



SNS COLLEGE OF TECHNOLOGY



An Autonomous Institution Coimbatore-35

Accredited by NBA – AICTE and Accredited by NAAC – UGC with ‘A+’ Grade
Approved by AICTE, New Delhi & Affiliated to Anna University, Chennai

Department of Automobile Engineering

III YEAR/ VI SEMESTER

19MEE301 / Engineering Economics and cost Analysis

UNIT-3

Cooperative organization:

Cooperative, organization owned by and operated for the benefit of those using its services. Cooperatives have been successful in a number of fields, including the processing and marketing of farm products, the purchasing of other kinds of equipment and raw materials, and in the wholesaling, retailing, electric power, credit and banking, and housing industries. The income from a retail cooperative is usually returned to the consumers in the form of dividends based on the amounts purchased over a given period of time.

Modern consumer cooperatives, usually called co-ops in the United States, are thought to have begun in Great Britain in 1844, with the Rochdale Equitable Pioneers Society. The society created a set of organizational and working rules that have been widely adopted. They included open membership, democratic control, no religious or political discrimination, sales at prevailing market prices, and the setting aside of some earnings for education.

The cooperative movement developed rapidly in the latter part of the 19th century, particularly in the industrial and mining areas of northern England and Scotland. It spread quickly among the urban working class in Britain, France, Germany, and Sweden and among the rural population of Norway, the Netherlands, Denmark, and Finland.

In the United States, attempts at consumer and agricultural marketing cooperatives were made at the beginning of the 19th century. Although most U.S. cooperatives developed in rural areas, consumer and housing cooperatives spread substantially in metropolitan areas in the late 20th century.

Cooperatives were introduced in Latin America by European immigrants in the early 1900s; later they were often fostered by state action in connection with agrarian reform. Marketing and credit cooperatives have been important in many African nations, especially since World War II. During the Soviet era, marketing cooperatives of the U.S.S.R. and eastern Europe functioned as part of a centrally controlled purchasing network for farm produce. Cooperative farms in those countries were modeled on the Russian *artel*, in which all land was pooled and worked in common and income was distributed according to work performed.

'State-Owned Enterprise - SOE'

A legal entity that is created by the government in order to partake in commercial activities on the government's behalf. A state-owned enterprise (SOE) can be either wholly or partially owned by a government and is typically earmarked to participate in commercial activities.

Also known as government-owned corporations (GOC), state-owned entities should not be confused with companies with stocks that are owned in part by a government body, since these companies are truly public corporations which happen to have a government entity as one of their shareholders. SOEs are common across the globe, including in the U.S where mortgage companies Freddie Mac and Fannie Mae are considered government-sponsored enterprises (GSEs).