

A Project Report On

**“Study of Working Capital of Sangmner taluka
sahkari dudh utpadak & prakriya sangh pvt.ltd”**

Submitted by

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UNDER THE GUIDENCE OF

PROF. YOGESH TAMBE

SUBMITTED TO

“SAVITRIBAI PHULE PUNE UNIVERSITY”

IN PARTIAL FULLFILMENT OF THE REQUIRMENT

FOR THE AWARD OF THE DEGREE OF

BACHLOR OF BUSINESS ADMINISTRATION (BBA)

THROUGH



MULA EDUCATION SOCIETY'S

ARTS, COMMERCE & SCIENCE COLLEGE, SONAI

ACADEMIC YEAR 2020-2021

MULA EDUCATION SOCIETY'

ARTS,COMMERCE & SCIENCE COLLEGE , SONAI

DEPARTMENT OF BBA & BBA(CA)

CERTIFICATE

THIS IS TO CERTIFY THAT **MR.ABHISHEK NITIN KURHAT** HAS SUCCESSFULLY COMPLETED THE PROJECT TITLED “ ***Working Capital of Sangmner taluka sahkari dudh utpadak & prakriya sangh pvt.ltd***” FOR **BBA FINAL YEAR** ACADEMIC YEAR **2020-2021** AS REQUIRED SPPU ,PUNE.



PROJECT GUIDE



INTERNAL EXAMINER



EXTERNAL EXAMINER

DECLARATION

I, THE UNDERDESIGNED MR. ABHISHEK NITIN KURHAT I HERE BE DECLARE THAT THE PROJECT REPORT ON “Working Capital of Sangmner taluka sahkari dudh utpadak & prakriya sangh pvt.ltd” IS A RESEARCH WORK MADE FOR THIS COMPANY BENEFITED WORK PRESENTED BY ME UNDER THE GUIDENCE OF PROF. TAMBE

THE IMPERIAL FINDINGS IN THIS PROJECT REPORT ARE BASED ON THE DATA COLLECTED ME.

THE REPORT HAS BEEN SUBMITTED FOR THE AWARD OF ANY DEGREE TO UNIVERSITY OF PUNE , IT ANY OTHER UNIVERSITY. THE PROJECT IS SUBMITTED TO PUNE UNIVERSITY IN THE PARTIAL FULLFILMENT OF THE BACHLORS OF BUSINESS ADMINISTRATION.

DATE:

PLACE: SONAI


ABHISHEK KURHAT

ACS COLLEGE SONAI

ACKNOWLEDGEMENT

ANY ACCOMPLISHED WORK IS NOT POSSIBLE WITHOUT THE HELP OF OTHERS & THIS WORK IS NOT DIFFERENT MANY PEOPLE HELP ME , SO I THANKFULL TO THEM.

I SPECAILLY THANKFULL TO MR.DARADE SIR FOR HIS GUIDENCE TO ME IN THIS PROJECT.

OWING UPON THIS UNIQE OPPORTUNITY LEARNS , I THANKFULL TO MY PROJECT GUIDE PROF.YOGESH TAMBE FOR HIS GUIDENCE & ENCOURDMENT TOWARDS THIS PROJECT.

THANK YOU


MR.ABHISHEK KURHAT

Sr. No.	PARTICULARS
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EXECUTIVE SUMMARY



Working capital (also known as net working capital) is a financial metric that measures a company's operating liquidity.

Working capital is defined as current assets minus current liabilities. A positive position means that a company is able to support its day-to-day operations i.e., to serve both maturing short-term debt and upcoming operational expenses.

One of the metric's shortcomings, however, is that current assets often cannot be liquidated in the short term. High working capital positions often indicate that there is too much money tied up in accounts receivable and inventory, rather than short-term liquidity.

All companies should therefore focus on the tight management of working capital. Inventory, accounts receivable, and accounts payable are of specific importance since they can be influenced most directly by operational management.

Companies that improve their working capital management are able to free up cash and thus can, for example, reduce their dependence on outside funding, or finance additional growth projects.

If done right, working capital management generates cash for growth together with streamlined processes along the value chain and lower costs.

Need of the Study

- With the help of the annual report provided by the company, it has become very easy to study the past and present state of financial position of the unit
- It also helps in revealing the ways and means to increase the profitability of the company. That is to say that it helps in finding out the ways of attaining the profits and ways to increase the profits of the company.
- It helps in findings the most appropriate way to increase the working capital in the company. The term fund itself means the flow of money inwards and outwards i.e. to say that this will help in finding out the availability funds in the accompany.

Scope of the study

- In modern times efficient management of working capital has to recognize as one of the functions of finance for successful conduct of business operations
- It not only determines profits earning capacity of business undertakings but also determines largely their scope and content of operations’.
- The management of current liabilities is one of the most important facts of the firms overall financial management.
- Working capital sphere threw open a welcome and opportunity for the finance manager to spend a great deal of time in managing current assets and current liabilities.

Objectives of the study

All activities are done with certain aims. The main objectives of the project are as under-

Life without any goals is meaningless. Any activity undertaken by a person should have particular objective, according to me-

In the same way, preparation of this project report on working capital at 'Rajhans milk' by me also has the following objectives-

- To study the company's history in brief.
- To study the annual report of financial position of the company
- To check the profitability of the company.
- To find out company have sufficient amount or not, if sufficient so easily working or not.
- To identify the financial strengths and weaknesses of the industry.
- How to calculate working capital of a organization?

Introduction of Working Capital

The working capital is that amount of funds, which is required to carry out the day-to-day operations of an enterprise where big or small. It may also regard as the position of an enterprise total capital, which is employed in its short term operations. These operations consists of primarily such items such as raw material, semi-finished goods, finished goods, sundry debtors, also refers to all the short-term assets known current assets used in day-to-day operations of an organization.

WORKING CAPITAL sometimes called as “net working capital is represented by the excess of current assets over the current liabilities and identifies the relatively liquid portion to total enterprise capital which constitutes a margin of buffer of maturing obligations within the ordinary operating cycle of the business.

Definitions of working capital

I. According to C.W. Gersternberg :-

“Working Capital has ordinarily been defined as excess of current assets over current liabilities”.

II. According to J.S. Mill :-

“The sum of current assets is the working capital of a business”.

“ Working capital management refers to the sum of current assets and current liabilities, working capital, however represents investments in Current assets such as marketable securities, inventories and bills receivables, current liabilities mainly includes bills payable, notes payable and miscellaneous accruable”.

Objectives of Working Capital

- 1 By optimizing the investment in current assets and by reducing the level of current liabilities. The company can reduce the locking-up of the fund in working capital thereby. It can improve the return on capital employed in the business.
- 2 The second important objective of working capital management is that the company should always be in a position to meet.
- 3 The firm should manage its current assets in such a way that the marginal return on investment in these assets is not less than the cost of capital employed to finance the current asset.
- 4 To provide the liquidity (net working capital) of business.
- 5 The firm should maintain proper balance between current assets and current liabilities to enable the firm to meet its day to day financial obligations.

Advantages of Working Capital

- I.** It helps to day to day functioning of the business.
- II.** Adequate capital is available to meet the all functions and obligations of the enterprise.
- III.** It helps for profit maximization.
- IV.** It fulfills the day to day requirement of the company and also helps for expansion, diversification and research and development activities.
- V.** Adequate working capital or of its proper planning can be easily tackle the unpredicted contingencies.
- VI.** It helps to optimum utilization of all available resources.
- VII.** Adequate working capital and goodwill is a measure of a solvency and also increase a credit worthiness of the company in the market.
- VIII.** As the goodwill of the company increases, the banks and other financial institutions readily provide financial assistance to the company.
- IX.** Working capital can protect the company against the adverse effect caused due to the shortage of capital.
- X.** Adequate working capital enables to obtain favorable credit terms as well as offer them to the debtors.

Operating cycle

Introduction

Working capital is also circulating capital or revolving capital. That is because the money / Capital circulates in various forms of current assets in a continued manner for example – At a point of time funds may lie – up in raw materials then later converted into semi – finished goods into finished / final goods.

Products and when these finished goods are should it is converted either into Account receivable or cash. This cash is reinvested in current assets. Thus the amount always circulating or revolving from cash to current asset and back again into cash. This is why some people prefer to use the term liquidity management instead of working capital management although this circulation takes place at short interval the money is required again and again.

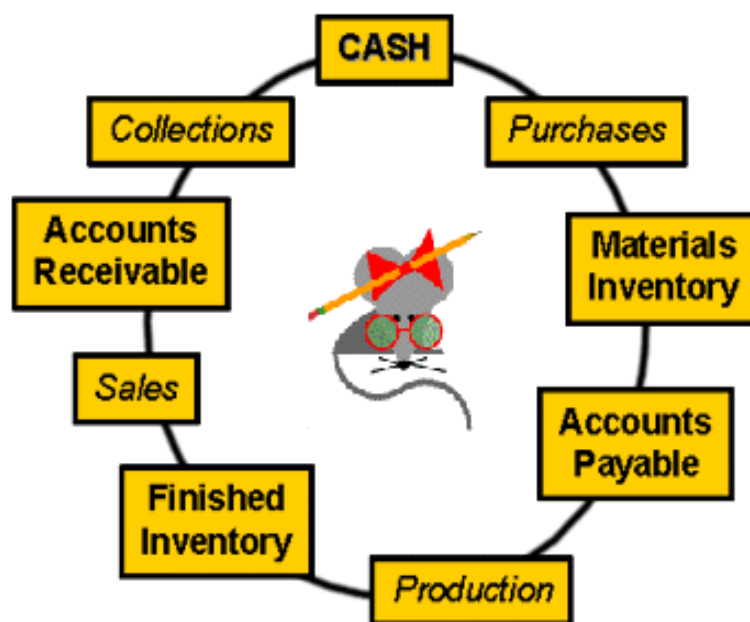


Definition

“The average time investing between the acquisition of materials or services entering the process and final cash realization.”

“American Institute of certified public Account”.

WORKING CAPITAL OPERATING CYCLE



The duration of time required to complete the following cycle of events in case of a manufacturing firm is called the operating cycle i.e. working capital cycle.

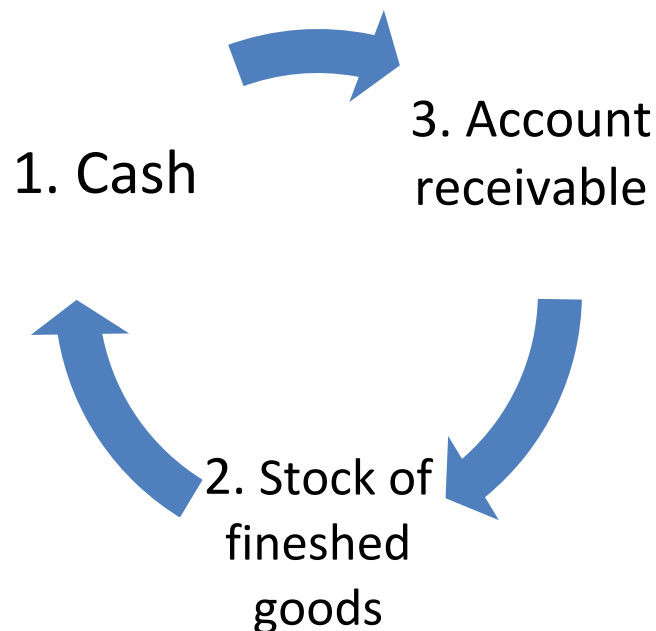
1. Conversion of cash in to Raw materials
2. Conversion of Raw materials in to work in process.
3. Conversion of work in process into finished goods
4. Conversion of finished goods into debtors and bills-receivable through sales.
5. Conversion of debtors and bills receivables into cash.

Rajhans sangh produce or manufacture various types of byproducts. And milk procession is the main of this plant. So above is the 'Rajhans' manufacturing operating cycle. And it also trade or sell their products to other states so, they have also a trading cycle. Which show below.

The operating cycle of a trading firm

- I. Cash into inventories
- II. Inventories into account receivables
- III. Account receivables into cash

Therefore, in case of a “trading firm” the operating cycle will include the length of time required to convert inventories in to cash



Operating cycle of a trading firm

Capital / finance are graded as life blood of any enterprise. Therefore the significance of working capital in an enterprise lies in the fact this circulation has to be properly regulated in the business. Because any over circulation may create problems just as improper blood circulations called high or low blood pressure in the human body may create problems.

The working capital composed of 2 parts –

1. Regular or fixed working capital.
2. Variable working capital.

The amount, which is needed of course, at short intervals to invest again and again in current assets, is regularly or 'fixed working capital'. In fact this investment is irreducible minimum and remains permanently sunk in the enterprise. The other parts of the working capital may vary due to the fluctuations rise or fall in the volume of business. Hence it is called variable working capital.

SOURCES OF WORKING CAPITAL

The two segments of working capital regular or fixed or permanent and variable are financed by the long term and the short-term sources of funds respectively. The main sources of Long-term funds are shares, debentures, and term loans retained earnings etc. the sources of short-term funds used for financing variable part of working capital mainly include the following:

1. Loans from commercial banks
2. Public deposits
3. Trade credit
4. Factoring
5. Discounting bills of exchange
6. Bank over draft
7. Cash credit

1. Loans from commercial banks :-

Small-scale industries can raise loan from the commercial banks with or without security. This method of financing does not require any legal formality except that of creating a mortgage on the Assets. Loan can be paid in lumps sum or it parts. The short-term loans can also obtain from Banks on the personal security of the directors of a company. Such loans are called "clean and advances" it is considered as one of the cheaper source of financing working capital requirement.

2. PUBLIC DEPOSITS :-

Often companies find it easy and consentient to raise short-term funds by inviting the Shareholders, employees and general public to deposit their savings with the company. It is a simple method of raising funds from the public for which the company has only to advertise and inform the public that it is authorized by the companies Act to accept the deposits. The companies can raise the public deposit subject to a maximum of 25% of their paid up capital free reserves.

3. TRADE CREDIT :-

Just as the companies sell all its goods on credit, they also buy the raw materials, components and other goods on credit from their suppliers. Thus outstanding amounts payable to the supplier's i.e. trade creditors for credit purchases are referred as sources of finance. Generally suppliers grant the credit to their claims for a period of 3 to 6 months.

4. FACTORING :-

Factoring is a financial service designed to help firms in managing their books debts and receivables in a better manner. The book debts and receivables are assigned to a bank called factor and cash is realized in advance from the bank. For rendering these services, the fee or commission charged is usually a percentage of the sale of the book debts and receivable factored. This method of raising short-term capital is known as 'factoring'. The factoring is very helpful financial service to both the suppliers companies and purchasing company.

5. DISCOUNTING BILLS OF EXCHANGE :-

The buyer of goods generally draws when goods are sold on credit bills of exchange for acceptance. The bills are generally drawn for the period of 3 to 6 months. In practice the writer of the bills instead of holding the bill till the date of maturity prefers to discount them with commercial banks on the payment of a charge known as 'discount'. If a bill is dishonored on maturity, the bank returns the dishonored bill to the company who then becomes liable to pay the amount to the bank.

6. BANK OVERDRAFT :-

Overdraft is a facility extended by the banks to their current account holders for a short term generally for a week. A current account holder is allowed to withdraw from its current deposit account up to a certain

limit over the balance with the bank the interest is charged only on the amount actually overdrawn.

7. ADVANCES FROM CUSTOMERS :-

One way of raising funds for short-term requirement is to demand for advance from one's own customers. Examples of advances from the customers are advances are the time of booking of car a telephone connection flat etc. this has become an increasing popular pays source of short-term finance the companies.

RESEARCH METHODOLOGY

Research objectives

1. To study & analyze the concept of working capital
2. To study the operating cycle
3. To study different ratio related to working capital

With a view to achieve the objectives data and information for the study are collected from both primary and secondary sources.

Primary data:

The primary data was collected from the discussions with the concerned officers and staff of the organization.

Secondary data:

8. Referred standards tests and reference books for collecting the information regarding the theoretical aspects, of the topic.
9. Annual reports and other magazines published by the company are used for collecting the required information.

The data have been collected from the both primary and secondary sources. The primary data was collected by the technique of interview method, with the officials of the organization. The data thus collected is about the history and accounting policies of the organization.

The study is based on the secondary data. The methodology adopted for the study is completely analytical. Inferences are made with the help of ratio analysis and statement of changes on working capital. The methodology thus collected is about the history and accounting policies of the organization.

However the entire study was based on the secondary data which is collected from the books. Records annual reports, I journals and profiles of the organization

Plant Profile

1. Name: -

Sangamner Taluka sahakari Dudh utpadak and prakriya sangh ltd.

2. Area: -

Amrutnagar, Ghulewadi, Sangamner Tal. Sangamner, Dist. Ahmednagar

3. Founder: -

Sahakar Maharshi Bhausahab Santuji Thorat.

4. Chairman :-

Mr. Bajirao Khemnar

5. Managing Director :-

Mr. Prataprao Janardan Ubale

6. General Manager (finance) :-

Mr. Ganapatrao Shinde

7. Bank Representative :-

Mr. Ramdas Wagh

8. Number of Directors :-

16

9. Workers :-

More than 800

Ratio Analysis for the year of 2009-2010

1. Current Ratio –

Current ratio indicates the solvency of the business. i.e. abilities to meet liabilities of the business as and when they fall due.

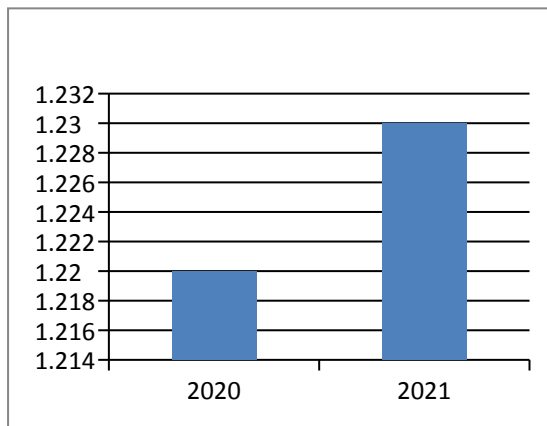
Formula: - Current Ratio = Current Assets/ Current Liabilities

Current Ratio of 2020 = $328631729/269222747$

Current Ratio = 1.22

Current Ratio of 2021 = $387129049/313728251$

Current Ratio = 1.23



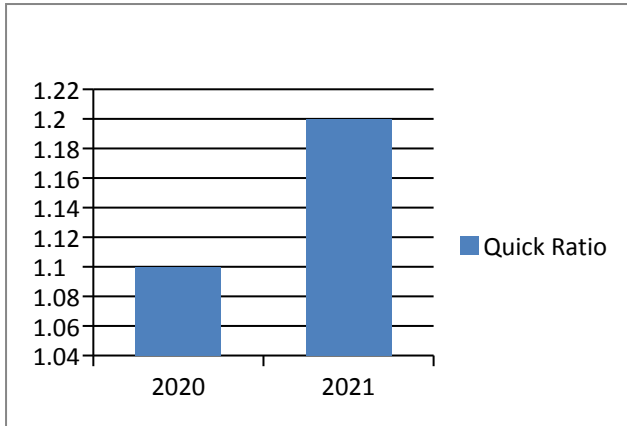
2. Quick Ratio = Quick Asset/Quick Liabilities

Quick Ratio 2020 = $320916063/269222774$

Quick Ratio = 1.19

Quick Ratio 2021 = $379585238/313728251$

Quick Ratio = 1.20



3. Proprietary Ratio –

It is primarily the ratio between proprietor's funds and total assets. It indicates the strengths of the funding of the company

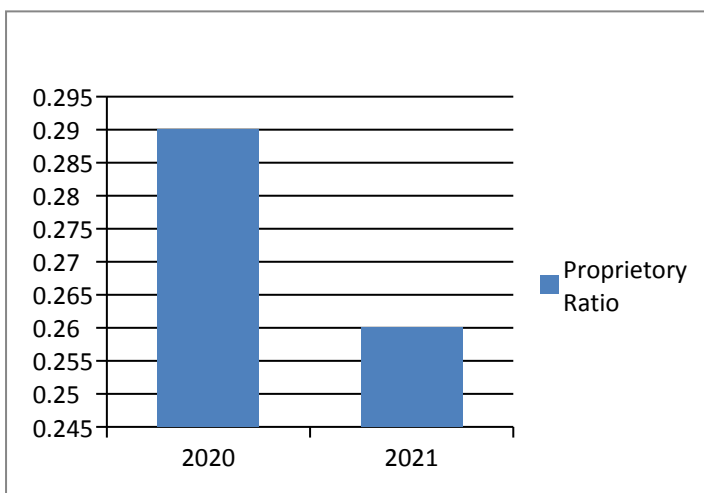
$$\text{Proprietary Ratio} = \text{Proprietors Fund} / \text{Total Asset}$$

Proprietary Ratio 2020 = $200000000 / 667213323$

Proprietary Ratio = 0.29

Proprietary Ratio 2021 = $200000000 / 749355365$

Proprietary Ratio = 0.26





Findings

1. The current Ratio shows very high during the period under the study but current Ratio is high in the year 2020-2021 as compared to 2019-2020. The Standard is 2:1 The current Ratio in 2020 i.e. 1.22 and in 2021 is 1.23 The plant cannot maintain this standard
2. Current ratio in 2021 is higher because the current Assets are higher in this year.
3. The working capital of this plant is higher in 2021.
4. The quick ratio maintains the standard that is 1:1 so this plant obtain 1:1 standard.



Limitations of the study

- For the preparation of this report, time limit is biggest problem. Because the project report is to be completed within stipulated time.
- At the time of training, people concerned with organization are very busy in routine work so we get brief idea of functioning of the organization.
- The policy of the company to make some secrets also effect on total quality of the project.
- The conclusion made is as per my limited understanding for this concerned subject.

Bibliography

1. Books

- Management Accounting –Dr. Mahesh Kulkarni
Dr. Suhas Mahajan
- Research methodology - Dr. Kirti Gupta

2. Website

www.rajhansmilk.com

www.google.com

3. Annual Report of Milk Plant

MISSION

We endeavor to reach the leadership position in Dairy Industry.

We are committed to satisfy our customers by providing Quality Products.

Continuous improvement by giving value added returns on their investment

We commit ourselves to continuous growth, so as to fulfill the aspirations of our

Farmers, Customers, Employees and Shareholders and all people related to the dairy

VISION

Innovate with Quality, Grow at speed of light, Serve with passion and Excel with ethics

QUALITY POLICY

We will remain consistently competent to provide updated technical resources and necessary support facilities to production of milk products. We will continuously improve the effectiveness of implemented quality management system & food safety management system based on international standard



Company Profile





Sangamner Taluka Sahakari Dudh Utpadak And Prakriya Sangh Ltd “ Rajhans Milk” was incorporated in Sangamner in 1977 .

The Cooperative movement in agriculture farming was took place in Maharashtra after independence. Our very own Sahakar Maharshi Hon. Let Bhausahab Santuji Thorat, a senior social and political leader, banker, freedom fighter and doyen of co-operative movement determined to improve the quality of our life. The founder comes from a humble farming family with immense hard work and vision he has made himself an institution by himself.

Rajhans Milk Dairy is with committed vision to procure surplus milk from the farmers to produce value-added dairy products through superior technology. The dairy is fully integrated dairy with processing capacity of 2 lakh liters of milk per day. There are various quality products produced in the dairy.



Background

Sangmaner_taluka cooperative milk, producers and processing union limited was organized at sangamer(Ahemdnager) in the fag end if 1977 by late Bjausaheb santuji Thorat with any objective of improve standard of living of local farmers, landless laborers, and economically weaker section of the society through clairy farming. Total Dairy 30% is collected by cooperatives. Among cooperative, the union collect is 35% of 7 lakh liters.

There are a many private dairies (Prabhat, Ashok, Sanjivini, Mouli, Nigernewar, ect.)having operations in the district.

Milk producers of sangamer taluka are firm be livers in cooperative philosophy, values,and principles. Union is under the umbrella of Amurtvahini, ayurved college, sugar factory and cooperative bank. A working in the area in those days. Union started collection from 28 primary societies and 1500 liers and supplied to government milk scheme at Nasik and Ahmednager through rented vehicles. Government dairy was taken on lease in 1994 and subsequently purchased the plant in 2002 having 30 acres of land at a price of Rs.2 crores. It was marketing 25000 liters of milk\day in maharashtra Gulbarga, ect. In 1994.

- Type of Working Capital :-

- **GROSS WORKING CAPITAL:**

The terms 'gross working capital' refers to the firm's investment in current asset. According to this concept working capital refers to a firm's investment in current asset. The amount of current liabilities is not deducted from total of current asset.

- **NET WORKING CAPITAL:**

The term 'net working capital' refers to the excess of current assets over current liabilities. It refers to the difference between current assets and current liabilities the net working capital is a qualitative concept which indicates the liquidity position of a firm and the extent to which working capital needs may be financed by permanent source of fund.

The 'positive net working capital' represents the excess of current assets over current liabilities.

The net working capitals turn to be negative when current liabilities are exceeding the current asset. The negative 'working capital' position will adversely affect the operations of the firm and its profitability.

Working capital is also to of permanent and temporary working capital.

- **Permanent working capital:**

It refers to that minimum amount of investment in all current assets which is required at all times to carry out minimum level of business activities.

Temporary working capital:

The amount of such working capital keeps on fluctuating from time to time on the basis of business activities

- **Negative working capital:**

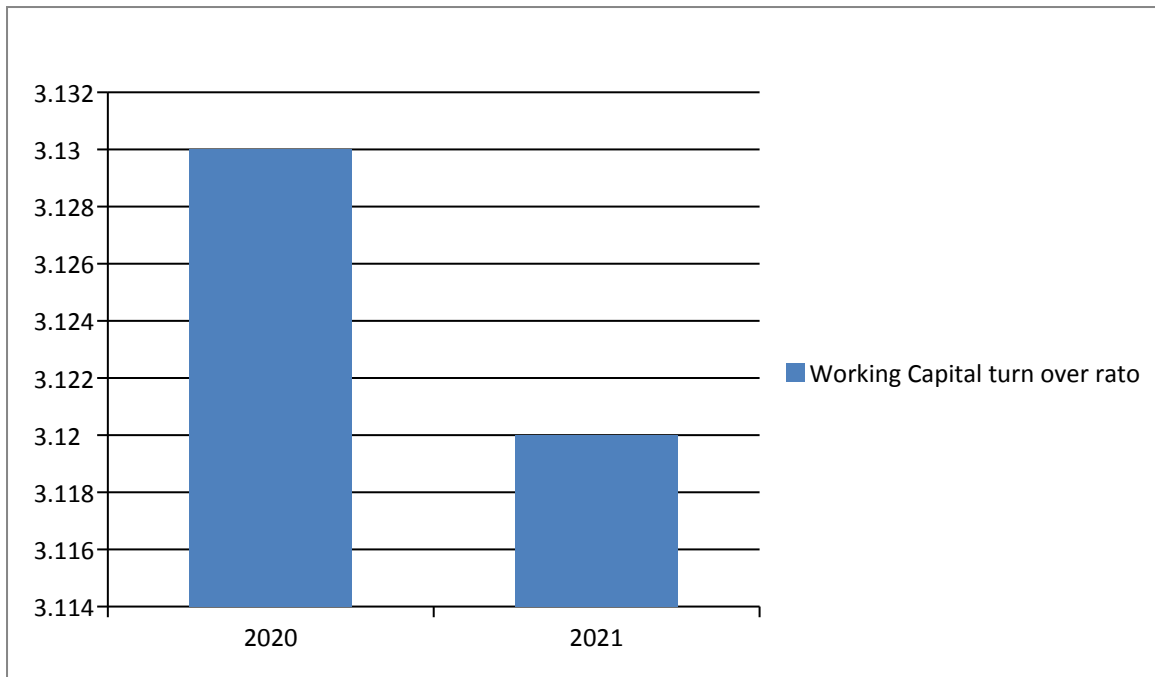
When current liabilities exceed current asset, negative working capital emerges. Such a situation occurs a firm is nearing a crisis of serious magnitude.

4) Working Capital Turnover Ratio:

This ratio helps to measure the efficiency of utilization of net working capital. It signifies that for an amount of sale, a relative amount of working capital is needed. If any increase in sales is contemplated, working capital should be adequate and thus , this ratio helps management to maintain the adequate level of working capital.

Working capital turnover ratio= Net sales/working capital

Year	Net Sales	Working capital	Ratio
2019-20	185643256	59408982	3.13times
2020-21	229311813	73390798	3.12times



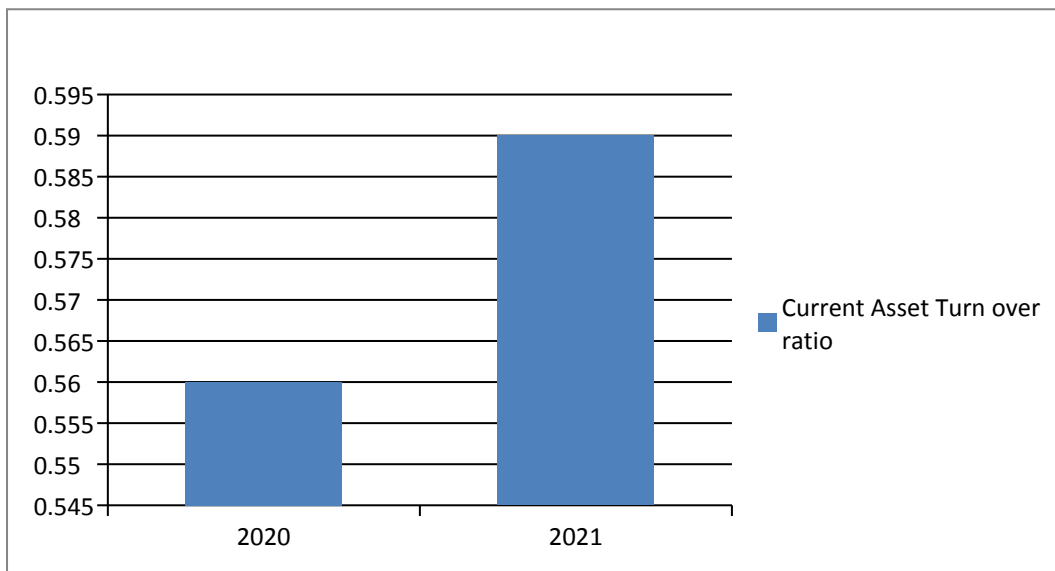
5) Current Asset Turnover Ratio:

A higher current asset turnover ratio indicates capability of organization to achieve maximum sales within minimum investment in current asset. It indicates that current assets are turned over in the form of sales more number of times. Higher current asset turn over ratio better will be the situation.

$$\text{Current Asset Turnover Ratio} = \text{Net Sales} / \text{Current Asset}$$

(Rs. In Crores)

Year	Net Sales	Current Assets	Ratio
2019-20	185643256	328631729	0.56
2020-21	229311813	387119049	0.59



Suggestion

1) Working Capital:

- Milk Dairy is a full year industry. Hence their working capital requirement is very high but last year company has decreased their working capital. To improve the

working capital, the milk Dairy should try to approaches to improve the working capital

2) Quick Ratio:

- The ratio should be 1:1 when the ratio goes below 1:20 it is high calculated ratio this ratio must be 1:1. It means the quick assets are equal to current liabilities. In the last year milk Dairy ratio is greater than 2. Thus it is required to improve.

3) Current Asset Turnover Ratio:

The milk Dairy should maintain their Current Asset Turnover Ratio. First year ratio is less than 0.56 Hence it means not sufficient sale. Milk Dairy should maintain their sales level. Milk Dairy should careful about the market condition, government policy.



Conclusion

To conclude I would like to mention here that this project work out is very helpful to me. This is a unique opportunity to discuss the concept of text book with an organization. This is provided a break through to apply theoretical knowledge in practical corporate word. And this experience will be helpful for future performing.

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Executive Summary

Rajhans milk production 🌟

❖ **Introduction :-**

Sangamner Taluka Sahakari Duddh Utpadak

& Prakriya Sangh Ltd., Sangamner, Tal. Sangamner, Dist. Ahmednagar has been registered under.No.ANR/PRD/A/270 ondt.12/11/1977. It is registered for milk collection, processing, making by products are marketing, for this union has developed related activities are per requirement. The union is an outcome of the ardent desire of Sahakar Maharshi Shri. Bhausahab Santuji Thorat to provide employment in order to uplift the financial conditions of the farmers in the talukas at present Shri. Bajirao Patil Khemnar is the chairman of this union

The river Pravara flows through the mid line of the Taluka. There are some Co-op and individual lift irrigation schemes on Pravara, Mhalungi and Adhala River. West to Sangamner is the major source of lift irrigation, which covers 50% area, and rest of the 50% always facing to drought.

The co-operative movement in agricultural farming was started under inspiration of our first Chief Minister late Shri. Y. B. Chavhan and with the success of green revolution late Mr.V.P.Naik. Assured base prices for not only agricultural commodities but also for the milk. With this assurance, the programme of crossbreeding was launched under the joint efforts of late Mr. Annasaheb Shinde, Ex. Agriculture Minister Govt. of India, Maharashtra Government, Bharatiya Agro Industries Foundation at Urali Kanchan and Mr. Bhausahab Thorat, Freedom Fighter and senior co-operative leader who is the founder of the Union.

With this background, Sangamner Taluka Sahakari Dudh Utpadak & Prakriya Sangh Ltd. has been started on 12/11/1977 initially only 1500 liters per day of milk was collected through 3 milk routes covering only 19 co-operative milk societies. Since its inception, union has definite goal to provide gainful employment through dairy farming and cross breeding. The programme envisaged providing technical service to the farmers at their door step by starting cross breeding (A.I.) centers in the rural areas using frozen semen of proven sires, by these efforts the best cows were produced under the local agro climatic conditions which were more suited than the purchased cows from other countries/states, for this milk union took the B.A.I.F's technical support and established centers under self employment scheme for which inputs like semen, liquid nitrogen, containers were made available. Milk union took the fodder development programme also and thus every milk producer produces fodder for his own requirement and also for sale, while in the dry area the milk producers use dry fodder as well as concentrates for milk production. Union has supplied 350 chaff cutters to milk producers on subsidy and installment system.

After working for 25 years, total milk production of our union is 2 lakhs liter per day today 215 primary dairy co-operative societies are established. This milk is collected from about 30000 milk producers with help of 50 hired vehicles through 50 routes. Sangh has established own ice plant having capacity of 40 tons per day in year 1984. We are also organizing training programme. Work campaigns cattle camps and calf rallies giving prizes to the progressive farmers and to the crossbreed calves and cows.

Initially Sangamner milk union was supplying milk to the Government milk Schemes Akole, Ahmednagar and Nashik covering distance 24100 and 70 km. respectively. Due to the long distance, the spoilage of milk

was more in summer season that is why it was felt necessary to have a processing plant at Sangamner.

Accordingly, this union made the efforts and as a result Maharashtra Government, has established processing plant having capacity 100000 liter. Per day during the year 1988. This was handed over to our milk union on DT. 20/08/1994 on lease basic @ Rs. 300000 per year by efforts of Hon. Bhausahab Thorat and Hon. Minister Balasahab Thorat.

The Dudh sangh is marketing its milk products under the name and style "Rajhans Milk". The market distribution is already established though out the Maharashtra, Gujarat, and Karnataka. Due to huge inquiries from the customers, dealers for mineral water the Sangh decided to set up Mineral Water Project.

In addition, Sangh had requirement of bacteria free, pesticide free and insecticide free water for bacteria free milk and milk products as well as for the boiler and cooling condenser coils. The processed treatment water can be used for the above purpose and rest will be packed in pouch and bottles. Due to this, the cost of manufacturing will be low. In addition, the transportation and distribution is already available with the sangh. The total area of plant is 12 Acre & 850 workers work in same industry. The manufacturing process of milk & products as under.

❖ Manufacturing process:-

- Collection of milk :-

There are in every village in Sangamner tahasil having dairy for collection of milk. In that dairy they accept milk from farmer. For quality criteria they only accept above 3.5 fat milk otherwise they not accept milk. They used bulkular system for milk should not spoil. After collection of milk they kept it in instant child because some dairies are at long distance from Rajhans milk process. Then they collect that milk from all their dairies & brought in Rajhans milk process for processing & packing in big tanker. In their industry they store that milk in fridge.

- Milk checking process :-

In this process they unload can or milk tanker by the help of rack carrier they they checked every tanker of milk if that water becomed spoil then it separate & send to byproduct process i.e. for making shrikhand, lassie etc. & from high fated & good quality milk they separate milk cream from milk & made from it byproduct like pedha then milk kept in contact of ammonia & then it child out & then send to next process.

- Homorisation process :-

In this process milk put in big tank & then passes it homorisation process. For this process they import homorisation machinery from Japan. In this homorisation process maintain fat up to 30% & distribution in two micron. After homorisation process milk becomes white in color.

- **Parsharisation process :-**

In this process they give heat by the help of steam as a media of metal pipe. They give heat to that milk 72° c & then cooled that milk after some time & sending for child. This parshrisation process should used for destroy path bacteria from milk.

- **Micron packing :-**

In this process there are role of micron plastic roles of PPE. Then milk fills up in that plastic role & then packed it by the help of coil. They packed it milk in 100ml, 250ml, 500ml & 1 liter's pack. In this process they packed 5000 liter milk per hour & after packing it packed in caret, in each caret they put 25-30 bag of milk. After that load that milk in tempo & send towards customer.

- **Marketing of milk :-**

Marketing of their milk is 100% in Maharashtra. They appoint their dealer in Pune, Mumbai, Surat, and Latur as well as nearest cities of Sangamner.

They apply in their milk industry Hazard analysis critical control point criteria for their milk marketing & also apply SAP i.e. System Application Product for outer final goods.

✪By products of Rajhans milk✪



- **Shrikhand:-**

Buffalo Milk heated to boil for 5 minutes and then cooled to 42^{0c} then started culture is added. The same is left for six hours and the cured obtained hang for six hours. The Chaka obtained is mixed with sugar in a big mixer for 15 minutes. Then spices, cardamom is added to it and packed in the different size cup and then sealed and kept in Refrigeration condition then sold.

- **Paneer:-**

Milk is heated to 85^{0c} and cooled 80^{0c}. Then citric acid is added. Stir slowly for 1 minute then the total residue is poured in a muslin cloth and kept under 60 Kg press for 30 minutes. Then the brick of Paneer is kept in the chilled water for 1 HR. Then is cutter into pieces and packed for marketing.

- **Sterilized Flavored Milk:-**

Milk is standardized to double toned milk fat and is pasteurized then sugar and essence, color is added. The mixture is then filled in 200 ml-size glass bottle and sealed in cork machine. Then bottles kept in sterilizer and heated to 120^{0c} for 20 min. Then cooled at room temp and ready for sale.

- **Ghee:-**

The cream separated from milk and heated to 108^{0c} or until total moisture is removed. Then it filtered in trough filleting machine and packed in different bag and ready for market.

- **Lassi:-**

Milk is pasteurized to 80^{0c} for 17 second and cooled to 42^{0c} starter culture is added to it kept for six hours. Add sugar to it mix it thoroughly and homogenize it. Then the curd is pasteurized, essence is added and packed in 200 ml packet and ready for market.

- **Pedha:-**

Milk is heated in khoa machine to the stage khoa stage, sugar is added and again heated to remove moisture then velchi, and badam etc added and mixed thoroughly and is given with the help of mould. The pieces are packed in box and ready for sale.

- **Chees:-**

Milk is pasteurized to 80^oc for 17 second and cooled to 42^oc starter culture is added then it incubate 6 hours then the curd formed is mixed and homogenized then it pasteurized, salt is added and packed in 250ml, 500ml packets and stored under refrigeration and ready for market.



Rajhans INFRASTRUCTURE

Rajhans Dairy plant:-

Is the one of the most modern units in Maharashtra, with the latest technology on avail at Sangamner.

The plant has a milk processing capacity of 2 lakh lit. milk/per day and it is operating to its full efficiency. In addition to this we have separate facility for R & D and Quality management dept. with full fledge latest instruments & devices.

Our plant is strategically located in the proximity of green zone with ample of water. There are more than 30,000 farmers who are regular supplier of milk to our dairy.

To ensure the quality of milk, Rajhans Milk dairy has set up hundreds of bulk milk coolers spread over 75 villages. We are running our own as well as hired transportation system of milk vans which are always on work to collect the milk from various parts of Ahmednagar district.

To educate the milk suppliers, our team of Veterinary doctors and dairy farming professionals demonstrate and create awareness about cattle and milk management.

Our Organization: -

Will soon run on world class **SAP ERP**. The management has taken this decision to improve the efficiency and performance of the business in every aspect which will definitely end up with great returns on investment with larger profit margins and big market share.

This SAP implementation is first kind of innovation in the cooperative dairies in all over India. Pune based Flink Technologies (I) Pvt. Ltd is working as a implementation partner with Rajhans to create history in the cooperative dairy segment

Rajhans Aqua plant:-

Is established in 2004 which are catering to thrust of several people from Maharashtra, Goa, Gujarat & Karnataka. The plant is again fully automatic running by latest machinery from world class companies.