

# **INTERSHIP REPORT ON**

## **“PLASEL PRODUCTS”**

**Submitted By**

**Muthamma M U**

**USN: 4AL21BA048**

**Submitted To**

**VISVESVARAYA TECHNOLOGICAL UNIVERSITY,**

**BELAGAUM**



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

**MASTER OF BUSINESS ADMINISTRATION**

**Under the Guidance of**

**INTERNAL GUIDE**

**Assistant professor Mr. Neeraj Rai**

**P G Department of Business Administration**

**Alva's Institute of Engineering and Technology, Mijar, Moodbidri**



**P G DEPARTMENT OF BUSINESS ADMINISTRATION**

**ALVAS INSTITUTE OF ENGINEERING AND TECHNOLOGY**

**SHOBHAVANA CAMPUS, MIJAR, MOODBIDRI 2021-2022**



# Plasel Products

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Date: 19-11-2022

Place: Bangalore

We hereby confirm and certify that **Mrs. MUTHAMMA M U (USN: 4AL21BA048)** MBA, Student of **ALVAS INSTITUTE OF ENGINEERING AND TECHNOLOGY**, Mijar Moodbidri, she has successfully completed her internship in our organization from the date 20/10/2022 to 19/11/2022, under the guidance of **Mrs. N CHAITRA**.

During the course of internship, the candidate was found to be observant during her short stint in our company, we appreciate her contribution.

We wish her all the best for her future endeavours.

For PLASEL PRODUCTS  
  
Managing Partner



# 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 **MUTHAMMA M U** bearing USN **4AL21BA048**, 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 "**PLASEL PRODUCTS PVT. LTD., BANGALORE**" is prepared by her under the guidance of **Mr. Neeraj S Rai**, 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 **Muthamma M U** hereby declare that this Organization Study conducted at **PLASEL PRODUCTS PVT. LTD., Bangalore** is a record of independent work carried out by me under the guidance of Mr. Neeraj Rai. I also declare that this organization 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 organization study for a period of four weeks. I further declare that this organization 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.

Date:

Place:

(Muthamma M U)

## **ACKNOWLEDGEMENT**

First and foremost, I would like to express my gratitude to my internship external guide Ms. N Chaitra, Administrator, Plasel Products, Bangalore. Her willingness motivated me and her guidance contributed tremendously to this internship work.

I am grateful to my internship internal guide Mr. Neeraj Rai, Assistant Professor, Department of Business Administration, Alvas Institute of Engineering and Technology, Mijar, Moodbidri for his advice and suggestions at various stages of the work during internship.

I would also like to express my sincere gratitude to Dr. Peter Fernandies, Principal, Alvas Institute of Engineering and Technology, Mijar for their encouragement to complete the internship.

I would like to express my sincere gratitude to Mrs. Priya Sequeria, Head of Department PG Department of Business Administration, Alvas Institute of Engineering and Technology, Mijar for their continuous support in complete of internship.

I am also indebted to the Management of Alvas Institute of Engineering and Technology, Mijar for providing me with a good study environment and excellent library facilities. I appreciate the help and support rendered by the teaching and non-teaching staff of MBA Department.

Lastly, I take this opportunity to offer my regards to all of those who have supported me directly or indirectly in completing this internship work.

Finally, it's my foremost duty to thank my parents for encouragement and support during the entire course.

**MUTHAMMA M U (USN: 4AL21BA048)**

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## **EXECUTIVE SUMMARY**

The company that has been chosen to do the organization study is **PLASEL PRODUCTS**. It belongs to Manufacturing Industry. The study report is divided into six chapters, each of which covers a distinct area of the company. The majority of the information, such as financial statements and balance sheets are provided by the company. This research is being carried out in order to introduce students to the fundamentals of an organization and to apply theoretical concepts through primary and secondary research. The first chapter discusses the industrial background, future prospects, and competitive environment within the industrial framework, among other things.

The Organizational Profile section of the second chapter covers the company's history, nature of business, vision, mission, and quality policy, workflow model, product profile, ownership pattern, competitor analysis, and market share analysis.

The third part looks at McKinsey's 7S structure, which contains: Strategy, Structure, System, Style, Staff, Skills (Skill Matrix), and Shared Values. These 7S are analyzed from the perspective of the hierarchical construction, and they are extremely helpful in figuring out where the organization is going as far as in general industry execution. This section additionally covers Porter's five power model, which incorporates the danger of new participants, the danger of substitute items, contention among existing contenders, purchaser power, and provider bartering power. These five powers assume a part in deciding the measure of contention in a given industry just as its benefit.

The SWOT Analysis, which depicts the organization's qualities, shortcomings, openings, and threats, is the fourth section. SWOT investigation permits us to look at and expect how we might utilize our qualities and freedoms to moderate the shortcomings and threats.

The fifth chapter focuses on Financial Statement Analysis, which helps us understand the company's financial status.

The sixth chapter gives me the opportunity to discuss my learning experiences in the organization where I completed my internship.



# **CHAPTER – 1**

## **INDUSTRY PROFILE**

# **CHAPTER – 1**

## **INDUSTRY PROFILE**

### **1.1 PURPOSE OF THIS STUDY**

An internship is a short-term work experience offered by companies and other organizations for students to get some entry-level exposure to a particular industry or field. It is as much of a learning experience as it is work. Ideally, interns spend their time working on relevant projects, learning about the field, making industry connections, and developing both hard and soft skills. An internship is a short-term work experience offered by companies and other organizations for people—usually students, but not always—to get some entry-level exposure to a particular industry or field. It is as much of a learning experience of work. Ideally, interns spend their time working on relevant projects, learning about the field, making industry connections, and developing both hard and soft skills. Internships sometimes even lead to full-time job offers.

- To learn beyond textbooks.
- To re-confirm the priorities before getting committed to full time employment
- Helps to build own network from fellow interns and leaders.
- To learn how the transition happens from Student to an Employee.

### **1.2 INDUSTRY PROFILE**

#### **MANUFACTURING INDUSTRY**

Manufacturing is the process of turning raw materials into finished things using labor, equipment, tools, and chemical or biological processing or formulation. It is the backbone of the economy's secondary sector.

The phrase can be applied to a wide range of human activities, from handcraft to high-tech, but it is most usually associated with industrial design, which involves the large-scale transformation of raw materials from the primary sector into completed commodities. These commodities may be sold to other manufacturers for use in the creation of more advanced technologies (such as aircraft, household

appliances, furniture, sports equipment, or vehicles), or they may be delivered to end users and consumers through the tertiary industry (usually through wholesalers, who in turn sell to retailers, who then sell them to individual customers).

The procedures that raw materials go through to become a finished product are referred to as the manufacturing process. The product design and materials specifications from which the product is built are the first steps in the manufacturing process. These materials are subsequently transformed into the desired part through manufacturing methods.

All intermediate procedures involved in the manufacture and integration of a product's components are included in modern manufacturing. Fabrication is a phrase used by some businesses, such as semiconductor and steel producers.

### **Objectives of Manufacturing Industry**

- Intended to boost a company's bottom line.
- Quality, safety, proper vendor selection
- To maintain effective costing and efficiency for manufacturing quality goods.

## **ELECTRONIC INDUSTRY**

The **electronics industry** is the economic sector that produces electronic devices. It emerged in the 20th century and is today one of the largest global industries. Contemporary society uses a vast array of electronic devices built in automated or semi-automated factories operated by the industry. Products are primarily assembled from metal-oxide-semiconductor (MOS)

transistors and integrated circuits, the latter principally by photolithography and often on printed circuit boards.

The size of the industry and the use of toxic materials, as well as the difficulty of recycling has led to a series of problems with electronic waste. International regulation and environmental legislation have been developed in an attempt to address the issues.

The electronics industry consists of various sectors. The central driving force behind the entire electronics industry is the semiconductor industry sector, which

has annual sales of over \$481 billion as of 2018. The largest industry sector is e-commerce, which generated over \$29 trillion in 2017. The most widely manufactured electronic device is the metal-oxide-semiconductor field-effect transistor (MOSFET), invented in 1959, which is the "workhorse" of the electronics industry.

### **1.2.1 INDUSTRY STRUCTURE**

**Product Development and Engineering:** This involves conceptualizing an idea to design a product. Product development and engineering teams are expected to design, make prototypes, perform quality and performance tests, and finally roll out the product or service. They make improvements on products using feedback from marketing teams and working closely with R&D. They also design innovative tools and techniques to make products in a fast, less-costly process.

**Manufacturing:** The manufacturing department is expected to transform a product design into a real workable product. This department works in collaboration with design teams to explore how best they can improve production lines to make products faster and with reduced operational costs. They also work together with the supply chain team to improve efficiency in the manufacturing process.

**Supply Chain and Operations:** This department is tasked with the procurement and storage raw materials, and distribution of final products to consumers. The supply chain needs to be efficient in order improve productivity and ensure that goods reach customers on time. To do this they work in partnership with manufacturing teams to process orders, with sales channels to manage inventory, and with transportation providers to plan on the delivery of products.

**Sales:** The sales department is tasked with generating revenue for the business through the sale of products. They are supposed to work with marketing teams to create plans and strategies that can help in penetrating new markets, maintaining existing markets, and boosting sales performance. Since they are in direct contact with existing customers, they are expected to provide feedback to the management

and design and manufacturing teams on ways they can add value to the existing products.

**Marketing:** Marketing involves promoting and creating a good image for the company's products so as to grow the company's market share and profit. This is done through various channels including TV, billboards, social media platforms, customer loyalty programs, and promotional campaigns directed at target markets. The department also performs market research and partners with sales to develop market plans and improve sales performance.

**Customer Service:** Their main job is to communicate directly with customers, answer their questions, process their requests, and resolve their complaints. This can be done one-on-one, over the phone or through online chats. They should then provide feedback and insights to relevant departments.

**Finance and Accounting:** This department is tasked with all financial operations of the company. This includes financing projects and operations, maintaining accounting records, creating financial and budget controls, preparing financial statements, and Managing credit and cash.

**Human Resources:** Human resources team deals with matters related to employees including recruitment, compensation, and benefits. They also help the company to sort out its legal obligations like licenses, permits, tax compliance, etc.

**Information Technology:** The IT department is responsible for planning, establishing, and maintaining networking, communication, and office-related infrastructure and equipment. They are also expected to leverage new technologies to improve products and processes or help design new processes that can help expand markets and increase profits.

## 1.2.2 COMPETITIVE POSITION

Electronics is one of the rapidly evolving and highly innovative industries, where competition is tough and rigorous.

**Advancements in Technology:** Technology has been and will continue to be a determining factor on how sustainable and profitable a company in the electronics industry will be. Companies will have to invest more in R&D, restructure, and become more service-oriented by leveraging such technological advancements as the Internet of Things (IoT). Electronic equipment manufacturers will have to make use of robotics and automation to improve both efficiency and productivity. Some companies have already integrated different sensor technologies in their manufacturing processes to gather substantial data that can provide timely insights to drive growth and profits.

**Globalization:** The internet is giving companies in the electronics industry a low-cost channel for retail distribution. Products can now be shipped to customers in any place in the world and reach them within a day or two. This has empowered companies would otherwise have been considered minnows to stamp their presence on global markets. Companies are now competing on matters price and efficiency on a global level. They are also penetrating larger and larger geographical markets riding on internet capabilities. When this is coupled with low production costs, the result is the emergence of such countries as China and India as influential forces in software design and development.

**Information:** Information is proving to be a competitive advantage in the fast-paced electronics industry. Obtaining, processing, and transmitting information is becoming less costly. By leveraging acquired knowledge, companies can rethink and perform comprehensive analysis of their product development, design and sales strategies. For instance, companies can follow trends in the industry and use consumer feedback to design innovative products or deliver services that satisfy consumer needs. On the other hand, consumers have become more aware of products and their prices, and so have an apparent bargaining position on electronic vendors. Companies will, therefore, need to introduce such strategies as product differentiation to counter and cash in on this consumer empowerment.

### **1.2.3 GOVERNMENT POLICIES AFFECTING THE INDUSTRY**

Electronics industry is the world's largest and fastest growing industry and is increasingly finding applications in all sectors of the economy. The Government of India attaches high priority to electronics hardware manufacturing and it is one of the important pillars of both "Make in India" and "Digital India" programmes. Implementation of the Schemes/ Programmes under the aegis of the National Policy on Electronics 2012 (NPE 2012) has successfully consolidated the foundations for a competitive Indian ESDM value chain. It is now proposed to build on that foundation to propel the growth of ESDM industry in the country. Besides the economic imperative, focus on electronics hardware manufacturing up to the integrated circuit or chip level is required due to the growing security concerns. However, the sector continues to face many challenges.

The National Policy on Electronics 2019 (NPE 2019), prepared after extensive stakeholder consultation, envisages to position India as a global hub for ESDM with thrust on exports by encouraging and driving capabilities in the country for developing core components, including chipsets, and creating an enabling environment for the industry to compete globally.

### **1.2.4 GROWTH OPPORTUNITIES**

The electronics sector mostly produces consumer electronics, electronic equipment, and manufactures electrical components for a variety of products.

Consumer electronics are a key component in the electronics industry and for good reason. According to Precedence Research's 2022 market report, the global market for consumer electronics is predicted to grow at a compound annual growth rate (CAGR) of about 5.1% from 2022 to 2030, exceeding \$1 trillion.

A few main drivers of future consumer electronics growth include smartphones' latest innovations, smart wearables, smart devices and equipment, artificial intelligence, automotive technology, and any equipment Internet of Things related (IoT), as well as the replacement cycles and dropping prices of many electronics devices to encourage continued consumption.

### **1.2.5 MARKET SIZE AND TREND**

The India consumer electronics market size was valued at USD 71.17 billion in 2021 and is expected to expand at a compound annual growth rate (CAGR) of 6.5% from 2022 to 2030. India provides a worldwide opportunity for short to medium-term growth in consumer electronics spending. Minimal penetration rates, as against other upcoming markets, portray a better prospect to sell to first-time buying households, along with replacement devices to the middle class.

### **Electronics Manufacturing Trends for 2022-23**

1. Advanced Materials
2. Organic Electronics
3. Artificial Intelligence
4. Internet of Things
5. Embedded Systems
6. Printed Electronics
7. Advanced IC Packaging
8. Miniaturized Electronics
9. Additive Manufacturing
10. Immersive Technologies

### **1.3 INTRODUCTION TO THE COMPANY**

Plasel products was established in 1984 as private limited company & restructured in the year 2010 as partnership firm. We are known for manufacturing Electromagnetic DC relays. Over the years of experience and satisfaction of customer, the company will now offer many more components & have become one-stop destination for all the customer needs & requirements. Plasel products Company is ISO 9001:2015 Certified for Quality Systems.

### **PLASEL PRODUCTS**

- INDUSTRY : Medium Scale Industry
- FOUNDED : 1985
- PROPRIETOR : Mr. Narse Gowda  
Mrs. Shashikala



- AREA SERVED : Agriculture and Electronics
- LOCATION : 113/2, Industrial town, Basaveshwaranagar main road, Rajajinagar, Bangalore – 560010
- KEY PERSON: Miss. N Chaitra
- SERVICES: Stabilizer, Panel boards, UPS, connectors.
- CAPITAL INVESTMENT: Rs 1,56,00,000
- TURN OVER: Approx. Rs 25 crores per annum
- NO OF EMPLOYEES: 25 employees
- Email : [plaselblr@gmail.com](mailto:plaselblr@gmail.com)

## **ISO CERTIFICATION**

Plasel products firm has certified by ISO 9001

## **GST NUMBER**

29AAMFPO825C1ZC

## **DESCRIPTION**

- Stabilizers models.
- Component for UPS.
- Component for Auto Starter and Pumps.
- Panel boards.
- Connecters

## **POLICY**

To get the quality products at economic cost.

# **CHAPTER-2**

## **ORGANISATION PROFILE**

## **CHAPTER-2**

### **ORGANISATION PROFILE**

#### **2.1 BACKGROUND**

Plasel Products was established in 1984 as Private limited Company & restructured in the year 2010 as Partnership firm.

Plasel Products are known for manufacturing Electromagnetic DC relays. Over the years of experience and satisfaction of customer, Plasel Products company is now offering many more components & have become one-stop destination for all the customer needs & requirements. Plasel Products Company is ISO 9001:2015 Certified for Quality Systems.

#### **2.2 NATURE**

The Plasel Products are manufactured and supplied as per customer specification also all the measuring, testing instruments and equipments are periodically calibrated. All the product processes are approved by the Customers. Plasel Products are being supplied to customers all over Southern states of India, Odisha, Uttarakhand and Sikkim.

#### **Plasel Products few major Customers are:**

- V Guard Industries Limited
- Aditya Auto Products & Engineering (I) Pvt Ltd.
- Bhaskar Teck Controls
- Roshan Engineering's – Chennai
- Everest stabilizers Pvt Ltd.

## 2.3 VISION, MISSION AND QUALITY POLICY

### Vision:

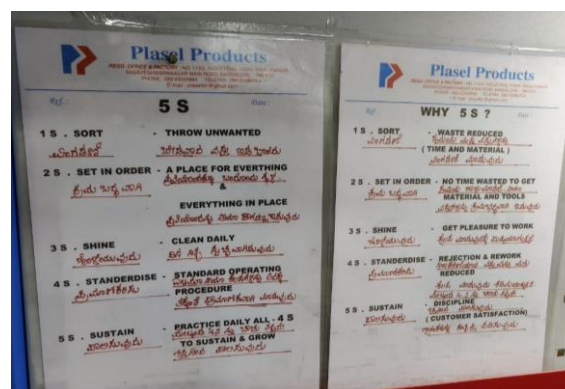
Plasel Products will provide high quality electronic manufacturing services and individualized customer service, while encouraging employee creativity, motivation, and teamwork in a continuously improving environment.

### Mission:

- Customer satisfaction as crucial objective for plasel products and to have a wide customer base over India with quality products and pre & post services support.
- Provide employees with on-going training to enhance knowledge and skills, develop problem solving and decision-making abilities, and offer opportunities for advancement.
- Utilize Continuous Process Improvement strategies to ensure the highest quality products and services.

### Quality policy:

It is the policy of Plasel Products to provide an outstanding product quality & service to every customer on time. Providing Quality, continues improvement and exceeding customer satisfaction are the personal responsibilities of each employee, and by which we achieve our aims of long-term success and improvements.



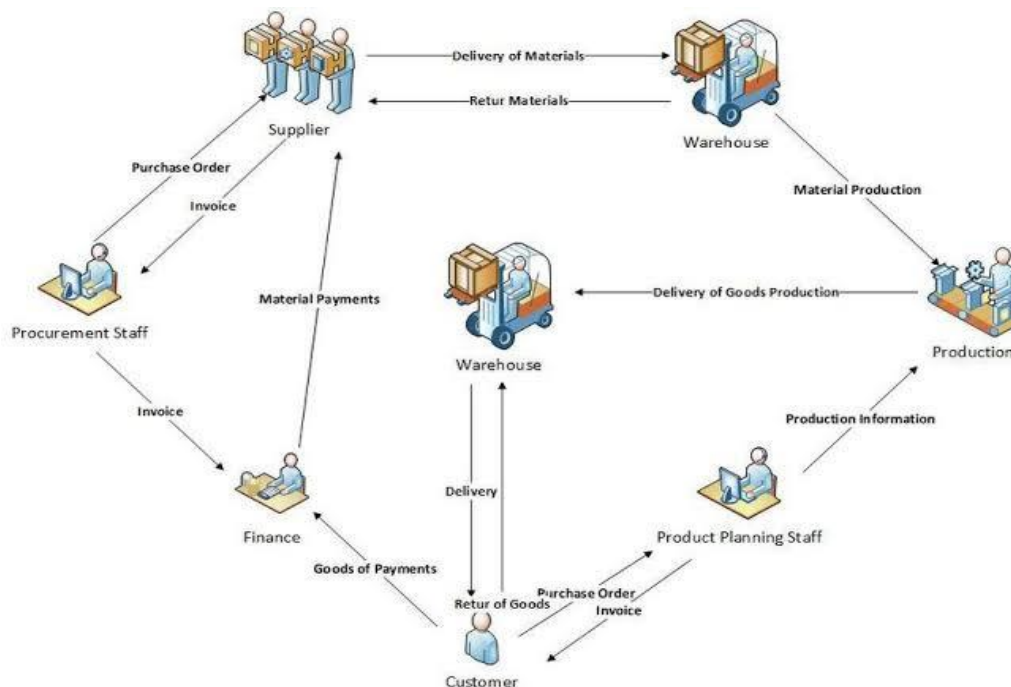
Plasel Product quality based 5s Framework

## 2.4 WORKFLOW MODEL

The proposed workflow model framework consists of the following building blocks: workflow, task, subtask, raw material, sink, subtask material input and output ports, information input and output ports, material flow line, information flow line and data mode. A list of parameters can be specified with the building blocks to fully describe associated details.

A workflow is the sum total of all the building blocks that fully describes the details of a procedure. Also, it defines the scope of the activities encompassed. A task represents a series of steps performed on or by assigned resources. A task is performed on an assigned equipment or instrument. In the case of scientific workflows, it may be the hardware on which a computation task is performed. Whenever a resource is shared by multiple tasks, its allocation to perform a given task is dictated by its availability, suitability and the priority of the task to be performed

### Flow chart of Workflow Model:



## 2.5 PRODUCTS AND SERVICES PROFILE

### 1. COMPRESSION MOULDED COMPONENTS.

- CONNECTOR 30A 3WAY CONNECTOR – Black
- CONNECTORS 30 A 1 WAY
- CONNECTORS 30 A 3 WAY
- CONNECTORS 30 A 6 WAY
- CONNECTORS 45 A 3 WAY
- CONNECTOR COVER

**Material Used:** Baklite Powder.

### 2. ELECTRO MAGNETIC DC RELAYS - USED IN ELECTRICAL PANEL BOARDS & STABILIZERS

- | ▪ AMP                         | CONTACT CONFIGURATION                        |
|-------------------------------|--|
| ▪ 6A                          | 1 C/O, 2 C/O OPEN TYPE                       |
| ▪ 10A                         | 1 C/O, 2 C/O OPEN TYPE                       |
| ▪ 20A                         | 1 C/O, 2 C/O WITH DUST PROOF COVER           |
| ▪ 30A                         | 1 C/O, 2 C/O OPEN TYPE                       |
| ▪ 40A                         | 1 C/O, 2 C/O OPEN TYPE                       |
| ▪ 1 C/O WITH DUST PROOF COVER |  |
| ▪ 60A                         | 1 C/O WITH DUST PROOF COVER AND BAKLITE BODY |
| ▪ 30A/40A                     | 2 N/O WITH DUST PROOF COVER                  |

### 3. INJECTION MOULDED COMPONENTS

- TRANSFORMER BOBBINS
- TYPE – 31\*32mm, TYPE – 31-35mm, TYPE – 15\*47mm, TYPE – 3\*27mm, TYPE – 3\*20mm, TYPE – 16\*27mm.
- THERMAL OVERLOAD PROTECTOR (TOP)
- 32mm, 36mm, 46mm, 58mm.
- 6A&16A ELECTRICAL SOCKET

#### 4. TRANSFORMER CLAMPS

- Clamp T 31/05, Clamp T 3/07, Clamp T 3/08

#### 5. PRESS AND TURNED COMPONENTS

### 2.6 OWNERSHIP PATTERN

In the beginning Plasel Products company was established as Private Limited company. After few years the members of the company formally dissolved and Later, the company Plasel Products was restructured in the year 2010 as Partnership Firm. There are two Partners who are running this firm. They are, Mr. Narase Gowda and Ms. Shashikala.

#### **Introduction**

A partnership is a single business in which two or more people share ownership. Each partner contributes to all aspects of the business, including money, property, labour, or skill. In return, each partner shares in the profits and losses of the business.

Because partnerships entail more than one person in the decision-making process, it's important to discuss a wide variety of issues up front and develop a legal partnership agreement. This agreement should document how future business decisions will be made, including how the partners will divide profits, resolve disputes, change ownership (bring in new partners or buy out current partners), and how to dissolve the partnership. Although partnership agreements are not legally required, they are strongly recommended, and it's considered extremely risky to operate without one.

#### **Types of Partnerships**

There are two general types of partnership arrangements:

**General Partnerships** assume that profits, liability, and management duties are divided equally among partners. If you opt for an unequal distribution, the

percentages assigned to each partner must be documented in the partnership agreement. product and service so he product

**Limited Partnerships** (also known as a partnership with limited liability) are more complex than general partnerships. Limited partnerships allow partners to have limited liability as well as limited input with management decisions. These limits depend on the extent of each partner's investment percentage. Limited partnerships are attractive to investors of short-term projects.

## **2.7 FUTURE GROWTH AND PROSPECTS**

In the process of getting ISI marking as per 1293:2019 for 6&16A Electrical Socket shortly. In the process of producing different kinds of Relays – T type relays.



## **CHAPTER-3**

# **McKINSEY'S 7S FRAMEWORK AND PORTER'S FIVE FORCE MODEL WITH SPECIAL REFERENCE TO ORGANIZATION UNDER STUDY**

## CHAPTER-3

### McKINSEY'S 7S FRAMEWORK AND PORTER'S FIVE FORCE MODEL WITH SPECIAL REFERENCE TO ORGANIZATION UNDER STUDY.

#### 3.1 McKINSEY'S 7S FRAMEWORK

##### 3.1.1 Introduction

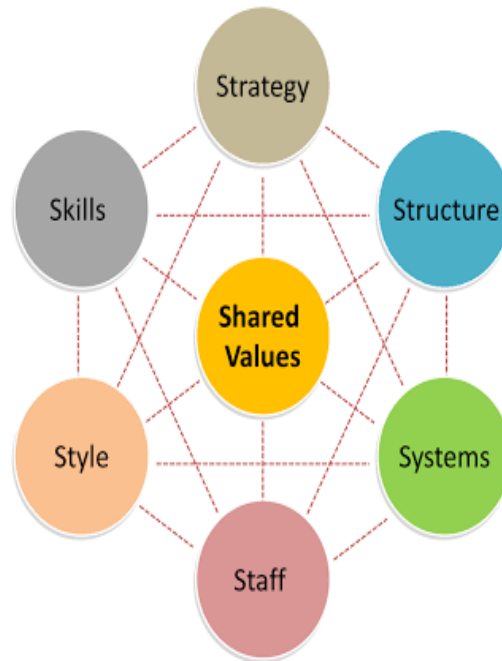
McKinsey's 7S framework focuses on seven elements of a business practice that can be aligned to improve effectiveness of the company. According to the framework strategy, structure and systems represent hard elements, whereas shared values, skills, style and staff are soft elements. McKinsey's 7S framework stresses the presence of strong links between elements in a way that a change in one element causes changes in others. As it is illustrated in figure below, shared values are positioned at the core of McKinsey's 7S framework, since shared values guide employee behaviour with implications in their performance.

"Hard" elements are easier to define or identify and management can directly influence them: These are strategy statements; organization charts and reporting lines; and formal processes and IT systems.

"Soft" elements, on the other hand, can be more difficult to describe, and are less tangible and more influenced by culture. However, these soft elements are as important as the hard elements if the organization is going to be successful.

- **Strategy:** the plan devised to maintain and build competitive advantage over the competition.
- **Structure:** the way the organization is structured and who reports to whom.
- **Systems:** the daily activities and procedures that staff members engage in to get the job done.
- **Shared Values:** called "superordinate goals" when the model was first developed, these are the core values of the company that are evidenced in the corporate culture and the general work ethic.

- **Style:** the style of leadership adopted.
- **Staff:** the employees and their general capabilities.
- **Skills:** the actual skills and competencies of the employees working for the company.



**Fig 3.1.1 McKinsey's 7s frame elements**

Placing Shared Values in the middle of the model emphasizes that these values are central to the development of all the other critical elements. The company's structure, strategy, systems, style, staff and skills all stem from why the organization was originally created, and what it stands for. The original vision of the company was formed from the values of the creators. As the values change, so do all the other elements.

### **3.1.2 STRATEGY**

The strategy also takes into consideration the competitive pressures and activities of competitors.

Plasel Products one of the strategies is to address **the Competitive pressures** through suggestive measures and actions to address competition that ensure sustainability to the company and plans adapting to market changes, and evolving consumer trends and demands.

**Changing consumer demands** is also their main strategy and important aspect at Plasel Products, it takes into constant consideration the changing consumer trends and demands, as well as the evolving consumer market patterns and behaviour. As it allows the company to remain competitive and relevant to its target consumer groups, as well as allows the company to identify demand gaps in the consumer market.

The strategic direction and the overall business strategy for **Plasel Products** are clearly defined and communicated to all the employees. This helps the organization manage performance, guide actions, and devise different tactics that are aligned with the business strategy. Moreover, the business strategy's definition and communication also make operations for their Manufacturing Services more transparent and aligns the responsibilities and actions of the company. The strategy of Plasel Products helps employees to decide tactics and behaviours for attaining the set goals and targets to help the business grow.

The company then strategically addresses these gaps through product offerings and marketing activities which give the company successful and leading-edge over other patterns in the market.

### **3.1.3 STRUCTURE**

Plasel Products company hierarchy is supported by learning and progressive work. With lesser managerial levels in between and more access to the senior management and leadership, the employees feel more secure and confident and also have higher access to information. Moreover, it allows quicker decision-making processes for Manufacturing Services and increases organizational commitment in the employees.

#### **➤ Inter-Departmental coordination**

The Electronics Manufacturing Services Industry has high coordination between different departments. The company's departments often form inter-department teams for projects and tasks that require multiple expertise. All coordination between different departments is effective and organized. The Electronics

Manufacturing Services Industry has a systematic process for initiating and monitoring coordination between departments to ensure smooth work operations and processes – and goal attainment.

➤ **Internal team dynamics [department specific]**

Plasel Products company encourages teamwork and oriented tasks. Where jobs require individual attention and scope, the company also assigns individual responsibilities and job tasks. However, all employees at Plasel Products are expected to be team players who can work well with and through other members, and who get along well. The teams at The Electronics Manufacturing Services Industry are supportive of all members and work in synch with synergy towards achieving the objectives and goals under the company's designed strategy and values.

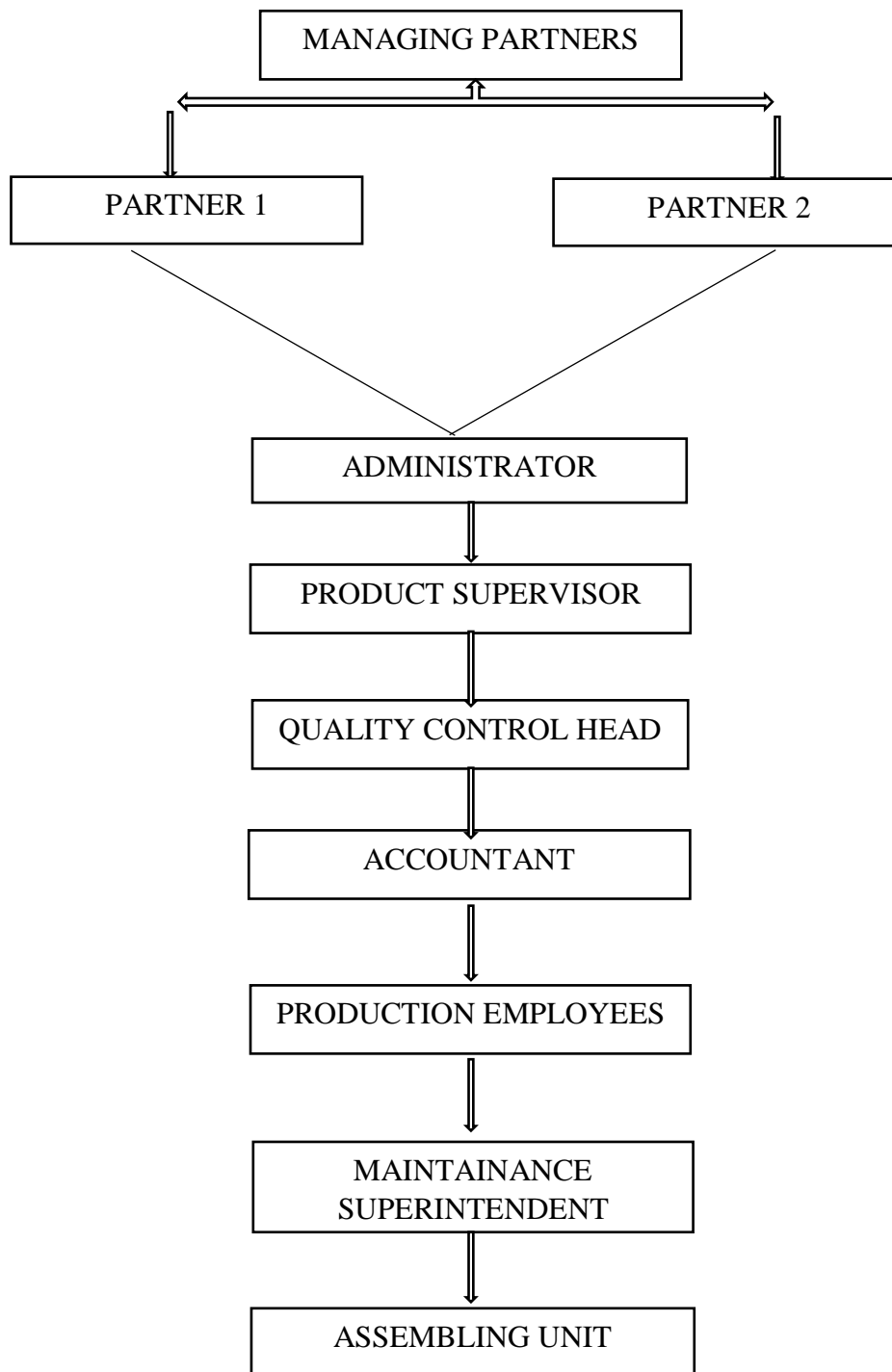
➤ **Centralization and decentralization**

Plasel Products company has a structure between centralization and decentralization. Like many progressive companies, the Electronics Manufacturing Services firm largely supports decentralized decision making. Job roles at Plasel products company are designed to be carried out with responsibility, and employees often set their goals with mutual coordination and understanding with the supervisors. However, Plasel Products is also centralized in making sure that supervisors oversee, and approve of the various efforts, and tactics that employees choose to ensure that they are aligned with the organizational strategy and values.

➤ **Communication**

The Company has a developed and intricate system for ensuring communication between employees, and different managerial levels. The communication systems at Plasel Products enhance the overall company's structure. The systematic, defined, and organized communication allows an easy flow of information and ensures that no tasks and goals are compromised because of a lack of communication, or misunderstandings.

➤ **Organization structure**



### 3.1.4 SYSTEM

Plasel Products has defined and well-demarcated systems in place to ensure that the business operations are managed effectively and that there are no conflicts or disputes.

- The company continually evaluates its systems through the designed controls. This monitoring of the performance is continual and ongoing.
- It is largely done through observation and informal discussions.
- Feedback to employees and overall department heads is informally given regularly as and when is required.
- Formal evaluation of performance is also conducted semi-annually or quarterly, depending on the need and the urgency of the projects and assigned tasks. This is a formal process that is undertaken by supervisors and managers to ensure the identification of performance lags, and suggestive means of improvement.

**The mandatory disclosure of the Plasel Products company are:**

- The working hours of the company is from 9:00 am to 5:00 pm.
- The lunch timings is between 1:00 pm to 1:30 pm.
- The working days of the company is from Monday to Saturday.
- Sunday is a regular week off.
- They provide twelve common holidays excluding government holidays.
- The salary is issued on 7<sup>th</sup> of every month.



**Fig. 3.1.2 Plasel Product Firm's Mandatory Disclosure**

### 3.1.5 SHARED VALUES

The core values at Plasel products are defined and communicated to foster a creative and supportive organizational structure that will allow employees to perform optimally, and enhance their motivation and organizational commitment.

The core values at Plasel Products include,

- Safety
- Agility
- Care
- Respect
- Ethics
- Diligence
  
- **Safety:**
  - Safety is a core value over which no business objective can have a higher priority.
- **Agility:**
  - Speed, Responsiveness and being Proactive, achieved through Collaboration and Empowering Employees.
- **Care:**
  - Care for Stakeholders - our Environment, Customers and Shareholders - both existing and potential, our Community and our People (our employees and partners).
- **Respect:**
  - Treat all stakeholders with respect and dignity.
- **Ethics:**
  - Achieve the most admired standards of ethics, through Integrity and mutual Trust.
- **Diligence:**
  - Do everything (set direction, deploy actions, analyze, review, plan and mitigate risks etc) with a thoroughness that delivers quality and Excellence - in all areas, and especially in Operations, Execution and Growth.



### **3.1.6 STYLE**

Plasel Products Company has a Partnership leadership style. Through a partnership leadership style, the company is able to engage and involve its employees in decision-making processes and managerial decisions. This also allows the leadership to regularly interact with the employees and different managerial groups to identify any potential conflicts for resolution, as well as for feedback regarding strategic tactics and operations. Through its partnership leadership, the company is able to enhance employee motivation, and increase organizational commitment and ownership amongst employees as well as other stakeholders.

#### **Effectiveness of leadership style**

The partnership leadership style is been effective in achieving the business goals and vision of the organization. Employees feel to be active members of the company who are valued for their suggestions, feedback, and input. Moreover, through partnership leadership, leaders and managers are able to identify current and potential conflicts within the company, and actively work to resolve them as soon as possible.

#### **➤ Cooperation – internally**

With its supportive and encouraging organizational culture, The Plasel Products gives way to internal collaboration and cooperation between employees, systems, and departments. This cooperation and collaboration at Plasel products have been important since its established, and also because tasks and responsibilities within the company often require inter-departmental feedback and input. Moreover, with increased expansion, the business also regularly forms employees meeting which function effectively because of the cooperative and collaborative culture within the company. Overall, the company's management is encouraging and supportive, and the leadership provides a motivating and effective vision to achieve. The management system, as well as the organizational training, supports all employees in their growth fairly and transparently. This leads to effective formation within the company for various tasks, as well as department-specific tasks and roles.

### **3.1.7 STAFF**

Plasel products has a sufficient number of employees employed across its operations. Employees for different job roles and positions are hired internally as well as externally depending on the urgency and the skill levels required. Based on this, it is seen that the company has employees who are skilled as per the requirements of their job roles and positions. All employees are given in house training to familiarize themselves with the company and its values. External training along with in-house training is provided for skill level enhancement.

All job roles and positions are designed to facilitate the achievement of business goals, and as such, employee skill level at Plasel Products is sufficient to achieve the business goals of the company.

- assistant. The Number of employees who are working in the Plasel Products are twenty-five.
- Above SSLC and Degree graduated such as BE, Diploma is a mandatory qualification required to hire an employee.
- The hired employees are trained based on their capabilities and tasks are assigned accordingly.
- The Designations are Administrator, Product supervisor, Quality control engineer, Office executive, Storekeeper, Production operator, Relay testing, Accountant, Assembling unit, and Dispatching

### **3.1.8 SKILLS**

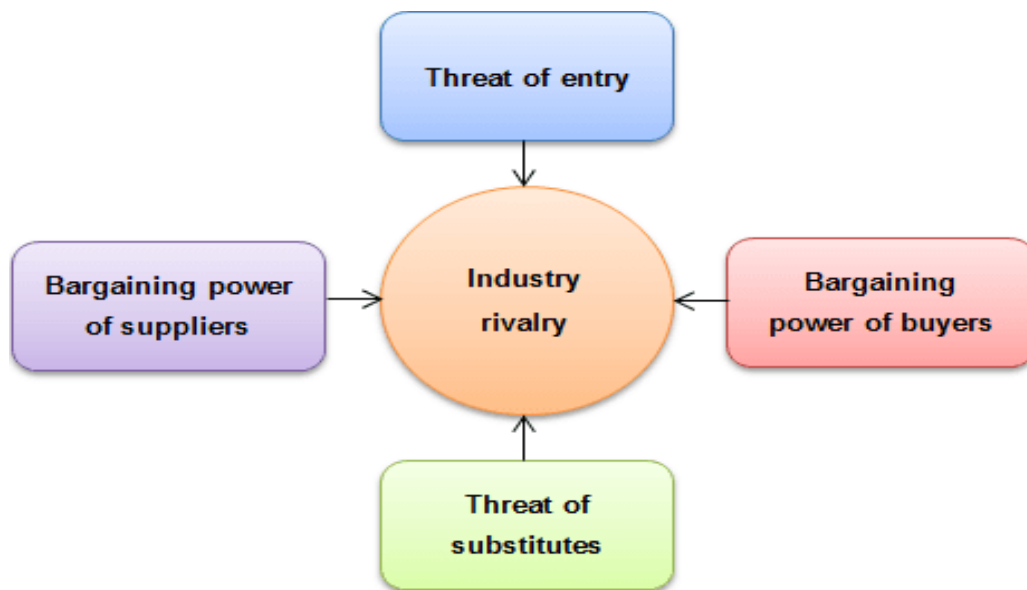
Plasel Products has a commendable workforce, with high skills and capacities. All employees are recruited based on their merit and qualifications. Its grooms them further to facilitate growth and development.

- The company has defined tasks and job roles and hires and trains employees for skill levels accordingly with respect to those.
- The company ensures that all its job requirements are met and that employees have the sufficient skills to perform their respective jobs in accordance with

the values and culture as well as the business goals and strategy of Plasel Products.

- The company pays particular attention to enhance the skills and capacities of its employees.
- It arranges regular training to provide growth and development opportunities for its employees.
- The supervising is one of the core competitive advantages of the company. The skills of employees are developed specifically for job roles and requirements at Plasel Products and provide a competitive benefit to the company.

## 3.2 PORTER'S FIVE FORCE MODEL



**Fig. 3.2.1 PORTER'S FIVE FORCE MODEL**

### 3.2.1 Potential Entrants (Entry Threat)

The potential new entrant in the electronics market is Low due to following reasons.

- Huge capital requirement for a firm to enter in this segment.
- Rapidly evolving technology is another entry barrier as for a new entrant; it is very difficult to build technology advanced products right from the start as they will need time to understand the actual evolutions in this field.
- Major firms like Plasel Products, Electro circuit treatments, GG Industries, Hindustan metal company, Ray Tech Electronics and SM Electricals have efficiently built their supply chain and hence it will be very difficult for a new entrant to compete with them on price. E.g. these firms can get displays, panels etc at a very reasonable price due to efficient supply chain.
- These companies have already established and developed effectively which will be very tough for a new entrant to establish in this market.
- Brand loyalty to existing firms. Since brand loyalty is moderate in this sector, hence this also imposes entry threat on new entrants.

### **3.2.2. The Bargaining Power of Suppliers**

According to present market conditions, in electronics sector the bargaining power of supplier is on Low end because of following reasons.

- Product differentiation is very low.
- Since most of the companies are developing similar kinds of products, therefore the power is very less.
- Since there is no or very negligible switching cost, hence this again makes the supplier power to be on lower end.
- Impacts on inputs on cost: - Since in this sector by changing the inputs i.e., input technology or other raw material, the firms cannot drastically differentiate on prices in order to be competitive, hence this also leads to reduce in supplier power.

### **3.2.3. The Bargaining power of customers (buyers)**

The bargaining power of buyer is High because of following reasons.

- Use of internet to get all the information: - Buyer has a power to go online and compare the prices and features of various products online. Hence buyers are more informative and educated regarding products and this leads to increase in their power.
- Since buyer are generally very price sensitive, so this also leads to increase in buyer power.
- Feedbacks and suggestions from regular buyers, this also increase in buyer power as buyers can now easily know the feedbacks and suggestions regarding the products. So, they are more informed and also influence buying decisions of other powers.
- Buyer switching cost is very less; hence this also leads to increase in buyer power.

### **3.2.4. Threat of substitute products or services**

Threat of substitutes are again from Mid to High.

- Due to changing technology, there is high threat of substitute products in this industry.
- Buyers have huge propensity to substitute if any firm provide more technologically advanced product.

### **3.2.5. Intensity of competitive rivalry**

The competitive rivalry is again very High in this industry due to following reasons.

There is continuous innovation in this industry making an intense competitive rivalry. Hence innovation leads to sustainable competitive advantage.

Powerful competitiveness: - Macrosys Electronics, RS Components, Electro Components, Centronic Components Pvt Ltd. and many others is more focussing on product innovations and diversification and they are quickly producing the new products in market and also focussing on both quality and technology.

Hence every firm has a different strategy and core competencies which make their rivalry even more intensive.

# **CHAPTER 4**

## **SWOC ANALYSIS**

## CHAPTER 4

### SWOC ANALYSIS



**Fig 4.1 SWOC ANALYSIS**

#### 4.1 INTRODUCTION

Businesses use the Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis to determine the internal and external factors that directly influence their operations. If a business does not analyse its operations using SWOT analysis, it risks launching a product marketing campaign that is not successful. Another term for SWOT is SWOC, which stand for Strengths, Weaknesses, Opportunities and



Challenges. SWOT and SWOC are the same thing, with "challenges" and "threats" being essentially the same thing.

Essentially, a SWOT analysis is an examination of the internal and external factors that impact the organization and its strategies. The internal factors are strengths and weaknesses; the external factors are opportunities and threats. A SWOT analysis gives an organization a clear picture of the “situation” in which it operates and helps it identify which strategies to pursue.

## **4.2 SWOC ANALYSIS**

### **4.2.1 STRENGTH**

- **Well established and highly regarded in the electronics market**
  - The Plasel products company is effectively producing needs of electronic components and effectively contributing to its customers in the market.
- **A dedicated group of engineers and designers working to give the highest quality possible.**
- **Efficient production method.**
  - Production Methods are the way to manage how your products or your suppliers' products are produced. Each method is made up of a set of Production Steps. Production Steps are the series of steps involved in producing a product. For example, you may choose a Step to "Upload files into the printer" or "Check ink levels".
  - Efficient Production method helps organizations make the production process as efficient as possible.
- **Building new relations with suppliers.**
  - Talk regularly and honestly with your suppliers.
  - Where viable, set up standardised ordering processes that both parties can easily understand and follow.
  - Bring any problems or concerns immediately to your supplier's attention.
  - Pay your accounts on time.

➤ **Ease availability of Raw Materials.**

- The cordial relation with the suppliers leads to ease availability of raw materials.

➤ **Employment generation.**

- Plasel Products have generated an employment opportunity to many others.

➤ **Engineering lab resources.**

- Plasel products have its own Lab resources to examine the produced products.

## **4.2.2 WEAKNESS**

➤ **Marketing**

- The main drawback of the Plasel products is marketing where it's been observed that it's so backward in marketing.
- Improving in marketing helps the Plasel Products company to develop more effectively.

➤ **Building capacity is not sufficient to organise properly.**

Since the company's space capacity is not sufficient it's better for employees if the company enlarge every section such as quality area, packing section, assembling area, store section, quality test area.

➤ **Low level of Internationalization.**

- It's not developed in such way of knowing as international level.
- It's developed only in regional level.

➤ **The target group can choose cheaper models if they want.**

## **4.2.3 OPPORTUNITIES**

➤ **New customers**

Opportunities are more in gaining new customers by effective marketing and existing customers feedback or rating.

➤ **To develop and produce different kinds of products.**

Hence the company has well developed resources and equipment services whereas experienced employees it can develop different kinds of products or customise according to product dealers.

➤ **Changing consumer behaviour.**

- The Plasel products company has capabilities in understanding and analysing the consumer beliefs and behaviours at a general level.
- Shaping consumer behaviour.
- The company can Reinforce positive new beliefs.
- Make use of opportunities to shape emerging habits with new offerings.
- Sustain new habits, using contextual cues.
- Align messages to consumer mindsets.

➤ **Huge growth potential**

- Plasel Products has a huge opportunity in producing different kinds of components like relays hence it is already in process of planning
- In the process of getting ISI marking as per 1293:2019 for 6&16A Electrical Socket shortly.

#### **4.2.4 CHALLENGES**

- Other companies with similar or better products.
- Fluctuations in Raw material pricing.
- Much larger companies cutting corners on quality to overrun the market with cheaper products.
- Global Economic slowdown.
- Customer power among respect to availability of choice.

# **CHAPTER 5**

## **FINANCIAL ANALYSIS OF THE COMPANY**

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### **FINANCIAL ANALYSIS OF THE COMPANY**

#### **5.1 BALANCE SHEET**

The balance sheet is one of the three fundamental financial statements and is key to both financial modelling and accounting. The balance sheet displays the company's total assets and how the assets are financed, either through either debt or equity. It can also be referred to as a statement of net worth or a statement of financial position. The balance sheet is based on the fundamental equation:

$$\text{Assets} = \text{Liabilities} + \text{Equity}.$$

#### **5.2 COMPARATIVE ANALYSIS**

A comparative balance sheet is a side-by-side comparison of the entire balance sheet report of a current accounting period and a previous accounting period.

A date-to-date comparison within the company helps a business owner or investor identify financial performance trends over time. Investors can also compare companies who use the same accounting principles for reasons such as how organizations in the same business vertical respond to the changes in seasons.

Investors also use comparative balance sheets to do a comparative analysis of financial ratios. We'll expand on this in a later section.

## COMPARATIVE ANALYSIS OF BALANCE SHEET

**Table no. 5.6**

Particulars	2018	2019	Increase and Decrease	Increase and decrease in %
<b>ASSETS</b>				
<b>FIXED ASSETS</b>				
Gross block	9,56,588	8,13,339	-1,43,249	-14.97
Less: Depreciation for the year	1,43,249	1,21,786	-21,463	-14.98
<b>CURRENT ASSETS</b>				
Closing Stock	2,53,370	4,41,690	1,88,320	74.32
Deposits	1,03,000	1,03,000	-	-
Loans & Advances	7,11,379	5,51,963	-1,59,416	-22.40
Sundry Debtors	59,23,536	46,09,987	-13,13,549	-22.17
Investment	-	3,87,000	3,87,000	-
Cash-in-hand	87,026	45,827	-41,199	-47.34
Cash at Bank	1,97,249	12,64,414	10,67,165	541.02
<b>TOTAL ASSETS</b>	<b>83,75,397</b>	<b>83,39,006</b>	<b>-36,391</b>	<b>-0.43</b>
<b>LIABILITIES</b>				
Mr. S.B. NARASE GOWDA	8,83,506	10,33,184	1,49,678	16.94
Mr. K.R. RAMESH	9,04,927	10,33,184	1,28,257	14.17
<b>UNSECURED LOANS</b>				
ICICI Bank - VL	1,68,565	24,033	-1,44,532	-85.74
<b>SUNDRY CREDITORS</b>				
For Goods	60,14,509	57,19,348	-2,95,161	-4.90
Advance against Orders	-	4,720	4,720	-
For Other liabilities	1,17,394	2,80,967	1,63,573	139.33
<b>Total Liabilities</b>	<b>80,88,901</b>	<b>80,95,436</b>	<b>6535</b>	<b>0.08</b>

## COMPARATIVE ANALYSIS OF BALANCE SHEET

**Table no. 5.7**

Particulars	2019	2020	Increase and Decrease	Increase and decrease in %
<b>ASSETS</b>				
<b>FIXED ASSETS</b>				
Gross block	8,13,339	6,91,555	-1,21,784	-14.97
Less: Depreciation for the year	1,21,789	1,03,540	-18,249	-14.98
<b>CURRENT ASSETS</b>				
Closing Stock	4,41,690	2,56,204	-1,85,486	-41.99
Deposits	1,03,000	6,03,000	5,00,000	485.4
Loans & Advances	5,51,963	1,04,818	-4,47,145	-81
Sundry Debtors	46,09,987	59,56,904	13,46,917	29.21
Investments	3,87,000	5,65,336	1,78,336	46.08
Cash-in-hand	45,828	38,454	-7,374	-16.09
Cash at Bank	12,64,414	6,39,819	-6,24,595	-49.39
<b>TOTAL ASSETS</b>	<b>83,57,010</b>	<b>89,59,630</b>	<b>6,02,620</b>	<b>7.21</b>
<b>LIABILITIES</b>				
Mr. S.B. NARASE GOWDA	10,33,184	9,80,675	-52,509	-5.08
Mr. K.R. RAMESH	10,33,184	9,80,675	-52,509	-5.08
<b>SECURED LOANS</b>				
ICICI Bank - VL	24,033	-	-24,033	-100
<b>SUNDRY CREDITORS</b>				
For Goods	57,19,348	64,60,166	7,40,818	12.95
Advance against Orders	4,720	6,038	1,318	27.92
For Other liabilities	2,80,967	3,24,996	44,029	15.67
<b>Total Liabilities</b>	<b>80,95,436</b>	<b>87,52,550</b>	<b>6,57,114</b>	<b>8.11</b>

## COMPARATIVE ANALYSIS OF BALANCE SHEET

Table no. 5.8

Particulars	2020	2021	Increase and Decrease	Increase and decrease in %
<b>ASSETS</b>				
<b>FIXED ASSETS</b>				
Gross block	6,91,555	9,31,516	2,39,961	34.69875859
Less: Depreciation for the year	1,03,540	1,13,791	10,251	9.900521538
<b>CURRENT ASSETS</b>				
Closing Stock	2,56,204	2,74,698	18,494	7.218466534
Deposits	6,03,00	6,03,00	-	-
FD Interest receivable	-	37,757	37,757	-
Loans & Advances	1,04,818	-	-1,04,818	-100
TDS Receivable	-	8,323	8,323	-
Sundry Debtors	59,56,904	73,93,311	14,36,407	24.11331457
Investments	5,65,336	9,25,336	3,60,000	63.67894491
Cash-in-hand	38,454	12,587	-25,867	-67.26738441
Cash at Bank	6,39,819	15,45,109	9,05,290	141.4915781
<b>TOTAL ASSETS</b>	<b>87,52,550</b>	<b>1,16,17,847</b>	<b>28,65,297</b>	<b>32.73671102</b>
<b>LIABILITIES</b>				
Mr. S.B. NARASE GOWDA	9,80,675	24,11,114	14,30,439	145.8626966
Mr. K.R. RAMESH	9,80,675	15,79,672	5,98,997	61.0800724
<b>UNSECURED LOANS</b>				
As per schedule	-	3,80,000	3,80,000	-
<b>SUNDRY CREDITORS</b>	64,60,166	63,90,941	-69,225	-1.071566892
For Goods Advance against Orders	6,038	51,879	45,841	759.2083471
For Other liabilities	3,24,996	8,04,241	4,79,245	147.4618149
<b>Total Liabilities</b>	<b>87,52,550</b>	<b>1,16,17,847</b>	<b>28,65,297</b>	<b>32.73671102</b>



## COMPARATIVE ANALYSIS OF BALANCE SHEET

**Table no. 5.9**

Particulars	2021	2022	Increase and Decrease	Increase and decrease in %
<b>ASSETS</b>				
<b>FIXED ASSETS</b>				
Gross block	9,31,516	8,17,725	-1,13,791	-12.21567853
Less: Depreciation for the year	1,13,791	1,22,502	8,711	7.655262718
<b>CURRENT ASSETS</b>				
Closing Stock	2,74,698	7,12,192	4,37,494	159.2636277
Deposits	6,03,00	6,22,309	5,85,718	1600.716023
FD Interest Receivable	37,757	-	-37,757	-100
Loans & Advances	-	1,00,000	1,00,000	-
Sundry Debtors	73,93,311	53,46,807	-20,46,504	-27.68048037
TDS Receivable	8,323	-	-8,323	-100
Investments	9,25,336	12,85,336	3,60,000	38.90478702
Cash-in-hand	12,587	28,460	15,873	126.1063002
Cash at Bank	15,45,109	4,86,347	-10,58,762	-68.52345045
<b>TOTAL ASSETS</b>	<b>1,16,17,847</b>	<b>92,76,675</b>	<b>-23,41,172</b>	<b>-20.15151344</b>
<b>LIABILITIES</b>				
Mr. S.B. NARASE GOWDA	24,11,114	19,47,764	-4,63,350	-19.21725808
Mr. K.R. RAMESH	15,79,672	19,15,913	3,36,241	21.28549471
<b>UNSECURED LOANS</b>				
As per schedule	3,80,000	-	-3,80,000	-100
<b>SUNDRY CREDITORS</b>	63,90,941	49,89,033	-14,01,908	-21.93586203
For Goods Advance against Orders	51,879	1,83,552	1,31,673	253.8078991
For Other liabilities	8,04,241	2,40,413	-5,63,828	-70.10684608
<b>Total Liabilities</b>	<b>1,16,17,847</b>	<b>92,76,675</b>	<b>-23,41,172</b>	<b>-20.15151344</b>

## 5.3 RATIO ANALYSIS

Ratio analysis is one of the most important techniques of the calculation of figures of accounting analysis or ratio. It also facilitates to comparisons between present years to previous ratio's this analysis estimates which type of working capital is being used in the business enterprises and it identifies the company financial performance.

### 1. Current Ratio

The current ratio is a liquidity ratio that measures a company's ability to pay short-term and long-term obligations. The current ratio considers the current total assets of a company relative to that company's current total liabilities.

**Formula:**

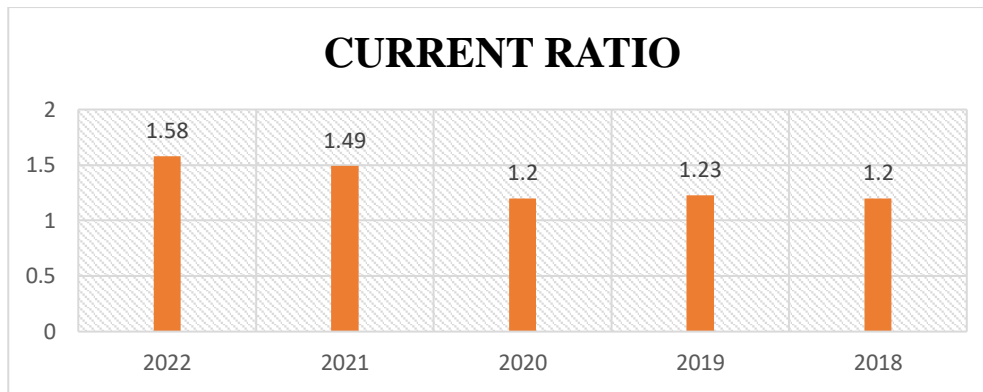
$$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

Current assets: Stock + Debtors + Bills Receivables + Prepaid Expenses + Short term investment + cash in hand + Cash at Bank.

Current Liabilities: Bills Payable + Out Standing Expenses + Bank Overdraft + Creditors.

**Current Ratio= Current Assets/Current Liabilities**

Year	2022	2021	2020	2019	2018
Current Ratio	1.58	1.49	1.20	1.23	1.20



**Interpretation:**

The current ratio for the company has generally been around 1.2, which indicates that the company has sufficient current assets to cover its short-term debts. However, in 2022, the current ratio increased to 1.58, indicating an improvement in the company's short-term financial position. On the other hand, in 2021, the current ratio decreased to 1.49, indicating a slight decline in the company's short-term financial position compared to the previous year.

**2. Quick Ratio**

The quick ratio is a measure of how well a company can meet its short-term financial liabilities. Also known as the acid-test ratio.

**Formula:**

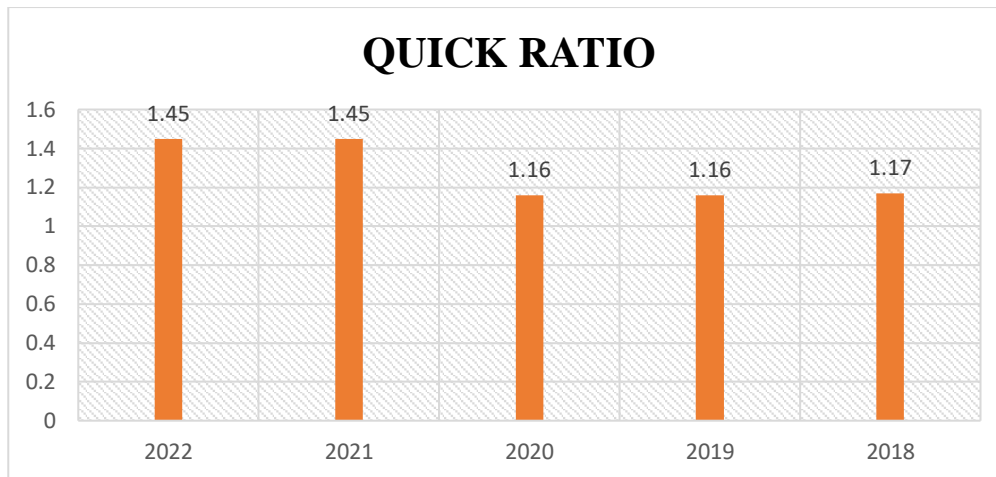
$$\text{Quick Ratio} = \frac{\text{Current Assets-closing stock}}{\text{Current Liabilities}}$$

Current assets: Deposit(assets), Loans and advances, Sundry Debtors, Cash-in-hand and Bank, Inventories.

Current liabilities: Include – other liabilities, Salary Recoveries, Security Deposit, Unpaid salary wages, Duties and Taxes, Sundry Creditors.

**Quick ratio= Current Assets-Closing stock/current liabilities**

Year	2022	2021	2020	2019	2018
Quick Ratio	1.45	1.45	1.16	1.16	1.17



#### **Interpretation:**

The quick ratio for the company has generally been around 1.16 to 1.17, which indicates that the company has a good ability to pay its short-term debts using its most liquid assets. However, in 2022 and 2021, the quick ratio increased slightly to 1.45, indicating an improvement in the company's ability to pay its debts using its most liquid assets.

### **3. Net Profit Ratio**

Net Profit Ratio, also referred to as the Net Profit Margin Ratio, is a profitability ratio that measures the company's profits to the total amount of money brought into the business.

#### **Formula:**

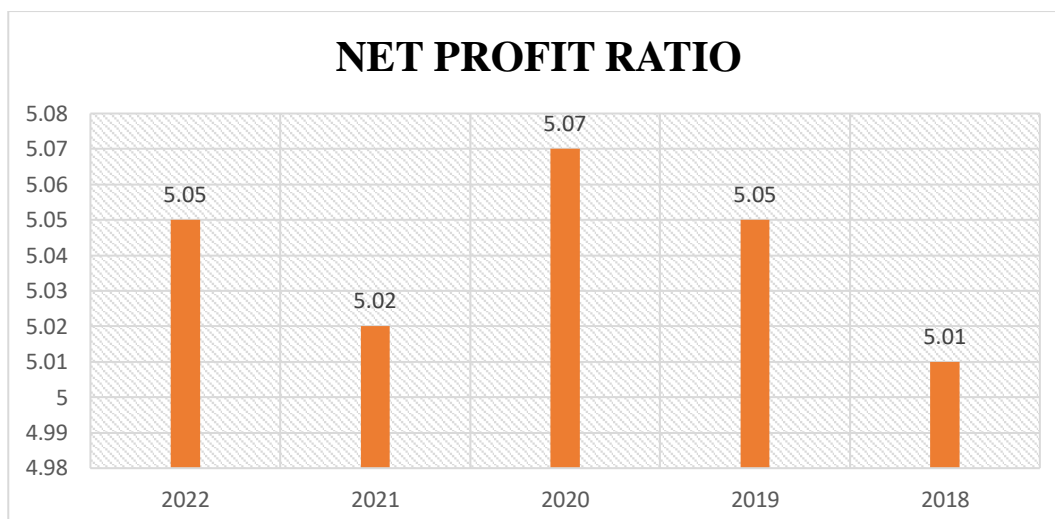
**Net Profit Ratio= Net Profit / Net Sales x 100**

Net Profit = Gross Profit + Indirect Income – Indirect Expenses

Net Sales = Sales – Returns

**Net Profit Ratio= Net Profit/sales\*100**

Year	2022	2021	2020	2019	2018
Net Profit Ratio	5.05	5.02	5.07	5.05	5.01



#### Interpretation:

The net profit ratio for the company has generally been around 5%. This indicates that for every \$100 of revenue, the company generates \$5 in net profit. The net profit ratio has remained relatively stable over the years, with slight fluctuations from year to year.

#### 4. Gross Profit Ratio

The gross profit ratio is a profitability measure calculated as the gross profit (GP) ratio to net sales. It shows how much profit the company generates after deducting its cost of revenues.

#### Formula:

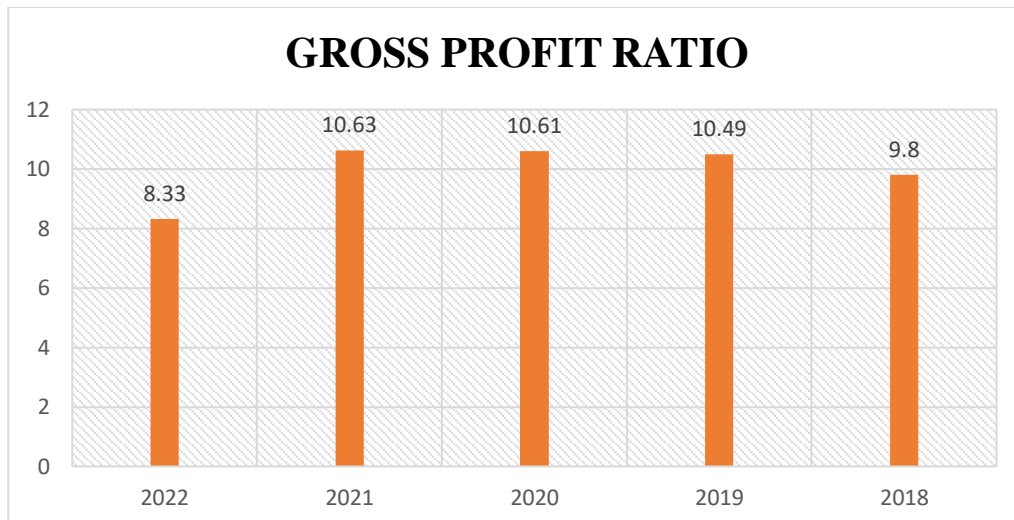
$$\text{Gross Profit Ratio} = (\text{Gross Profit} / \text{Net Sales}) \times 100$$

$$\text{Gross Profit} = \text{Net Sales} - \text{Cost of Goods Sold}$$

$$\text{Net Sales} = \text{Sales} - \text{Return Inwards}$$

$$\text{Gross Profit Ratio} = \text{Gross Profit} / \text{Sales} \times 100$$

Year	2022	2021	2020	2019	2018
Gross Profit Ratio	8.33	10.63	10.61	10.49	9.80



#### Interpretation:

The gross profit ratio for the company has generally been around 10%. This indicates that for every \$100 of revenue, the company generates \$10 in gross profit. In 2021, the gross profit ratio increased to 10.63%, indicating an improvement in the company's profitability before accounting for operating expenses. On the other hand, in 2022, the gross profit ratio decreased to 8.33%, indicating a decrease in the company's profitability before accounting for operating expenses.

### 5. Assets Turnover Ratio

Asset turnover ratio is the ratio between the value of a company's sales or revenues and the value of its assets.

#### Formula:

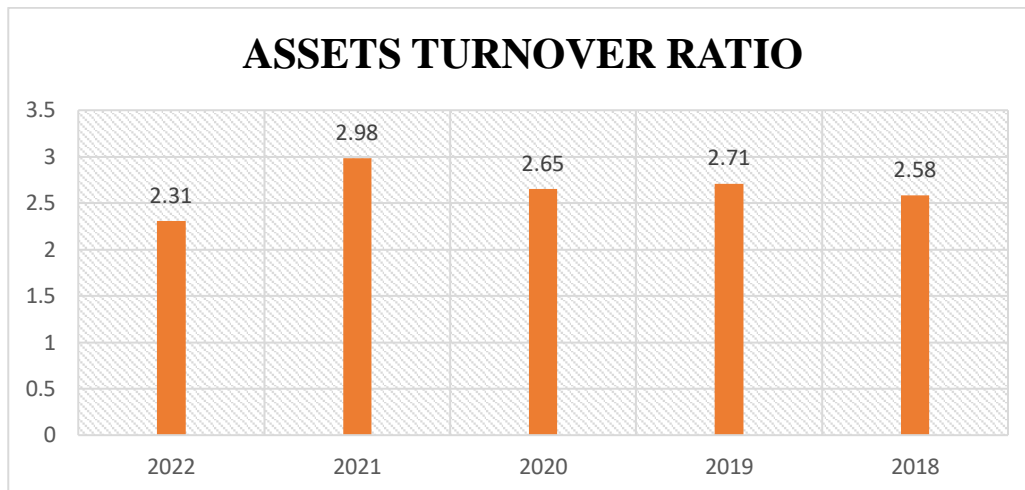
**Asset Turnover Ratio = Net Sales / Average Total Assets**

Net Sales = Gross Sales – Returns – Discounts – Allowances

Total Assets = Liabilities + Owner's Equity

**Assets Turnover Ratio=Sales/Total Assets**

Year	2022	2021	2020	2019	2018
Assets Turnover Ratio	2.31	2.98	2.65	2.71	2.58



#### **Interpretation:**

The assets turnover ratio for the company has generally been around 2.58 to 2.71, which indicates that the company is using its assets efficiently to generate revenue. In 2021, the assets turnover ratio increased to 2.98, indicating an improvement in the company's efficiency in using its assets to generate revenue. On the other hand, in 2022, the assets turnover ratio decreased to 2.31, indicating a decrease in the company's efficiency in using its assets to generate revenue.

#### **6. Inventory Turnover Ratio**

Inventory turnover is a financial ratio showing how many times a company turned over its inventory relative to its cost of goods sold (COGS) in a given period. A company can then divide the days in the period, typically a fiscal year, by the inventory turnover ratio to calculate how many days it takes to sell its inventory, on average.

#### **Formula:**

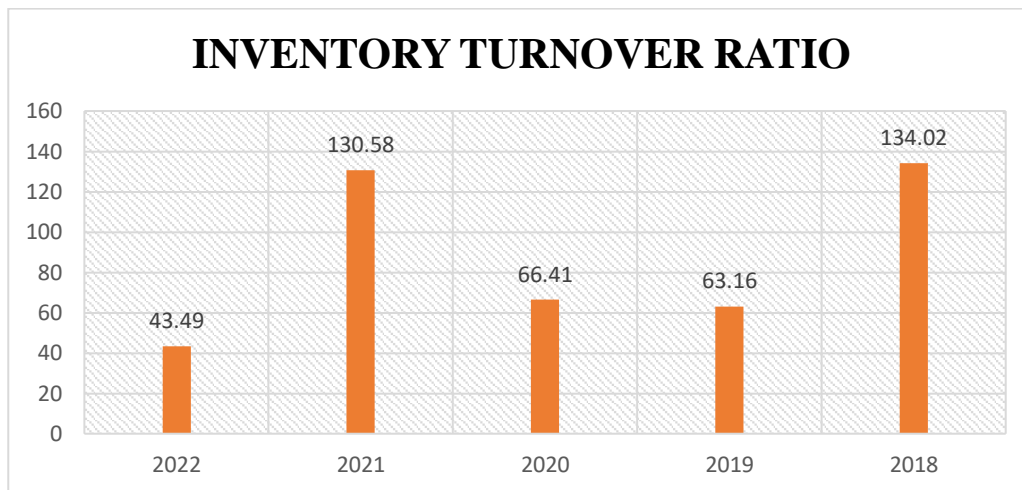
**Inventory Turnover Ratio Formula = Cost of Goods Sold / Average Inventory**

Cost of Goods Sold = The direct costs of producing goods (including raw materials) to be sold by the company.

Average Inventory =  $\text{Beginning Inventory} + \text{ending inventory} / \text{number of months in the accounting period}$

**Inventory Turnover Ratio= Cost of Goods sold/Average Inventory**

Year	2022	2021	2020	2019	2018
Inventory Turnover Ratio	43.49	130.58	66.41	63.16	134.02



**Interpretation:**

The inventory turnover ratio for the company has been fluctuating greatly, with the ratio varying from 63.16 to 134.02. This indicates that the company's efficiency in managing its inventory has been inconsistent. In 2021, the inventory turnover ratio increased to 130.58, indicating a significant improvement in the company's efficiency in managing its inventory. On the other hand, in 2022, the inventory turnover ratio decreased to 43.49, indicating a decrease in the company's efficiency in managing its inventory.

**7. Debt Equity Ratio**

The debt-to-equity ratio or is an important metric in finance that measures the financial leverage of a company and evaluates the extent to which it can cover its debt. It is calculated by dividing the total liabilities by the shareholder equity of the company.

**Formula:**

**Debt Equity Ratio = Total Debt/ Total Shareholders' Equity**

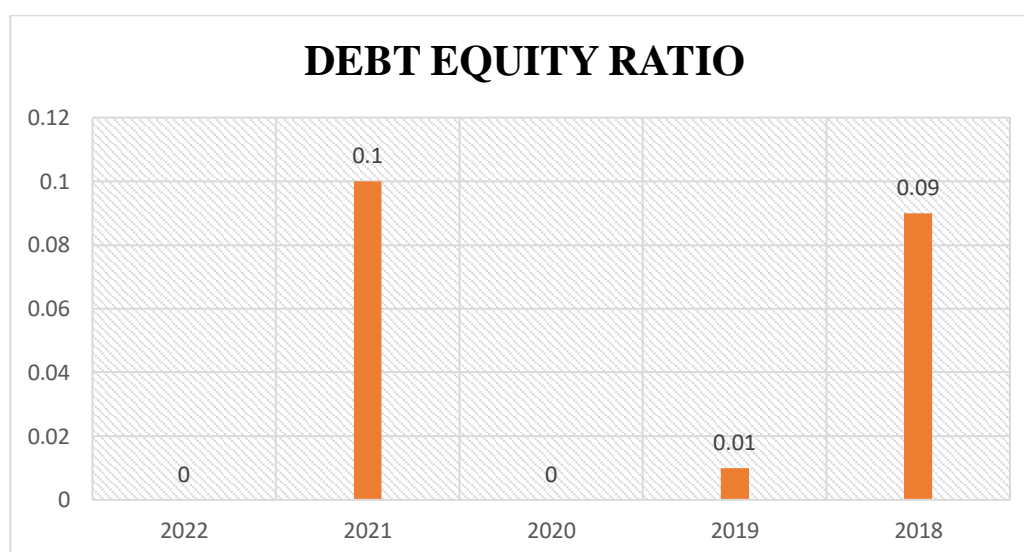
Total Debt = (short term debt + long term debt + fixed payment obligations)



Shareholders' Equity = Shareholder's capital

**Debt-equity Ratio=Debt/equity**

Year	2022	2021	2020	2019	2018
Debt equity Ratio	-	0.10	-	0.01	0.09



**Interpretation:**

The debt-equity ratio for the company has been relatively low, ranging from 0.01 to 0.09. This indicates that the company is using a relatively low amount of debt to finance its operations and has a low level of financial leverage. In 2020, there is no data available for the debt-equity ratio.

**8. Return on Assets**

Return on assets is a profitability ratio that provides how much profit a company can generate from its assets. In other words, return on assets (ROA) measures how efficient a company's management is in earning a profit from their economic resources or assets on their balance sheet.

**Formula:**

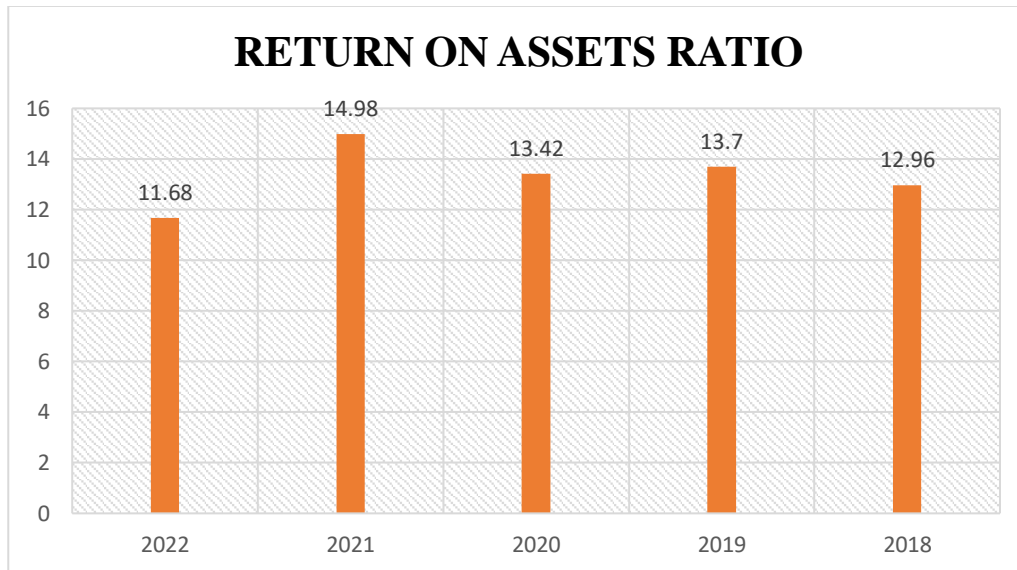
**ROA = Net Income / Average Assets**

Net Income = net earnings or net income in the year

Average Assets = ending assets - beginning assets divided by 2

**Return on Assets= Net profit/Total Assets\*100**

Year	2022	2021	2020	2019	2018
Return on Assets Ratio	11.68	14.98	13.42	13.70	12.96



**Interpretation:**

The return on assets ratio for the company has been around 12% to 13%. This indicates that the company is generating a moderate profit in relation to its total assets. In 2021, the return on assets ratio increased to 14.98%, indicating an improvement in the company's profitability in relation to its assets. On the other hand, in 2022, the return on assets ratio decreased to 11.68%, indicating a decrease in the company's profitability in relation to its assets.

# **CHAPTER 6**

## **LEARNING EXPERIENCE**

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### **LEARNING EXPERIENCE**

My internship at Plasel Products has been very instructive for me. The company offered many opportunities to learn and develop myself in many areas. A lot of tasks and activities that I have worked on during my internship are familiar with what I'm studying at the moment. This gave me the chance to find out which areas I want to work after my education. The area that I found most interesting is Finance.

Learning and Excellence is a never-ending process, the knowledge gained and skills acquired through this internship. I got know how they are communicated and flow of decision-making process. Managing the time is very much important in every organization. So Plasel Products Company is maintained the standard time.

The exposed to various organizational activities, including manufacturing process, inventory management, accounting and assembling unit and experiencing the client side of an organization.

I also observed how Administrator resolves conflicts and disputes between employees. Where different people have different views, conflicts are almost inevitable. Whether the dispute is among two or more employees or between employee and management the administrator had helped them to find a solution. During this 4 week of my internship the organization helped me to gain knowledge about Value Based Leadership, communicate globally, lead oneself and team environment also the different function, various departments of the company and was able to know about company performance and how the partners and the employees manage to run the company, with profit and good services by having ethical and social Responsibility.

Plasel products has given me a good learning, though I got to know what are the areas that I need to improve, so that I can have a good hold on the subject. This internship was beneficial for me, and I am grateful and thankful that I got to experience and learn many things.

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# **ANNEXURE**

**STATEMENT OF BALANCE SHEET AS ON 31st MARCH, 2018**

**Table no. 5.1**

<b>CAPITAL AND LIABILITIES</b>	<b>Amount</b>	<b>Amount</b>	<b>ASSETS AND PROPERTIES</b>	<b>Amount</b>	<b>Amount</b>
<b>1. CAPITAL ACCOUNTS</b>			<b>1. FIXED ASSETS</b>		
Mr.S.Sreenivasan			Gross block	9,56,588.00	
Mr. S.B.Narese Gowda	8,83,506.00		Less: Dep. For the year	1,43,249.00	8,13,339.00
Mr. K.R.Ramesh	9,04,927.02	17,88,433.02			
<b>2.UNSECURED LOANS</b>			<b>2. CURRENT ASSETS</b>		
ICICI Bank- VL		1,68,565.40	Closing stock	2,53,370.00	
			Deposits	1,03,000.00	
<b>3. SUNDRY CREDITORS</b>			Loans and advances	7,11,379.70	
For goods	60,14,509.35		Sundry debtors	59,23,536.60	
For other liabilities	1,17,394.00	61,31,903.35	Cash-in-hand	87,026.92	
			Cash at bank	1,97,249.55	72,75,562.77
<b>TOTAL</b>		<b>80,88,901.77</b>	<b>TOTAL</b>		<b>80,88,901.77</b>

**STATEMENT OF BALANCE SHEET AS ON 31st MARCH, 2019**

**Table no. 5.2**

<b>CAPITAL &amp; LIABILITIES</b>	<b>Amount</b>	<b>Amount</b>	<b>ASSETS AND PROPERTIES</b>	<b>Amount</b>	<b>Amount</b>
<b>1. CAPITAL ACCOUNTS</b>			<b>1. FIXED ASSETS</b>		
Mr. S.B. NARASE GOWDA	10,33,184		Gross Block	8,13,339	
Mr. K.R. RAMESH	10,33,184	20,66,367	Less: Dep. for the year	1,21,786	6,91,553
<b>2. SECURED LOANS</b>			<b>2.CURRENT ASSETS</b>		
ICICI Bank - VL		24,033	Closing Stock	4,41,690	
			Deposits	1,03,000	
<b>3. SUNDRY CREDITORS</b>			Loans & Advances	5,51,963	
For Goods	57,19,348		Sundry Debtors	46,09,987	
Advance against Orders	4,720		Investments	3,87,000	
For Other liabilities	2,80,967	60,05,035	Cash-in-hand	45,828	
			Cash at Bank	12,64,414	74,03,882
<b>TOTAL</b>		<b>80,95,435</b>	<b>TOTAL</b>		<b>80,95,435</b>



**STATEMENT OF BALANCE SHEET AS ON 31st MARCH, 2020**

**Table no. 5.3**

<b>CAPITAL &amp; LIABILITIES</b>	<b>Amount</b>	<b>Amount</b>	<b>ASSETS &amp; PROPERTIES</b>	<b>Amount</b>	<b>Amount</b>
<b>1. CAPITAL ACCOUNTS</b> Mr. S.B. NARASE GOWDA Mr. K.R. RAMESH	9,80,675 9,80,675	19,61,350	<b>1.FIXED ASSETS</b>  Gross Block Less: Dep. for the year	6,91,555 1,03,540	5,88,016
<b>2. SUNDRY CREDITORS</b>  For Goods Advance against Orders  For Other liabilities	64,60,166  6,038 3,24,996	67,91,200	<b>2.CURRENT ASSETS</b> Closing Stock Deposits Loans & Advances Sundry Debtors Investments  Cash-in-hand Cash at Bank	2,56,204 6,03,000 1,04,818 59,56,904 5,65,336  38,454 6,39,819	81,64,534
<b>TOTAL</b>		<b>87,52,550</b>	<b>TOTAL</b>		<b>87,52,550</b>

**STATEMENT OF BALANCE SHEET AS ON 31st MARCH, 2021**

**Table no. 5.4**

<b>CAPITAL AND LIABILITIES</b>	<b>Amount</b>	<b>Amount</b>	<b>ASSETS AND PROPERTIES</b>	<b>Amount</b>	<b>Amount</b>
<b>1. CAPITAL ACCOUNTS</b> Mr. S.B.Narese Gowda SMT. M S Shashikala	24,11,114 15,79,672	39,90,787	<b>1. FIXED ASSETS</b> Gross block Less: dep for the year	9,31,516 1,13,791	8,17,726
<b>2. UNSECURED LOAN</b> As per schedule		3,80,000	<b>2. CURRENT ASSETS</b> Closing stock Deposits FD interest receivable Sundry debtors TDS Receivable Investments Cash in hand Cash at bank	2,74,698 6,03,000 37,757 73,93,311 8,323 9,25,336 12,587 15,45,109	1,08,00,121
<b>3. SUNDRY CREDITORS</b> For goods Advance received against order For other liabilities	63,90,941 51,879 8,04,241	72,47,061			
<b>TOTAL</b>		<b>1,16,17,847</b>	<b>TOTAL</b>		<b>1,16,17,847</b>

**STATEMENT OF BALANCE SHEET AS ON 31st MARCH, 2022**

**Table no. 5.5**

<b>CAPITAL AND LIABILITIES</b>	<b>Amount</b>	<b>Amount</b>	<b>ASSETS AND PROPERTIES</b>	<b>Amount</b>	<b>Amount</b>
<b>1. CAPITAL ACCOUNTS</b> Mr. S.B.Narese Gowda SMT. M S Shashikala	19,47,764  19,15,913	38,63,677	<b>1. FIXED ASSETS</b> Gross block Less: dep for the year	8,17,725 1,22,502	6,95,223
<b>2. SUNDRY CREDITORS</b> For goods Advance received against order For other liabilities	49,89,033 1,83,552  2,40,413	54,12,998	<b>2. CURRENT ASSETS</b> Closing stock Deposits Advance paid against order Sundry debtors Investments Cash in hand Cash at bank	7,12,192 6,22,309  1,00,000 53,46,807 12,85,336 28,460 4,86,347	85,81,451
<b>TOTAL</b>		<b>92,76,675</b>	<b>TOTAL</b>		<b>92,76,675</b>