

ORGANISATION STUDY REPORT ON
“PRAKASH RETAIL PVT LTD”

Submitted by

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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

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ALVA'S INSTITUTE OF ENGINEERING & TECHNOLOGY

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OCTOBER 2022

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TO WHOMSOEVER IT MAY CONCERN

This is to certify that **Ms.Shwetha Shetty** bearing Reg No 4AL21BA084 MBA student from Alva's Institute of Engineering and Technology has done her Project on "Organization Study" at Harsha Udupi from 20.10.2022 to 20.11.2022.

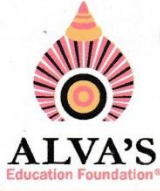
During the project she was taking keen interest in learning those subjects connected to her studies. She was found hard working and sincere.

We wish her every success.

For **PRAKASH RETAIL PVT. LTD.**

B.N.AMIN
GENERAL MANAGER HR





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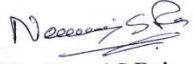
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CERTIFICATE

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The Internship report on "**PRAKASH RETAIL PVT. LIMITED, AJJERKAD, UDUPI**" 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 hereby declare that this Internship titled “PRAKASH RETAIL PVT LTD” submitted by me to the Department of Management, Vishveswaraya Technological University in partial fulfilment of requirement of MBA Programme is a bonafide work carried by me under the guidance of Mr. Neeraj Rai, Assistant Professor, ALVAS INSTITUTE OF ENGINEERING AND TECHNOLOGY MIJAR .This has not been submitted earlier to any other University or Institution for the award of any degree/diploma/certificate or published any time before.

Place: Mijar

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I express my heartfelt thanks for their constant encouragement and support during the entire report.

I extend my sincere thanks to my external guide for their guidance.

Finally, I express my sincere thanks to my parents, family, friends and all the staff of MBA department, whose support and encouragement kept me going at times of need. Deepest thanks to you all. They are all indeed the reason for the successful completion of this report.

Thank You,

Shwetha Shetty

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EXECUTIVE SUMMARY

This is an Endeavour to know how 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. So this reason I got the chance of temporary position program in “PRAKASH REATAIL PVT LTD”

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 development and possibilities,

Third part is McKinsey's 7S casing work with unique reference to association under examination. The fourth section manages the SWOT investigation. The fifth part is Analysis of fiscal report 6th section is learning experience. It additionally comprises of Bibliograph

PRAKASH RETAIL PVT LTD
(HARSHA)

CHAPTER 1
INTRODUCTION ABOUT
INDUSTRY AND
ORGANISATION

1.1 Introduction About The Study:

Organization is the place where group of people work together for accomplishment of common objective. Organisation study is the systematic study about working model of the organisation under several circumstances. The main aim of every organisation is to attain pre-determined goals and every organisation work hard towards achievement of those goals. This organisation study helps to understand the how company handle the internal and external factors which effect the working conditions of company and achieve their pre-determine goals and objectives.

This organisation study is not only study of organisation working model but also helps to understand the importance of each and every department contribution to organisation. This study is based on different aspects and dimensions of different departments of the company.

This study is undertaken for 4 weeks (28 days) and the main objective of this study is to know how an organisation works and to get practical exposure of corporate life. This organisation study helps to expose ourselves to corporate policies, culture, ethics, procedures, practice and policies of the company.

OBJECTIVES/ PURPOSE:

- To relate the theory part with practical.
- To study the changes in market condition.
- To study the importance of each department.
- To know the consumer preference.
- To understand the company structure and hierarchy of the company.
- To understand the key business process and how company perform this functions.
- To gain the knowledge about business
- To understand the internal and external factors affect the workings of company

1.2 Industry Profile:

1.2.1 Industry Structure :

The structure of any industry is the key that can unlock a world of potential in terms of growth and goal achievement. In our case as name suggest we operate under retail sector or industry especially trading of electronic and home appliances. The retail industry secure the 5th position as an industry and 2nd largest employer after agriculture providing bright and exciting job opportunities in India. Retail industry consists of all companies that sell goods and services to consumers. There are many different retail sales and stores type worldwide including grocery, convenience, discounts, independents, department store, DIY, electrical and speciality. The retail industry shows a steady growth year on year and employs a huge number of workers worldwide particularly with the growing popularity of online retail.

The competitive nature of this fast-paced industry was especially pronounced during the past few years. For 2022, retail outlets have been compelled to reconsider their long-standing processes and tactics that have structured the sector for years. These global changes in management and ways of thinking about supply chains for many well- known brands only help prove how important retail sales are for the economy.

Generally, the shopkeeper sells goods – either individually as a sole proprietor or with the help few assistants. In the last few years, however the concept of large departmental stores and malls has come up, hypermarkets, malls and non-store retailing like multilevel marketing and telemarketing, have replaced or co-exist transacting with the traditional retail businesspersons, such as hawkers, grocers and vendors, etc. There are various level at which retail business operates – ranging from small, Owner operated and independent shops to those in national and international market. An increase in income levels and the need for new products and services, a rise in standard of livings, competition in the market and increasing consumption patterns of customers have contributed to the demand for creation of these stores.

The retail industry is constantly evolving and businesses must keep up with the latest trends to stay ahead of the competition. By understanding these and taking

advantage of them businesses can stay ahead of the curve and keep their customer happy.

Present status of Indian retail industry:

The Indian retail industry ranked 4th in the world in terms of size and this sector contribute 10% of overall GDP of the country. The industry's market size in 2020 approximately INR 65.50 trillion and is expected to reach INR 96.43 trillion by 2024. The retail industry is estimated to grow at a CAGR of 10.15% and growth of modern trade format across Tire 1, Tire 2 and Tire 3 cities, higher income driving the purchased of essential and non-essential products.

1.2.2 Competitive Position:

Any business efforts taken by a retailer from time to time can be a reason for competitive advantage but some advantages are sustainable over a long period time, while others are trail nature. Sustainable advantages are usually hard nut to crack a retailer puts its full energy to keep competitors away from the market.

Technology advancement borderless economies and free flow of goods across the countries have enabled a retailer to procure any good and sell it in their stores, whenever they want but in order to keep them self ahead in retailing race, many retailer get competitive advantage through development of personal / private/ store brands. These product are designed produced and marketed exclusively by the retailer and are sold by the retailer only.

India's retail industry is highly competitive as it is majorly dominated by unrecognised retailers. There are approximately 13 million Kirana stores in and neighbourhood store that sell food and groceries. Organised retail segment consists of supermarket or convenience stores, hypermarkets, Departmental stores, cash and carry stores and speciality stores. Reliance retail limited leads the retail industry in India with over 12,000 offering various products. Other leading players includes Future group, Adithya Brila Fashion and Retail, Avenue supermarkets limited and Shoppers stop.

India is the world's fifth-largest global destination in the retail space. In FDI Confidence Index, India ranked 16 (after US, Canada, Germany, United Kingdom, China, Japan, France, Australia, Switzerland, and Italy). Due to the introduction of numerous new businesses, the Indian retail industry has

become one of the most dynamic and quick-paced sectors. Over 10% of the nation's gross domestic product (GDP) and about 8% of employment are attributed to it. India is the fifth-largest international retail market in the world. In the 2019 Business-to-Consumer (B2C) E-commerce Index published by the United Nations Conference on Trade and Development, India came in at position 73. India is ranked 63 in the World Bank's Doing Business 2020 report.

1.2.3 Government Policy Affecting the Industry:

- ❖ Essential commodities(Amendment) Act, 2020
 - Central government may regulate the supply of certain food products under extra ordinary circumstances.
 - Stock limit will be based on price rise of the commodities.
- ❖ Consumer protection (E-commerce) Rules 2020
 - Provides explicit details to be shared with consumer.
 - Created a grievance redressal mechanism.
 - Measures will be taken against unfair trade.
- ❖ Foreign Exchange Management Rules, 2019
- ❖ Consumer protection Act2019
- ❖ Clarification of FDI policy on single brand Retail Trading.
 - About 51% FDI multi brand retail
 - 100% FDI in single-brand retail under the automatic route
- ❖ Retail direct scheme introduced in year 2021 for the purpose of helping small investors with an easy way of exits.
- ❖ In April 2022 the government approved PLI scheme for textile product for enhancing India's manufacturing capabilities and exports with approved financial outlays of Rs.10,683 crore over a five year period.
- ❖ A national retail policy based on five building blocks can bolster India's retail sector
 - Streamlining approval and compliance mechanism
 - Improving access to capital
 - Technology-led modernisation
 - Bridging infrastructure gaps

- Expanding labour participation and improving productivity

Recent Government Initiatives:

The government is anticipating changing the FDI rules in India for E-commerce website to develop sales of 'Made in India' consumer goods.

Government has recently allowed 100% FDI in E-Commerce for online retailing of goods and services. The Government is set to bring into power a new E-Commerce policy that will assure regulation and protection against unfair trade practice

The government of India has taken various initiatives to improve the retail industry in India. The government of India focus to digital infrastructure in Tirt 2 and Tier 3 would be favourable to the sector. Retail and wholesale trade will now get benefit of priority sector leading under the RBI guidelines.

The minister of MSME announced inclusion of retail and wholesale trades as MSMEs retail and wholesale trade will now get the benefit of priority sector lending under the RBI guidelines. DIPP is likely to consider relaxing the sourcing norms for global retailer to establish shops in India, as IKEA is asking for future relaxation of mandatory conditions.

1.2.4 Growth Opportunities:

If retail sector tapped with the appropriate selection of items and pricing, rural markets have a tremendous potential for growth. Infrastructure improvements are expanding, making it easier to connect to such towns. This enables the company to reach out to more customers in these high-potential markets. The organised Indian retail sector's private label segment has started to see an uptick in activity.

The Private label strategy has a 19% and a 39% market share, respectively, in the US and the UK, but just a 6% market share in India. Consequently, this is a fantastic opportunity for the local label to build its fan base. Large retail players choose India as a base for their sourcing because of its price competitiveness. With the establishment of their own wholly-owned/wholly-managed sourcing and buying offices, many global retailers are expanding their sourcing from India. Previously, they used third-party buying offices.

The top opportunities in the retail market segmented by type will arise in the ecommerce and other non-store retailers segment, which will gain \$2,065.9 billion of global annual sales by 2025. The top opportunities in the market segmented by ownership will arise in the chained segment, which will gain \$8,624.7 billion of global annual sales by 2025. The retail market size will gain the most in the USA at \$1,858.5 billion.

The major portion of India's population comprises Millennials making around 35% of the total population. This set of customer are more conscious about brands and willing to spend more to satisfy their needs so growth of shopping mall are very necessary for Indian retail industry.

As online shopping has gained popularity amongst a large number of people especially youngsters, online retailers are flourishing as an important sales medium for various consumer brands. Everything ranging from apparel to accessories for all like PUMA, NIKE etc have recorded huge increment in their online sales.

The market for consumer durable is the US\$ 6.5 billion and is expected to grow at the rate of 18%. There has been a new trend evident in the market wherein the modern retailers are setting up for furnishing sectors in hypermarket and speciality stores. This segment faces tough competition from local retailers.

1.2.5 Market Size and Trends:

Market Size

Indian retail industry is projected to grow at 9% over 2019-2030 from US\$ 779 billion in 2019 to US\$1,407 billion by 2026 and more than US\$1.8 trillion by 2030. Revenue of India's offline retailers, also known as brick of mortar (B&M) retailers expected to increase by 10,000-12,000 crore in financial year 20. India's direct selling industry is expected to be valued at US\$2.14 billion by the end of 2021. E-retail has been a boon during the pandemic and according to some report by Brain & Company in association with Flipkart 'How Indian shops online 2021' the E-retail market is expected to grow to US\$ 120-140 billion by FY26, increasing at approximately 25-30% p.a. over the next 5 years. Despite unprecedented challenges, the Indian consumption story still

robust. Driven by affluence, accessibility, awareness and attitude, household consumption stood at Rs.130-140 trillion (US\$1.63-1.75 trillion) in 2021.

India has the third highest number of E-retail shoppers (behind China and USA). The new age logistics players are expected to deliver billion 2.5 Direct -to- consumer (D2C) shipment by 2030. Online used card transaction penetration is expected to grow by 9X in the next 10 years.

Retail Trends:

1. Selling online is non-negotiable
2. Omnichannel tools are creating more meaning shopping experiences.
3. Automated technology is helping retailer manage the labour shortage.
4. Same day delivery is giving retailer a clear advantage.
5. Social commerce is one of the biggest digital trends in retail industry.
6. Interactive retail experiences are bridging the gap between the online and offline parts of a store.
7. The borders between retail and other industries continue to blur.
8. Community investment from retailers may be here to stay.
9. Embrace the digital mobile wallet.
10. Mobile commerce
11. Curbside pick-up and BOPIS.
12. Supply chain challenges continue
13. Investment in technology and automations.
14. Attracting talent and overcoming labour shortages.
15. Buy now pay later(BNPL)

1.3 Introduction to the Organisation:

Harsha enterprises belong to Prakash Group of Industries. Prakash group was started by five members of family settled in Udupi. The group initially started with its entry into Timber business and gradually they diversified to different sectors like electric, plastic, engineering etc. Harsha is the part of Prakash electric company private limited they retail mainly white goods- TV, Refrigerator, washing machine, air cooler, music system etc. the home appliance include cookers, mixers, grinders, microwave ovens, crockery and cutlery etc.

Our organisation mainly involved in trading of electric and home appliances. Consumer electronics refers to electronic equipment, tools, devices and gadgets such as televisions, computers, mobile phone or smartphones, kitchen and home appliances etc, bought for personal use and for any commercial use. The global consumer electronics industry and market slight setback from 2011 to 2014. But after 2014 the industry is gaining growth because high demands from highly populated countries like China and India. Demand is Europe and also improved significantly.

The PRAKASH GROUPS major areas of operation are:

- Prakash Timber- Manufacturing of products from timber.
- Prakash Industries- companies of a unit into business of switch boards.
- Prakash Engineering Company- wholesale distribution of engineering appliance.
- Prakash Electric Co- Into wholesale distribution of electric appliance.
- Prakash Bakelite and Plastic- switches and lightening Business.
- Asha engineering Co- It is into manufacturing of TV trolley and is also manufacturing of wooden furniture
- Prakash Business Solution- This is a division of the group into software and mainly providing business solution.

CHAPTER 2:

ORGANISATION PROFILE

2.1 Background of Organisation:

“HARSHA” is a part of “Prakash group of Industries”. Prakash group of industry came to existence in 1976 at Ambalpady. As the main company Prakash Groups concentrated mainly on manufacture of switch boards and furniture. Later in 1985 A Prakash retail company, a sister company come into existence and began its operations. Prakash Retail Company was established as registered partnership firm in a year 1985, which started its operation on 1 April 1985 on the date of its establishment. It has five partners all of whom are brothers. This company was engaged in production of water pumps. Later company expanded its operation by engaging in production of switch board, switch gear and electronics goods in Udupi.

On 9th of March 1987 happens to be the mile stone day to Prakash electric company as it inaugurated its first retail outlet in Udupi under the name of “HARSHA” with showroom of 2700sq.ft area. To date the chain of outlet has been expanded to five showroom covering different areas of Karnataka state.

Harsha is a branch of Prakash Retail Company and is a part of Prakash group of industries. The little company which started as a Prakash electronics, is today's one of the most successful and popular showroom in Udupi with 16 outlets at various places in Karnataka. Harsha's main focus was to provide quality consumer durables to the consumer. In the initial days for Harsha there was a huge demand for television and boosters with quality services and goods at reasonable prices. Then it added other consumer durable such as refrigerator washing machine audio system and home appliance. Now Harsha provides all consumer durables at the beginning of Harsha was identified as “Harsha house wives dream shop”. In the decennial year of this was to differentiate Harsha from others.

Major events carried by the HARSHA to increase the sale as well as to attract more customers. The major events are:

- Harshotsava- It is anniversary celebration of Harsha carried out at various branches every year.
- Monsoon magic- It is attempt to increase the sales during the rainy season especially to create demand for refrigerator and coolers

- Deepavali Bazaar : It is a festival offers given to attract more customers
- Happy times: It is event carried during the time of Christmas and New Year.

2.2 Nature of the Business:

The Harsha Company mainly involved in the retailing of electric and home appliance product. They purchase various products from branded companies in bulk and sell it to the customer. Harsha was come into existence on 9th March 1987 under partnership firm. Their main focus is to give maximum satisfaction to their customer through qualitative product and services. They are well known for their electric products like TV, Refrigerator, Audio systems, Kitchen appliances, Coolers etc.

The major suppliers for Harsha are:

LG, Videocon, Usha, Bajaj, Onida, Philips, Panasonic, Sony, Samsung groups, Dell, Lenovo, Sharp, Intel, Xiaomi, OPPO, VIVO, Prestige etc.

2.3 Vision, Mission and Quality policy:

2.3.1 Vision:

“We will be the most trusted and preferred consumer durable retailer in India”.

2.3.2 Mission:

“We will provide the great customer experience from our world class stores offering a wide range of quality and services”.

2.3.3 Quality Policy:

“We are committed to delight our customer by providing a wide range of products, Worlds best brand, Great shopping experience and prompt, professional services.”

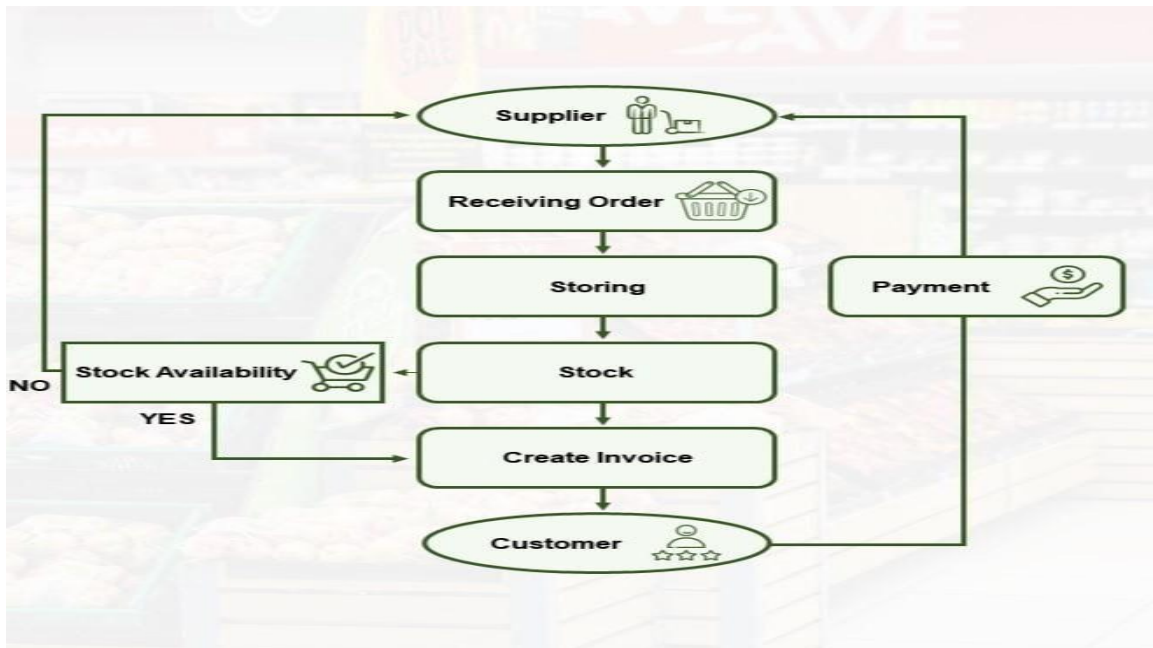
A quality policy is often a succinct declaration that supports the goals, missions, and strategic plans of an organisation. It offers a framework for quality goals and includes a promise to satisfy all demands (ISO 9001, client, legal, or regulatory) and to keep becoming better. Harsha is ruling the market with their great qualitative products and services. Harsha do not compromise with their quality for this purpose they follow various quality policy like purchase product from branded company and purchase of ISO certified products. Harsha give highest priority to their customers so the customer feedback also helps the company to improve their quality in terms of product and services. HARSHA strongly believe in following morals to maintain good quality:

1. Give the world the best you have and the best will back to you
2. Before you say “I Cannot” say “I will try” then give the best
3. If we keep out customer Happy, they will keep us in business.
4. Quality always score let’s keep ours high
5. Once our customer, always our customer.
6. Keep learning new ideas, make work interesting.

2.4 Workflow Model:

Every organisation have their own workflow model which strictly followed by each department and individuals for the purpose smooth operation of work. The orderly sequence of activities and choices that constitute a business process is represented by a workflow model. By creating a workflow model, business users may better understand how a process operates and can streamline and optimise it for the greatest outcomes and maximum efficiency.

HARSHA also have its own workflow model which shown as follow:



The HARSHA follows its own work flow model where we can see how it serves to its customer. HARSHA maintain minimum level of stocks where as they purchase the products from suppliers only when the order is placed or huge demand for the product in market. If the product is available in stock or inventory direct invoices is created in the name of customer and delivery is made after payment.

In simple words if there is no stock then the order is placed with supplies and the next step is receiving order and payment is made to supplier. The items are safely stored in stocks and separate inventory management team is there to look after it. The products are sold to customer according to their need and wants after that invoice and delivery is made

2.5 Product /Service Profile:

Product profile:

- Home appliances.
 - Microwave oven
 - Mixture
 - Grinder
 - Juicers
- Electronics goods.

- Television
 - Refrigerator
 - Washing machine
 - Audio systems
 - LED bulbs
- Consumer durable products

Services:

- Free delivery services
- Free Repair services
- Installation services
- Maintenance services

2.6 Ownership Pattern:

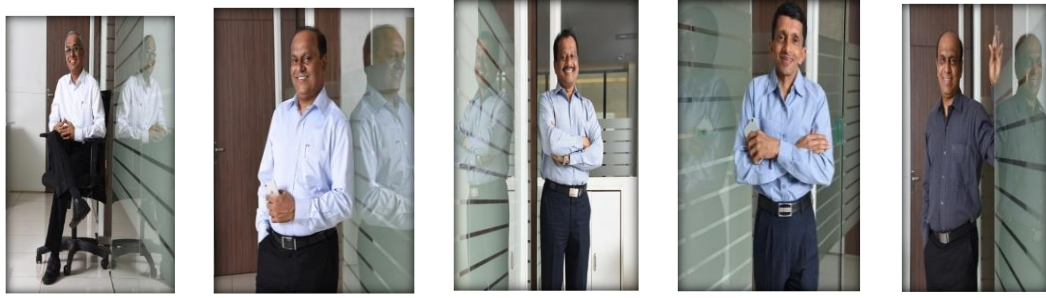
Mr. Surya Prakash K was the main pillar of Prakash group. He is the founder of Prakash group and he is the Managing director of the company. He started Prakash group in year 1983 and he is the mastermind behind the each and every success of Prakash groups. His dedication and Hard work make Prakash group successful in market.



Mr Surya Prakash K.

BOARD OF DIRECTORS:

HARSHA Consists 5 members as its board of directors they are:



2.7 Achievements and Awards:

Once of the biggest achievement of Harsha is maintaining the goodwill of 35years in the market. Harsha is placed itself as market leader with their great service and qualitative product. Harsha mainly focus to satisfy their customer by providing qualitative goods and services. The various awards own by Harsha are:

- NOKIA presented Best Retail Partner Award
- BAJAJ Achievement Award
- R.P Tech Platinum Business Award
- Prestige Star Key Partner Award
- Samsung Best Retail Award
- Bajaj Finance Presented Amarnath Award

2.8 Future Growth and Prospect:

The study tries to assist the overall performance of the company in terms of business and working process:

1. Expand the business to National level.
2. The company must focus more on technology.
3. The company should appoint required rate of employees for improve the working process.
4. The company can offer new products to their customers.
5. Expansion of business to new market.
6. Aggressive promotional activity.
7. Increase in the number of suppliers.
8. The company must pay more attention to online shopping and E- commerce.

CHAPTER 3

**MCKINSEY's 7S FRAMEWORK
MODEL AND PORTER's FIVE
FORCE MODEL**

3.1 MCKINSEY's 7S FRAME WORK:

The McKinsey 7S Model is a concept used to describe an internal evaluation tool for Business. The seven key elements of the model are system, strategy, structure, skill, staff, Style and shared values .The seven key components are divided as a hard components and soft components. The hard component components consists of System, Strategy and structure where as soft components consists of Shared value, Staff, Style and Skills.

The McKinsey 7s framework model is one organisational effectiveness model that has endured as other models come and go. The primary tenet of model, which was created in early 1980s by Thomas peter and Robert Waterman, two consults working at McKinsey and Company the consulting firm, the basic premises of model is that there are seven elements in an organisation that must be aligned if it is to succeed.

The components of a team or project might also use the McKinsey 7s model. There are seven interconnected "hard" and "soft" elements that are involved. Corporate culture can easily be seen as influencing and identifying hard factors. Conversely, soft parts are more difficult to control. The core values of the organisation and their propensity to produce lasting

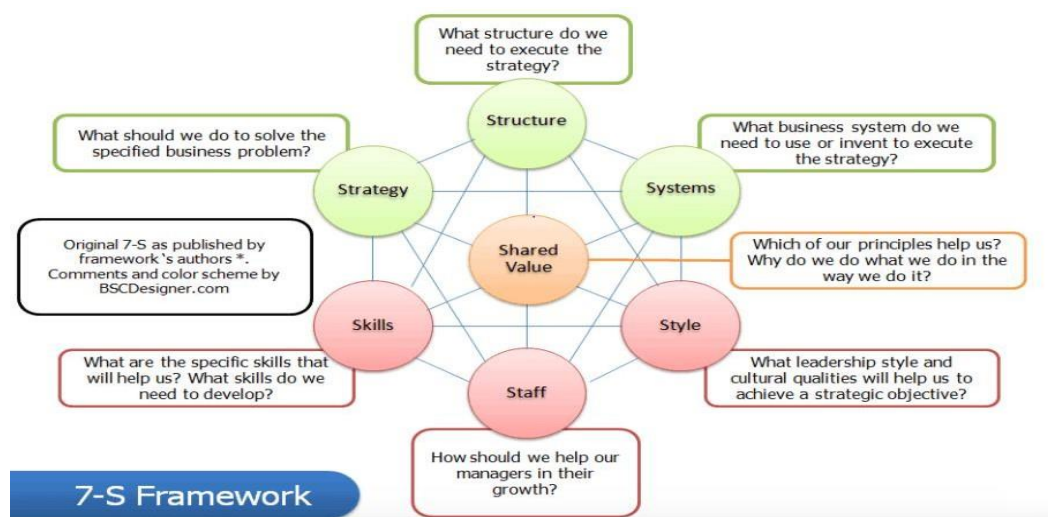


Figure 3.1 McKinsey's 7S Framework

The model can be useful in determining organisational design because it may be used in the various contexts:

- To enable organisational change. This is where the framework is most frequently used.
- To aid in implementing a new strategy.
- To forecast future changes that might affect each area.
- To make organisational managers more seamless.

McKinsey's 7s framework for our organisation:

Hard Elements:

1. Strategy:

It is a technique or game plan created by a business to generate a lasting competitive advantage and compete successfully in the market. Generally speaking a sound strategy is one that is well-articulated, long – term, and contributes to the achievement of the company's vision, mission and values.

The foundation of HARSHA's business strategy is its commitment to providing the highest- quality goods and services at aggressive market pricing with the best offers. Therefore, their primary goal is to persuade customers to purchases the products by using innovative techniques. The various strategies used by HARSHA for achievement of goals are:

1. **Pricing Strategy:** Harsha follows low-high pricing strategy. They use discount technique also to create high customer demand for products. Frequently prices are cut to promote various lines of merchandise. The firm follows bulk pricing strategy to increase the sales. The firm also follows the EMI or premium pricing strategy for expensive goods like i-phone, branded refrigerators, TV etc. Usually the company follows manufacturer suggested retail prices.
2. **Store Location Strategy:** In retail industry location are one of the important factor to get success so Harsha planned to situate their location at highly crowded areas like urban areas, near to highways, corporate cities etc.

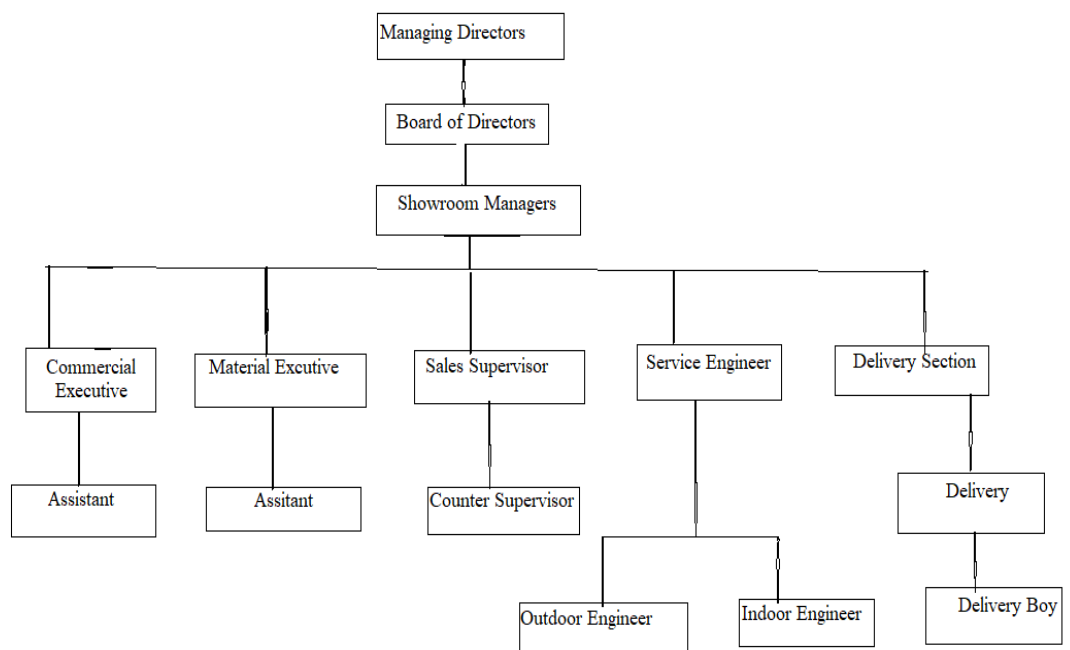
3. Growth Strategy: The Harsha follows growth strategy of expansion of business in the field of strong growth and long life. Harsha focus to expand their business only in those sectors where the company can get long life and strong customer base. They also focus on overall improvement and continuous growth in existing market. Harsha is growing and improving day to day in many areas like providing best services, repair of electronic goods, providing new products to customers etc. they are formulating growth strategy not only for business growth but also for improving overall customer experience in HARSHA.
4. Advertisement Strategy: Harsha follows aggressive advertising strategy. Harsha follows both traditional and modern advertising strategy. Harsha is having brand communication through holdings, newspapers, advertisement, radio advertisement, Banners throughout the cities. They also follow modern advertising strategy like advertising in social media, Creating their own website, digital advertising etc.
5. Customer Retention Strategy: Harsha believe that gaining customers trust is the only way to improve the business so they focus maximum on customer satisfaction and retention of customers. To maintain good relationship with customer firm focus mainly on after sales services and maintenances and other then this they send invitations to customers, messages and programmes like lucky customers etc.

2. Structure:

Organisation structure is one of the essential factors for well performance of the firm. Relationship between various departments can easily understand with the help of organisation structure and it also helps to clarify the work and responsibility of each individuals. Prakash retail ltd adopted line organisation structure for its retail outlet. The authority flows from top level manager (Board of Directors) to branch or showroom managers from their each task is assigned to each departments. The line managers (showroom managers) advise the workers and departments at each level for the purpose accomplishment of assigned task and achievement of goals. The various department of Harsha are:

- Sales Department
- Service Department
- Accounts Department
- Material Department
- Purchase and Distribution Department
- Personal Department

The organisation structure of Harsha as follows:



Prakash retail private ltd follows both centralised and decentralised power of authority. All the necessary decision regarding business was taken by board of managers. Some decision regarding branch works are taken by branch managers and later they have to inform to superiors. Branch manager is fully accountable for the decision taken by them.

The mode of communication in organisation is indirect. The bottom level managers or departmental heads cannot directly communicate with Top managers they have to communicate first with showroom mangers and they will inform to Top managers so the mode of communication in organisation is indirect way of communication

3. System:

Systems are the process and procedure of the company which helps to the daily activities of the firm and also helps in decision making purpose. It should be main focus of manager during the period of organisational change. System is simply defined as day to day activity followed in organisation. Understanding the system due to effect of external factors is one of the important essentials of the firm. Harsha have its own system which helps to grow the business in daily basis.

STANDARD OPERATING PROCEDURE (SOP):

Standardised procedures help Harsha to complete the task. In Harsha each department like sales, marketing, HR, commercial and inventory has its own SOPs and staff should complete the work as per the SOPs.

SOPs are the standards or benchmark set by the top managers for each department and individuals. These SOPs help to clarify the duties of each department and individuals.

The company also follows ERP (Enterprise Resource Planning) system.

The company have public distribution system.

In this company employees and employers will have automated attendance access system to track the employee's attendance.

Soft Elements:

4. Shared values:

Shared values are the values or norms that the company share with its products and services to customers as well as to employees also. In this company employees should have following core values:

- Honesty
- Integrity
- Discipline
- Commitment
- Empathy
- Team work
- Innovation

- Respect
- Transparency
- Punctuality

The customers are greeted and welcomed in friendly manner. The sales staffs try to build friendly relationship with customers. Customers are not ignored by sales staffs. Sales persons should respect each every customer and their doubts. Sales staff should be in position to clarify the all the doubts and convince them to purchase the product. Sales person should work hard in order to reach his targets. The employees must feel individual goals and organisation goals are same.

5. Style:

Style refers to the way the company is managed by top level managers, how they interact, and what actions do they take and their symbolic value. Organisation style deals with leadership approach of the firm. It is usually done from Top executives to bottom executives. Prakash retail private ltd follows Democratic (participative) leadership style. In this style top executives allow bottom level managers and employees to take active participation in decision making process. In Prakash retail private ltd they allow branch managers and department managers to take part in decision making process for this purpose they held monthly meeting at head office where all the top, middle and bottom level managers meet and exchange their thoughts and ideas. Prakash retail private ltd also follows cooperative approach to promote team work and maintain good co-relation between each department and individuals and it also helps to maintain focused and fun culture in organisations. They believe that competitive approach may leads to conflict and confusion in organisation.

Team v/s Group

The firm believes that team work is always better than gathering people for completion of work. They like to work with people who are always motivated and think the same way how organisation thinks and believe that organisation growth is ultimate goal and it is the only way for their Personal growth. So the company give more importance to team rather than group.

6. Staff:

Staffs mean the employees or human resource of the organisation. Good Staffs are the life of the company. Staffs also involve talent management and all human resource related activities such as recruitment, training, salary and reward system.

Human resource is the most important source for every organisation. In Harsha there are two types of staffs, they are:

1. Internal staffs: they are the employees who are appointed by head office and work and salary provided by head office.
2. Promoter staff: they are the employees of particular branded company who are sell only that particular company product and salary are also given by that branded company.

Although recruitment process done in head office. Candidates have to clear several rounds like personal Interview, technical rounds to get the job. The number of total employees in this retail company is 600 employees all over Karnataka and their target is 1000 employees in 2025. Harsha has a well- qualified and experienced staff base. There employees have good command over English, Hindi and Many local languages which helps them to easily communicate with customers. The employee's also good marketing skills and perfect knowledge about product which helps the customers in their shopping and also create good image about the organisation.

7. Skills:

Skills are the capabilities of doing something well or competencies of a company that enables its employees to achieve its objectives. Skills are the ability and competencies of employees to accomplish a task. In this firm more importance given to the selling and marketing skills of the employees. To achieve good selling skills the employees should have good knowledge about the product, Affixing price tag, conveying the features of product to customers, and benefits of shopping in our shops. The employees must have good communication skills to convince the

customers to purchase the product. The firm provide various training programs to improve the skills of employees, they are:

- Off –the-Job training
- On-the-Job training
- Retail management programme for staff at ocean pearl Manipal
- Motivational programs for staffs
- Award for best employees of various department
- Rewards for recognised works.

3.2 PORTER’S FIVE FORCE MODEL:

Porters five force model is effective tool to recognise the level of rivalry and threats in your existing sector. This approach helps to increase the profitability and achieve the competitive advantage. By adopting porters five force model you can stay one step a Head from your competitors. It will help in strengthen your weak position or fairly exploits the good chances to avoid future mistakes. In order to define corporate strategy, the Five Forces analysis is widely used to evaluate the structure of an industry. Michael E. Porter, a professor at Harvard Business School, is remembered by the name of the Five Forces model.

Using Porter's Five Forces, a business analysis framework, it is possible to understand why different industries are able to maintain varying levels of profitability. In 1980, Michael E. Porter's book "Competitive Strategy: Techniques for Analysing Industries and Competitors" published the model. The Five Forces model is frequently used to examine a company's industry structure as well as corporate strategy. Porter, with some qualifications, identified five indisputable forces that, together, shape every market and industry in the world. The competitiveness, attractiveness, and profitability of a market or industry are frequently assessed using the five forces.

Porter’s five forces are:

1. Rivalry among the existing company
2. Bargaining power of suppliers
3. Bargaining power of buyers
4. Threats of substitute product
5. Threats of new entrants



Figure: 3.2 Porters five force Model

1. Rivalry among existing company:

In India retail sector is facing cut to cut competition. There are many retail stores in India like kirana shops, shopping malls, departmental stores etc. Coming to Prakash retail private limited they have the position of market leader with the goodwill of 35 year and aggressive promotional and pricing strategy which makes Harsha different from other companies in the locality of their operations. Major competitors are:

- Reliance retail
- Chroma
- D-Mart
- Pai electronics
- Online shopping platforms

To gain competitive advantage in e- commerce Harsha started its own website named as HarshaIndia.com.

2. Bargaining power of suppliers:

Bargaining power of suppliers means the pressure that supplier can create on companies by raising the prices and lowering the quality. Harsha have more advantage in bargaining power of suppliers. They build good relationship with the many branded companies so they can purchase the products at reasonable price. Due to the retail

sector have huge number suppliers they can purchase the raw materials at reasonable price. Harsha sees itself as a hub for multiple supply chains. Major suppliers of the company are all the branded company like LG, Samsung groups, HP, Dell, prestige, Bajaj etc. various strategy followed by the Harsha to reduce the bargaining power of suppliers are:

- Building effective supply chain with multiple suppliers
- Maintain limited level of stock in company
- Developing dedicated suppliers whose business depends upon the firm.

3. Bargaining power of customers:

Bargaining power of consumer is the pressure created by the customers on company. In Harsha we can find two types of buyers one is individual who directly purchase product from shops another one is online customers. We cannot ignore the truth that bargaining power of customers are more in retail sectors but Harsha build several strategy to tackle the bargaining power of buyers.

- By building large customer base of customer. This will be helpful in two ways buyers bargaining strength will be lessened, and the company will have the chance to streamline its sales and production procedures.
- The customers often seek discount and offerings on established products so Harsha try to provide more and more innovative product to customers to reduce the bargaining power of customers.
- Harsha try to offer new products to customers faster than their competitors it also helps to reduce the bargaining power of customers.

4. Threats of substitute products:

Substitute products means alternative goods and services which are used in replacement of main product. The existence of substitute good will definitely affect the profitability of the business. The threat of substitute goods is less in Harsha because our firm is involved in retailing of electronic and home appliances which server daily demand of households. According to Harsha substitute for electronic do not exist. In electronics price, quality and brand

only matters so Harsha focus more on products quality, maintain brand in market and their price strategy.

5. Threats of new entrants:

A threat of new entry means entry of new competitors in market which create the high competition and affect the profit of the business. Retail sector have less obligation in entry and exist in market so the threat of new entrant is high. Harsha is created a brand image in market along with 35years of goodwill in market so they can easily differentiate them self from new entered companies in market, along with these they also follow some techniques like lower price strategy, reducing costs, providing wide range of choice to the customers, offering new products to tackle the new competitors.

FORCES	ANALYSIS	REASONS
Rivalry among existing competitors	High	The strong competitors for Harsha are Pai electronics, Chroma, Reliance retailers, etc these companies create strong competition in market.
Bargaining power of suppliers	Low	The Harsha maintain multiple supply chain with various brand. This will helps to reduce the supplier power in fixing prices.
Bargaining power of customers	High	There are many options for the customers like shopping malls, D-mart, reliance retail, Chroma so the bargaining power of customer is high
Threat from substitutes Product	Low	There is no proper substitute product for

		electronic and kitchen appliances.
Threat of New Entrants	High	There is no major restrictions for new company to enter and exits the market. They can easily form a company in retail sectors.

CHAPTER – 4

SWOT ANALYSIS

4.1 SWOT ANALYSIS (Strength, Weakness, Opportunities and Threats):

SWOT analysis is a framework used to assess a company's competitive position and to create strategic planning. It stands for strengths, weaknesses, opportunities, and threats. The SWOT analysis evaluates internal and external variables as well as present and anticipated future situations.

A SWOT analysis is intended to help you take a practical, fact-based, and data-driven look at the advantages and disadvantages of a company, its efforts, or its sector. The organisation must avoid preconceived notions or grey regions and concentrate on real-life settings in order to maintain the analyses' accuracy. Companies should use it as a reference rather than a strict prescription.

Strength: Strengths include things like a strong brand, a devoted client base, a strong balance sheet, innovative technology, etc. that indicate what a firm excels at and what sets it apart from the competition.

Weakness: An organization's weaknesses prevent it from operating at its highest potential. A bad brand, higher-than-average turnover, high levels of debt, an inadequate supply chain, or a lack of cash are examples of areas where the company needs to improve in order to stay competitive.

Opportunity: Opportunities are advantageous outside variables that might provide a company a competitive edge. If a nation lowers its tariffs, for instance, a car manufacturer may export its vehicles into a new market, boosting sales and market share.

Threats: Threats are things that could do something bad to an organisation. A corporation that produces wheat, for instance, is at risk from a drought since it could ruin or diminish crop yield. Other frequent dangers include things like escalating material costs, fiercer competition, a shortage of workers, and so forth.



SWOT Analysis of Harsha:

4.2 Strength:

1. Wide Market:

Harsha have good advantage of wide market. Harsha have total 16 branches and all the branches of the company are located at heart of the city which is more convincing to the customers. As they operate in state level they have good market areas in all over Karnataka. This also helps to gain market leader position.

2. Goodwill:

Harsha have good reputation in market through their qualitative product and services. It is also known for their after sale service and fast delivery of goods. All this factors help Harsha to build goodwill of 35years. Harsha full fill the needs and wants of customers by providing quick, prompt, efficient, reliable, and cost effective services.

3. Trained manpower:

Harsha require huge trained man-power to run its empire. Harsha has its own qualified and experience human resource base and it also have promoter staff to attract the more customers. They know multiple languages like English, Hindi, Kannada and many local languages which help them to communicate with customers. Harsha also provides various training programs to their customers to improve their skills.

4. Facilities:

Harsha provides various facilities to their customers like EMI facility, Free repair services, Free delivery facility etc. Harsha also have good warehousing facilities, good transport system and also enjoy the fire fighting facilities and medical service facility.

5. Economies scale:

This volume benefits greatly from economies of scale. Regardless of the volume of company, the infrastructure and technology must be set up. It only becomes viable after a few years when there is a substantial customer base.

6. Good relationship:

A company in various levels have to depend on others so the company at various levels is actively participating with good relationship and coordination. They have to maintain good relation with supplies to get required raw material at reasonable time and at appropriate time. They also have to maintain good relation with employees to avoid strikes and lockout in the company.

7. Effective Resource Management:

Harsha efficiently manage its resources including its supply chain, Distribution Channels, information system, knowledge and skills.

8. Strong market power over suppliers and competitors:

There are tuff competitors in a market like Reliance and Chroma but_Hrasha stand strong in market and capable enough to exercise market power over suppliers and competitors.

9. Attractive brand name:

The word "HARSHA" represents Happiness which gives positive vibes to the customers and also after shopping in Harsha customers also feels happy so the Brand Harsha attract more and more customers.

10. Better after sales service:

For Harsha customers are the first priority, so after sales service like safer delivery of product, installation, free repair are their top priority. Harsha provides best delivery services of products to their customer's home and safe sound.

4.3 Weakness:

1. Showroom rents and maintenance expenses :

Harsha totally have its 16 retail outlet all over Karnataka for which they have to pay heavy showroom rent because there are located at urban areas with heavy crowded population so it is quite burden for the organisation because they have to reserve large portion there profit for showroom rent and maintenance expenses.

2. High advertisement cost:

As Harsha is a large company which need to follow aggressive promotional activities which includes high cost so the company need to spend more on advertisement from their budget.

3. Lack of space and cleaning problems:

As they are located at heart of central cities there is lack of place for expansion of showrooms. Also the dust and pollutions of urban cities make our showroom dull for this purpose they have to maintain separate budget for cleaning of showrooms.

4. Difficulty to provide services to rural Area:

As urban areas have good roads and infrastructure it is easy to provide good after sale services. But it is difficult to reach remote rural areas.

5. Research and Development:

Research and development is one of the necessary factor to identify the future trends but Harsha is giving more focus to present market.

4.4 Opportunities:

1. Opening of new branch:

Harsha already has its 16 retail outlet and it is planning to open its two more new branches at Mysuru and Karkala by this they are trying to expand their business.

2. Low labour cost:

Harsha recruit more local region peoples as their employees by this they save employees transport cost, maintenance cost etc and they get labours at lowest cost.

3. Adding new product line:

The company involved in the business of retaining only electric and home appliance they can also offer new products to customer by adding new product line.

4. Expand the business to national level:

Currently our company is operating in Karnataka only they can expand their business to National level.

5. Invest more in promotional activity in rural areas:

They can focus more on promotional activities at rural areas to create more demand and increase the sales.

4.5 Threats:

1. Competitors:

Emerging of new competitor in the consumer durable market like D-mart, Chroma, Reliance retail creating threat to the organisation.

2. E- shops:

E-shops are booming in India and creating tuff competitions. Therefore E-shops also a problem to the company.

3. Government regulation:

Government rules and regulations threatens the operations of the company. Political instability and new polices is big threat for company.

4. Threats of damage:

Natural disaster and weather events can affect the both physical store as well as e- commerce business that store goods in warehouses and damage the goods so it is a big challenge to the company.

5. Change in technology: Continuous change in field of technology also create burden to company in their operation and strategy formulation so the implementation of new technology also a threat to the company.

CHAPTER- 5

FINANCIAL STATEMENT

ANALYSIS

5.2RATIO ANALYSIS:

Ratio analysis is referred to as the study or analysis of the line items present in the financial statements of the company. It can be used to check various factors of a business such as profitability, liquidity, solvency and efficiency of the company or the business.

The analysis/examination of financial statements with the help of Ratio's is called as Ratio analysis. This analysis tool is widely used tool for financial analysis of the data. This analysis provides overall information about financial stability of the company.

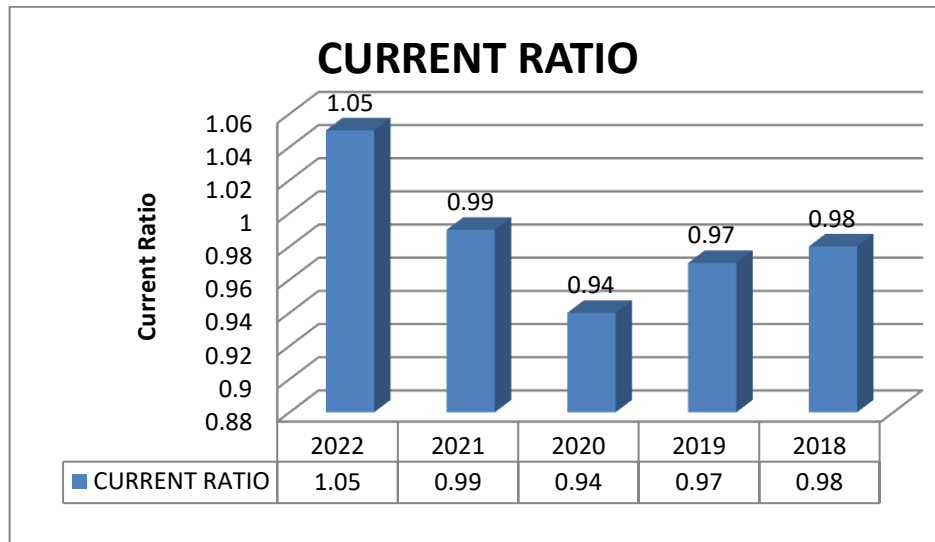
A. Short Term Solvency Ratios:

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 analysts 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:

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

Year	Current Assets	Current Liabilities	Current Ratio
2022	10638.16	10090.11	1.05
2021	7923.57	7957.81	0.99
2020	8676.95	9226.80	0.94
2019	9348.06	9593.08	0.97
2018	8340.46	8523.95	0.98



Analysis and interpretation: Above table and graph shows the current ratio of the company. In the year 2022 company have highest current ratio i.e 1.05 which shows good liquidity position of the company but in previous years, the company is having less than 1 current ratio. The ideal current ratio is 2:1.

2. QUICK RATIO:

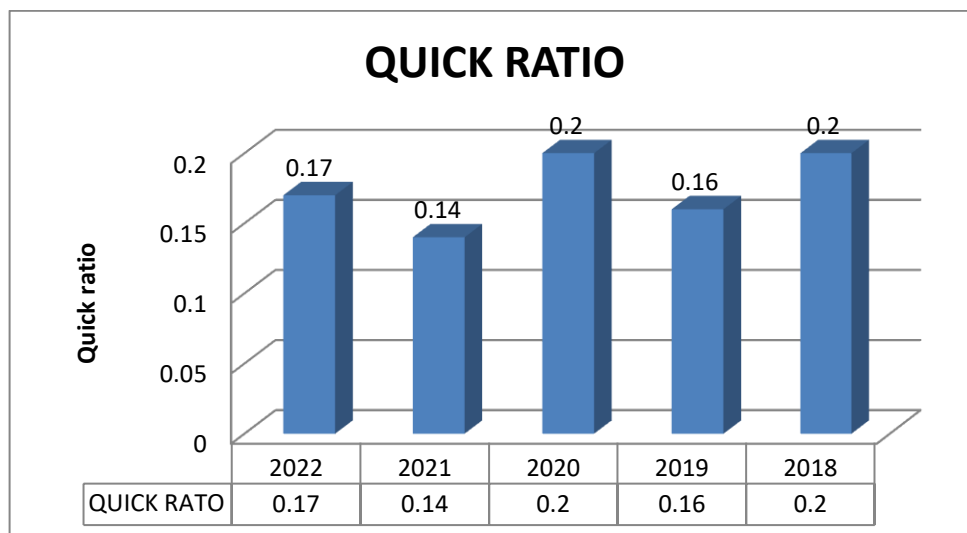
The quick ratio measures a company's capacity to pay its current liabilities without needing to sell its inventory or obtain additional financing. The formula to calculate the quick ratio is:

$$\text{QUICK RATIO} = \text{QUICK ASSETS} / \text{QUICK LIABILITIES}$$

Quick assets= current assets-(inventory + pre-paid expenses)

Quick liabilities= current liability-(Bank O.D + Cash credits)

YEAR	Current Assets	Inventories	Current Liabilities	QUICK RATO
2022	10638.16	8938.21	10090.11	0.17
2021	7923.57	6776.16	7957.81	0.14
2020	8676.95	7068.83	9226.80	0.20
2019	9348.06	7803.30	9593.08	0.16
2018	8340.46	6625.62	8523.95	0.20



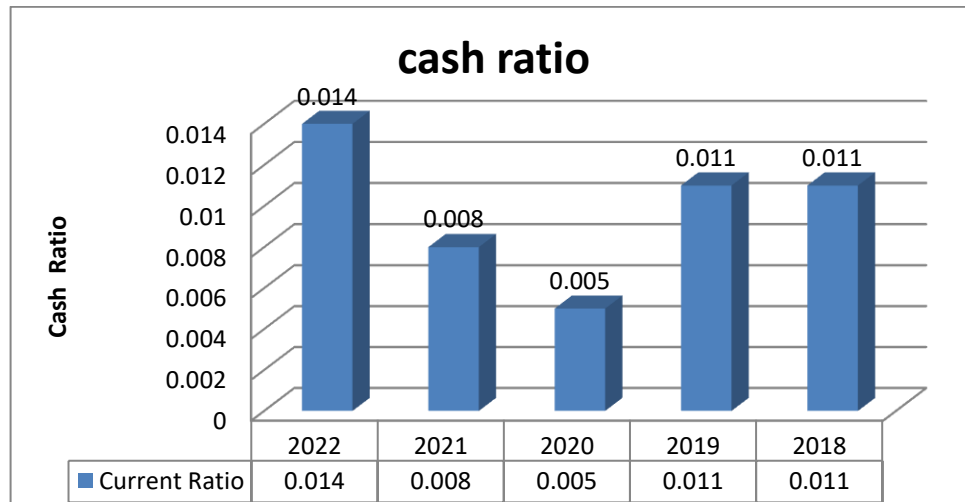
Analysis and interpretation: As the quick ratio of the company is less than one it means the company doesn't have enough quick assets to meet all short term obligations. A good quick ratio should be always 1:1 mode which represents the sound financial position of the company. The Company has highest quick ratio in year 2020 and 2018 i.e. 0.20. In current year it has 0.17 quick Ratio.

3. CASH RATIO:

The measure of a company's liquidity is the cash ratio. It helps to calculate the ratio of a company's total cash and cash equivalents to its current liabilities.

CASH RATIO= CASH AND CASH EQUIVALENTS / CURRENT LIABILITIES

Year	Cash and Cash equivalents	Current Liabilities	Cash Ratio
2022	143.65	10090.11	0.014
2021	64.34	7957.81	0.008
2020	50.56	9226.80	0.005
2019	106.01	9593.08	0.011
2018	97.15	8523.95	0.011



Analysis and interpretation: Above table and graph represent cash ratio of the company. The positive position of cash ratio is more than one but the company has less than one it represents that the company don't have enough cash to meet its requirements. The current year cash ratio is 0.014 which is increasing year by year but it is very low.

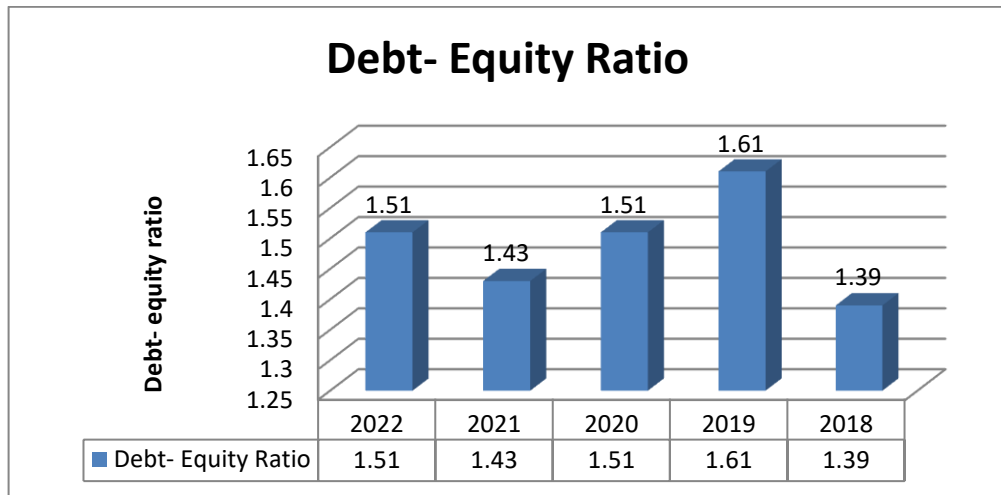
B. Long Term Solvency Ratios:

1. DEBT- EQUITY RATIO:

The debt equity ratio is a measure of the relative contribution of the creditors and shareholders or owners in the capital employed in business. The formula to calculate the debt equity ratio is

$$\text{DEBT-EQUITY RATIO} = \frac{\text{TOTAL DEBT}}{\text{TOTAL SHAREHOLDERS FUND}}$$

Year	Total Debt	Total shareholders Fund	Debt- Equity Ratio
2022	2906.22	1930.68	1.51
2021	2494.27	1749.58	1.43
2020	2360.70	1561.61	1.51
2019	2452.18	1524.70	1.61
2018	2056.47	1483.36	1.39



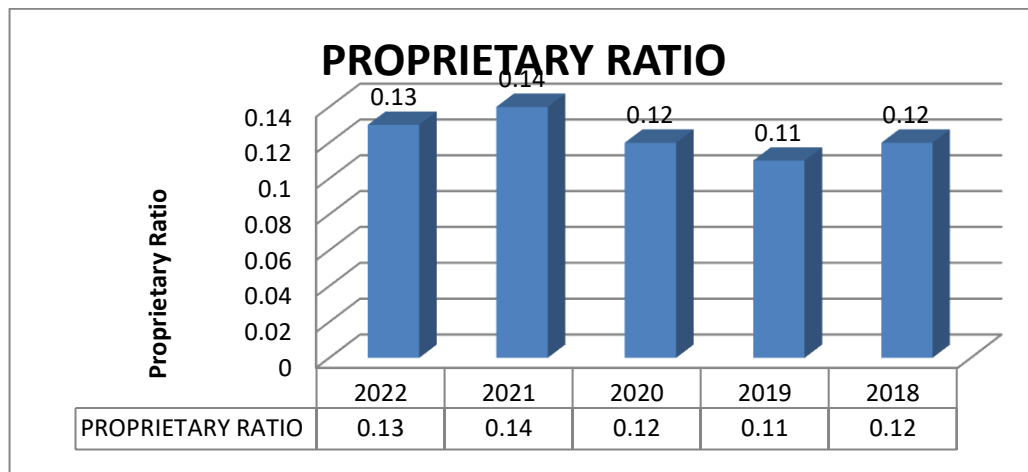
Analysis and Interpretation: A ratio of 2.0 or higher is usually considered risky. In year 2019 company have more debt-equity ratio i.e. 1.61 which shows the company have more debt than equity. In current year the debt equity ratio is 1.51 which is consider as good for the company.

2. PROPRIETARY RATIO:

Proprietary ratio helps to determine the amount or contribution of shareholders or proprietors towards total assets of the business. A good proprietary ratio is more than 0.50. The formula to calculate proprietary ratio is:

$$\text{PROPRIETARY RATIO} = \frac{\text{TOTAL SHAREHOLDERS FUND}}{\text{TOTAL ASSETS}}$$

Year	Net Worth	Total Assets	Proprietary ratio
2022	1930.68	14992.02	0.13
2021	1749.58	12277.83	0.14
2020	1561.61	13249.23	0.12
2019	1524.70	13680.82	0.11
2018	1483.36	12183.51	0.12



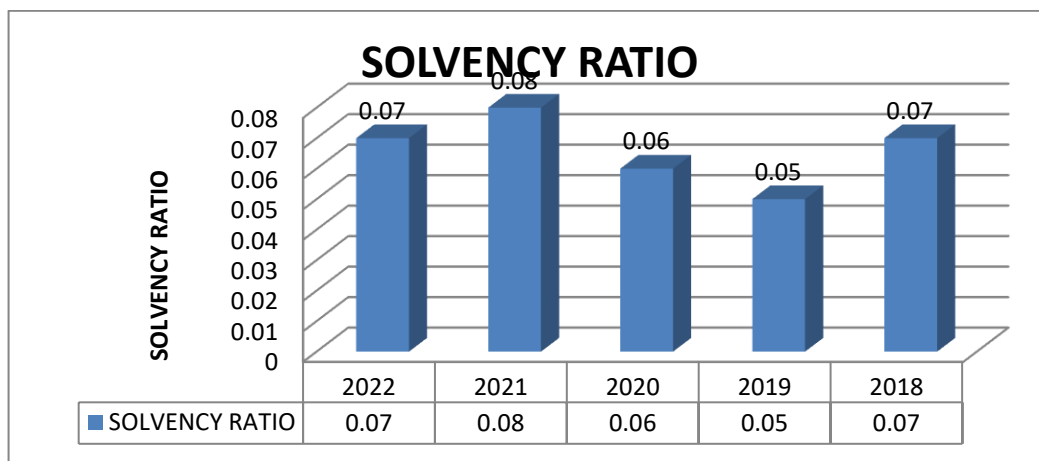
Analysis and interpretation: The above table and graph represent the proprietary ratio of the company. The proprietary ratio of the company is less than 0.50 in every year which indicates that long term loans and obligations are less secured it means the dependence of company on debt financing in order to run the business.

3. SOLVENCY RATIO:

A solvency ratio measures how well a company's cash flow can cover its long term debt. A good solvency ratio is more than 1.5 which indicates the company have less debt obligation. The formula to calculate the ratio is:

$$\text{SOLVENCY RATIO} = \frac{\text{INCOME} + \text{DEPRECIATION}}{\text{TOTAL LIABILITIES}}$$

Year	Income	Depreciation	Total Current Liabilities	Solvency Ratio
2022	129.64	534.84	10090.11	0.07
2021	85.04	540.38	7957.81	0.08
2020	36.91	487.74	9226.80	0.06
2019	41.34	438.65	9593.08	0.05
2018	136.39	431.92	8523.95	0.07



Analysis and interpretation: The Company has highest solvency ratio in year 2021. In current year it has 0.07 solvency ratio. When the company have more than 1 solvency ratio then the company consider as solvent .The company have less than 1 ratio which means company is in risky position.

4. CAPITAL GEARING RATIO:

It is also referred to as financial gearing or financial leverage. It indicates the large debt as compared to its equity. The formula to calculate the capital gearing ratio is:

$$\text{CAPITAL GEARING RATIO} = \frac{\text{COMMON SHAREHOLDER'S EQUITY}}{\text{FIXED INTEREST BEARING FUNDS}}$$

The company do not have any fixed interest bearing funds. So there is no capital gearing ratio in the firm.

C. Profitability Ratios:

1. GROSS PROFIT RATIO:

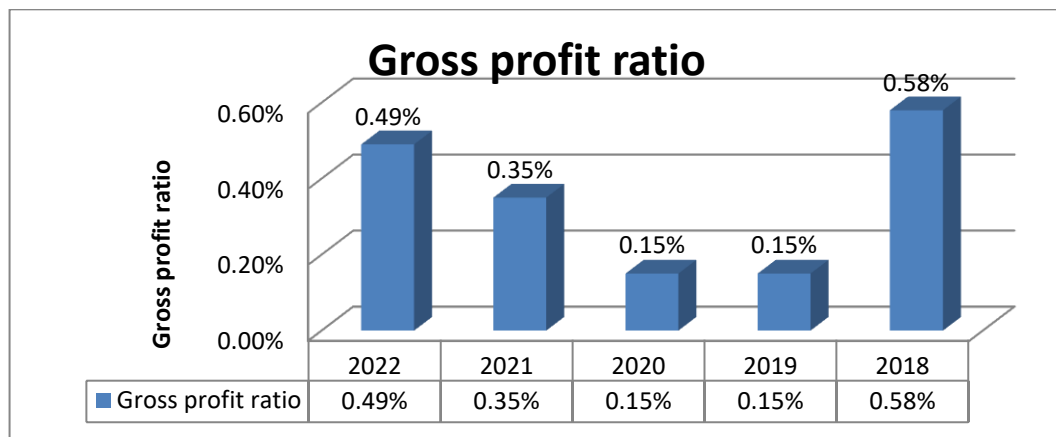
Gross profit ratio is a financial ratio that measures the performance and efficiency of a business by dividing its gross profit by the total net sales.

According to BDC 50-70% is good gross profit ratio for the company.

The gross profit ratio formula is:

$$\text{GROSS PROFIT} = \frac{\text{GROSS PROFIT}}{\text{NET SALES}} \times 100$$

Year	Gross profit	Net sales	Gross profit ratio
2022	169.66	34570.70	0.49%
2021	115.00	32658.29	0.35%
2020	52.82	35544.72	0.15%
2019	50.87	34451.23	0.15%
2018	197.62	34031.73	0.58%



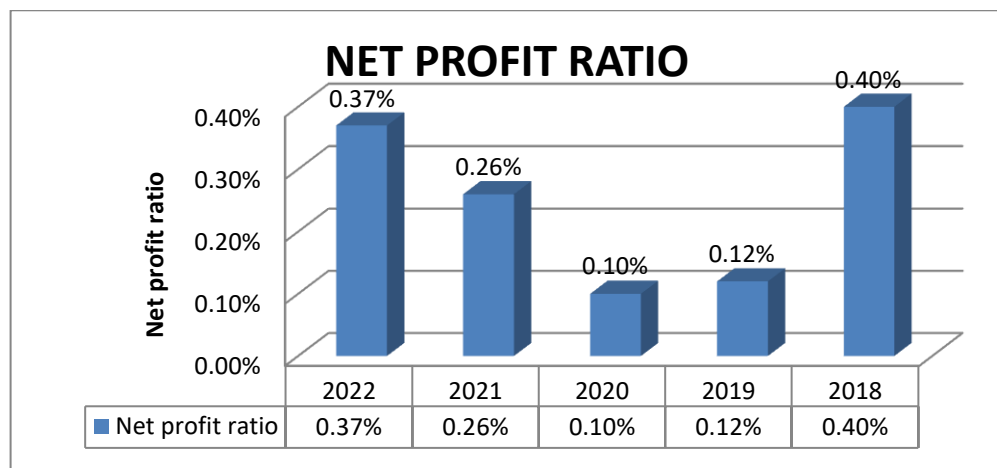
Analysis and interpretation: The above table and graph shows the gross profit of the company. In 2018 the company have highest gross profit ratio of 0.58% gradually it started decreasing and reaches 0.15% for next two year and 0.35% in 2021. In current year it has 0.49% gross profit which is better than pervious 3years but compare to 2018 it has less gross profit ratio.

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:

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

Year	Net profit	Net sales	Net profit ratio
2022	129.64	34570.70	0.37%
2021	85.04	32658.29	0.26%
2020	36.91	35544.72	0.10%
2019	41.34	34451.23	0.12%
2018	136.39	34031.73	0.40%



Analysis and interpretation: The Company has highest net profit ratio in the year in year 2018 that is 0.40%. In current year the company has 0.37% of net profit ratio. The company has lowest net profit ratio in year 2020 i.e 0.10%.

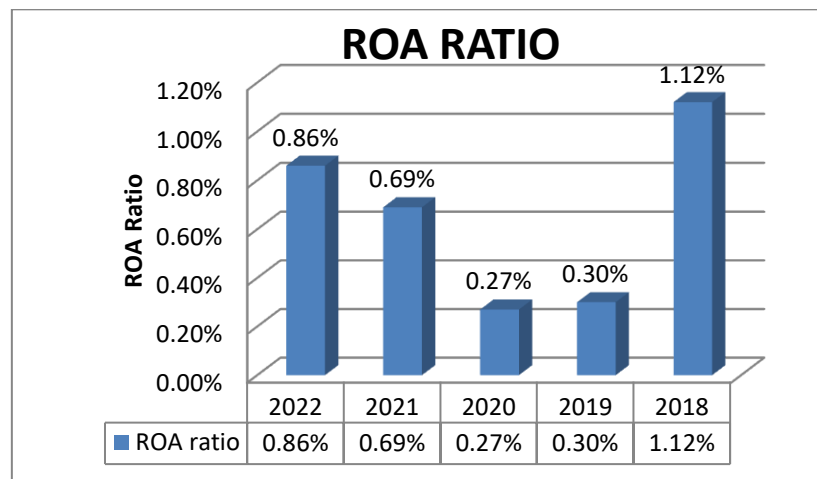
3. RETURN ON ASSETS RATIO:

Return on assets (ROA) is a metric for gauging how effectively a business uses its assets to make money. ROA is a metric that managers, analysts, and investors use to assess a company's financial standing.

The formula to calculate ROA is:

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

Year	Net Profit	Total Assets	ROA Ratio
2022	129.64	14992.02	0.86%
2021	85.04	12277.83	0.69%
2020	36.91	13249.23	0.27%
2019	41.34	13680.82	0.30%
2018	136.39	12183.51	1.12%



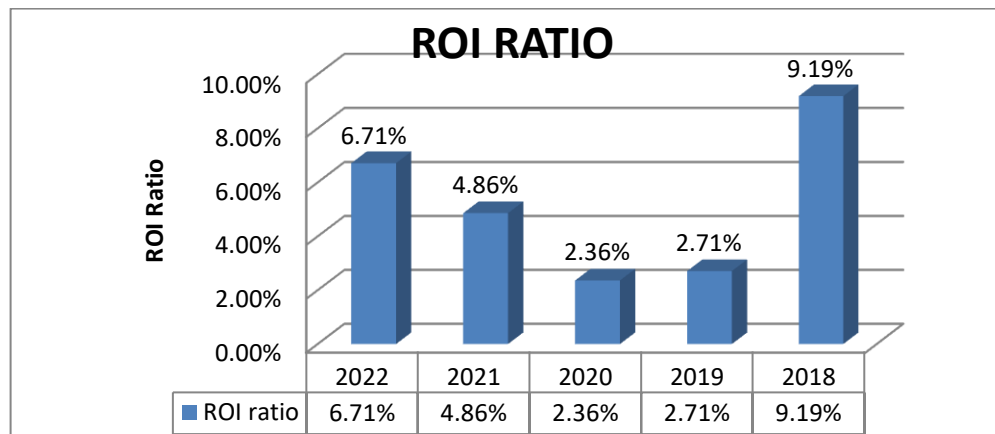
Analysis and interpretation: the above graph and table represent the ratio of return on assets. The current year return on asset is 0.86%. The company has highest ROA in year 2018 that is 1.12% and lowest ROA in year 2020 that is 0.27%.

4. RETURN ON INVESTMENT(ROI):

The net profit (or loss) from an investment is divided by the investment's cost to calculate the return on investment. The fact that it is expressed as a percentage allows you to contrast the efficiency or profitability of various investment options. ROI formula is:

$$\text{ROI} = \text{NET PROFIT} / \text{COST OF INVESTMENT} * 100$$

Year	Net profit	Cost of Investment	ROI Ratio
2022	129.64	1930.68	6.71%
2021	85.04	1749.58	4.86%
2020	36.91	1561.61	2.36%
2019	41.34	1524.70	2.71%
2018	136.39	1483.36	9.19%



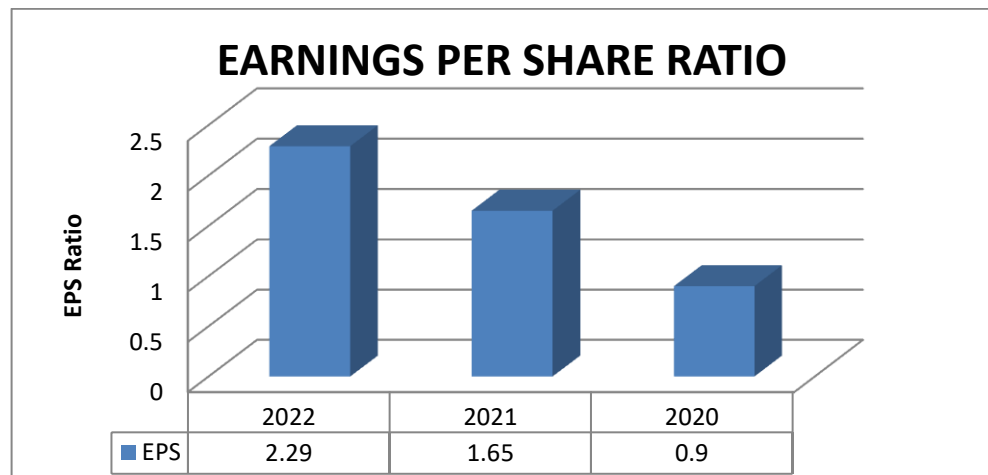
Analysis and interpretation: ROI is represented in above graph and table. The company has good return on investment in year 2018 i.e. 9.19%. The current year ROI is 6.71% company has lowest ROI in year 2020 i.e. 2.36%.

5. EARNINGS PER SHARE(EPS):

Earnings per share, or EPS, are a crucial financial metric that shows a company's profitability. It is determined by dividing the net income of the business by the total number of outstanding shares. The formula to calculate EPS is:

$$\text{EARNINGS PER SHARE} = \frac{\text{TOTAL VALUE OF SHARES}}{\text{NUMBER OF SHARES}}$$

Year	EPS
2022	2.29
2021	1.65
2020	0.90



Analysis and interpretation: The above table and graph represent the earnings per share of company. In year 2020 it has 0.90 per share which is gradually increased in year 2021 to 1.65 per share. The company has 2.29 per share in current year.

CHAPTER-6

LEARNING EXPERIENCE AND

BIBLIOGRAPHY

LEARNING EXPERIENCE:

The learning experience gained during this organisation study was very much practical oriented. Learning at HARSHA for one month gave a greater opportunity to understand the corporate world and how the organisation runs and how they perform their jobs.

The visit to the branch manager was very helpful and they were so kind to the student. They provided a guide to me and she helped me to get the information on company profile. The guide or supervisor briefed about the chairman and the company history and thereafter the current status of company. She also briefed me about the head office and 16 retail outlets of Harsha.

First 3 days I was trying to understand the sector or industry under which the company is working and as day passed I try to understand the company profile, background of company, various departments and their contribution to the success of the company. My guide quickly and in simple explained me about the work flow model of the company. In 2nd and 3rd week applied strategic and management theories to the company and identified what are all plus and loose holes in company. This will helps to convert our theoretical knowledge into practical experience. In 4th week I analysed the financial position of the company through ratio analysis this will help me to figure out how a company manage its financial transaction like debt, liquidity positions, shares, expenses and revenues etc.

FINDINGS:

- The company have good name and fame in market
- The management maintains good relationship with employees and customer
- Company have loyal and trustworthy customer base
- The company have skilled employees
- The company provide good working environment to the workers
- The company provide good services to their customers.
- The company adopted online and E- commerce.

CONCLUSION:

The HARSHA Company is belongs to Prakash retail private limited based on information and data collected during the period of organisation study the company have stable growth after Covid-19. The company depend more on debt than the equity. The company is in the position of repaying its debt. The company is working on large scale. It has maintained multiple supply chain. The company has skilled and experienced employees and company also provide on the job and off the job training.

Overall the company is in good position in market even though having cut to cut competition the company differentiated them self from the competitors and enjoying leading position in market.

SUGGESTIONS:

- The company have to maintain required range of stock in company so they have to increase the storage capacity.
- The company should appoint required rate of employees
- The company should give more importance to digitalisation.
- The company can expand their business to national level
- The company can also enter to manufacturing of small kitchen and electronic items.

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ANXTURE:**BALANCE SHEET:**

A balance sheet is a financial statement that reports a company's assets, liabilities and shareholders' 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 OF PRAKASH RETAIL PRIVATE LIMITED (HARSHA) (In lakhs)					
Particulars	2022	2021	2020	2019	2018
I] EQUITIES AND LIABILITIES					
SHAREHOLDER'S FUND					
Equity share capital	566.09	514.00	411.70	411.70	411.70
Reserves and surplus	1364.59	1234.58	1149.91	1113	1071.66
TOTAL SHAREHOLDERS FUNDS	1930.68	1749.58	1561.61	1524.70	1483.36
II] NON-CURRENT LIABILITIES					
Long-term borrowings	2906.22	2494.27	2360.70	2452.18	2056.47
Deferred tax liabilities (net)	40.01	51.17	75.11	85.86	94.74
Other long-term liabilities	25.00	25.00	25.00	25.00	25.00
Long-term provisions	0.00	0.00	0.00	0.00	0.00
TOTAL NON-CURRENT LIABILITIES	2971.23	2570.44	2460.82	2563.04	2176.21
III] CURRENT LIABILITIES					
Short-term borrowings	2659.39	2525.77	2487.14	2614.07	2454.69

Trade payables	7065.31	5120.22	6408.33	6667.29	5769.98
Other current liabilities	72.09	55.37	48.68	52.25	76.21
Short-term provisions	293.32	256.45	282.65	259.47	223.07
TOTAL CURRENT LIABILITIES	10090.11	7957.81	9226.80	9593.08	8523.95
TOTAL CAPITAL AND LIABILITIES	14,992.02	12,277.83	13,249.23	13,680.82	12183.51
ASSETS					
I] NON-CURRENT ASSETS					
Property, plant and equipment	3427.10	3193.58	3632.83	3524.27	3035.65
Intangible assets	250.23	264.78	215.28	182.37	155.25
Capital work-in progress	0.00	236.39	64.26	44.85	122.61
Other assets	0.00	0.00	0.00	0.00	0.00
FIXED ASSETS	3677.33	3694.75	3912.37	3751.49	3313.51
Non-current investments	0.30	0.27	0.27	0.27	0.27
Long-term loans and advances	0.00	0.00	659.64	581	529.28
Other non-current assets	676.22	659.24	0.00	0.00	0.00
TOTAL NON-CURRENT ASSETS	4353.86	4354.26	4572.28	4332.76	3843.05
II] CURRENTS ASSETS					
Current investments	0.00	0.00	0.00	0.00	0.00

Inventories	8938.21	6776.16	7068.83	7803.30	6625.62
Trade receivables	516.84	448	397.28	320.63	438.47
Cash and cash equivalents	143.65	64.34	50.56	106.01	97.15
Short-term loans and advances	8.23	7.22	7.59	7.24	5.47
Other current assets	1031.24	627.17	1152.70	1110.88	1173.75
TOTAL CURRENTS ASSETS	10638.16	7923.57	8676.95	9348.06	8340.46
TOTAL ASSETS	14992.02	12277.83	13249.23	13680.82	12183.51

5.1 PROFIT AND LOSS ACCOUNT:

The profit and loss (P&L) statement is a financial statement that summarizes the revenues, costs, and expenses incurred during a specific period. The P&L statement is the one of three financial statements that every public company issues quarterly and annually, along with Balance sheet and Cash flow statement.

On the Debit side:

- Gross loss (transferred from trading account)
- All Indirect Expenses

On the Credit side:

- Gross income (transferred from trading account)
- All Direct Revenues

TABLE 5.2: Profit and Loss Account

PROFIT & LOSS ACCOUNT OF PRAKASH RETAIL PRIVATE LIMITED (In lakh)					
Particulars	2022	2021	2020	2019	2018
INCOMES					
REVENUE FROM OPERATIONS(GROSS)	34570.70	32658.29	35544.72	34451.23	34031.73
TOTAL OPERATING REVENUES(NET)	34570.70	32658.29	35544.72	34451.23	34031.73
Other income	4.27	6.04	32.76	373.38	258.52

TOTAL REVENUE	34574.97	32664.33	35577.48	34824.61	34290.25
EXPENSES					
a. Purchases of stock in trade	30568.04	26726.08	28530.27	29818.42	29057.15
b. Changes in Inventory	-2162.05	292.67	734.47	-1177.68	-663.03
c. Employees benefit expenses	1864.68	1674.83	1807.89	1926.43	169.23
d. Advertisement expenses	425.26	314.10	681.23	623.13	661.71
e. Rent expenses	960.26	883.44	1023.20	911.60	880.28
f. Finance cost	506.66	545.69	557.26	538.75	462.33
g. Depreciation and Amortisation	534.84	540.38	487.74	438.65	431.92
h. Other expenses	1707.62	1572.15	1702.60	1694.44	1569.96
TOTAL EXPENSES	34405.31	32549.33	35524.66	34773.74	34092.63
PROFIT/LOSS BEFORE EXCEPTIONAL EXTRAORDINARY ITEMS AND TAX	169.66	115.00	52.82	50.87	197.62
Exceptional items and Extraordinary items	0.00	00.0	0.00	0.00	0.00
PROFIT/LOSS BEFORE TAX	169.66	115.00	52.82	50.87	197.62
TAX EXPENSES:					
Current tax	-51.18	-53.90	-26.66	-18.40	-84.01
Deferred tax	11.16	23.94	10.75	8.87	22.78
TOTAL TAX EXPENSES	-40.02	-29.96	-15.91	-9.53	-61.23
PROFIT/LOSS FROM CONTINUING OPERATIONS	129.64	85.04	36.91	41.34	136.39
PROFIT/LOSS FOR THE PERIOD	129.64	85.04	36.91	41.34	136.39
EARNINGS PER SHARE					
Basic EPS (Rs.) and Diluted EPS (Rs.)	2.29	1.65	0.90	-	-