

Internship report on
“DELTA PACKAGING SOLUTIONS”

Submitted by

MS. Shetty Prathiksha Sudhakar

USN: - 4AL21BA071

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

INTERNAL GUIDE

Dr Catherine Nirmala

Professor



PG DEPARTMENT OF BUSINESS ADMINISTRATION

ALVA'S INSTITUTE OF ENGINEERING & TECHNOLOGY

SHOBHAVANA CAMPUS, MIJAR, MOODBIDRI.

2022-23



DELTA PACKAGING SOLUTIONS

GSTIN : 29GMBPS7477G1ZA

Date : 21.11.2022

Date :

TO WHOMSOEVER IT MAY CONCERN

This is to certify that Ms SHETTY PRATHIKSHA SUDHAKAR (USN 4AL21BA071) MBA Student Of Alva's Institute of Engineering and Technology Mijar Moodbidri, has completed Internship of Organisation Study at Delta Packaging Solutions , Alangar Industrial Estate Moodbidri - 574227. During the period from 20/10/2022 to 21/11/2022.

During the training period she has shown keen interest in learning besides being regular & punctual. We wish her success in her future endeavours.

Thanking you

DELTA PACKAGING SOLUTIONS

SHED NO : C-5

INDUSTRIAL ESTATE, ALANGAR,
MOODABIDRI - 574 227.

C-5, Industrial Estate, Kadalakere, Alangar, Moodbidri - 574227

Mob. : 9148218445, 7338574252

Member of Australian Institute of Packaging



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 **SHETTY PRATHIKSHA SUDHAKAR** bearing USN **4AL21BA071**, 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 "**DELTA PACKAGING SOLUTIONS, MOODBIDRI**" is prepared by her under the guidance of **Dr. Catherine Nirmala**, 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.

Dr. Catherine Nirmala
Internal Guide

Mrs. Priya Sequeira

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

Dr. Peter Fernandes

Principal
Alva's Institute of Engg. & Technology,
Mijar, MOODBIDRI - 574 225, D.K

Shobhavana Campus, Mijar, Moodbidri - 574225, Mangalore, Karnataka, India

☎ 08258-262724 (O), 262725 (P)

✉ principalaiet08@gmail.com

🌐 www.aiet.org.in

DECLARATION

I Ms. PRATHIKSHA SUDHAKAR SHETTY bearing USN 4AL21BA071 hereby declare that the internship report entitled “An Organization Study at Delta Packaging Solution industries” has been prepared by me under the guidance of Dr Catherine Nirmala, Professor, PG Department of Business Administration, Alva’s Institute of Engineering and Technology and internal assistance by Mr. Arvind Suvarna.

I also, declare that this internship work is towards the partial fulfilment of the university regulation for the award of degree of Master of business administration by VTU Belgaum, Karnataka

I have undergone the internship for a period of 4 weeks. I further declare that this project is based on the original study undertaken by me and has not been submitted for the award of any degree from any other University/ Institution

Place: Mijar

Date:

Prathiksha Shetty

(4AL21BA071)

ACKNOWLEDGEMENT

I would like to take this opportunity to express my sincere gratitude to all those who have helped me throughout this organizational internship study. It gives me immense pleasure to acknowledge all those who have rendered encouragement and support for the successful completion of this work.

I would like to express my sincere thanks to Principal Dr. Peter Fernandes, AITE, Moodbidri. And I express my deep sense of gratitude to my guide Dr. Catherine Nirmala, Professor (MBA Department), for her constant support and encouragement to carry out my internship project successfully.

I would like to convey my sincere thanks to Mr. Arvind Suvarna for giving me proper directions and suggestions and so I express my heartfelt gratitude for providing all the facilities for making my internship a successful one.

I will extend my regards to Mr. Sridhar (GM) and to all the employees who gave me great support to carry out this report.

I would like to thank our teaching and non-teaching staff members of MBA department. I also want to thank my parents, dear and near ones and all my friends who have helped me in the completion of the project.

Thank You,
Prathiksha Shetty

TABLE OF CONTENTS

SL.NO	CHAPTER	PAGE NO
1	Chapter 1: Introduction about Delta Packaging Solution	9-10
2	Chapter 2: Organization profile 2.1: Introduction 2.2: Nature of the business 2.3: Vision, Mission, Quality profile. 2.4: Work flow model 2.5: Product/ services profile 2.6: Ownership pattern 2.7: Achievements/ awards if any 2.8: Future growth and prospect	12-24
3	Chapter 3: McKinsey's 7 s frame work And Porters five force model With reference to Delta Packaging Solution	26-33
4	Chapter 4: SWOT analysis	35-37
5	Chapter 5: Analysis of financial statements.	39-52
6	Chapter 6: Learning experience	54
7	Bibliography	55

EXECUTIVE SUMMARY

This is an endeavour to know the speculations can be applied to practical circumstances. As MBA understudy of Alva's foundation of designing and innovation it is a piece of study for everybody to go through entry level position at some great association. For this reason I got the chance of temporary position program in "DELTA PACKAGING SOLUTION". This internship was conducted for the period of 4 weeks from 20th October to 20th November. The objective of the study is to be aware of the working culture of the organization and apply theoretical concepts in real situation at the work place for various function of the organization. This report is partitioned into six sections. The principal section manages the presentation about the introduction to industry, industry profile. The subsequent section is about the association profile,

- Nature of business,
- Vision mission, quality strategy,
- Workflow model,
- Product/administration profile,
- Ownership design,
- Achievements/grants assuming any,
- Future developments and possibilities,

Third part is McKinsey's 7S casing work with unique reference to association under examination i.e., structure strategy system style skills staff of the company. The fourth section manages the SWOT investigation which includes strength weaknesses opportunities and threats. The fifth part is Analysis of fiscal report 6th section is learning experience of delta packaging solution.

Chapter 1

INTRODUCTION TO DELTA PACKAGING SOLUTION

Introduction to the study

Organizational study is a systematic study of how an organization success with the help of employees and various departments in the competitive world. Organization is a set of people working together for the accomplishment of common objective. The main purpose of the organization is to attain certain predetermined goals. Whenever people interact in an organization many factors come into role many controversies will rise in an organization, the organizational study helps to know the controversies is reduced.

Organizational study is not only about the study of an organization but also to learn the roles and functions of an individual department in an organization. This study is based on different aspects and dimensions of different departments of the company.

The organization study is undertaken during 30 days. The main purpose of this study is to know how an organization works and to gain experience and expose ourselves to corporate policies, ethics, culture, practices, procedures, and policies of the company.

Objectives / purposes

- To gain knowledge about the business organization.
- To gain knowledge with the different departments in the organization and their functioning
- To understand how the key business processes and carried out in the organizations.
- To know the functions and responsibilities of each department.
- To understand how information is used in the organization for decision making and problem solving at various levels.
- To relate theory part with practical.
- To understand the organization structure of hierarchy of the company.

Reason for selecting the industry

The reason for selecting the DELTA PACKAGING SOLUTIONS INDUSTRY is that, they are the growing industry with a good brand image and good customer's review. The industry produces different product of packaging and this industry have the all-major areas which required for the study.

Industry profile

Packaging is among the high growth industries in India and developing at 22-25% per annum and India is becoming a preferred hub for packaging industry. Currently the 5th largest sector of India's economy, the packaging industry has reported steady growth over past several years and shows high potential for much expansion, particularly in the export market. Costs of processing and packaging food can be up to 40% lower than parts of Europe which,

combined with India's resources of skilled labour, make it an attractive venue for investment. A high degree of potential exists for almost all user segments which are expanding appreciably processed foods, hard and soft drinks, fruit and marine products.

The Indian packaging industry has made a mark with its exports that comprise flattened cans, printed sheets and components, crown cork, lug caps, plastic film laminates, craft paper, paper board, and packaging machinery, while the imports include tinplate, coating and lining compounds and others. In India, the fastest growing packaging segments are laminates and flexible packaging, especially PET and woven sacks. Over the last few years Packaging Industry is an important sector driving technology and innovation growth in the country and adding value to the various manufacturing sectors including agriculture and FMCG segments.

Growth and development of packaging industry

The global packaging industry is developing and expanding day by day and Indian packaging industry is also growing at rapidly. This growth is primarily driven by factors like growing pharmaceutical, food processing, manufacturing industry, FMCG, health care sector and ancillary in the emerging economies like China, India, Brazil, Russia and few other East European countries

Chapter 2

ORGANIZATION PROFILE

Organization profile

This chapter describes the organization where the internship was undertaken. The chapter informs the reader about the background of the company, nature of business, vision, mission, quality policy, product/service profile, ownership pattern, achievements/ awards if any, and future growth and prospects.

Company background

Delta packaging solutions are a privately owned independent manufacturer of corrugated paper products such as cardboard boxes, corrugated and cardboard cartons, stock boxes, cardboard packaging, cardboard containers and packaging designs. Their extensive list of capabilities allows them to design an almost endless variety of packaging solutions.

Delta packaging has an outsourcing reputation for quality, services and consistency with a truly ethical approach to business. They are committed to operational flexibility and position ourselves with a will do attitude. This company is located in Moodabidri, and their main facility manufactures all high-volume requirements whilst our short run and stock box division produces all other speciality requirements. All delta packaging sales consultants have a creative understanding of packaging design and a willingness to fulfil individual requirements. Delta packaging solutions welcome any challenge which will allow us to develop a personalised edge to any product. There are two major schools of thought when it comes to how consumers buy products. Both are backed by extensive research. The older line of thinking is that people decide they are going to buy in a few seconds, when standing in the store, in front of a shelf.

More recent research suggests that people already know what they want to buy, long before they are even confronted with the production on the shelves. They decide up front what they need, and then they to get it in both cases, packaging plays a crucial part. Delta Packaging needs to attract the customer, for this they need to send the correct message so the consumer has no other choice but to go for that particular item from that particular brand. The second scenario puts forth for those customers who comes prepared. This may even be a customer that doesn't necessarily fail for attractive packaging in the scenario. The consumers are loyal to their choices and once they have been seduced, they tend to stick to their choices the next time they go shopping. That doesn't mean that packaging becomes less relevant. Packaging still needs to get consumers to choose one brand over another. It needs to secure repeat business.

Functions of packaging

Not only does good packaging protect the product, it also broadcast an alluring brand message to potential buyers. It seduces and instructs. It's the cornerstone of any decent marketing mix. The trouble with packaging the retail issue with packaging is not the design. There are tons of talented packaging design agencies out there. Many brand owners are realizing that there is a lot to be gained by getting a bird's eye view of the whole process. It is impractical to keep the whole packaging production process in house, but brand owners are not happy paying invoices for a process they cannot actually track or control. By controlling the complete packaging supply chain, brand owners are able to control time to market. They are able to speed up certain phase of the process. They are able to control the costs, first by making them visible (no longer just an invoice) and second by eliminating them.

Custom design services

3D packaging

Concepts only become real when people interact with tangible objects. Designing packaging extra, very specific, challenges. Packaging is always 3D, but most designers use 2D tools to create packaging. That is a huge contradiction. Powerful 3D packaging design tools are revolutionizing the packaging production process. Working in a 3D environment, designers can quickly and easily develop multiple variations of the packaging. Designers, enjoy the creative freedom to play with different substrates, inks and finishes. Once the different structures are created, these are used by graphics designers, working with the same 3D imaging software, to generate multiple graphical design concepts.

Hyper realistic mock ups make all the differences it is very hard to sign off on a design if you've never really seen the result. Virtual 3D mock-ups are the perfect answer to that particular problem. These 3D mock-ups offer hyper realistic visualizations of the packaging product. These mock-ups can be shared with all project stakeholders early in the process using 3D collaboration tools. This way it becomes possible to gather all necessary feedback quickly and effectively. These online exchanges of ideas using 3D imaging enables faster and better decision making and dramatically shortens the time from concepts to final design. They provide a range of services tailored to the unique needs of our esteemed customers.

Cardboard boxes

Customs manufactured and printed corrugated carton boxes for the following industries.

- Fish exporters
- Cashew export cartons
- Dried fruit cartons
- Ice cream and frozen desserts
- Liquor and beverages

Paperboard boxes

They provide a range of paperboard boxes for the following industries

- Masala powder
- Bakery products
- Chocolates and sweets
- Electrical and electronics
- Print ads/ magazine
- Banners

Caps and closures for pharmaceutical

They provide a range of caps and closure like the following

- Plastic carbonated soft drinks and water closures
- ROPP closures
- EPE Liners

Flexible pouches

They provide a range of products for the following industries

- Ready to eat foods
- Masala powder
- Snack foods
- Bakeries
- Oil and flour

Functions and scope

- The study focuses on the overall structure of the organization. In this study the analysis of the operations and functioning of the industry. Production plants and also the financial, marketing, research and development, total quality management, logistics, human relations department.
- It helps to analyse the company performance with in comparison to theoretical aspects.
- It aims to understand the skills of the company in the area like technological advancement, competitive edge, and the management

Nature of business

The unit has already ordered for the latest machineries and equipment's to manufacture corrugated boxes. Corrugated boxes are made from thick paper material and are universally required for all types of packaging. The corrugated boxes packaging mode is much cheaper and much safer compared to the industrial method of wooden boxes which most of the times harm the contents of the packaging. Packaging is one of the most important aspects of the production without which the manufactured items cannot leave the factory. Hence there is a very high dependency almost by all industries.

Corrugated paper boxes are extensively used in the packaging of industrial as well as consumer goods. In some of products like crockery, electronic items, automobile components, glass and cigarettes, pharmaceuticals, soaps and cosmetics, biscuits, hosiery, toys, rubber and rubber products, refrigerator, cooler and fans, proper type of packaging becomes very important. Corrugated boxes have become very popular all over the world which provides protection to the contents packed inside it and a perfect seal which guarantees non- contamination from

external environment to a certain extent. This ensures the contents to remain unaffected from atmospheric moisture, gases, dust, and other impurities.

The demand for corrugated boxes is directly linked with the expansion in consumer industries and growth and expansion of economy. Since there is a continuous increase in the industries manufacturing medicines, aerated water, hair oil, soft and hard drinks, the demand of these items is on increase.

The major raw material required for the manufacturer of corrugated boxes, the thick paper is available is plenty and hence there will not be any risk of interruption to the manufacturing process. The entire process is automated with latest machineries and hence does not require very highly skilled labour in the day-to-day operations except for supervision for manufacture which is handled by the qualified engineers. The required labours for the day-to-day operations are available locally

The corrugated box industry is an inevitable part of manufacturing sectors which rely heavily on sample corrugated packaging for finished goods transportation and handling. Despite this importance, the Indian corrugated box industry has faced numerous challenges and hurdles in its growth pace due to the very nature of the industry comprising thousands of small players running manual/ semi- automatic plants to cater to the needs of local nearby industries. However, the tide of liberalization and globalization has brought new ray of hope for Indian manufacturers who are now more willing to upgrade technology and turn into completely automatic lines capable of faster, quality driven, and economical.

“According to the latest study the Indian box industry, the rapidly expanding retail market has led to a paradigm shift in the corrugated packaging industry which relies heavily on the growth of retail industry. The study depicts that the Indian corrugated box industry shall grow at a cumulative annual growth rate of around 15% over the next five years. Highly fragmented with above 15,000 players, the market has nearly 200 fully automatic box plants in the country and the number is rising. Western India accounts majority demand of corrugated packaging. Maximum concentration of corrugated plants lies in Mumbai, Pune, Kolhapur, and Nashik.

Vision, Mission, Quality Policy and Statements

Vision

Build the best product, cause no necessary harm, use business to inspire and implement solutions to the environmental crisis”.

Mission

Their vision is to lead the way as an independent corrugated packaging manufacturer providing an overall quality driven packaging solutions that other manufacturers aspire to. By building long term relationships that are both rewarding and beneficial to all involved, we are dedicated to a culture of uninterrupted development. Offering opportunities to all Saxon Packaging team members to expand their existing skills and undergo personal development, they believe in building a strong workforce throughout the company to create a great work ethic”.

Quality product and statement

Ensure that it meets the needs and requirement of its customers and will seek to continually improve the service by the development of necessary programs.

- Strive to enhance and improve its performance by setting objectives and targets, which are continually reviewed to ensure they are understood, acted upon and met. Objectives shall be established and reviewed by the general manager at management review meetings or at any stage with reference to the company quality management.
 - Comply with requirements and continually improve the effectiveness of the quality management system of an industry.
 - Provide training, support, resources and encouragement to all its employees to ensure they realize their full potential in meeting the quality policy and its objectives.
 - Meet any statutory and regulatory requirement that apply to products processes and activities.
 - Establish partnership with Suppliers and interested parties and will continually develop the partnerships to provide an improved service.
 - Identify the key operational processes and links between these processes to function effectively
-

Quality assurance and ISO certification

The company has its own quality control laboratory with required measuring equipment to ensure that the quality of the product is maintained. The company also purposes to go for ISO certification.

Workflow model

Corrugated board is made with corrugated sheet of paper attached to the facing of flat paper, usually craft by adhesives. In our country, it is mostly produced over a single facer machine here two paper reels are run together, one layer of paper becomes corrugated after passing through the heated rolls and the other is brought into contact with it after the former having glued at the tips. Thus, both get pasted together and are wound in rolls. The resulting rolls is now known as single face. Corrugated rolls / board. By cutting this roll with board cutter and then gluing the corrugated side by a pasting machine and placing 3rd ply of paper over it double face or 3-ply corrugated board is produced, this board is kept under pressure in a sheet pressing machine for some time for setting of the wet glued sheets. Similarly, board can be pasted to form thicker boards i.e.: 5-ply, 7-ply and 9-ply etc.

The main raw materials components are as follows

- Paper
- Gum
- Stitching wire
- Ink colour
- Packing materials

All the raw materials available in surplus and there will not be any production process of corrugated boxes. They have good quality machinery to produce these boxes with good quality and quantity due to locally availability of workers and good experienced employees utilise knowledge to welfare of the company.

Corrugated board manufacturing process

The process of manufacturing boxes or containers constitutes 5 operations

- Slitting and longitudinal cutting
- Creasing
- Slotting
- Flap or corner cutting
- Stitching

After passing the sheets through these operations, a box or container is ready, slitting and crushing operation can simultaneously be carried over a 4- bar rotary cutting and creasing machine. The trimmed and creased sheet is plotted and flap cut on an eccentric slotted machine. Finally, it is either stitched over a stitching machine or glued/ taped manually.



PACKAGING PRODUCTION PROCESS

Their process typically starts with a product or brand manager who has a new product that requires packaging. There is a lot of pressure to ensure that this packaging enhances the product presentation and is fit for purpose. In fact, many new product launches fail because they do not reflect the consumer needs for culture. Often packaging designs are actually causing the failure. Marketing research groups are pressured to spend significant portions of their budgets to conduct testing or they go blind with high risk and end up missing the market completely

Steps in the packaging production process

1. **Idea:** Brand manager has identified the need for packaging (a new product, an update, some promotions....)
2. **Structure:** Develop physical structure concepts
3. **Design:** Incorporate graphics on to structures
4. **Mock-ups:** Create visualizations of the packaged product
5. **Sample marketing:** Create physical representation of packaged product
6. **Prepress:** Prepare design for volume production
7. **Proofing:** Confirm correct colour reproduction.
8. **Sheet layout:** create the optimal layout of the print sheet.
9. **Die- cut tools:** prepare the tools to cut out the package after printing
10. **Print:** print text and graphics on packaging.
11. **Finish:** cut, fold and apply finishing to individual packages.
12. **Filler packer:** fill package with product.
13. **Logistics:** transport packaged product to store
14. **Retail:** place on store shelf ready for sale

Product/ service profile

The delta packaging solution industry produce varieties of packaging product the industry produces following goods according to the needs of the customer. The prize of the product varies when other specifications is added so, the customer can get custom product according to their needs.

The following products are produced by this industry.

- Corrugated box manufacturers
- Carton manufacturers
- Sweet box manufacturers.
- Packaging box manufacturers
- Cake box manufacturers
- Food packaging box manufacturers
- Wooden packaging box manufacturers
- Paper carton box manufacturers
- Printed carton manufacturers
- Industrial cartoon box manufacturer

Ownership pattern

The delta packaging solutions industry was founded and established by Mr. Arvind Suvarna he is sole owner of the industry. He started his business with only 2 source of funds they are

1. Owner's fund
2. Borrowing from financial institutions

Owners fund

According to the details given by the owner approximately 50 lakh is invested by himself. It covers following items

- Factory land
- Factory building
- Deposit with MESCOM
- Other assets
- Part of plant and machinery
- Part of working capital

Borrowing fund from financial institutions

According to the information given by the owner they have approximately 50 lakh is borrowed by state bank of India. The Total 50 lakh is divided as follows

- Term loan
- Overdraft.

Achievements and awards

1. Members of Australian institute of packaging
2. Training partners of Indian institute of packaging
3. Life member of small industry association, Mangalore.
4. Was nominated for India 5000 best award 2019
5. It gets the opportunity for producing packaging goods for KURL-ON

FUTURE GROWTH AND PROSPECT

This industry has many projects coming up in the near future and so management of the industry decided to purchase new machinery such as advanced printing machine. In this industry lot of work is done by manually so they decided to invest in automated plant expansion and update the software design capability and increase the storage capacity. They are also making magnetic boxes and gift boxes. Now their main focus is on product expansion and also on producing quality product for the customer. Recently they are developing smaller quantities i.e. 1-piece boxes which they are providing to retail customers.

Chapter: 3

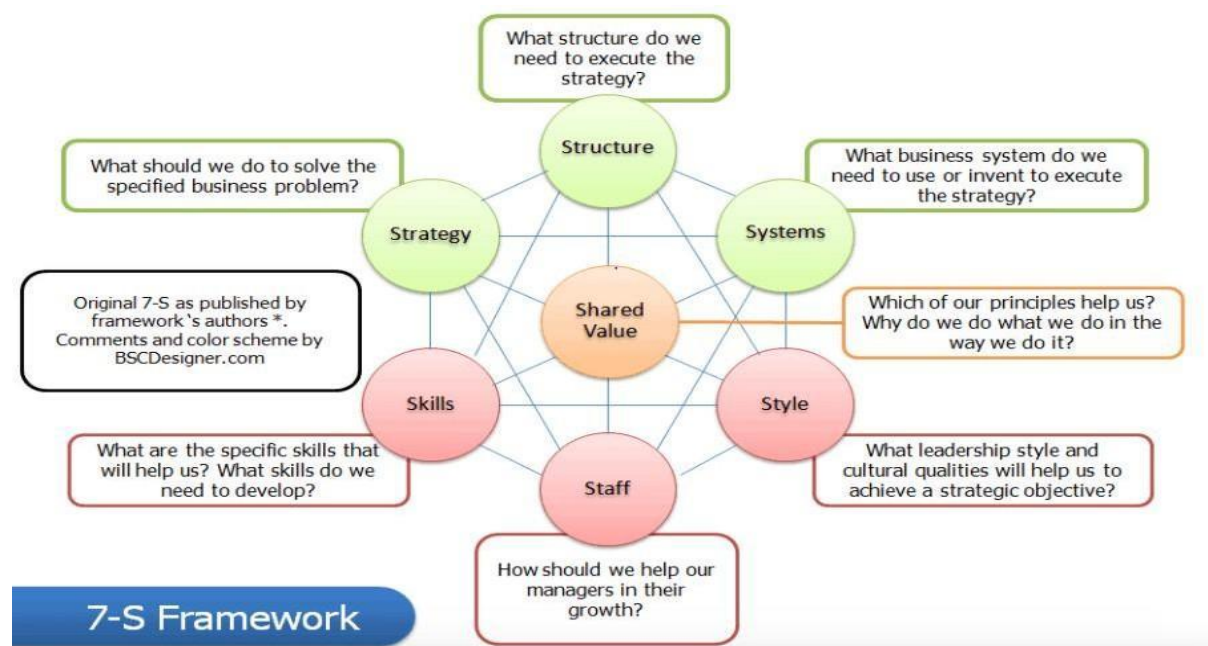
**MCKINSEY'S 7S FRAMEWORK AND
PORTER'S FIVE FORCE MODEL
WITH REFERENCE TO DELTA
PACKAGING SOLUTION**

MCKINSEY'S 7S FRAMEWORK INTRODUCTION:

Model of organization effectiveness go in and out of fashion, but the McKinsey's framework has stood the test of time

The model was developed in the 1980's by TOM PETER and ROBERT WATERMAN, former consultant of McKinsey and company. They identified seven internal elements of an organization that needs to align for it to be successful.

The framework can be used to examine the likely effects of future changes in the organization, or to align department and processes during a merger acquisition.

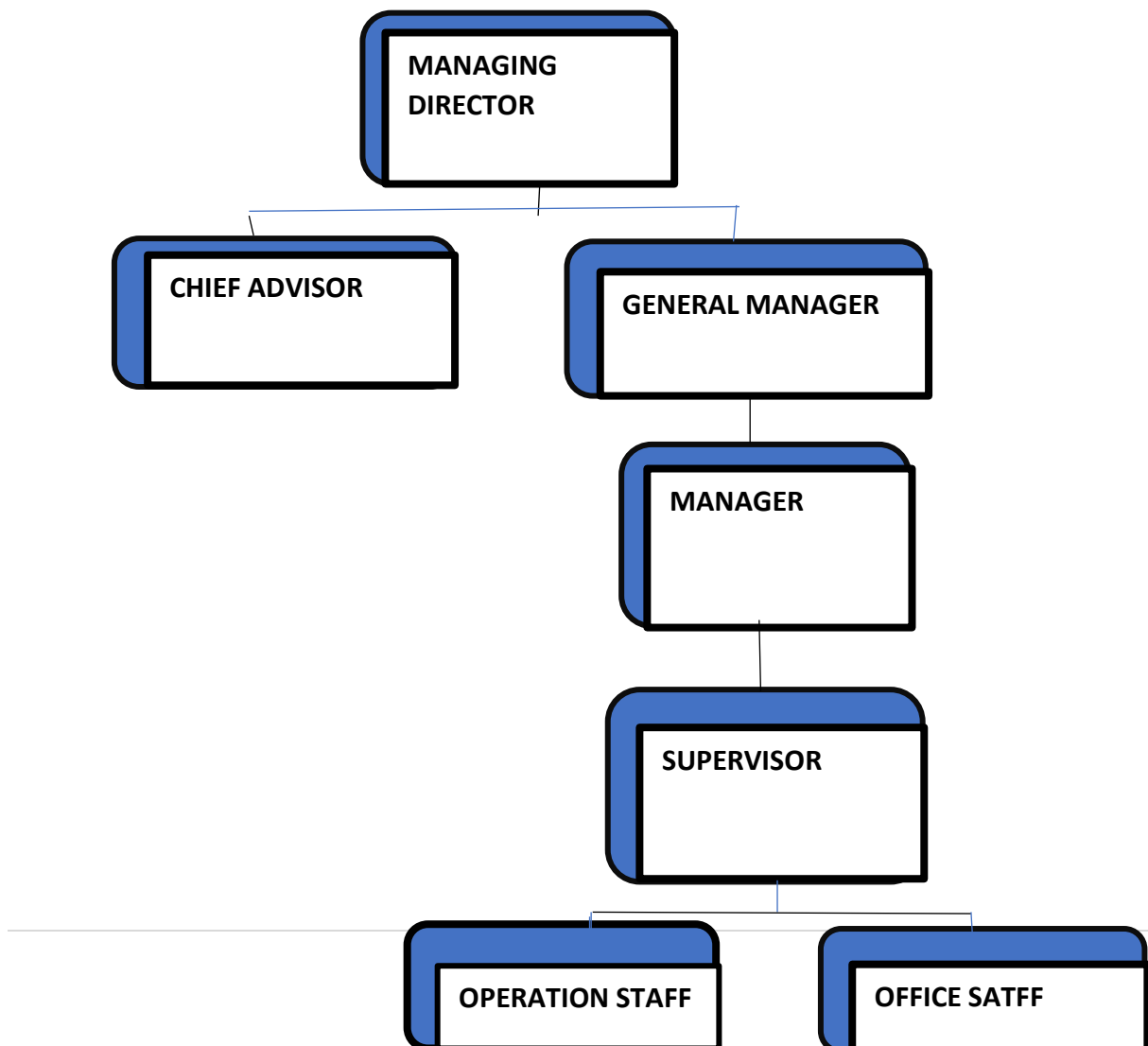


The 7's model from McKinsey's contains the following components.

3 hard factors	4 soft factors
Structure	Shared values
Strategy	Style
System	Skills
	Staff

Implication in delta packaging solutions industry

1. **Structure:** The structure of organization is important for innovation and the good structure help to divide the work in small jobs and help to gain coordination. This leads to effective utilization of resources.



In this industry MD is Mr. Arvind Suvarna and chief advisor is Mr. Sunil Salian, and GM is Mr. Sridhar Poojary, manager is Rohith. The above officials are main people who take the decision and the communication is done according to the above shown structure. The workforce receives the communication and performs the task efficiently according the communication received.

2. **System:** Here the system means the procedure of day-to-day work done in the industry. Firstly, the order is received along with the date of submission and then the daily plan is generating. In second stage the resources are purchased and then the production process is starts

In the production process first two days they make corrugated 2ply cardboard and then they cut square pieces of the 2 ply carboard and then gluing the other sheet of corrugate paper to the 2ply board and make is as 3ply cardboard. Next two days the process of creasing, slotting and printing process takes place. Final two days they give the cardboard sheet box shape by cutting the edges and stitching the corner.

3. **Strategy:** Basically, the strategy means the work plan. The entire performance of work is based on the strategy that they make. In this industry they do not make any new strategy, but they add new things to the old strategy and make as new strategy which helps to get customer.

Sometime by creating new strategy some small industry takes terrible decision which successful in short run but fails in long run by reducing quality and customer loyalty to the brand so delta packaging solution industry keep their initial strategy as base and adding some input to initial strategy and make it as new strategy. This helps the industry to get new customer and retain old customer by giving improved quality.

4. **Style:** The style refers to the leadership relation between the owners with employees. Here the balanced leadership is followed by giving small amount of authority along with this the staff get huge amount of accountability and responsibility. The owner gives entire freedom to the worker, but the work must be done within a given period.

5. **Staff:** The organization has well trained and experienced workforce and few new workers who doing their probationary period. The owner of the industry selects suitable candidate for the right job, for effectively utilizes the workers ability for the benefit of the industry. The owner motivates his worker by giving good incentive and good working environment this help to boost the morale of the worker and he work effectively for the benefit of the organization.
6. **Skills:** The industry has well experienced workforce, who use their skills and knowledge efficiently to achieve the organization goal. The worker of this industry mainly has good communication, good knowledge of the technology, concentration and flexibility in time management etc. the good quality of skills increase the productivity of the industry and these skills helpful to maximum utilization of available resources.
7. **Shared value:** The shared values are the core of the McKinsey's 7's model. They are the norms and standard that guide employee behaviour and company action and thus, are the foundation of every organization

The shared values are the sum of above six factors. These six factors need to perform effectively for the achievement of the organization goals. The staff of this industry trust in teamwork and in each other. Here one person skills helpful to reduce other mistakes.

Porter five force model

Introduction:

The porter's five forces framework is a tool for analysing competition of a business. It draws from industrial organization economics to derive five forces that determine the competitive intensity and therefore, the attractiveness of an industry in terms of its profitability. The five forces perspective is associated with its originator Michael E. Porter of Harvard university. This framework was first published in Harvard business review in 1979.



Implication in delta packaging solution industry:

Porter's five forces model is analysis tool that uses five industry forces to determine the intensity of competition in an industry and its profitability level.

1. **Threat of new entrants:** This force determines how easy (or not) it is to enter an industry. This industry is fast growing industry so in future many competitors may born, because of high profitability and low entry barriers. The threat from new entrants is high for this industry because off.

- This business required low amount of capital to enter a market.
- There is no government regulation
- The customer switching costs are low
- Economies of scale can be easily achieved
- Patents as barriers.

2. **Bargaining power of suppliers:** Strong bargaining power allows supplier to sell higher priced or low-quality raw materials to their buyers. This directly affects the buying firms profit because it must pay more for materials. In this industry the raw materials are in surplus quantity and there are many sellers who sell their products in low price and good quality, so there are no problems like bargaining power of supplier. If this situation happens the supplier have strong bargaining power when,

- There are few suppliers but many buyers
- Few substitutes raw material exist
- Supplier hold scarce resources
- Cost of switching raw materials is especially high.

3. **Bargaining power of buyer:** Buyers have the power to demand lower price or higher price quality from industry producers when their bargaining power is strong. Lower price means lower revenues for the producer, while higher quality products usually raise production cost. Both scenarios result in lower profits for producers. In this industry the customer is loyal to the product which the industry produces, but some buyers bargain for lower the price even through the product is good quality.

Buyers have strong bargaining power when,

- Buying in large quantities
- Only few buyers exist
- Switching cost to other suppliers are low
- There are many substitute

4. **Threat of substitutes:** Substitute goods or services that can be used in place of a company's products or services pose a threat. Companies that produce goods or services for which there are no close substitutes will have more power to increase price and lock in favourable terms. When close substitutes are available, customers will have the option to forgo buying a company's product, and a company's power can be weakened. In this industry has no close substitution but in India some people cover sweets in newspapers even though most of the people make paper box to cover the sweets. So, there is no substitute for the goods this industry produces.
5. **Rivalry among existing competitors:** This force is the major determinant on how competitive and profitable an industry is. In competitive industry, firms must compete aggressively for a market share, which results in low profits. This industry started in 2016 but it has efficiently gained the market as its goods are all over Karnataka, so this industry has lot of competitors to name a few Bright packaging PVT.Ltd, Yashasvi packaging LLP, PYRAMID PACKAGING PVT.LTD. The competition covers within and outside of Karnataka. Rivalry among competitor is intense when,
 - There are many competitors
 - Exit barriers are high
 - Low customer loyalty
 - Competitors are of equal size,

Although, Porter originally introduced five forces affecting an industry, scholars have suggested including the sixth force: complements. Complements increase the demand of the primary product with which they are used, thus, increasing firm's and industry's profit potential.

Utility of Porter's five force model:

1. **Statistical analysis:** The attractiveness of an industry can be identified by conducting the five- force analysis. It helps in deciding whether to enter or exit from a market or industry. Along with this, it also assists in finding out the profitability level of the business.

2. **Dynamical analysis:** The five-force model can forecast the potential attractiveness of an industry in future by applying the PEST analysis with the model reveals factors influencing the changes to be held in the industry. These factors mainly include economic, political, demographic and technological changes which affects the five competitive forces and influence the industry structure.
3. **Analysis of options:** The competitive position of the organization can be improved by developing different options. This is only possible, when an organization has appropriate knowledge about the intensity and power of competitive forces. It may lead to the development of new strategic decisions like new positioning or differentiation for strategic competitive product.

CHAPTER-4

SWOT ANALYSIS OF THE DELTA PACKAGING SOLUTION

Introduction

SWOT (strength, weaknesses, opportunities and threats) analysis is a framework used to evaluate a company's competitive position and to develop strategic planning, SWOT analysis assesses internal and external factors, as well as current and future potential.

SWOT analysis works best when diverse groups or voices within an organization are free to provide realistic data points rather than prescribed messaging.



Strength:

1. **Consumer satisfaction:** The industry with its dedicated customer relationship management department has able to achieve customer satisfaction among present customer.
2. **Good brand equity:** The industry proved many products with good quality, and they set a good brand image the consumer is loyal to this industry.
3. **Reliable supplier:** It has a strong base of reliable supplier of raw materials thus enabling the industry to overcome any supply chain bottlenecks.

4. **Strong distribution network:** Over the year the packaging industry of DELTA PACKAGING SOLUTION has built a reliable distribution network that can reach majority of its potential market.
5. **Skilled work force:** They have highly skilled workforce through successful training, and they give many benefits to motivate the workforce to work efficiently.

Weakness:

1. **Lack of safety awareness:** The employees are not using the personal safety kit but in future expansion they mention that they are buying safety kit for the safety of their employees.
2. **Limited storage facility:** The industry has a small storage facility because they have two branches nearby, so they divide the order according to their capacity and they are going to expand the building for the storage.
3. **Weather condition:** During rainy season if the boxes gets wet they have to face a huge loss so this is the main weakness of this company.
4. **Other weaknesses:**
 - Less promotion
 - Lack of proper advertisement
 - Cost of equipment.

Opportunities:

1. **Rural marketing:** In future the rural areas are also going to develop, and new industries are starting business in rural areas, so this helps to get the demand the products
2. **To expand the distribution network:** The industry currently distributes the goods within the Karnataka but in future they are going to expand their business in all over India.
3. **To produce new products:** If the customer demands for the new product like different size, shape, colour etc so delta packaging solution are going to produce according to the customer needs and wants.

4. **Research and development:** To know the market the R&D is important it give developed product to the customer. This help to gain new customers and generated profits.

Threats

1. **Government policy:** The government policy such as GST and Demonetization had hit the industry very hard because of it started its business in 2016 these two policies came to existence at the same time so this industry struggle to survive in the market.
2. **Competition:**

There are many competitors for this industry they are:
 - Bright packaging PVT.Ltd
 - Yashasvi packaging LLP
 - PYRAMID PACKAGING PVT.LTD
3. **Environmental threats:** There are many environmental threats affect the business such as economic environment, political environment, natural environment, technological environment, social environment.
4. **Covid-19:** During pandemic this manufacturing sector had face a lot of financial loss

Chapter:5

Analysis of Financial Statements

DELTA PACKAGING SOLUTIONS

ALANGAR INDUSTRIAL AREA, MOOBBIDRI, MANGALORE

Profit and loss account

The profit and loss statement is a financial statement that summarizes the revenue, costs and expense incurred during a specified period, usually a fiscal quarter or year. The P&L statement is synonymous with the income statement. These records provide information about a company's ability or inability to generate profit by increasing revenue, reducing cost or both.

Profitability statement

SI NO	PARTICULARS	31/3/20	31/3/21	31/3/22
A	INCOME			
	Gross receipt from sales	138.80	165.34	196.74
	Scrap sales	04.78	5.42	6.33
	Total A	143.58	170.76	203.06
B	Materials consumed	114.37	130.07	152.95
	Opening stock	-	-	-
	Purchase of materials			
	Paper cost	117.10	123.46	144.79
	Gum	4.81	4.93	5.61
	Stitching wire	1.25	1.29	1.46
	Ink colour	0.84	0.86	0.98
	Packaging	1.05	1.07	1.22
	Less: closing stock of materials	10.67	12.20	13.32

C	DIRECT EXPENSE	18.08	20.50	23.85
	Power cost	3.83	4.25	4.87
	Utilities & maintenance & spare	1.15	1.28	1.46
	Factory wages	11.61	13.17	15.36
	Other direct factory expenses	1.50	1.80	2.16
	Total cost of production carried forward	132.45	150.57	176.80
D	Change in finished goods stock in trade	127.15	149.84	175.75
	Opening stock of finished goods	-	5.30	6.02
	Cost of production brought forward	132.45	150.57	176.80
	Less: closing stock of finished goods	5.30	6.02	7.07
E	Selling, Distribution & administration Ohs	3.00	3.45	3.97
	Total B	130.15	153.29	179.72
F	Profit before interest and depreciation	13.43	17.47	23.34
G	Interest & finance charges	5.81	5.63	5.42
	On term loan	3.21	3.03	2.82
	On working capital	2.60	2.60	2.60
H	Depreciation	7.09	5.99	5.09
I	Profit after interest and depreciation	0.53	5.85	12.83
J	Tax Expense	0.16	1.75	3.85
K	PROFIT AFTER TAX	0.37	4.09	8.698

DELTA PACKAGING SOLUTION

ALANGAR INDUSTRIAL AREA, MOODABIDRI, MANGALORE

BALANCE SHEET

A balance sheet is a financial statement that reports a company's assets, liabilities and shareholder's equity at a specific point in time and provides a basis for computing rates of return and evaluating its capital structure. It is a financial statement that provides a snapshot of what a company owns and owes, as well as the amount invested by shareholders

Balance Sheet

Particulars	2020	2021	2022
Equity and liabilities			
Capital fund	43.80	45.89	52.87
Capital introduced	45.43	--	--
Profit and loss	0.37	4.09	8.98
Drawings	2.00	2.00	2.00
Non current liabilities			
Term loan from bank	23.98	22.48	20.77
Current liabilities			
Working capital finance from bank	20.00	20.00	20.00
Trade payables	5.00	5.26	6.16
Other current liabilities	-	-	-
Total liabilities (A)	92.78	93.63	99.80
Assets:			
Non current assets			

Tangible assets			
Gross block	52.27	45.18	39.19
Depreciation	7.09	5.99	5.09
Net block	45.18	39.19	34.10
Current assets			
Inventories	15.97	18.22	20.39
Trade receivables	23.13	27.56	32.7
Cash and bank balances	4.14	4.31	8.17
Advances and deposits	4.35	4.35	4.35
Total Assets(B)	92.78	93.63	99.80

Ratio analysis of the data

Ratio analysis is used to evaluate relationships among financial statement items. The ratio are used to identify trends over time for one company or to compare two or more companies at one point in time. Financial statement ratio analysis focuses on three key aspect of business liquidity, profitability, and solvency.

A. Short-Term Solvency Ratios

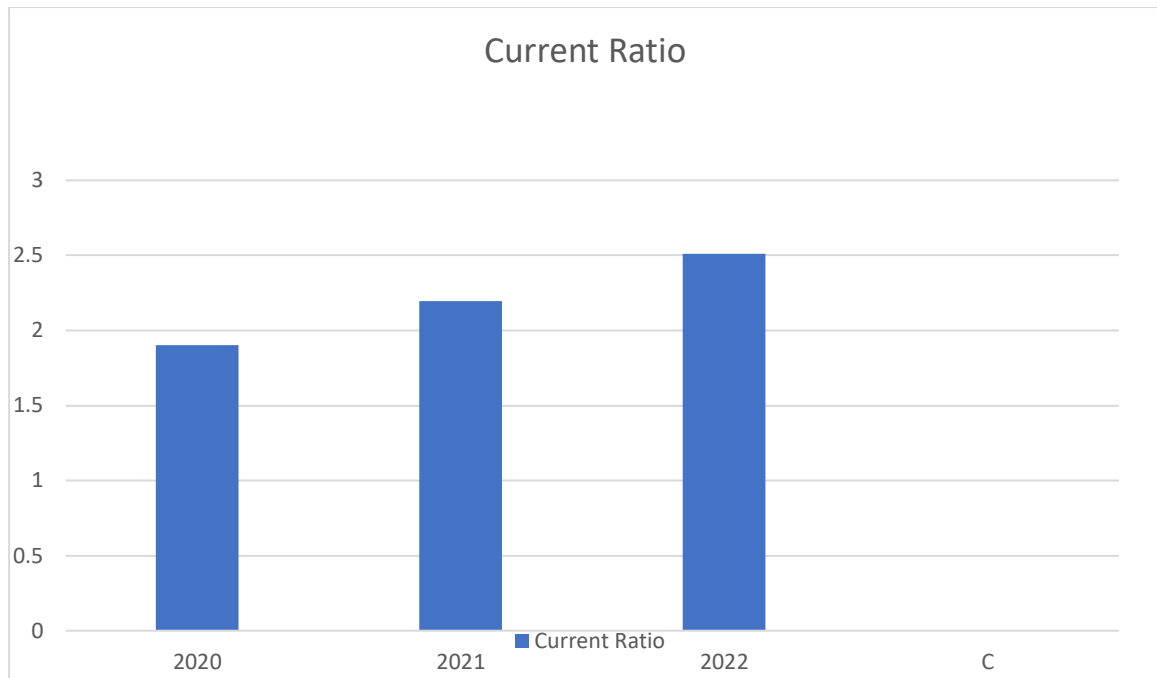
1. Current ratio:

Current ratio is a liquidity ratio that measures a company ability to pay short-term obligations or those due within one year. It tells investors and analysis how a company can maximize the current assets on its balance sheet to satisfy its current debt and other payables. Formula to calculate current ratio is:

$$\text{CURRENT RATIO} = \text{CURRENT ASSET} / \text{CURRENT LIABILITIES}$$

Title: Table 1 showing the current ratio

Year	Current asset	Current liabilities	Current ratio
2020	47.60	25.00	1.904
2021	55.44	25.26	2.195
2022	65.70	26.16	2.511



Interpretation:

The idea ratio is 2:1 but in 2020 it got below 2 and in 2021 and 2022 it got more than 2 so it declares that liability is owned by industries assets and it meet the short-term liability.

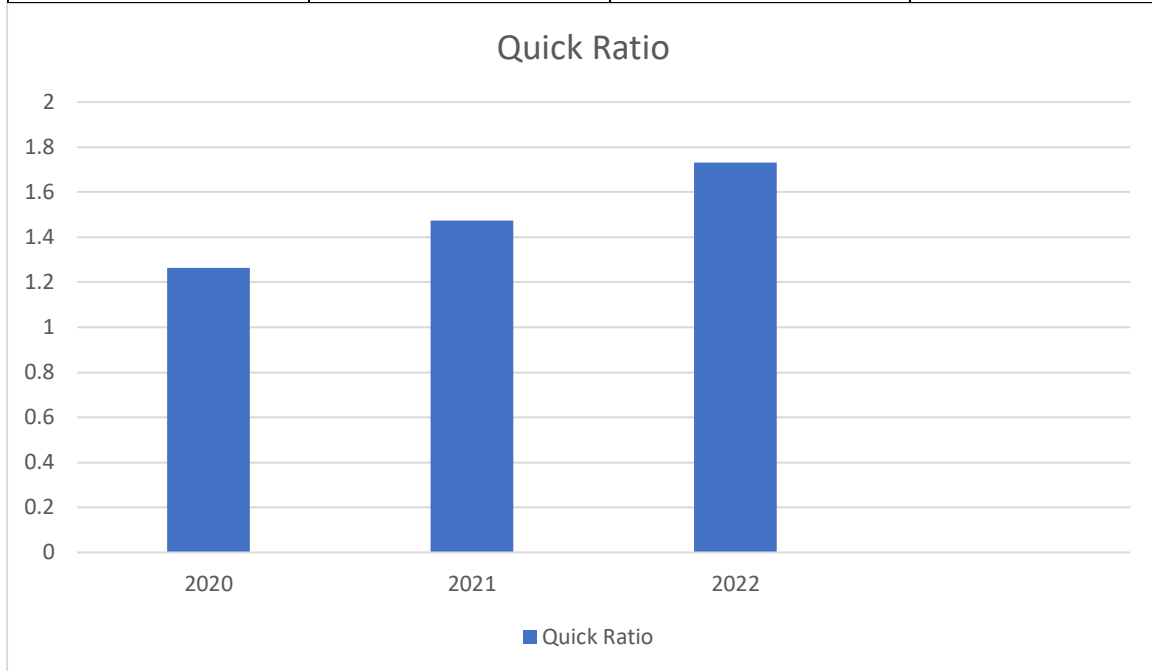
B. Quick ratio:

Quick assets are defined as cash, marketable (or short-term) securities, and accounts receivables and notes receivables, net of the allowances for doubtful accounts. These assets are very liquid (easy to obtain cash from the assets) and therefore, available for immediate use to pay obligations. The acid-test ratio is calculated by dividing quick assets by current liabilities

$$\text{QUICK RATIO} = \text{QUICK ASSET} / \text{CURRENT LIABILITY}$$

Title: Table 2 showing the current ratio

YEAR	Quick Assets	Current liability	Quick ratio
2020	31.63	25.00	1.265
2021	37.22	25.26	1.473
2022	45.31	26.16	1.732



Interpretation:

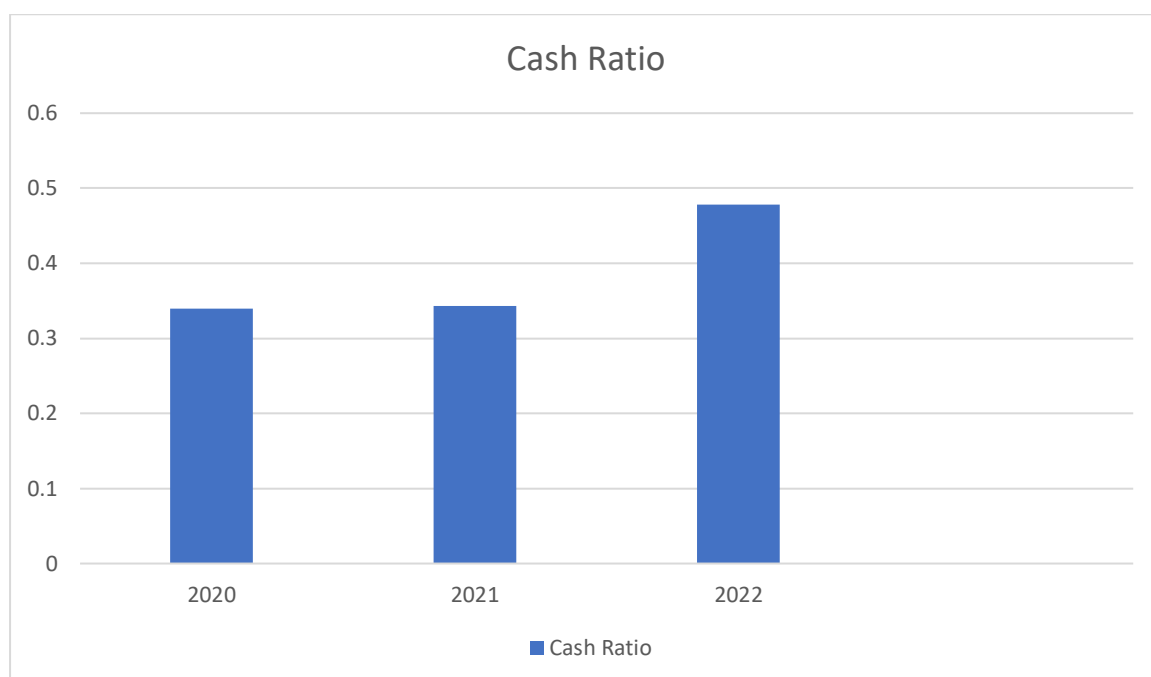
The ideal quick ratio is 1:1. The all three years fulfil the requirement, so it means the industry easily convert its assets to cash for the payment of liability.

C. Cash ratio : the cash ratio is a measurement of a company's liquidity, specifically the ratio of a company total cash and cash equivalent to its current liabilities.

CASH RATIO= CASH AND CASH EQUIVALENT / CURRENT LIABILITIES

Title: Table 3 showing the cash ratio

Year	Cash and cash equivalent	Current liabilities	Cash ratio
2020	8.49	25.00	0.3396
2021	8.66	25.26	0.3428
2022	12.52	26.16	0.4786



Interpretation:

The company has cash ratio less than 1, it means insufficient cash exist to pay off short- term debt.

B. Long – Term Solvency Ratio

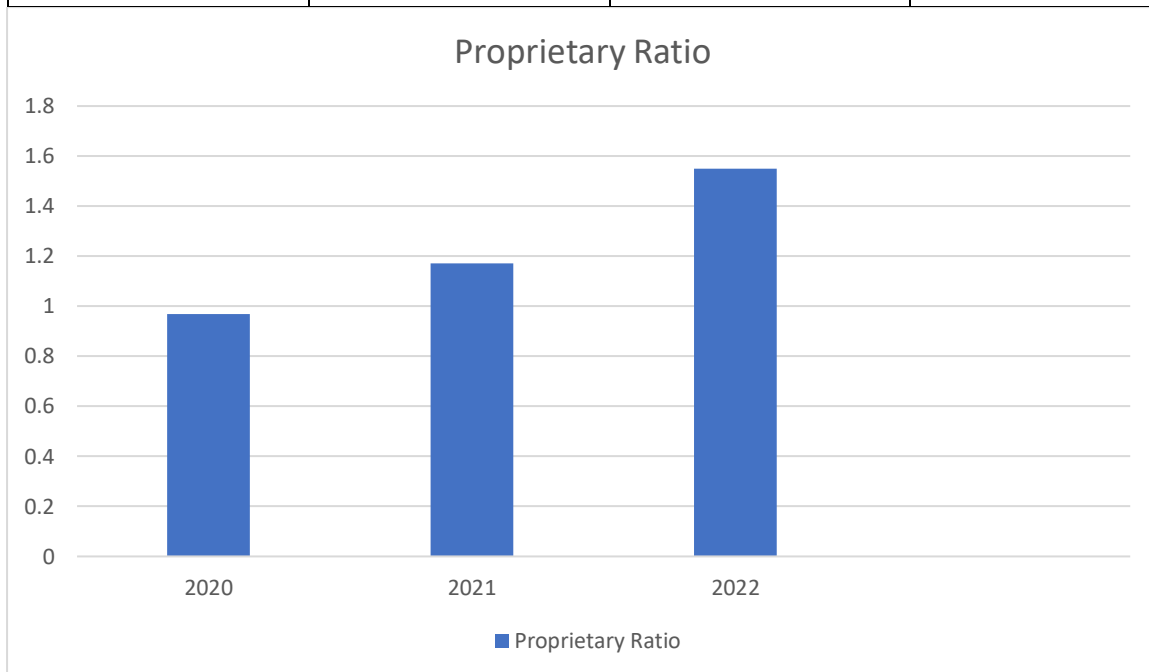
1. Proprietary ratio :

The proprietary ratio(also known as the equity ratio) is the proportional of shareholders equity to total assets, and as such provides a rough estimates of the amount of capitalization currently used to support a business.

$$\text{PROPRIETARY RATIO} = \text{OWNERS FUND} / \text{NET ASSETS}$$

Title: Table 4 showing the proprietary ratio

Year	Shareholders fund	Net assets	Proprietary ratio
2020	43.80	45.18	0.969
2021	45.89	39.19	1.171
2022	52.87	34.10	1.550



Interpretation:

In the above data 2020 the ratio is lesser than 2021 and 2022, this shows that 2022 is better than 2020 and 2021.

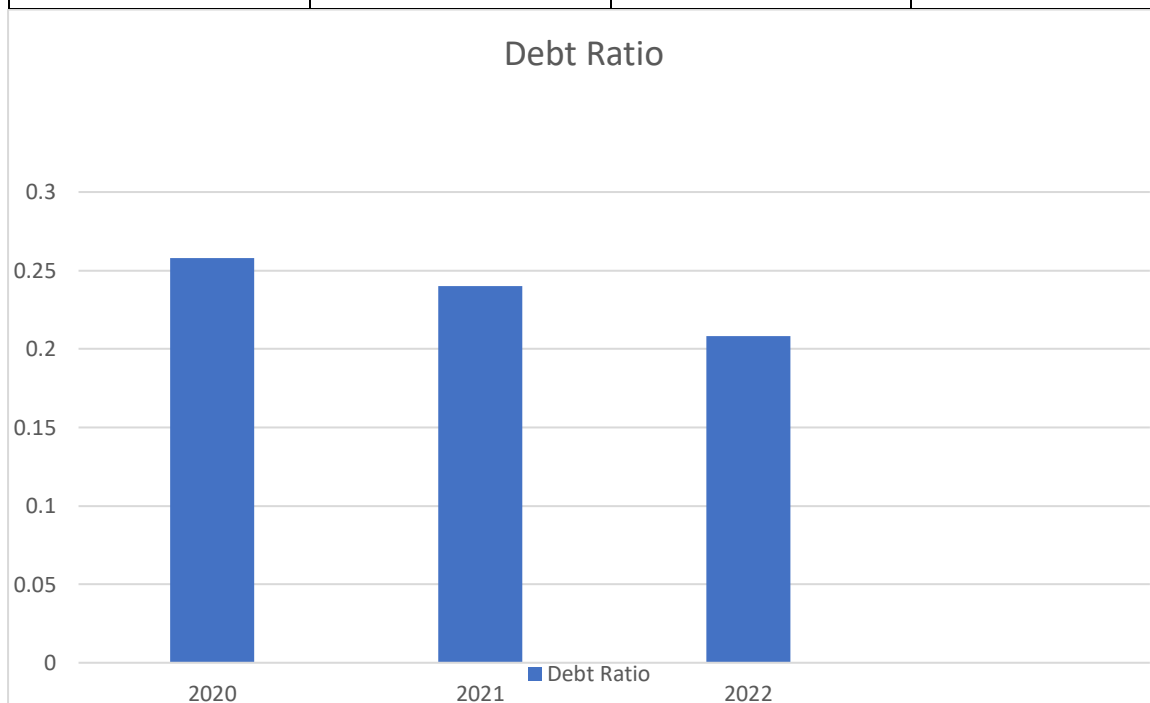
2. Debt ratio :

Debt ratio is calculated by total debt by total assets. It is defined as an expression of the relationship between a company's total debt and assets. It is a measure of the ability to service the debt of a company. It indicates what proportion of a company's financing assets is from debt, making a good way to check a company's long-term solvency. In general, a lower ratio is better. Value of 1 or less in debt ratios shows good financial health of a company.

$$\text{DEBT RATIO} = \text{TOTAL DEBT} / \text{TOTAL ASSETS}$$

Title: Table 5 showing the debt ratio

YEAR	Total Debt	Total Assets	Debt Ratio
2020	23.98	92.78	0.258
2021	22.48	93.63	0.240
2022	20.77	99.80	0.208



Interpretation:

The above table and graph shows that debt ratio of the firm, in all the years of this ratio there is no much difference in them. Debt ratio if lower is considered better, companies with lower debt ratio and higher equity ratios are known as conservative companies.

C. Profitability Ratio

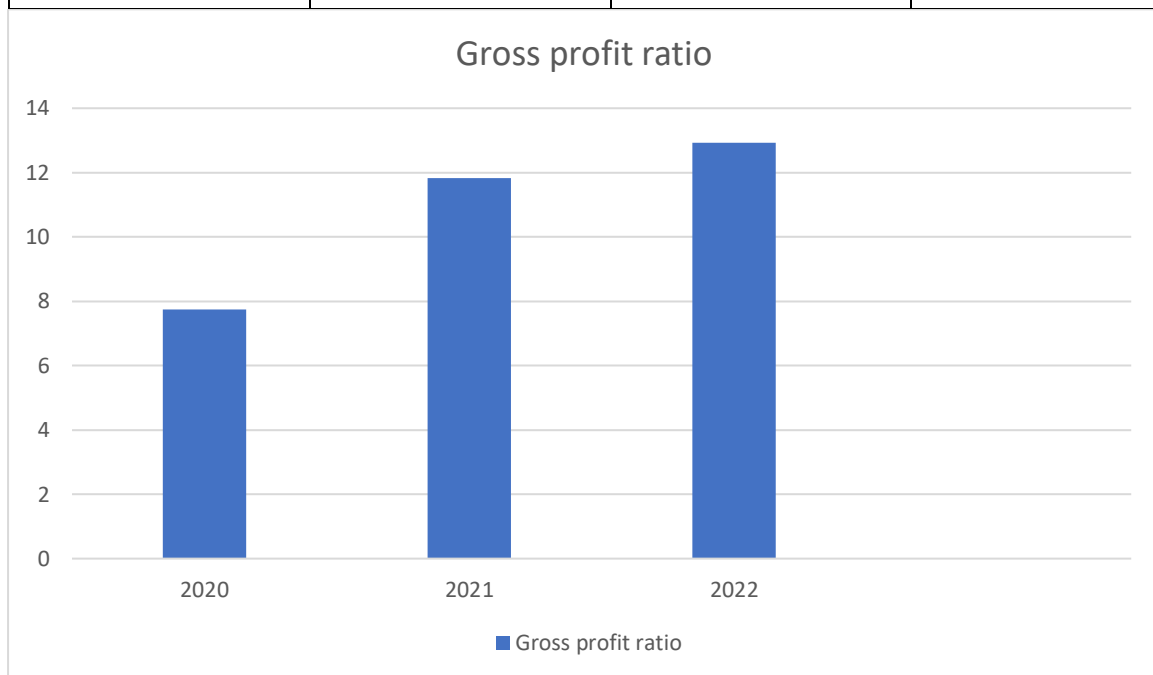
1. Gross profit ratio:

Gross profit ratio is a financial ratio that measures the performance and efficiency of a business by dividing its gross profit by the total net sales. According to BDC 50-70% is good gross profit ratio for the company. The gross profit ratio formula is

$$\text{GROSS PROFIT RATIO} = \text{GROSS PROFIT} / \text{NET SALES} * 100$$

Title: Table 6 showing the gross profit ratio

Year	Gross profit	Net sales	Gross profit ratio
2020	11.13	143.58	7.75
2021	20.19	170.76	11.82
2022	26.26	203.06	12.93



Interpretation:

The above table and graph show the gross profit of the company. In 2022 the company have higher gross profit ratio of 12.93% gradually it started decreasing in the preceding year i.e., 2021 year and 2020 year

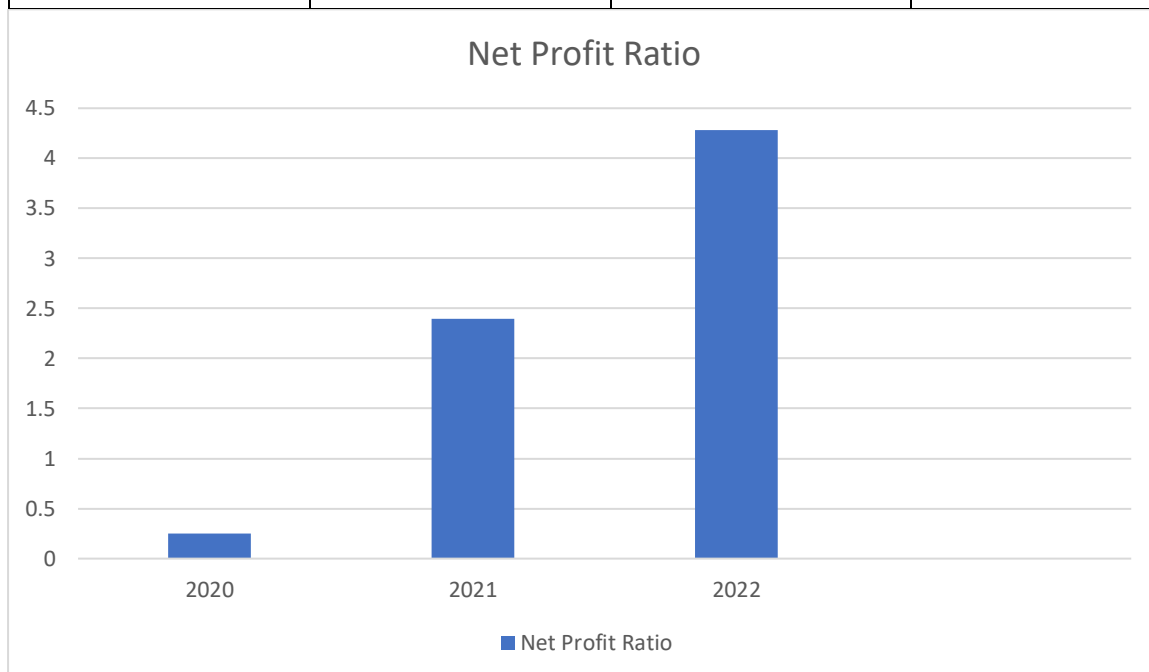
2.Net profit ratio:

It is a profitability ratio that measures the company's profits to the total amount of money brought into the business. Net profit ratio is calculated by dividing net profit by sales of the company. The formula to calculate the net profit ratio is.

$$\text{NET PROFIT RATIO} = \text{NET PROFIT} / \text{NET SALES} * 100$$

Title: Table 6 showing the net profit ratio

Year	Net profit	Net sales	Net profit ratio
2020	0.37	143.58	0.25
2021	4.09	170.76	2.395
2022	8.698	203.06	4.28



Interpretation:

The company has highest net profit ratio in the current year 2022 i.e., 4.28%.in the year 2021 the net profit ratio is 2.395 less than the current year. The company has lowest net profit ratio in the year 2020 i.e., 0.25

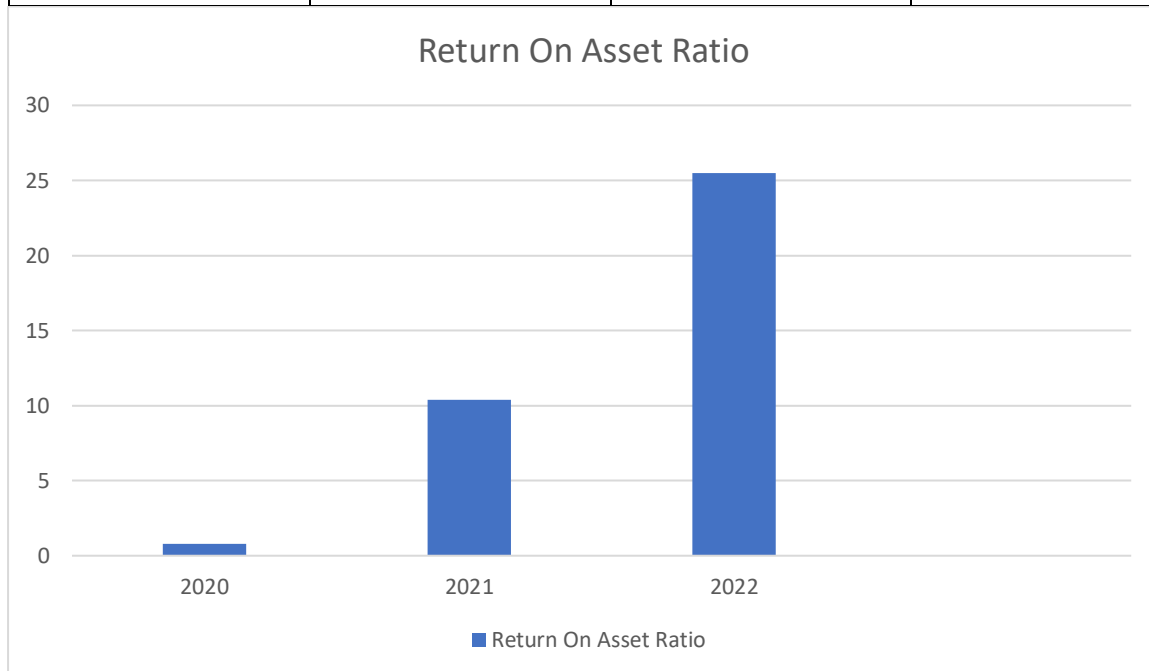
3.Return on Asset Ratio:

Return on assets (ROA) is a metric for gaining how effectively a business uses its assets to make money. ROA is a metric that managers, analysis, and investors used to assess a company's financial standing. The formula to calculate ROA is:

$$\text{RETURN ON ASSET} = \text{NET PROFIT} / \text{TOTAL ASSETS} * 100$$

Title: Table 8 showing return on asset ratio

Year	Net profit	Total assets	ROA ratio
2020	0.37	45.18	0.81
2021	4.09	39.19	10.4
2022	8.698	34.10	25.5



Interpretation:

The above graph and table represent the ratio of return on assets. The current year return on asset is 25.5%. the company has highest return on asset on the current year i.e. 2022 and lowest return on asset on the year 2020 i.e. 0.81%

Chapter:6

LEARNING EXPERIENCE

The past four weeks of my internship have been very educative and this experience increased my knowledge. The Delta packaging solution industry offered me a very useful opportunity to learn about the industry and develop myself to face the challenges. I gained the knowledge in the area of sales, communication, and human relation and they gave me some knowledge about the finance and production related activity. The practical knowledge of production process motivated me to know more about the industry.

This is a golden opportunity that VTU and our college permitted us to get practical knowledge about the business world. The employees of this industry treated me like a family member and enabled me to gain all the possible knowledge. The Proprietor of this industry too was very supportive and he encouraged me to gain as much knowledge as possible about the business.

The industry truly teaches me what teamwork means, overall, I can say that the Delta Packaging Solution industry within their limit satisfies their customer and treats them as a king. The quality they produce is good enough to grow in the future.

Learning experience:

- Learned the importance of networking
- Learned the importance of communication
- Learned the time management
- Learned to use the theoretical knowledge in practical situations
- Learned why wage differentiations are there for different Authority and responsibility
- Learned to take an order from the customer.
- Learned the importance of maintaining proper records
- Gain the exposure to the huge pressure of deadlines.

Chapter :7

Bibliography

Website:

- <http://www.deltapackagingindia.in/>
- Delta packaging solutions industry, Kadalakere, Moodbidri

Other sources of data

- Company financial report from 2020 to 2022
- Company Brochure
- Porter's five forces| SMI
- Accounting Principles || : ratio analysis
- https://www.justdial.com/Mangalore/Delta-Packaging-Solutions-Industrial-Estate-MOODBIDRI/0824PX824-X824-170408120117-C6G9_BZDET?xid-TWfuZ2Fsb3JIIErIbHRhIFBhY2thZ2luZyBTb2x1dGlvbnM