

**INTERNSHIP REPORT ON**

**BASF INDIA LTD**

Submitted by

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**4AL21BA037**

Submitted to



**VISVESVARAYA TECHNOLOGICAL UNIVERSITY, BELAGAVI**

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

**MASTER OF BUSINESS ADMINISTRATION**

Under the guidance of

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**HR, BASF INDIA LTD.**



**ALVA'S INSTITUTE OF ENGINEERING & TECHNOLOGY**

**MIJAR, MOODBIDRI,**

**2022-2023**



We create chemistry

BASF India Limited, Mangalore, India

Date 21<sup>st</sup> November, 2022  
Name Santhosh Pal  
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Subject Certificate

### C E R T I F I C A T E

This is to certify that Ms. Jyothi Meghashree K ,(USN 4AL21BA037) Second year MBA, a student of Alvas Institute of Engineering and Technology, Moodbidre has completed her Internship in our company for a period of 4 weeks from 20.10.2022 to 21.11.2022.

She was disciplined and showed keen interest in her training besides being regular and punctual.

We wish her all success in her future endeavours.

(Santhosh Pal)  
Human Resources – Mangalore Works

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# ALVA'S INSTITUTE OF ENGINEERING & TECHNOLOGY

(A Unit of Alva's Education Foundation @ Moodbidri)

Affiliated to Visvesvaraya Technological University, Belagavi

Approved by AICTE, New Delhi & Recognised by Government of Karnataka


Accredited by NBA (CSE & ECE)

DATE: 30/01/2023

## CERTIFICATE

This is to certify that **JYOTHI MEGHASHREE K** bearing USN **4AL21BA037**, is a bonafide student of Master of Business Administration program of the Institute (2021-23) affiliated to Visvesvaraya Technological University, Belagavi.

The Internship report on "**BASF INDIA LTD., MANGALORE**" is prepared by her under the guidance of **Mr. Guruprasad Pai**, Assistant Professor, PG Department of Business Administration in partial fulfillment of the requirements for the award of the degree of Master of Business Administration, Visvesvaraya Technological University, Belagavi, Karnataka.

  
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## **DECLARATION**

I Jyothi Meghashree K hereby declare that this Organisation Study conducted at BASF India Ltd. is a record of independent work carried out by me under the guidance of Mr Guruprasad Pai, Assistant Professor, MBA department, Alva's Institute of Engineering & Technology, Mijar.

I also declare that this organisation study is towards the partial fulfilment of the university regulation for the award of the degree of Master of Business Administration by Visvesvaraya Technological University, Belagavi.

I have undergone an organisation study for a period of four weeks. I further declare that this organisation study is based on the original study undertaken by me and has not been submitted for the award of any degree from any other University/Institution

## **DISCLAIMER**

The enclosed document is the outcome of a student academic assignment and does not represent the opinions/views of the University or the institution or the department or any other individuals referenced or acknowledged within the document. The data and information studied and presented in this report have been accessed in good faith from secondary sources/web sources/ public domain, including the organisation's website, solely & exclusively for academic purposes, without any consent/permission, express or implied, from the organisation concerned. The author makes no representation of any kind regarding the accuracy, adequacy, validity, reliability, availability or completeness of any data/information herein contained.

Place : Mangalore

Signature of the Student

Date :

(Jyothi Meghashree K)

## **ACKNOWLEDGEMENT**

Writing this industrial visit report happens to be one of the greatest achievements in this phase of my life. Express my heartiest thanks to those who provided me tremendous support to those who provided me tremendous support and making it a useful firsthand experience.

The internship opportunity I had with BASF India Ltd was a great chance for learning and professional development. Therefore, I consider myself as a very lucky individual as I was provided with an opportunity to be a part of it. I am also grateful for having a chance to meet so many wonderful people and professionals who led me through this internship period.

I would like to use this opportunity to express my deepest gratitude to Mr Santhosh Pai, HR of BASF India Ltd, who heartily welcomed me for the internship and guided me through the organizational study.

I would like to convey my heartiest thanks to Mr. Guruprasad Pai, Assistant Professor of MBA, Alva's Institute of Engineering and Technology, Mijar, Who took time to hear, guide and keep me on correct path and allowed me to carry out my organizational study.

I'm privileged to thank our Mrs. Priya Sequeira, HOD of MBA, Alva's Institute of Engineering and Technology, Mijar and I am very much grateful to Dr. Peter Fernandes, Alva's Institute of Engineering and Technology, Mijar.

Last but not the least I would also like to thank towards my parents, friends and benefactors who has helped me directly throughout my Internship.

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## **EXECUTIVE SUMMARY**

As a part of curriculum this organization study was carried out under MBA course offered by VTU, Belagavi.

The internship was done in **BASF INDIA LIMITED** for a period of 4 weeks in order to get exposure of industry and its areas. This internship report describes the background, vision, mission, growth prospects and financial position of the organization. The report gives us the brief knowledge about the core concepts of organization and how it can be applied in real environment in order to achieve the organization goals. The internship report entitled **BASF INDIA LIMITED** has been undertaken with the objective of studying organization as whole. The main objective of the study was to understand their working culture and to know their work flow model.

The Chapter 1 of the internship reports gives brief introduction about the organization and the industry. This organization study report consists of background, nature of business, ownership pattern, SWOT Analysis, McKinsey 7s model, Porter's 5 forces etc. In order to know the strengths, weakness, threats and opportunities that an organization faces SWOT Analysis is done. Porter's five forces analysis is carried out to analyse the operating environment of a competition of a business. These forces include the number and power of a company's competitive rivals, potential new market entrants, suppliers, customers, and substitute products that influence a company's profitability. The McKinsey 7s model identifies seven elements that help organizations to achieve goals and implement change. This organization report also includes analysis of financial statement. It consists of balance sheet and profit and loss statement for 5 years. With the help of financial statement, ratio analysis is done, which includes current ratio, absolute liquid ratio, debt equity ratio etc.

With this view an effort has been made to find out the effectiveness of working culture in an organization. The study on working culture of the organization gives us a brief idea of applying theoretical knowledge in real work environment.



**CHAPTER 1:**  
**INTRODUCTION ABOUT THE ORGANIZATION & INDUSTRY**



-We create chemistry

Chemical manufacture is very important to modern day life. Manufactured chemicals will be present in almost every product that you will use today: from your toothpaste to your nylon jacket, your ballpoint pen to your mobile phone; manufactured chemicals have truly infiltrated our lives. This article is all about the Chemical Industry: a term used to describe the companies who manufacture and process the chemicals that constitute the products that we use.

The largest chemical producers today are global companies with international operations and plants in numerous countries. The leading chemical producer is found to be the BASF Company. The chemical industry is highly multi-national. BASF as a German company has manufacturing plants in the US, UK, China and in many other countries worldwide, as well as in Germany.

### **Chemical Industry**

The **chemical industry** comprises the companies that produce industrial chemicals. Central to the modern world economy, it converts raw materials (oil, natural gas, air, water, metals, and minerals) into more than 70,000 different products. The plastics industry contains some overlap, as some chemical companies produce plastics as well as chemicals.

Chemical industry is a vast industry that incorporates all different types of product producing industries whose generation is based on heavy use of chemicals. Usually, industries that are involved with industrial chemical generation are broadly known as chemical industry. As per the end-products, processes or raw materials associated with chemical industries, such industry can be classified into several classes.

Understanding the huge diversity of chemical producing industries, such chemical industries are usually categorized under broad categories such as inorganic and organic chemical producing industries, fertilizer industries, refining and petroleum industries, electroplating and heat treatment industries, pesticide industries, hydro generated oil/soap industries, and so on. Along with these, sometimes pharmaceutical industries, agricultural product processing industries, chemical processing/supplying industries, etc. are also regarded as specialized chemical industries.

Thus, chemical industry covers a variety of industries which are focused on producing chemicals of different purposes. Understanding these varieties of classes under chemical industry is important, since such clustering helps to design suitable policies, initiatives, and interventions more readily. The variety and extent of such chemical industries are more diverse especially in the developed countries where there are adequate opportunities for industrial growth. The developing countries are not much focused on the growth of their chemical industries since they are already struggle to meet the basic demands of their citizen and to maintain a sustainable economic condition.

Polymers and plastics such as polyethylene, polypropylene, polyvinyl chloride, polyethylene terephthalate, polystyrene and polycarbonate comprise about 80% of the industry's output worldwide. These materials are often converted to fluoropolymer tubing products and used by the industry to transport highly corrosive materials. Chemicals are used in many different consumer goods, and are also used in many different sectors. This includes agriculture manufacturing, construction, and service industries. Major industrial customers include rubber and plastic products, textiles, apparel, petroleum refining, pulp and paper, and primary metals. Chemicals are nearly a \$3 trillion global enterprise, and the EU and U.S. chemical companies are the world's largest producers.

### **BASF Global**

**BASF** is an acronym for Badische Anilin- und SodaFabrik (German for "Baden Aniline and Soda Factory"). It was founded by Friedrich Engelhorn on 6 April 1865 in Mannheim, in the German-speaking state of Baden.

BASF is a German multinational chemical company and the largest chemical producer in the world. It's headquarter is located in Ludwigshafen, Germany.

The BASF Group comprises subsidiaries and joint ventures in more than 80 countries and operates six integrated production sites and 390 other production sites in Europe, Asia, Australia, the Americas and Africa. BASF has customers in over 190 countries and supplies products to a wide variety of industries. Despite its size and global presence, BASF has received relatively little public attention since it abandoned the manufacture and sale of BASF-branded consumer electronics products in the 1990s.

At the end of 2019, the company employed 117,628 people, with over 54,000 in Germany. In 2019, BASF posted sales of €59.3 billion and income from operations before special items of about €4.5 billion. Between 1990 and 2005, the company invested €5.6 billion in Asia, specifically in sites near Nanjing and Shanghai in China and Mangalore in India.

BASF is listed on the Frankfurt Stock Exchange, London Stock Exchange, and Zurich Stock Exchange. The company delisted its ADR from the New York Stock Exchange in September 2007. The company is a component of the Euro Stoxx50 stock market index.

BASF SE (BASF) is a chemical company. It carries out the production, marketing and sales of chemicals, plastics, crop protection products, and performance products. Its product line comprises solvents, adhesives, surfactant, fuel additives, electronic chemicals, pigments, paints, food additives, fungicides, and herbicides. The company serves a wide range of industries including construction, furniture and wood, agriculture, electronics and electrical, paints and coatings, automotive, home care, nutrition, chemicals and others. BASF carries out R&D in alliance with global customers, scientists and partners. The company operates through a network of manufacturing facilities across the world. It has presence in Europe, Asia Pacific, South America, Africa, the Middle East and North America.

BASF operates in a variety of markets. Its business is organized in the segments of Chemicals, Plastics, Performance Products, Functional Solutions, Agricultural Solutions, and Oil and Gas.

BASF's recent success is characterized by a focus on creating resource efficient product lines after completely abandoning consumer products. This strategy was reflected in production by a re-focus towards integrated production sites. The largest such integrated production site is located in Ludwigshafen employing 33,000 people.

BASF built a new chemical complex in Dahej, Gujarat at a cost of \$100 million. This facility has South Asia's first methylene diphenyl diisocyanate (MDI) splitter for processing crude MDI. BASF has 8 production facilities in India.

### **BASF India**

BASF create chemistry for a sustainable future. It combines economic success with environmental protection and social responsibility. BASF has successfully partnered India's progress for over 127 years. In 2019, BASF India Limited, the flagship company of BASF in India, celebrates 75 years of incorporation in the country. BASF India generated sales of around €1.4 billion.

BASF India Limited is a leading transnational company in the Indian chemical industry. The company's portfolio is organized into four segments: Chemicals Performance Products Functional Materials & Solutions and Agricultural Solutions. The products manufactured by the company serve several sectors including agriculture automotive pharmaceuticals construction consumer durables consumer care paper and paints. The Agricultural Solutions business includes products for crop protection like insecticides herbicides fungicides and plant growth regulators. The Performance Products segment includes the Performance Chemicals Dispersions & Pigments Care Chemicals Nutrition & Health products and Paper Chemicals businesses. The Chemicals segment includes Intermediates Petrochemicals & Monomers. The Functional Materials & Solutions segment comprises of Coatings Construction Chemicals Performance Materials and Process Catalyst businesses.

BASF combine economic success with environmental protection and social responsibility. Through research and innovation, they support customers in nearly every industry in meeting the current and future needs of society. they have

summed up this contribution in the corporate purpose: We create chemistry for a sustainable future.

About BASF in India BASF has successfully partnered India's progress for over a century, with 13 of BASF's 14 global businesses maintaining a local presence in India today. BASF in India has 2,186 employees at about 20 production sites & sales offices and R&D centers in Mumbai and Mangalore. In 2014, BASF registered sales of €1.1 billion to customers in India.

### **BASF India Ltd in Surathkal, Mangalore**

Basf India Ltd in Surathkal, Mangalore is known to satisfactorily cater to the demands of its customer base. It stands located at Bala Thokur Village, Bajpe Road, Surathkal-575014. It has earned stamps like Jd Verified, Jd Trusted, Jd Escrow substantiating the credentials of the business. The business strives to make for a positive experience through its offerings.

Customer centricity is at the core of Basf India Ltd in Surathkal, Mangalore and it is this belief that has led the business to build long-term relationships. Ensuring a positive customer experience, making available goods and/or services that are of top-notch quality is given prime importance. It is one of the players in Construction Chemical, Organic Chemical, Speciality Chemical to name a few.

India's leading B2B market place, Jd Mart ensures engaging in business activities is a seamless process for small and medium enterprises as well as large businesses. In a wake to enable these businesses to reach their audience, this portal lets them showcase their offerings in terms of the products and/or services through a digital catalogue. This business has a wide range of product offerings and the product/catalogue list includes High Quality Textile Chemical, Chemical for Construction, Specialty Chemical Product, and Organic Chemicals etc.

## **CHAPTER 2**

### **ORGANIZATION PROFILE**

## **ESSENTIAL FACTS**

### **GLOBAL BASF:**

Type	-	Public
Industry	-	Chemicals
Founded	-	6 April 1865; 157 years ago (as Badische Anilin- und Sodafabrik); Mannheim, Baden
Founder	-	Friedrich Engelhorn
Headquarters	-	Ludwigshafen, Germany
Key people	-	Jürgen Hambrecht (Chairman of the supervisory board), Martin Brudermüller (CEO and Chairman of the executive board)
Products	-	Chemicals, plastics, performance chemicals, catalysts, coatings, crop technology, crude oil and natural gas exploration and production.
Revenue	-	€78.6 billion (2021)
Operating income	-	€7.7 billion (2021)
Net income	-	€5.5 billion (2021)
Total assets	-	€87.4 billion (2021)
Total equity	-	€42.1 billion (2021)
Number of employees	-	111,047 (end 2021)
Subsidiaries	-	Wintershall, Nunhems, TrinamiX, Cognis, BTC Europe, Chemster, Siegfried PharmaChemikalien Minden, Verenum Corporation, Isobionics, Succinity, Pinturas Termicas del Norte



## **BASF INDIA:**

BASF India Limited is a listed public company incorporated on 13 May, 1943. It is classified as a public subsidiary of a foreign company and is located in Mumbai City, Maharashtra. Its authorized share capital is INR 71.56 cr and the total paid-up capital is INR 43.29 cr.

BASF India Limited's operating revenues range is Over INR 500 cr for the financial year ending on 31 March, 2022. It's EBITDA has increased by 44.02 % over the previous year. At the same time, its book net worth has increased by 30.79 %.

Description : The Company is engaged in producing Chemicals all over the world and provides Agricultural Solutions.

Products & Services: Chemicals in field of Agriculture (Pests), engineering plastics, polyurethane and specialty foams and coatings.

## **BASF MANGALORE:**

- Spread across more than 200 hectares, the site is operational since 1996
- BASF's largest manufacturing facility in South Asia
- Houses Coatings Technical Support Lab, which offers technical and product development support to local and Global customers
- First manufacturing operation for fine chemical catalysts in Asia Pacific since 2013
- ISO 14001 certified for its environmental management

## **BACKGROUND**

BASF is an acronym for Badische Anilin- und SodaFabrik (German for "Baden Aniline and Soda Factory"). BASF was founded by Friedrich Engelhorn on 6 April 1865 in Mannheim, in the German.

### **GLOBAL BASF:**

- 1865 : BASF was set up in 1865 to produce chemicals necessary for dye production, notably soda and acids
- 1901 : Some 80% of the BASF production was dyestuffs.
- 1913 : BASF started a new production plant in Oppau, adding fertilizers to its product range.
- 1916 : BASF started operations at a new site in Leuna, where explosives were produced during the First World War.
- 1948 : On 28 July 1948, an explosion occurred at a BASF site in Ludwigshafen, killing 207 people and injuring 3818
- 1952 : BASF was refounded under its name following the efforts of former Nazi Party member Carl Wurster, who served in Nazi Germany as Wehrwirtschaftsführer (war economy leader).
- 1960 : In the 1960s, production abroad was expanded and plants were built in Argentina, Australia, Belgium, Brazil, France, India, Italy, Japan, Mexico, Spain, United Kingdom and the United States.
- 1965 : Greater emphasis was placed on higher-value products such as coatings, pharmaceuticals, pesticides and fertilizers.
- 1990 : BASF acquired a site in Schwarzheide, Eastern Germany, on 25 October 1990.
- 2019 : The Company announced the start of a US\$10 billion investment project at Zhanjiang, China, in November 2019.

## **TAKEOVERS:**

- 1968 - In 1968 BASF bought the German coatings company Herbol. BASF completely took over the Herbol branches in Cologne and Würzburg in 1970.
- 1970 - BASF bought the Wyandotte Chemical Company and its Geismar, Louisiana chemical plant in the early 1970s
- 2006 - The acquisition of Johnson Polymer was completed on 1 July 2006 and even the acquisition of Degussa AG's construction chemicals business was completed in 2006.
- 2008 - On 19 December 2008, BASF acquired U.S.-based Whitmire Micro-Gen together with U.K.-based Sorex Ltd, Widnes, Great Britain.
- 2009 - On 9 April 2009, the company acquired Ciba.
- 2015 - In May 2015, BASF agreed to sell parts of its pharmaceutical ingredients business to Swiss drug manufacturer Siegfried Holding for a fee of €270 million
- 2017 - In October 2017, BASF announced it would buy seed and herbicide businesses from Bayer for €5.9 billion (\$7 billion), as part of its acquisition of Monsanto.
- 2019 - In September 2019, BASF signed an agreement with DuPont Safety & Construction, a subsidiary business unit of DuPont Co., to sell its ultrafiltration membrane business.

## **BASF INDIA:**

- 1943 - BASF India was known as R A Cole when it was incorporated in 1943.
- 1963 - Later in the year 1963 the name was changed to Indoplast.
- 1967 - In the year 1967 the company was renamed as BASF India which is Flagship Company of BASF Group.

2010 - In 2010, three BASF legal entities in India – BASF Coatings (India) Private Limited, BASF Construction Chemicals (India) Private Limited and BASF Polyurethanes India Limited were merged with BASF India Limited.

BASF is world's leading company in chemical sector. BASF Group is a conglomerate that caters to various segments such as plastics, care chemicals, construction chemicals, petrochemicals, automotive and refinery chemicals, paper chemicals etc.

BASF India is engaged in the business of manufacturing & marketing of Styropor, tanning agents, leather chemicals and auxiliaries, crop protection chemicals, textile chemicals, dispersions and specialty chemicals, plastics, automotive and coil coatings, catalysts, construction chemicals, polystyrene and polyurethane systems.

With a strong manufacturing and R&D base, the BASF Group in India is represented by more than 1800 employees having multi-location production sites and an R&D centre, which is part of the BASF Global Technology Platform.

The Company has three manufacturing facilities located in Thane, Mangalore and Dadra. Chemicals manufactured by BASF India cater the needs of various industries such as leather, textile, paper, paints, construction, carpets, cosmetics, plastics, pharmaceutical, packaging and insulation.

## **BASF MANGALORE:**

The Mangalore site is BASF's largest manufacturing site in India and in South Asia. Operational since 1996, it is currently engaged in the production of performance chemicals, dispersions and paper chemicals, automotive coatings, coil coatings and construction chemicals.

The catalysts manufactured at the Mangalore plant will allow BASF's customers to produce fine chemicals including active pharmaceutical ingredients (API), agrochemicals, nutrition components and flavors and fragrances. Agrochemicals remain critical to the production of new and life-saving drugs and to feeding the world's increasing population.

## **NATURE OF BUSINESS**

At BASF, creates chemistry – and have been doing so for 150 years. Its portfolio ranges from chemicals, plastics, performance products and crop protection products to oil and gas. As the world's leading chemical company, it combines economic success with environmental protection and social responsibility.

Through science and innovation, it enables its customers in nearly every industry to meet the current and future needs of society. Its products and solutions contribute to conserving resources, ensuring nutrition and improving quality of life. It has summed up this contribution in its corporate purpose: We create chemistry for a sustainable future.

## **VISION, MISSION AND QUALITY POLICY**



### **VISION:**

“We are “The Chemical Company” successfully operating in all major markets; our customers view BASF as their partner of choice; our innovative products, intelligent solutions and services make us the most competent worldwide supplier in the chemical industry; generate a high return on assets; strive for sustainable development; welcome change as an opportunity.”



### **MISSION:**

“To provide innovative, clean and efficient energy solutions for a better tomorrow”



### **QUALITY POLICY:**

BASF India Limited, targets to achieve high quality standards and provide utmost value to all customers and stakeholders by executing risk-based thinking and a process-oriented approach while adhering to quality management system principles.

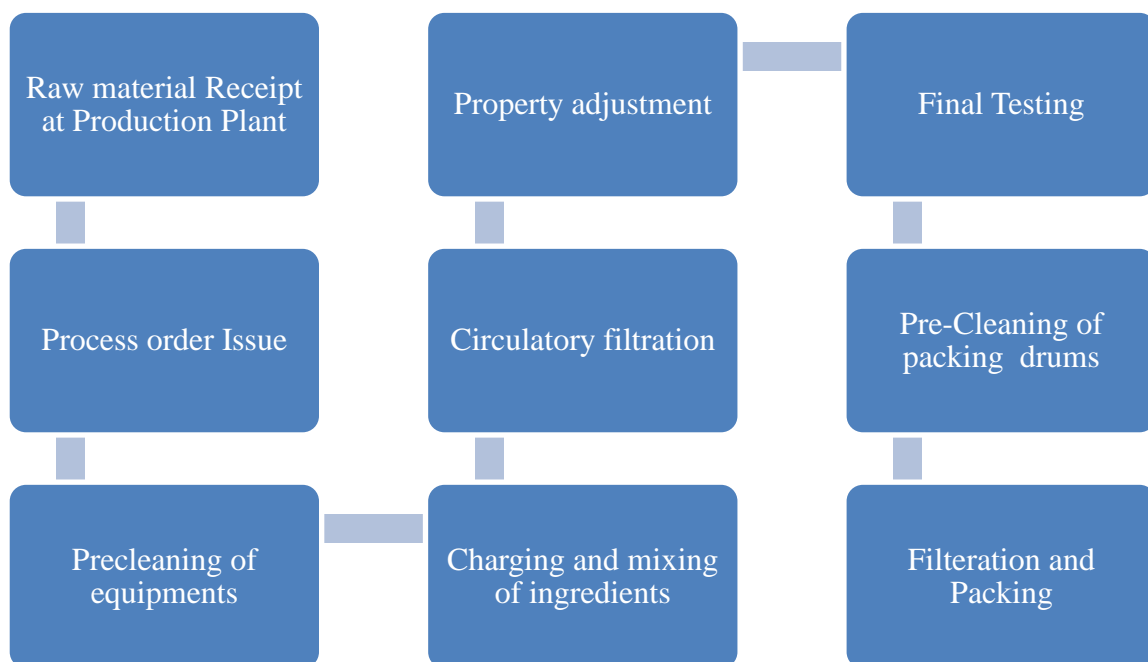
Company attains value adding growth for its customers by playing a part with them as ONE BASF in accordance with its core values of being CREATIVE, OPEN, RESPONSIBLE & ENTERPRENEURIAL.

The company's purpose, strategic principles, and values provide the solid foundation required to move ahead in collaboration with its stakeholders. Its belief and actions in "We create Chemistry for a Sustainable Future" will assist the company in improving customer satisfaction and accomplishing future success.

BASF India limited is committed to achieve this object through collaboration amongst employees, vendors and all stakeholders by continual upgradation of processes, products, services and system.

## **WORKFLOW MODEL**

### **COATINGS PLANT:**



## **PRODUCT/SERVICE PROFILE**

BASF produces a wide range of chemicals such as solvents, amines, resins, glues, electronic-grade chemicals, industrial gases, basic petrochemicals, and inorganic chemicals.

BASF operates in a variety of markets. Its business is organized in the segments of Chemicals, Plastics, Performance Products, Functional Solutions, Agricultural Solutions, and Oil and Gas.

### **BASF AS A WHOLE:**

#### **1. Chemicals:**

BASF produces a wide range of chemicals such as solvents, amines, resins, glues, electronic-grade chemicals, industrial gases, basic petrochemicals, and inorganic chemicals. The most important customers for this segment are the pharmaceutical, construction, textile, and automotive industries.

#### **2. Plastics:**

BASF's plastic products include high-performance materials in thermoplastics, foams, and urethanes.

##### **▪ Engineering Plastics**

BASF's Engineering Plastics consists of the "4 Ultras" – Ultramid polyamide (PA) nylon-based resins, Ultradur, polybutylene terephthalate (PBT), Ultraform, polyacetal (POM), and Ultrason, polysulfone (PSU) and polyethersulfone (PES).

##### **▪ Styrenics**

BASF Styrenics consists of the Foams and Copolymers. BASF's styrenic copolymers have applications in electronics, building and construction, and automotive components. In 2011 BASF and INEOS blended their global business activities in the fields of styrene monomers (SM), polystyrene (PS), acrylonitrile butadiene

styrene (ABS), styrene butadiene copolymers (SBC) and other styrene-based copolymers (SAN, AMSAN, ASA, MABS) into a joint venture named Styrolution.

- **Polyurethanes**

BASF's Polyurethanes business consists of diverse technologies and finished products. Urethane chemicals are raw materials used in rigid and flexible foams commonly used for insulation in the construction and appliance industries, furniture, packaging, and transportation.

- **Foams**

Foams like Styropor are generally used as insulating materials. They are eco-efficient and offer advantages over other materials in terms of cost-effectiveness, preservation of resources and environmental protection. Investments made for insulating materials usually pay for themselves within a short time and contribute to retaining and even enhancing the value of buildings.

- **Polyamides and Intermediate**

BASF manufactures polyamide precursors and polyamide.

- **Biodegradable plastics**

BASF developed a biodegradable plastic with a high content of polylactic acid.

### **3. Performance products:**

BASF produces a range of performance chemicals, coatings and functional polymers. These include raw materials for detergents, textile and leather chemicals, pigments and raw materials for adhesives, paper chemicals. Customers are the automotive, oil, paper, packaging, textile, sanitary products, detergents, construction materials, coatings, printing, and leather industries.

### **4. Functional Solutions:**

BASF's Functional Solutions segment consists of the Catalysts, Construction Chemicals and Coatings divisions. These divisions develop customer-specific products, in particular for the automotive and construction industries.



## **5. Agricultural:**

BASF supplies agricultural products and chemicals including fungicides, herbicides, insecticides and seed treatment products. The company also researches nutrigenomics. BASF opened a new a new crop protection technology centre in Limburgerhof, Germany in 2016

## **6. Oil and gas:**

BASF explores for and produces oil and gas through its subsidiary Wintershall Dea. In Central and Eastern Europe, Wintershall works with its Russian partner Gazprom.

## **BASF MANGALORE:**

In BASF there are three plants which manufactures different raw materials products for supply they are;

- Polymer dispersion

In BASF Mangalore dispersion plant was established in 1996 with a total capacity of 60000 tons. In Mangalore branch dispersion machine produces paints, paper, construction chemicals, detergents, and textiles.

- Dyes Plant

Dyes Plant was also established in 1996 with a total plant capacity of 19000 tons. Dyes Plant is also called as Multi Product Plant (MPP). Lather, paints, wood coating are prepared here.

- Coating plant

It was established in 2004 with a total plant capacity of 19000 tons. Here they produce automotive coatings as per the order requirements. In coating there are two plants that is automotive plant for new vehicles and the other one is automotive paints for crashed vehicles (accident vehicles), these both are two different segments of paint.

## **OWNERSHIP PATTERN**

### **SHARE HOLDER STRUCTURE- BASF GLOBAL**

With over 800,000 shareholders, BASF is one of the largest publicly owned companies with a high free float.

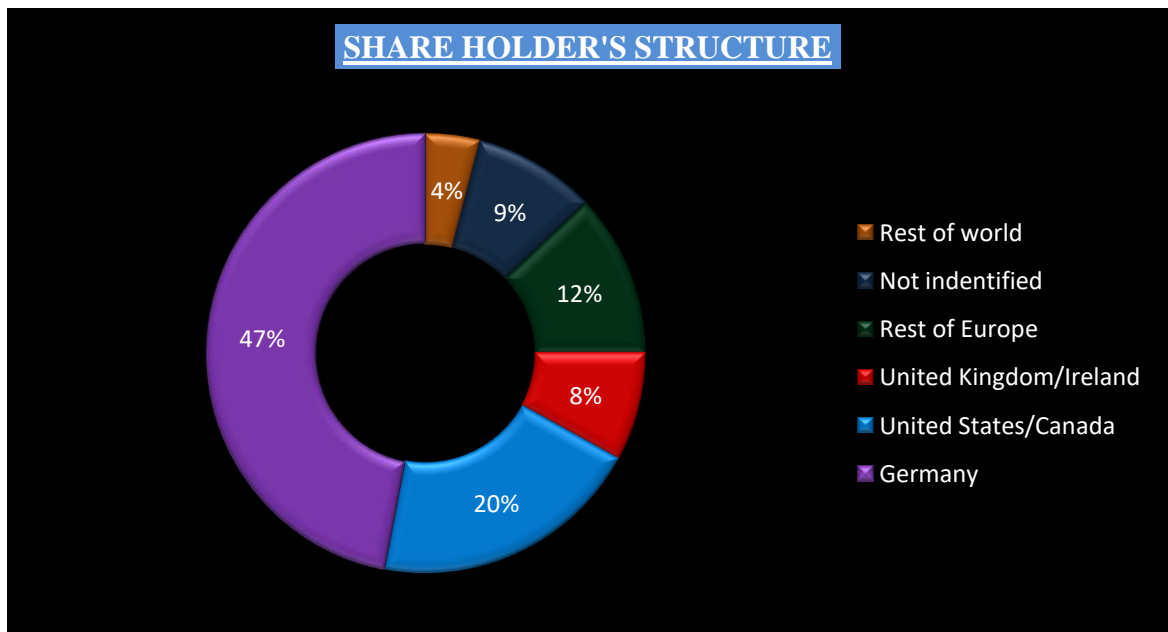
An analysis of the shareholder structure carried out at the end of September 2022 showed that,

- At around 20% of share capital, the United States and Canada made up the largest regional group of institutional investors.
- Institutional investors from Germany accounted for around 11%.
- Institutional investors from the United Kingdom and Ireland hold 8% of BASF shares
- While investors from the rest of Europe hold a further 12% of capital. Institutional investors from the rest of the world, including the Asia Pacific region, hold 3% of BASF shares.
- Approximately 47% of the company's share capital is held by private investors, nearly all of whom reside in Germany.

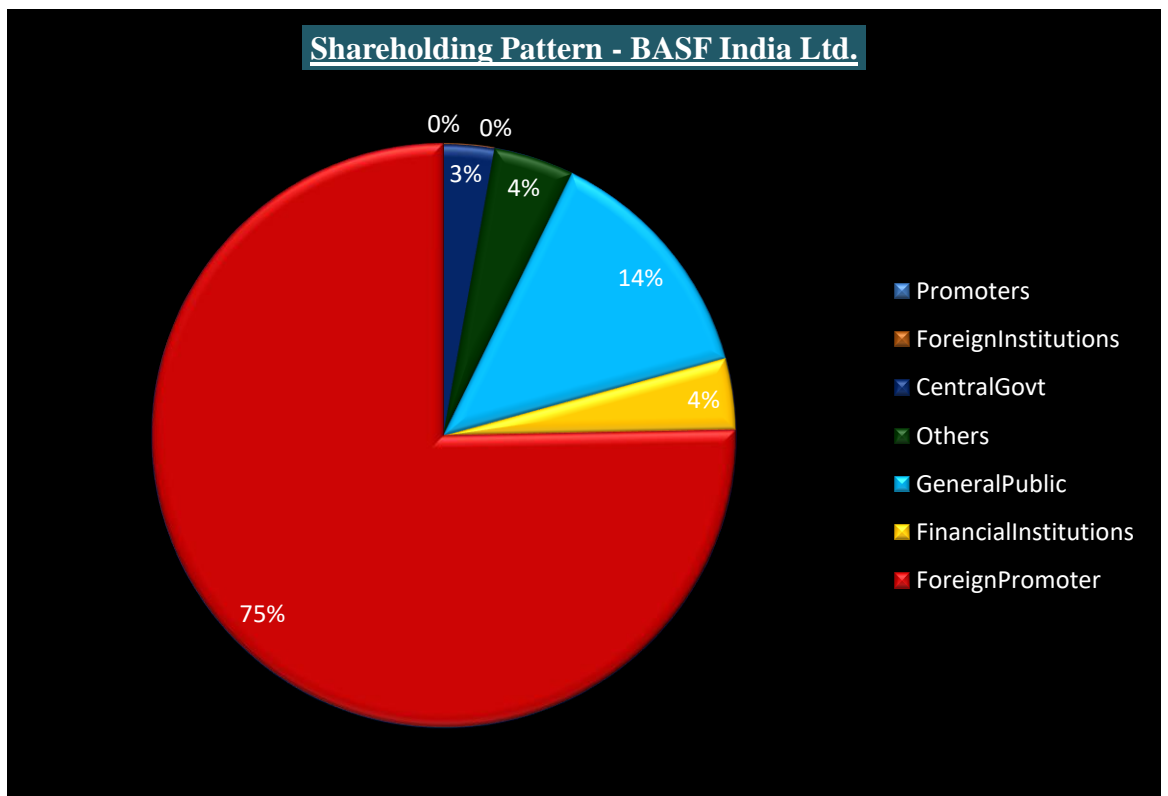
BASF is therefore one of the DAX 40 companies with the largest percentage of private shareholders.

## Illustration:

### GLOBAL BASF:



### BASF INDIA:



## **ACHIEVEMENTS AND AWARDS**

- National Safety Council of India Safety award-2007
- Karnataka state safety institute 40<sup>th</sup> national safety day. First prize for safe industrial boiler.
- World environment day content 2012 -1<sup>st</sup> prize
- First award in recognition of excellent performance in safety and hazards control by a large scale unit for 2013-14.
- Second award in recognition of excellent performance in pollution control by a large scale unit for 2013-14
- Export award 2002
- Best EHS Practice 2013-14
- KOCI export award 2008(super star achiever)
- 2<sup>nd</sup> prize for Best Safe Industrial Boiler in Karnataka awarded by Dept. of Factories and Boiler , Govt of Karnataka in the year 2018
- 2<sup>nd</sup> prize in State Level competition for awarding scale factory award in the Medium Scale industries for adopting safer practice by Govt. of Karnataka in the year 2012
- Secured Third place for safety on medium Scale Category by Dept. of Factories and Boiler, Industrial Safety and Health, Govt of Karnataka in 2020.
- Recognition by Karnataka State Pollution Control Board for CSR programs in Govt. Schools
- Recognition by Karnataka State Pollution Control Board for Green Nurturing Program in Govt. Schools under CSR.

## **FUTURE GROWTH AND PROSPECTS**

The BASF Group is expected to generate sales of between €74 billion and €77 billion in 2022. At BASF, they create chemistry for a sustainable future. They combine economic success with environmental protection and social responsibility.

- ❖ New food packaging solution: Confoil and BASF cooperate to develop certified compostable dual ovenable paper tray for ready to eat meals.
- ❖ The ChemCycling™ project launched by BASF-Turning trash into trash.
- ❖ BASF aims to be climate neutral in 2050.
- ❖ BASF has committed itself to the goal of promoting a balanced gender ratio
- ❖ BASF's clear goal by 2030: it wants to increase the share of women in leadership positions- worldwide.
- ❖ BASF invest in young, fast growing companies worldwide.

### **Different aspects of sustainability BASF considering in its business operations**

A new approach that emphasises collaboration among stakeholders in the plastic value chain is required to achieve a more sustainable future for all. BASF performance materials contribute to the creation and expansion of the circular economy. These include:

- ❖ Lightweight plastic solutions to improve energy efficiency
- ❖ Development of renewable materials for a fossil free future
- ❖ Biomass balance products that can prolong product lifecycles
- ❖ Mechanical recycling that improves feedstocks

**CHAPTER 3**

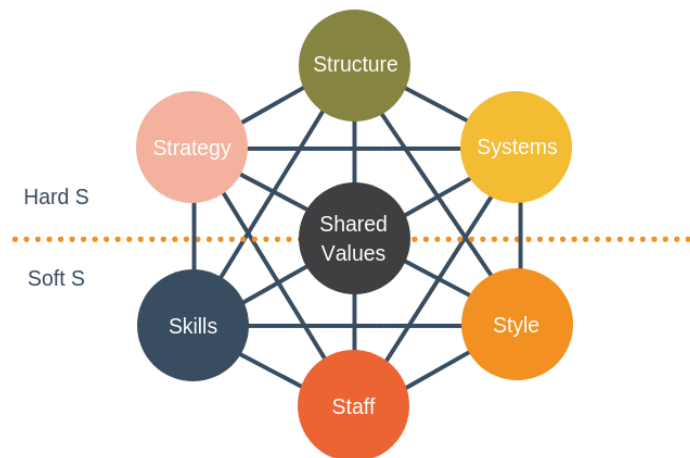
**MCKENSY'S 7S FRAMEWORK AND PORTER'S FIVE FORCE  
MODEL**

## **MCKENSY’S 7S FRAMEWORK**

The McKinsey 7S model is one of the most widely used strategic planning tools. It is frequently used by businesses to investigate internal factors that influence organizational success.

The model was developed in the late 1970s by Tom Peters and Robert Waterman, former consultants at McKinsey & Company. The focus of the McKinsey 7s Model lies in the interconnectedness of the elements that are categorized by “Soft Ss” and “Hard Ss”

The model categorizing seven elements on the basis of either “hard” or “soft” is depicted below:



### **1. STRATEGY:**

The strategic decision is very important in an organization to guide their employees and staff. BASF India Limited set smart goals with short and long term deadlines in accordance with the business strategy. BASF’s strategy also takes into consider the competitive pressures through competitors and also they take competitive measures and actions that ensure the sustainability to BASF via adopting the market changes

Some of the strategic principles of BASF are;

- They add value as on ONE COMPANY

- They drive sustainable solutions.
- They innovate to make their customers more successful
- They altogether form a best team.

They have many innovative and effective marketing strategies which helped the company to be in top position. Some of them are; Segmentation, targeting and positioning .Their main focus is to make China and India as a market leader and emerging strong markets for any future growth. They established interdisciplinary teams in their business units to address the needs of key customers even better and faster.

## **2. STRUCTURE:**

BASF's matrix organization combines the strengths of global, regional and operational units. They has 11 divisions grouped into six segments namely chemicals, materials, Industrial solutions, Surface technologies, Nutrition and Care and Agricultural Solutions. The divisions bear operational responsibility and are organized according to sectors and products. In BASF India limited the top decision are taken by the Managing Director and later he will implicit his decisions to different heads of the departments. The subordinates are free to give their opinions and suggestions and to participate in decision making process but the ultimate decision will be taken by the top management.

BASF has high coordination among different departments. The company's departments often form inter – departments. They often form inter department teams for project and tasks that require multiple expertise. The coordination between the team is organized effectively. BASF has a systematic process for initiating and monitoring coordination between the departments to ensure smooth work operations and processes – and goal attainment.

## **3. SYSTEM:**

BASF India Limited is a chemical manufacturing company. They have well defined system to ensure the business operations. They have a Responsible Care



Management in accordance with EHS management approach that covers the value chain. They continuously evaluate its system through the designed control.

The monitoring of the performance is an ongoing process. Their performance has been observed and feedback is given to employees then and there.

BASF has especially designed tools and methods as controls for evaluating performance and goal attainment. These controls and measures are designed specifically in different departments based on the nature of their tasks and responsibilities.

#### **4. SHARED VALUES:**

BASF India Limited has four core values that represent: CREATIVE, OPEN, RESPONSIBLE AND ENTREPRENEURIAL (CORE). These values guide their actions and define how they want to work together as a team, with their customers and their partners.

They innovate new products and solutions for their customers. With help of their team, BASF India limited embrace bold ideas and give them space to grow. Employees also have core values in regard to the organization, they mainly contribute towards company's success as individuals and as a team .BASF team also turns the market needs into their customer solutions. BASF also ensures that all systems are allocated with resources, and set specific targets to achieve similar business goals in any specific period.

#### **5. STYLE :**

BASF India Limited has a participative leadership style. They promote high quality leadership and measure its impact. Through participative leadership style they are able to engage people in the decision making process. The company also offers wide variety learning and development opportunities for each phase of their culture. There is the special program for all the leaders known as feedback and forward program where employees will provide regular feedback on their managers. This will help the managers to correct their leadership style or attitude.

The Board of Directors is responsible for all the management of the company and also represents BASF in business undertakings with the third parties. In top management there will be Board of Directors and Managing Director. Middle level management will comprises of heads and supervisors of each departments and lower level management will include factory workers or employees of the organization. This is how the leadership style in BASF works.

## **6. STAFF:**

BASF India Limited – Mangalore works has more than 250 employees. As per reports on 31<sup>st</sup> December 2020, BASF India in global has 1, 15,490 employees. They are making safety policies in an organization; protection of employees is their top priority like operational safety policy, corporate health management (where they take responsibility of emergency medicine to their employees) and also employee development.

In order to hire fresher BASF undergoes internal and external hiring program. Internal Job postings are named as “ UDAAN ” which is designed to provide opportunity and flexibility to their own employee to choose their own areas of interest and switch position in the organization , whereas external hiring process is named as “GROW” which is also known as campus recruitment .

## **7. SKILL:**

BASF India Limited has a god workforce will skills and capacity. Employees are highly knowledgeable with competent skills. All the employees are recruited based on their qualifications and abilities. Before recruiting any employee in an organization he has been given training in order to improve his capability in work. BASF India Limited gives 6 weeks training period to all the employees, these include presentations, project works etc. The work done by the fresher will be monitored and evaluated by the Head HR. The performance appraisal is done to develop and motivating the employees.

## **PORTER'S FIVE FORCE MODEL**

Porter's Five Force is a model that identifies and analyzes five competitive forces that help companies to assess industry attractiveness, how trends will affect industry competition, which industries a company should compete in and how companies can position themselves for success. A Five Forces analysis is frequently used to identify an industries structure to determine the corporate strategy.

Porter's model can be applied to any economy to understand the level of competition within the industry and enhances a company's long term profitability. The Five Force model is named after Harvard Business School Professor, Michael E. Porter.



In Porter's model, the five forces that shape industry competition are:

### **1. INDUSTRY RIVARLY:**

BASF India limited is a leading chemical manufacturing company globally so the competitors are more. Some of the competitors of BASF are DSM, Advanced Energy Industries DuPont and so on. Their main aim is customer satisfaction. BASF is different from its competitors, they strive for sustainable future.

The local competitors of BASF – Mangalore works are Ambani Organics Ltd, AVI Products India Ltd and Balaji Amines ltd. The company enjoys good reputation among the reputed customers from domestic and international markets.

BASF operates in a very competitive chemical industry. The competition is intense as everyone is striving to increase its database. So the industry rivalry is high and increasing.

## **2. THREAT OF SUBSTITUTES:**

Threats from substitute products are weak for the BASF as there are very few substitutes available as few companies can make the exact composition of the chemical required for a particular product. Moreover, the compositions of the chemical require high research and development costs which are not affordable by every company.

BASF has its fixed suppliers to majority chemical companies, this means the clients have reliance on BASF and will not switch to other substitutes.

## **3. BARGAINING POWER OF BUYERS :**

The bargaining power of the buyers in the chemical production industry is moderate, mainly in the case of BASF as it is the world's largest chemical manufacturer. However, there are very less chances of decrease or increase in the bargaining power of buyers because chemicals are main raw material to the companies.

The switching cost of the suppliers is high and it is difficult to find a supplier with a quality product at affordable prices. Moreover, contracts with the suppliers are long term, which also increases the switching cost. It is important for the BASF to increase the customer base in different countries for diversifying the risk.

## **4. BARGAINING POWER OF SUPPLIERS :**

Bargaining power of suppliers is moderate because of few suppliers available in the industry who require the materials for chemicals.

Mainly in the case of BASF India Limited, suppliers are ready to work with largest chemical producer of the world because they will get more business from BASF, and so agree to their terms and conditions. The supply chain of BASF is very efficient which gives edge to have control over the prices.

## **5. THREATS OF NEW ENTRANTS:**

A threat from the new entrants in the chemical industry is not so high because of the various factors which influence the decision of entering into new market. This is because of the high capital cost requires for startup. The existing and other large company will be already capturing the largest will be already capturing the huge portion of the market.

The new firms must build strong network channels for distribution of products and require high cost for research and development. These factors limit the entry of the new firms in the industry.

It is difficult for the new entrant to attain the quality product with maximum effectiveness and efficiency likewise of BASF. BASF is having advantage in this field as it has maintained a good brand image.

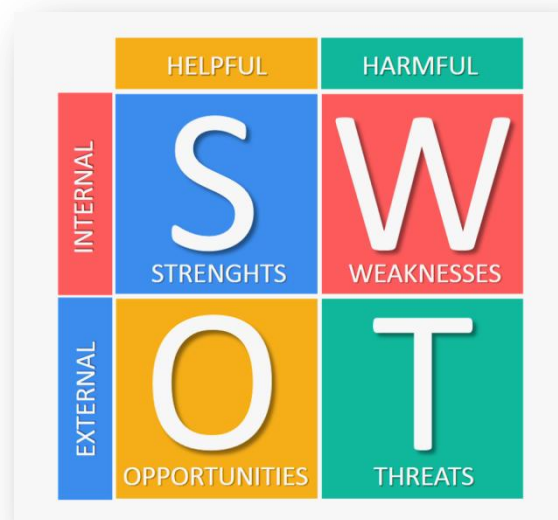
## **CHAPTER 4**

### **SWOT ANALYSIS**

## SWOT ANALYSIS

SWOT analysis is a study which is undertaken by the majority of companies to determine their core strengths, weaknesses, opportunities and threats. It is a framework that is used to evaluate a company's competitive position which later helps in strategic planning. SWOT analysis can be conducted by any popular brand or any brand which is still new in the market.

SWOT is made of two parts i.e. strengths and weaknesses refer to the internals of the company whereas, opportunities and threats are external to the company and exist in the environment.



### **1. STRENGTHS:**

The strengths are basically what makes the brand different from the other competitors and what the organization excels at. Following are the strengths:

- **Reach and Distribution:** BASF has customers in over 190 countries and supplies products to a wide variety of industries. This makes sure that the products are made easily available to their customers at the right time.

- **Cost Structure:** The main motive is to make the products available at a low rate so that they can be more affordable. BASF's low-cost structure helps them supply products that are low cost but with superior quality.
- **Brand Reputation:** BASF has been in the business of producing chemicals for a large number of years. Also, with the variety of products and services it provides, it is established as a leader in the industry. This helps the corporation to gain a reputation and get recognized easily.
- **Financial Position:** BASF has a very strong financial position in the market with consecutive profits over the years along with accumulated profit reserves which can be utilized for future expenditures or marketing activities.
- **Skilled Labour Force:** BASF has invested heavily in the employees that have made them not only skilled but are also highly motivated.

## 2. WEAKNESSES:

The weaknesses are a major drawback that stops the organization from performing at its optimum level. They are the areas in which businesses can make improvements. The major drawbacks are as follows:

- **Diversity in the Workforce:** The local workers contribute to the majority of the workforce at BASF making it difficult for outsiders to adjust and hence resulting in the loss of talent.
- **High Employee Turnover Rates:** BASF has a very high employee turnover rate as compared to its competitors which means it spends a lot on training activities as employees keep leaving and joining.
- **Need to Invest More in New Technologies:** According to the country's scale of expansion and the geographical areas BASF needs to invest more money in technology to integrate the processes across the board. Currently, the investment in technology is not on par as per the vision of the company.
- **Limited Success across the Core Business:** Although BASF is one of the leading organizations in its industry it faces challenges in moving to other product segments with its present culture.



- **Abandoned Manufacturing:** Despite its size and global presence, BASF has received relatively little public attention since it abandoned manufacturing and selling BASF-branded consumer electronics products in the 1990s.

### 3. **OPPORTUNITIES:**

Opportunities are the favorable external factors that may give the organization a competitive advantage over others. The opportunities of BASF are as follows:

- **Social Media:** Over the years the number of active users on social media channels has increased and with this BASF can make use of its social media handles to promote its products, interact with customers and even provide after-sale services.
- **Transport Industry:** The transport industry has been booming and is expected to boom in the next few years as well which has resulted in more demand for BASF products which is helpful for BASF to scale its business.
- **Globalization:** Increased globalization doesn't restrict BASF anymore to conducting activities in its own country which can act as an opportunity to extend operation in other countries and thus enter new markets and unleash potentials of other new markets.
- **Population:** The population has been growing and is expected to grow at a positive rate for the upcoming years. This is beneficial as there will be an increase in the number of potential customers that it can target.
- **Expansion to Other Global Markets:** The Company is planning to expand its international activities with a particular focus on Asia. This serves them as an opportunity to acquire a new customer base.

### 4. **THREATS :**

Threats are those factors that have the potential to provide harm to the organization in any form. The threats of BASF are as follows:

- **Technological Advancements:** The technological advancements by a few competitors can pose a threat to BASF as today's customers are more attracted

towards new technological advancements and may be lost to competitors' offerings thus reducing the market share of BASF.

- **Competition:** There is always an ongoing competition that puts downward pressure on the prices. This could lead to lower profits if it makes changes in the price or may also result in lower market share if it doesn't make price changes.
- **Environmental Record:** BASF has been criticized for being the top polluter of water and air in 2018 and still it is. Because of its chemical composition and vast activities, there is a huge climate change and greenhouse gas emissions.
- **Exchange Rate:** The exchange rate also keeps fluctuating and makes it difficult for a company like BASF because it extends service internationally while its suppliers are local.

BASF is a well-known brand with a significant global presence. In the SWOT analysis of BASF, observation could be that the company is heavily reliant and enjoys strong brand recognition and trust with its customers. It has a strong distribution network and has reached across all the markets it serves, but suffers from an increasing number of suppliers in the same space and better R&D efforts by its competitors.

**CHAPTER – 5**  
**ANALYSIS OF FINANCIAL STATEMENTS**

## **FINANCIAL STATEMENT:**

Financial statements are a set of summary-level reports about an of an organization's financial results, financial position, and cash flows. Financial reports are formal records of a company's, people, or other entity's financial activities and position.

Financial statements can be used to determine a business's ability to generate cash, as well as the sources and uses of that cash, to investigate the details of specific business transactions, to derive financial ratios from the statements that can indicate the business's condition, and many other things.

There are four main financial statements:

- Balance sheet
- Income statement
- Cash flow statement
- Statement of retained earnings

### ***BALANCE SHEET ANALYSIS OF BASF***

The term balance sheet refers to a financial statement that reports a company's assets, liabilities, and shareholder equity. An understanding of the balance sheet enables to evaluate the liquidity, solvency, and overall financial position of a company.

Five years Balance Sheets of BASF are analyzed.

(Rs. in millions)

	<b>March 31<sup>st</sup> 2022</b>	<b>March 31<sup>st</sup> 2021</b>	<b>March 31<sup>st</sup> 2020</b>	<b>March 31<sup>st</sup> 2019</b>	<b>March 31<sup>st</sup> 2018</b>
<b><u>Assets</u></b>					
non-current assets	11,413.2	10,913.0	12,415.0	12,445.1	13,356.0
Current Assets	49,686.1	40,528.1	33,473.9	26,049.7	25,107.6
<b>Total Assets</b>	<b>61,099.3</b>	<b>51,441.1</b>	<b>45,888.9</b>	<b>38,494.8</b>	<b>38,463.6</b>
<b><u>Equities &amp; Liabilities</u></b>					
Share Capital	23,360.8	17,861.5	13,860.2	14,128.9	13,438.8
Non-current liabilities	1,395.3	1,622.5	3,341.9	3,723.2	4,355.7
Current Liabilities	36,343.2	31,957.1	28,686.8	20,642.7	20,669.1
<b>Total equity and liabilities</b>	<b>61,099.3</b>	<b>51,441.1</b>	<b>45,888.9</b>	<b>38,494.8</b>	<b>38,463.6</b>

### ***INCOME STATEMENT ANALYSIS OF BASF***

The income statement is one of the main financial statements of a business. The income statement reports revenues, expenses, gains, losses, and the resulting net income which occurred during the accounting period.

Five years statement of income is analyzed.

(Rs. in millions)

<b>Particulars</b>	<b>March 31<sup>st</sup> 2022</b>	<b>March 31<sup>st</sup> 2021</b>	<b>March 31<sup>st</sup> 2020</b>	<b>March 31<sup>st</sup> 2019</b>	<b>March 31<sup>st</sup> 2018</b>
Revenue from operations	130,997.3	95,583.4	75,510.5	60,256.7	57,226.8
Other income	240.0	165.2	276.6	133.4	229.3
Total Income	131,237.3	95,748.6	75,787.1	60,390.1	57,456.1
Total Expenses	123,763.7	91,369.9	75,416.0	60,932.1	56,431.5
Profit before exceptional item and tax	7,473.6	4,378.7	371.1	(542.0)	1,024.6
Exceptional items	125.6	4,020.9	(324.6)	1,260.6	1,585.7
Profit before tax	7,599.2	8,399.6	46.5	718.6	2,610.3
Tax expense/ (credit)	1,650.8	2,873.5	(138.6)	(98.6)	145.3
<b>Profit for the year</b>	<b>5,948.4</b>	<b>5,526.1</b>	<b>185.1</b>	<b>817.2</b>	<b>2,465.0</b>

### ***CASH FLOW STATEMENT OF BASF***

The Cash flow statement is a significant financial statement, as it reveals how much cash the company is actually generating. A cash flow statement tells how much cash is entering and leaving the business in a given period.

Five years cash flow statements are analyzed.

(Rs. in millions)

<b>Cash Flow From</b>	<b>March 31<sup>st</sup> 2022</b>	<b>March 31<sup>st</sup> 2021</b>	<b>March 31<sup>st</sup> 2020</b>	<b>March 31<sup>st</sup> 2019</b>	<b>March 31<sup>st</sup> 2018</b>
Operating activities	3,299.3	4,831.0	5,538.2	(771.5)	2,900.0
Investing activities	(1,199.0)	1,818.6	(223.2)	1,768.0	1,582.5
Financing activities	(2,570.3)	(5,918.0)	(4,638.0)	(949.7)	(4,646.5)
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(470.0)</b>	<b>731.6</b>	<b>677.0</b>	<b>46.8</b>	<b>(164.0)</b>

## **RATIO ANALYSIS OF BASF:**

Ratio Analysis is one of the important tools for analysing the organizations financial position. Ratio means a quantitative or numerical relationship between two variables. The relationship between two financial statements figure may also be shown in the percentage terms.

By using this tool one can systematically interpret the strength and weakness, historical performance and present economic results of BASF India Limited after ratios are implemented as an instrument

### **1. Liquidity Ratio:**

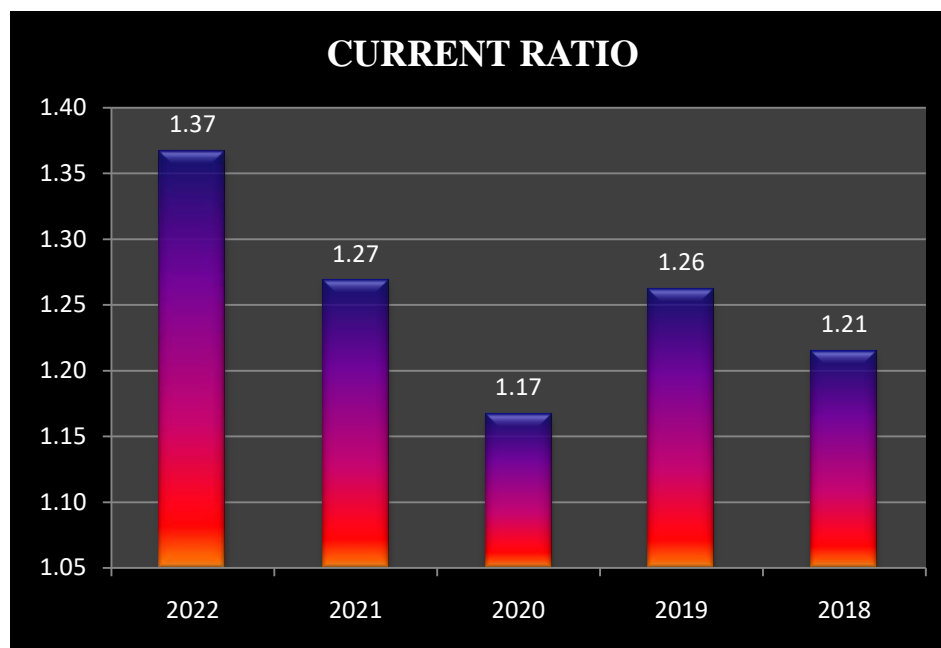
Liquidity or short-term solvency means the ability of the business to pay a short term liabilities. When it comes to financing, liquidity is a crucial aspect to consider. And liquidity ratio is an essential accounting tool that is used to determine the current debt repaying ability of a borrower.





**TABLE 5.1 - Current Ratio: Current Assets/ Current Liabilities**

Ratio	2022	2021	2020	2019	2018
<b>Current Ratio</b>	1.37	1.27	1.17	1.26	1.21



**CHART 5.1- Current Ratio**

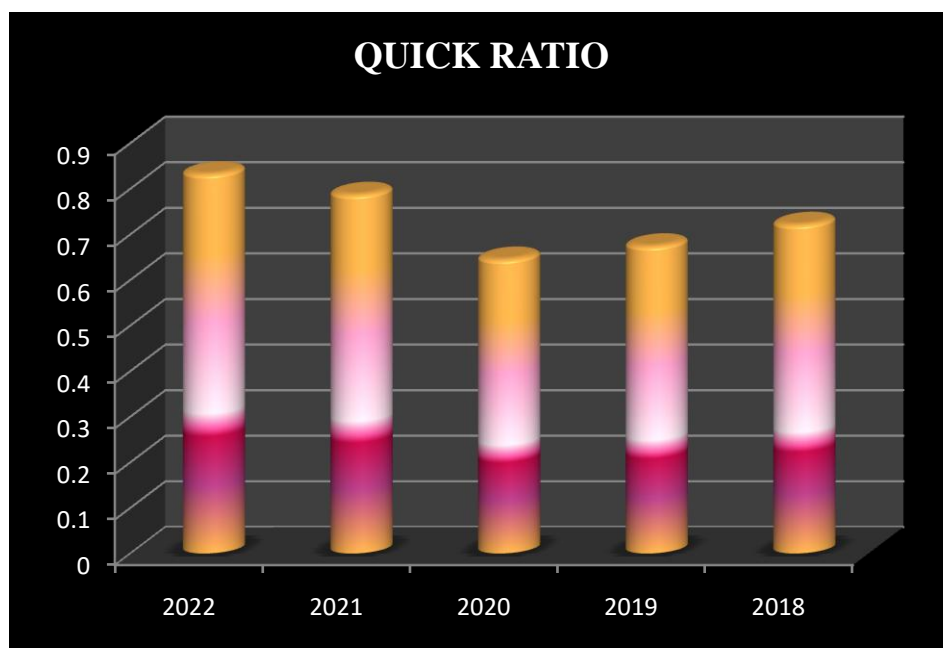
**INTERPRETATION:**

From the above figure we can see that the current ratio of the company is increasing year by year. The current ratio in the year 2018 is 1.21 is increased to 1.37 in the year 2022. So, it means that the company has enough current assets to cover the current liabilities. It shows that BASF India Limited has the financial resources to remain solvent in the short term.



**TABLE 5.2- Quick Ratio: Quick Assets/ Quick Liabilities**

Ratio	2022	2021	2020	2019	2018
Quick Ratio	0.83	0.79	0.65	0.67	0.72



**CHART 5.2- Quick Ratio**

**INTERPRETATION:**

In the above figure we can see that the quick ratio of BASF India Limited is consistently increasing in five years, it means that the company is more liquid and can generate cash quickly in case of emergency, it also means that the company has good financial health.

## 2. Turnover Ratio:

Turnover ratios measure how efficiently the facilities, including the assets and liabilities of the organization, are utilized. The turnover ratios indicate the efficiency or effectiveness of a company's management.

 **TABLE 5.3- Asset Turnover Ratio (Sales/ Total Assets)**

Ratio	2022	2021	2020	2019	2018
Asset Turnover Ratio	2.14	1.86	1.65	1.57	1.49

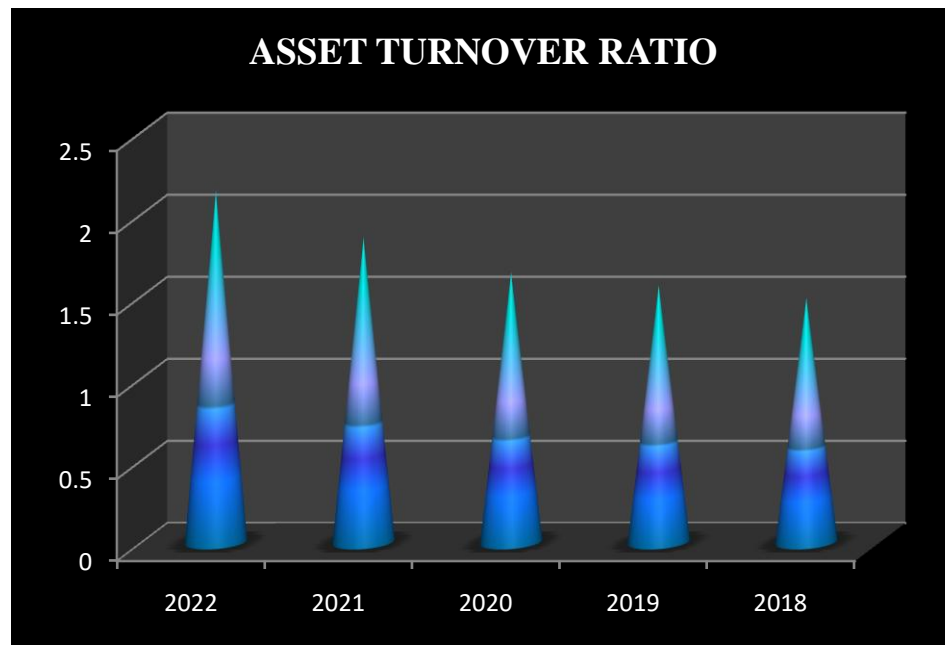


CHART 5.3- Asset Turnover Ratio

### **INTERPRETATION:**

A good and higher assets turnover ratio is more favourable; it means that the company is using its assets more efficiently. In BASF India Limited the asset turnover ratio is increased considerably in five years

 **TABLE 5.4- Fixed Assets Turnover Ratio: cost of goods sold/ average inventories**

Ratio	2022	2021	2020	2019	2018
<b>Fixed Assets Turnover Ratio</b>	4.9973	4.6417	5.5243	5.7907	5.256

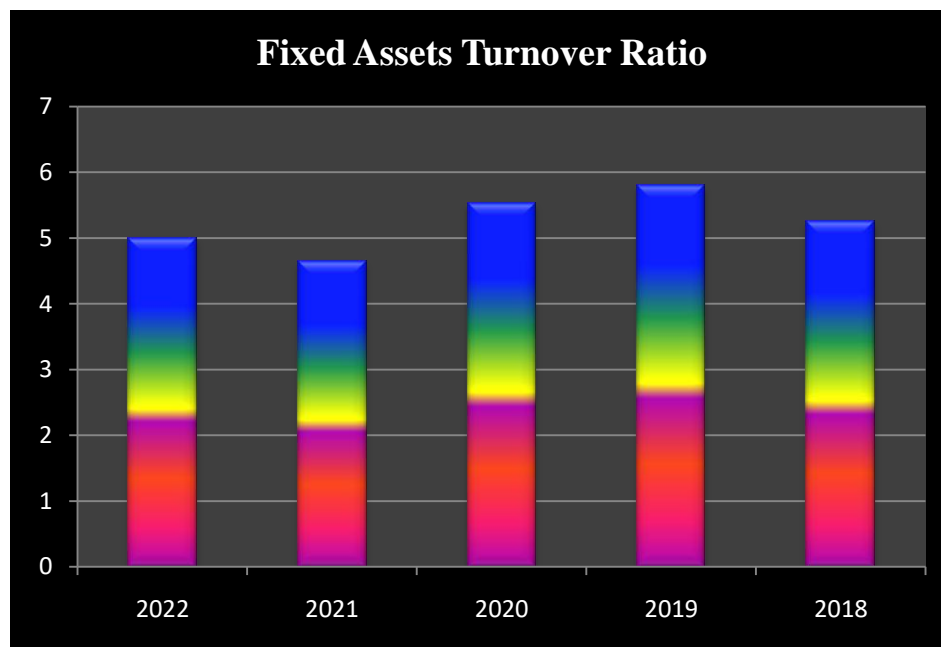



CHART 5.4- Fixed Assets Turnover Ratio

### **INTERPRETATION:**

A good fixed asset turnover ratio indicates that the company can generate enough revenue for itself. In BASF India Limited the fixed turnover ratio had increased in the year 2019 and later decreased to 4.9973 in 2022.

### **3. Profitability Ratio:**

Profitability ratios are a type of accounting ratio that helps in determining the financial performance of business at the end of an accounting period. Profitability ratios show how well a company is able to make profits from its operations.

 **TABLE 5.5- Net Profit= Net Profit/ Net sales \* 100**

Ratio	2022	2021	2020	2019	2018
Net Profit Ratio	4.5	3.01	0.63	-0.56	2.11

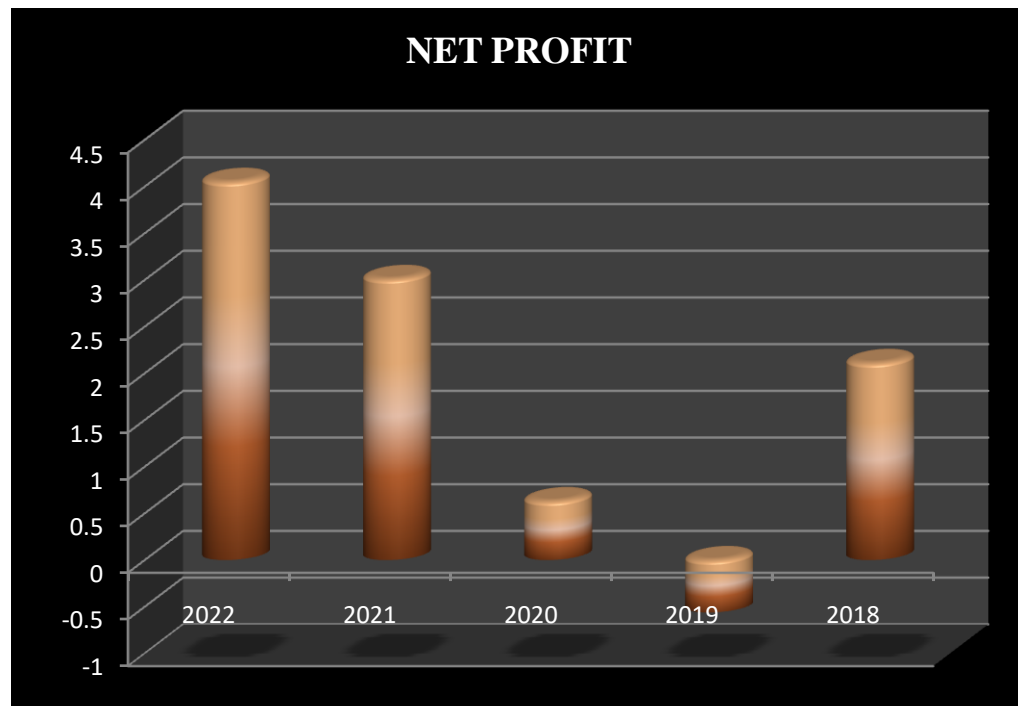


CHART 5.5- Net Profit

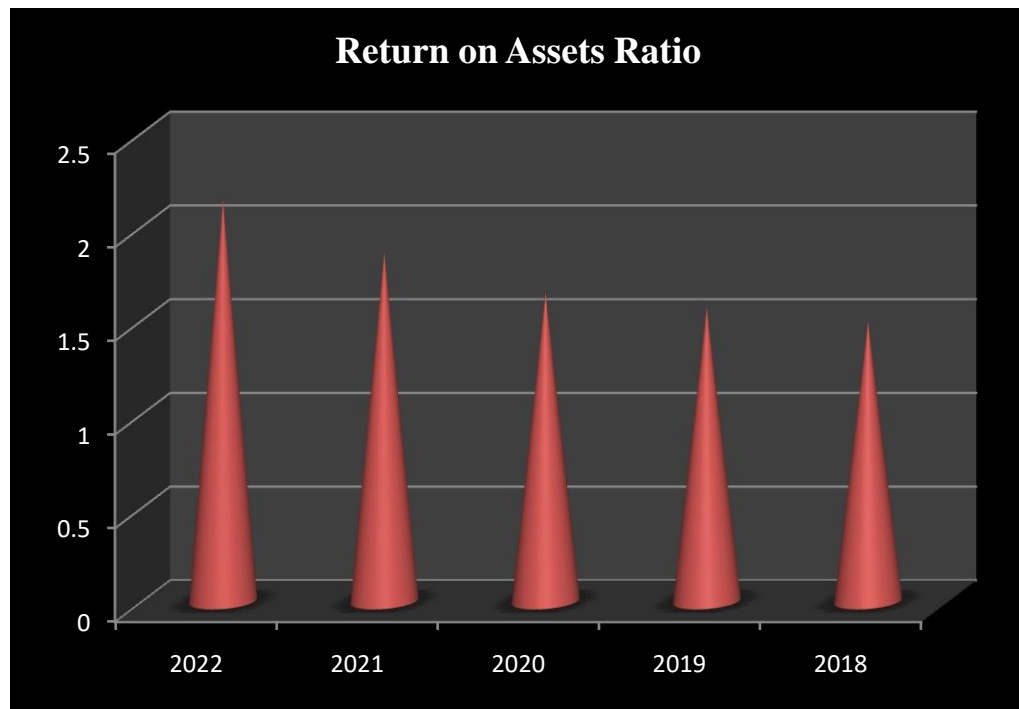
### INTERPRETATION:

The above table & graph shows the net profit ratio of the firm. While comparing the five years of ratio 2022 is having the highest ratio of 4.5 which shows the earning profit of the firm is high. This signifies that company has effectively controlled its cost. But there is decline in other years.



**TABLE 5.6- Return on Asset Ratio = Net Income / Total assets**

Ratio	2022	2021	2020	2019	2018
<b>Return on Asset Ratio</b>	2.1479	1.8613	1.6515	1.5679	1.4937



**CHART 5.6- Return on Asset Ratio**

### **INTERPRETATION:**

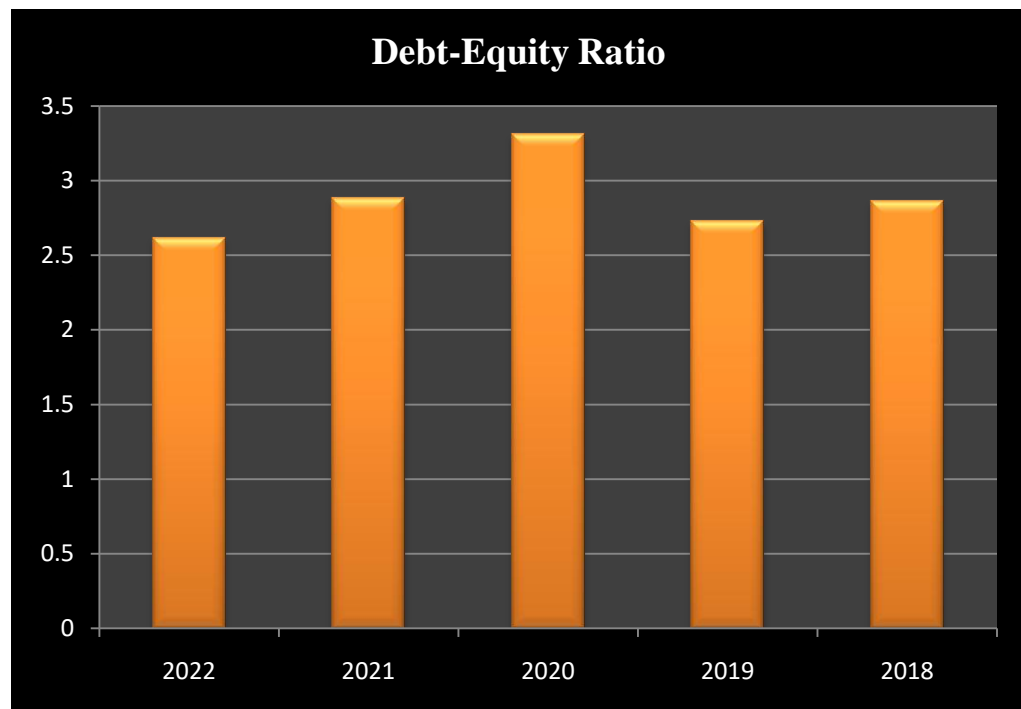
In the above figure there is an increase in the ratio from the year 2018 to 2022 that is from 1.4937 to 2.1479. The company's growth has increased from year to year. It means that the company is efficiently generating the revenue from its assets

#### **4. Solvency ratio**

Solvency ratio helps to examine a company's financial health. In particular, it enables to determine whether the company can meet its financial obligations in the long term. A high solvency ratio shows that a company can remain financially stable in the long term.

 **TABLE 5.7- Debt-Equity Ratio(Times)**

Ratio	2022	2021	2020	2019	2018
Debt-Equity Ratio	2.62	2.88	3.31	2.73	2.86



**CHART 5.7- Debt-Equity Ratio**

### **INTERPRETATION:**

The above table & graph shows the Debt Equity Ratio of the company, when comparing the five years of ratio that the organization has enough cash to cover its debt. The high ratio in the year 2020 shows that BASF was borrowing more capital to fund its operations, while decline in the ratio since then indicates that the company has utilized its assets and borrowed less money from market.

🌈 **TABLE 5.8- Proprietary Ratio = Shareholders fund / Total Assets**

Ratio	2022	2021	2020	2019	2018
<b>Proprietary Ratio</b>	0.3823	0.3472	0.3020	0.3668	0.3493

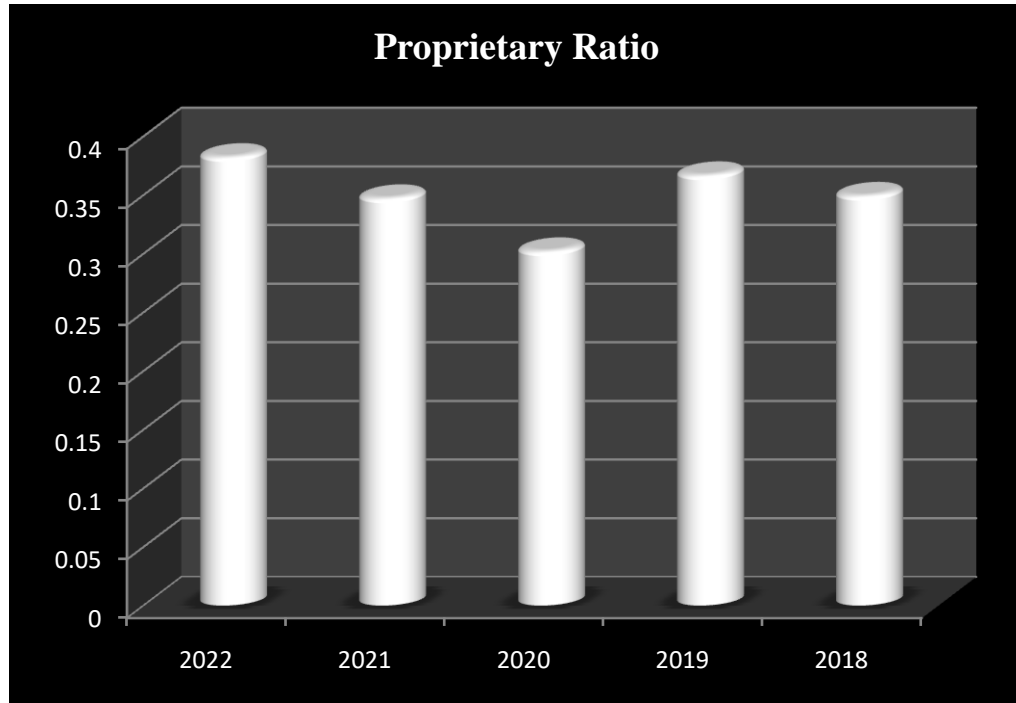


CHART 5.8- Proprietary Ratio



### **INTERPRETATION:**

In the above figure we can see that increase in the ratio in the year 2018 to 2019. In 2018 the proprietary ratio was 0.3493 and in 2019 it was 0.3668. But there was a decrease in the following year. In the year 2022 the company regained its position and also indicates that the company is in a strong position and provides relief to creditors.

## **CHAPTER-6**

### **LEARNING EXPERIENCE**

Internships are a wonderful way for students to explore their academic interests outside of the university realm. For those that find opportunities within industries related to their fields of study, they are able to turn their theoretical knowledge learned in the classroom, into practical experience in the work force.

I underwent internship in **BASF India Limited, Mangalore** in which my first experience as an intern was dealt with a company. My organizational study went alluringly throughout the duration of four weeks. It has definitely broadened my mind. It helped to explore what actually the company is, its daily activities and how the company runs. This made a path to get widened with regard to the knowledge of chemical industry in India as well as globally.

An organization study in a company will help to find many answers to the questions. What stood out during the organization study at BASF were its dedicated staffs and a great working environment. This internship period, also helped to judge myself whether I would be able to adjust in the corporate environment or not is a top notch aspect of this study to me.

Internships are one of the best ways one can experience the workforce without all the extra responsibilities or commitments. It's a perfect way to get a glimpse of a certain industry. It also equips one with the necessary skills needed in the future. Internships are definitely a learning experience!

There are many things one can take from an internship is what I got aware off through my one month organizational study. From learning more about oneself and how one can work with people to learning how to communicate, to understanding the goals and plans one have laid out for oneself. All the takeaways make the experience so worth it and fulfilling.

## **CONCLUSION**

BASF India Ltd. is a leading chemical company in India, the world's largest chemical company. It offers a variety of products and services to meet the needs of its customers. It has a dedicated team of scientists and engineers working to develop new products and technologies.

BASF India also invests in research and development to ensure that its products are safe, effective, and of the highest quality. It has a strong commitment to sustainability and is committed to the health and safety of its employees, customers, and the environment. It has implemented various initiatives to reduce its environmental impact and promote sustainability. It is committed to providing its customers with the highest quality products and services.

BASF provided valuable insights into the company's operations, work culture and industry practices. Through this study, gained a comprehensive understanding of the company's mission and values, as well as its role in the chemical industry.

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