-	3,50,000.00
8	Professional Tax, Sales Tax and Vat Expenses	1,50,000.00	2,55,450.13	1,05,450.13	2,00,000.00
9	Electricity and Water Expenses	28,00,000.00	25,69,042.50	-	29,00,000.00
10	Court and lawyer Fee	1,30,000.00	1,81,703.00	51,703.00	2,00,000.00
11	Advertisement	7,00,000.00	1,97,379.00	-	6,00,000.00
12	Repairs and Maintenance	7,00,000.00	4,91,066.49	-	7,00,000.00
13	License Fee	1,00,000.00	1,06,277.00	6,277.00	1,00,000.00
14	Depreciation	50,00,000.00	59,07,344.00	9,07,344.00	55,00,000.00
15	Office Expenses	5,50,000.00	6,73,866.95	1,23,866.95	7,50,000.00
16	Sundry Expenses	3,60,000.00	4,04,712.00	44,712.00	4,60,000.00
17	Insurance	3,50,000.00	2,63,980.97	-	3,00,000.00
18	Bonus Expenses	17,00,000.00	13,04,195.00	-	17,00,000.00
19	Uniform Expenses	2,00,000.00	75,795.00	-	1,50,000.00
20	Vehicle Petrol and Repairs	2,00,000.00	2,89,118.48	89,118.48	3,00,000.00
21	Customer Discount	27,00,000.00	35,45,989.66	8,45,989.66	35,00,000.00
22	Commission	2,00,000.00	70,030.00	-	2,00,000.00
23	Education Fund	20,000.00	20,000.00	-	20,000.00
24	Employee Training	1,00,000.00	-	-	50,000.00
25	Income Tax and Sales Tax	50,000.00	-	-	0.00
26	Gratuity	50,000.00	-	-	50,000.00
27	Royalty	5,00,000.00	5,16,000.00	16,000.00	5,50,000.00
28	Garden Expenses	50,000.00	2,049.00	-	25,000.00
	<b>Total</b>	<b>4,91,60,000.00</b>	<b>4,53,41,634.09</b>	<b>23,27,012.62</b>	<b>5,22,55,000.00</b>

Source:- Annual Report 2013-14

Bharati Co-operative organization has prepared their estimate all operating expenses, selling expenses. In detail they are calculated estimated sales for 2014-15 is 57 corers and estimated business profit is 5.49 corers and total expenses may be Rs. 5,27,25,000 and estimated Net Profit will be earn by the organization is calculated as Rs. 22,50,000 for the year 2014-15. The estimate of 2014-15 shows that major expenses on salary of employee that is Rs. 2 corers every year. Bharati Co-operative organization has made a provision for Bank commission, Printing, Stationery, Sales Tax and also provision for advertising.

It is also observed that there is central purchasing committee and business activities are controlled by Board of Directors. Every month there is meeting of Board of Directors. All policies decisions and sale promotional activities are framed by Board of Directors. Monthly decision is properly implemented for Business improvement.

### **3.8) CONCLUSION:-**

Bharati Bazar, has Central Management System which is very good example of the co-operative departmental stores. They have annual turnover of Rs. 36.63 cores and net profit is Rs. 25, 90,000. They provides good facilities and offers to customers like Dipavali kit, Rice, Food and Grain festivals, Notebook festivals, Lucky draws etc.

Bharati Bazar, has more investments in fixed assets, even though Bharati Bazar, has to concentrate on their financial conditions and try to increase investment in long term debt to bought back profit in the business. Bharati Bazar gives regular facilities to their customers. Bharati Bazar announces special offers on the price on Saturday and Sunday.

Bharati bazaar has started their own manufacturing unit of **CATTLE FEEDS** in the year 2011-12 at Kadegaon. This is another portfolio of the Bharati bazaar which gives wide market area for cattle feed as well as marketing activity of the Bharati bazaar. There is a strong management given by Kadam family. Because of Bharati Vidyapeeth and various branches develop by Dr. Patangrao Kadam they are getting benefits of such institutes to get the customers and do the marketing activities at Pune as well as Sangli Area.

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