

**“A STUDY OF FINANCIAL PERFORMANCE WITH REFERENCE TO
DAKSHINA KANNADA CO-OPERATIVE MILK PRODUCERS’ UNION
LTD. KULSHEKAR”**

Submitted by

Mr. RACKSON RICKY RODRIGUES

USN: 4AL18MBA53

Submitted to



VISVESVARAYA TECHNOLOGICAL UNIVERSITY, BELGAVI

In partial fulfilment of the requirements for the award of the degree of

MASTER OF BUSINESS ADMINISTRATION

Under the guidance of

Internal Guide

**Mrs. Maithri
Senior Lecturer
PG Department of Business Administration
AIET, Mijar**

External Guide

**Mr. Vasudev Bhat
Assistant Manager
DKMUL, Kulshekar
Mangalore**



**PG DEPARTMENT OF BUSINESS ADMINISTRATION
ALVA'S INSTITUTE OF ENGINEERING AND TECHNOLOGY
SHOBHAVANA CAMPUS, MIJAR, MOOBBIDRI**

July-2020

DKMU



ದಕ್ಷಿಣ ಕನ್ನಡ ಸಹಕಾರಿ ಹಾಲು ಉತ್ಪಾದಕರ ಒಕ್ಕೂಟ ನಿಯಮಿತ, ಮಂಗಳೂರು - 575 005
Dakshina Kannada Co-operative Milk Producers' Union Limited



REG.NO.J.R.M./1/JMC/86-87 DT.8-5-86

No: DKMU/ADMN/ 8939 /2019-20

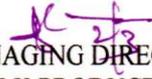
Date: 02.03.2020

CERTIFICATE

This is to certify that Mr.Rackson Ricky Rodrigues USN:4AL18MBA53 student of Alva's Institute of Engineering And Technology, Mijar has undertaken Project work on "A Study on Financial Performance analysis " with reference to Dakshina Kannada Milk Union Limited, Mangalore from 03.01.2020 to 17.02.2020.

During the Project Work training, he has done the work sincerely. His conduct is good.

We wish him bright future.


MANAGING DIRECTOR
D.K. CO-OP. MILK PRODUCER'S UNION LTD.,
MANGALORE



ಕುಲಶೇಖರ, ಮಂಗಳೂರು - 575 005

KULSHEKAR, MANGALORE - 575 005

Phone-Admn. : 2232048, P&I : 2230042, Dairy : 2231446,

Mktg : 2230326, Fin : 2232260, Pur : 2232682,

Security : 2231308, Manipal Dairy : 2570104/2575948

Fax : 0824 - 2230029

E-mail : mddkmul@gmail.com

dkmul@sancharnet.in

Website: www.dkmul.com



ALVA'S INSTITUTE OF ENGINEERING AND TECHNOLOGY

A Unit of Alva's Education Foundation (R)
(Affiliated to Visvesvaraya Technological University, Belagavi
Approved by AICTE, New Delhi & Recognised by Government of Karnataka)
Shobhavana Campus, Mijar, Moodbidri - 574 225, Mangalore, D.K., Karnataka State.
Phone : 08258-262724 (O), 262725 (P), Telefax:08258-262726
Email : principalaiet08@gmail.com, Web:www.aiet.org.in

24 June 2020

CERTIFICATE

This is to certify that **RACKSON RICKY RODRIGUES** bearing USN **4AL18MBA53**, is a bonafide student of PG Department of Business Administration of Alva's Institute of Engineering and Technology, Mijar, affiliated to Visvesvaraya Technological University, Belagavi. The project report on "**A STUDY OF FINANCIAL PERFORMANCE WITH REFERENCE TO DAKSHINA KANNADA CO-OPERATIVE MILK PRODUCERS' UNION LTD. KULSHEKAR**" is prepared by him under the guidance of Mrs. Maithri, Senior Lecture, PG Department of Business Administration in partial fulfillment of the requirements for the award of the degree of Master of Business Administration of Visvesvaraya Technological University, Belagavi, Karnataka.


Mrs. Maithri
Signature of Internal Guide


Dr. Claret Mendonca
Signature of HOD

DEAN
Dept. of Business Administration
Alva's Institute of Engg. & Technology
MIJAR - 574 225


Dr. Peter Fernandes
Signature of Principal
PRINCIPAL
Alva's Institute of Engg. & Technology,
Mijar, MOODBIDRI - 574 225, D.K.

DECLARATION

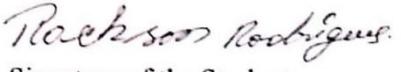
I, **RACKSON RICKY RODRIGUES** Reg. No.(4AL18MBA53), hereby declare that the Project report entitled **"A STUDY OF FINANCIAL PERFORMANCE WITH REFERENCE TO DAKSHINA KANNADA CO-OPERATIVE MILK PRODUCERS' UNION LTD. KULSHEKAR"** prepared by me under the guidance of Mrs. Maithri, Senior Lecturer, PG Department of Business Administration, Alva's Institute of Engineering and Technology-Mijar and external assistance by Mr. Vasudev Bhat Assistant Manager (Finance Dept.), Dakshina Kannada Co-operative Milk Producers' Union Limited.

I also declare that this project work is towards the partial fulfillment of the university regulations for the award of degree of Master of Business Administration by Visvesvaraya Technological University, Belgaum.

I have undergone a summer project for a period of six weeks. I further declare that this project is based on the original study undertaken by me and has not been submitted for the award of any degree or diploma from any other university or institution.

Place: Moodbidri

Date:27/05/2020


Signature of the Student

ACKNOWLEDGEMENT

I would like to thank God Almighty for his choicest blessings. The project work entitled “A STUDY OF FINANCIAL PERFORMANCE WITH REFERENCE TO DAKSHINA KANNADA CO-OPERATIVE MILK PRODUCERS’ UNION LTD. KULSHEKAR” would not have been completed if not for the motivation, encouragement and guidance that I have received from many in my endeavor. I take this opportunity to express my heartfelt appreciation and gratitude to all those who were involved in giving a final shape to this project report.

At the outset, I wish to convey my heartfelt thanks to VTU for giving me an opportunity to pursue this project work in partial fulfilment of my MBA course. My sincere thanks to Mr. Vivek Alva, the Managing Trustee AEF, for his constant encouragement. I thank Dr. Peter Fernandes, Principal of AIET and Dr. Claret Mendonca, Head of P G Department of Business Administration for their continued support.

I would like to extend my profound gratitude to my project guide Mrs. Maithri, Senior Lecturer, P G Department of Business Administration for encouraging me to take up this study and for her valuable guidance and continuous support at every stage of this study. I feel a great sense of gratitude to Mr. Vasudev Bhat (DKMUL) my external guide who gave me an opportunity to do this internship and also for his wonderful guidance which has enabled me to bring out this work successfully.

I am thankful to my parents and friends for their valuable guidance, support and help during my project. Any accomplishment requires the efforts of many people. I am indebted to the management and the staff of Dakshina Kannada Co-Operative Milk Producers’ Union Ltd. for extending their support and co-operation in collecting data for my project report.

TABLE OF CONTENTS

Chapter No.	Particulars	Page No.
	Executive Summary	
1.	Introduction	1-15
2.	Conceptual Background and Literature Review	16-25
3.	Research Design	26-29
4.	Data Analysis and Interpretation	30-53
5.	Findings, Suggestions and Conclusion	54-56
	Bibliography	57-59
	Annexure	60-63

Abbreviations

KMF

DKMUL

LIST OF TABLES

Table No.	Particulars	Page No.
1.1	Table Showing Board of Directors	5
1.2	Table Showing Popular Dairy Brands State-Wise	11
1.3	Table Showing Awards and Certifications	14
1.4	Table Showing Balance Sheet as on 31/03/2017-31/03/2019	15
4.1	Table Showing Current Ratio	32
4.2	Table Showing Quick Ratio	33
4.3	Table Showing Proprietary Ratio	34
4.4	Table Showing Debtor Turnover Ratio	35
4.5	Table Showing Debtor Collection Period	36
4.6	Table Showing Assets Turnover Ratio	37
4.7	Table Showing Inventory Turnover Ratio	38
4.8	Table Showing Fixed Assets Turnover Ratio	39
4.9	Table Showing Creditor Turnover Ratio	40
4.10	Table Showing Creditor Payment Period	41
4.11	Table Showing Gross Profit ratio	42
4.12	Table Showing Net Profit Ratio	43
4.13	Table Showing Comparative Analysis of Balance Sheet for the Year 2015-2016	45
4.14	Table Showing Comparative Analysis of Balance Sheet for the Year 2016-2017	46
4.15	Table Showing Comparative Analysis of Balance Sheet for the Year 2017-2018	47
4.16	Table Showing Comparative Analysis of Balance Sheet for the Year 2018-2019	48
4.17	Table Showing Sales Trend	50
4.18	Table Showing Trend in Cost of Goods Sold	51
4.19	Table Showing Gross Profit Trend	52
4.20	Table Showing Net Profit Trend	53

LIST OF GRAPHS

Chart No	Particulars	Page No
4.1	Graph Showing Current Ratio	32
4.2	Graph Showing Quick Ratio	33
4.3	Graph Showing Proprietary Ratio	34
4.4	Graph Showing Debtor Turnover Ratio	35
4.5	Graph Showing Debtor Collection Period	36
4.6	Graph Showing Assets Turnover Ratio	37
4.7	Graph Showing Inventory Turnover Ratio	38
4.8	Graph Showing Fixed Turnover Ratio	39
4.9	Graph Showing Creditor Turnover Ratio	40
4.10	Graph Showing Creditor Payment Period	41
4.11	Graph Showing Gross Profit Ratio	42
4.12	Graph Showing Net Profit Ratio	43
4.13	Graph Showing Sales Trend	50
4.14	Graph Showing Trend in Cost of Goods Sold	51
4.15	Graph Showing Gross Profit	52
4.16	Graph Showing Net Profit	53

EXECUTIVE SUMMARY:

Milk plays an essential part of the human health and diet. India is the one of the biggest milk producers in the world. Dairy unions form a significant livelihood of for farmers. In India, almost 70% of the population are involved in agriculture. Dairy farming is a class of agriculture for long-term production of milk, which is processed (either on the farm or at a dairy plant, either of which may be called a dairy) for eventual sale of a dairy product.

Financial analysis is the process of valuation of the relationship between components of the monetary statement to obtain a understand the firm's fiscal position and economic viability of the company. The explanation of the analysis of statement of finance is necessary to uncover the mystery behind the numbers in financial statement. Financial statement analysis detects the weakness and strength of the company by corelating the items of balance sheet and profit and loss account. The strategies that are to be made in the future should be based on firm's financial activeness and weakness. Information would be gathered through records from the finance department, and techniques used are trend analysis and comparative statement and ratio analysis.

Firstly, introduction of information regarding the company and the topic, the company profile, product profile, vision and mission statement, achievements and SWOT Analysis are made. Then, statement of problem, objective of the study, scope, methodology, various tools used for data collection and limitation of the study is discussed. Subsequently, a detailed study is made on conceptual background of financial performance analysis. Analysis and interpretation is done on the basis of information gathered from the company. Finally, the suggestion to overcome the drawbacks involved in the project on the basis of the analysis made in the organization.