# AN INTERNSHIP REPORT ON

# "BADVE ENGINEERING LIMITED, KOLAR"


**Submitted By**

**SOWMYA K R**

**4AL21BA087**


**Submitted to**

## VISVESVARAYA TECHNOLOGICAL UNIVERSITY, BELAGAVI

**In partial fulfillment of the requirement for the award of the degree of**

**MASTER OF BUSINESS ADMINISTRATION**

**UNDER THE GUIDANCE OF**


**INTERNAL GUIDE**

**Dr. Vishnuprasanna KN**

**Professor, AIET, Mijar.**

**EXTERNAL GUIDE**

**Mr. Jagadeesha.d, HR Admin,**

**BADVE ENGINEERING LTD,**


**PG DEPARTMENT OF BUSINESS ADMINISTRATION**

## ALVAS INSTITUTE OF ENGINEERING AND TECHNOLOGY

**SHOBHAVANA CAMPUS, MIJAR, MOODABIDRI.**

**MOODABIDRI -574225.**

**2022 – 23**

# COMPANY CERTIFICATE

**Badve Engineering Limited**
Plot No. 207-210, KIADB, Narasapura Industrial Area, Kolar Taluk, Kolar District, Karnataka-563 133.
CIN : U73100MH1996PLC102827

22nd November 2022

**TO WHOM SO EVER IT MAY CONCERN**

This is to certify that **Ms. SOWMYA.K.R** Reg No 4AL21BA087 1st year MBA student of Alvas Institute of Engineering & Technology College, Moodabidri, Mangalore has successfully completed internship at our Badve Engineering Ltd, as part of her Master Degree from 21st October 2022 to 22nd November 2022.

During the period of her internship, she has been exposed to a different process and was found deligent, hardworking and inquisitive.
Ms. Sowmya possesses a good moral character and a pleasing personality.

We wish her all the best in her education and future Endeavour.

**For Badve Engineering Limited**

BADVE ENGINEERING LTD. KOLAR

**JAGADEESHA.D**

**HR Admin & Officer**

**Regd. Office :** Plot No. D-39, MIDC Industrial Area, Waluj, Aurangabad - 431 136. Maharastra (India)
**Phone No. :** 0240 - 2555186 / 87, 2556096 **Fax :** 0240 - 2555337
Email : badveagd@sancharnet.in Website : www.badvegroup.com

# CERTIFICATE BY THE COLLEGE


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 **SOWMYA K R** bearing USN **4AL21BA087,** 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 **"BADVE ENGINEERING LTD., NARASAPURA, KOLAR"** is prepared by her under the guidance of **Dr. Vishnu Prasanna K N**, 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. Vishnu Prasanna K N**
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# DECLARATION

I, **SOWMYA K R** bearing **USN 4AL21BA087** hereby declare that the internship study conducted at BADVE ENGINEERING LIMITED, KOLAR is record of independent work carried out by me under the guidance of Dr. Vishnu Prasanna K.N Prof. faculty of M.B.A Department of Alvas Institute of Engineering and Technology, Mijar. I also declare that this report is prepared in partial fulfillment of the university Regulations for the award of degree of Master of Business Administration by Visvesvaraya Technological University, Belagavi. I have undergone an internship study for a period of four weeks. I further declare that this report is based on the original study undertaken by me and has not been submitted for the award of any degree/diploma from any other University / Institution.

**Place: Mijar**

**Signature of the Student**
**Sowmya KR**

**USN4AL21BAO87**

# ACKNOWLEDGEMENT

The satisfaction & euphoria that a company the successful completion of any task would be incomplete without the mention of people who made it possible because “Success is the abstract of hard work & perseverance, but steadfast of all is encouragement guidance”. So I acknowledge all those whose guidance and encouragement served as a beacon light & crowned our efforts with success.

I would like to express my sincere thanks to **Dr. Peter Fernandez**, Principal of Alva’s Institute of Engineering and Technology, Mijar. for his valuable support and guidance throughout the course of Internship Report.

I am extremely grateful to **Mrs. Priya Sequeira,** Head of the Department of Management Studies and Research, for his co-operation and encouragement.

I express my deepest gratitude and sincere thanks to **Dr. Vishnu Prasanna K.N Prof.** for the valuable guidance throughout my Internship Report.

I also thank all the staff members of MBA Department for their help during the course of my Internship Report.

Last but not the least I thank my parents, family members & friends, for their continuous and great support and encouragement throughout my organization study.

**SOWMYA KR**

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# EXECUTIVE SUMMARY

The project report on “A study on organization” is submitted in partial fulfillment of the requirements for the award of Master of Business Administration (MBA). This project includes industry profile, company profile, Back ground, Nature of business, Vision mission, Quality policy, Workflow model, Product/service profile, Ownership pattern, Achievements/award if any, Future growth and prospects, Mckensy,s 7S framework and porter’s five force model with special reference to organization under study, SWOT analysis, Analysis of financial statements, Learning experience, Bibliography.

This is an attempt to know how the theories can be applied to practical situation. As MBA student of Alva’s Institute of Engineering and Technology it is a part of study for everyone to undergo internship at some good organization. So, this purpose I got the opportunity of project report in the organization of “BADVE ENGINEERING Limited” Narsapur.

It is a study on Organization and its overall information has to be collected to study about the organization what exactly the organization going to do which type of organization it is, every information is going to study in this particular report. This study helps to the understand what is needed to improve further organization

# CHAPTER-1
# INTRODUCTION ABOUT THE ORGANIZATION AND INDUSTRY:

## 1.1 INDUSTRY PROFILE:

Automotive companies range from large multinational corporations to small, specialized firms that focus on specific aspects of vehicle production, such as design, engineering, or manufacturing. Major automotive manufacturers are headquartered in countries such as the United States, Japan, Germany, and South Korea, although there are many other companies located around the world. Automotive industry supply chains are complex, involving a wide range of suppliers, manufacturers, and distributors**.**

Companies in the industry work closely with each other to ensure that parts and components are delivered on time, meet quality standards, and are produced in a cost-effective manner. In addition to traditional vehicle production, the automotive industry also includes other sectors such as automotive finance, insurance, and aftermarket sales and services. These segments play a critical role in ensuring that customers have access to the financing and support they need to purchase, maintain, and repair their vehicles over time.

Overall, the automotive industry is a vital and dynamic sector that has a significant impact on the global economy and society as a whole. As the industry continues to evolve and adapt to changing customer needs and technological advancements, it will play an increasingly important role in shaping the future of transportation and mobility. Some of the key factors that are driving change in the industry include:

Technological advancements: The industry is experiencing a rapid transformation due to advancements in technology, such as electrification, autonomous driving,

and connected vehicles. These new technologies are changing the way vehicles are designed, manufactured, and used.

Environmental concerns: Environmental concerns, such as air pollution and climate change, are putting pressure on the industry to develop more sustainable

transportation solutions. As a result, there is a growing demand for electric and hybrid vehicles, as well as new technologies that reduce emissions and improve fuel efficiency. Changing consumer preferences: Consumer preferences are changing, with many customers now seeking out vehicles that are more eco-friendly, technologically advanced, and affordable. This is leading to new product offerings and business models that cater to these changing needs.

Globalization: The industry is becoming increasingly globalized, with companies operating across borders and supply chains that span the world. This has led to new opportunities for growth and innovation, but also new challenges related to trade, regulation, and intellectual property. Shifting business models: The automotive industry is also experiencing a shift towards new business models, such as mobility as a service (MaaS) and car-sharing, which are changing the way people access and use vehicles.

To stay competitive in this rapidly changing landscape, companies in the automotive industry are investing heavily in research and development, strategic partnerships, and new technologies. They are also focusing on improving supply chain efficiency, reducing costs, and increasing agility to respond to changing market conditions.

The Indian government has taken several initiatives to support and promote the automotive industry in the country. Some of the key initiatives include: National Automotive Policy: The government of India has introduced the National Automotive Policy to encourage the growth of the automotive industry in the country. The policy includes measures such as reducing taxes on electric vehicles, promoting research and development, and improving the regulatory environment.National Electric Mobility Mission Plan: The National Electric Mobility Mission Plan (NEMMP) aims to promote the adoption of electric vehicles in India. The plan includes measures such as providing incentives for the purchase of electric vehicles, setting up charging infrastructure, and promoting research and development.

Automotive Mission Plan 2016-26: The Automotive Mission Plan (AMP) is a long-term plan that aims to make India a major automotive hub. The plan includes measures such as attracting foreign investment, promoting innovation, and improving the regulatory environment. Make in India: The Make in India initiative aims to promote the manufacturing sector in India, including the automotive industry. The initiative includes measures such as simplifying regulatory processes, providing financial incentives, and improving infrastructure.

Faster Adoption and Manufacturing of Electric Vehicles: The Faster Adoption and Manufacturing of Electric Vehicles (FAME) scheme is a financial incentive scheme to promote the adoption of electric vehicles in India. The scheme provides financial incentives to buyers of electric vehicles and supports the establishment of charging infrastructure.

## 1.2 ABOUT THE ORGANIZATION:

Badve Group of Industries is a Tier-1 Automotive OEM Manufacturing Group in India with turnaround revenue of INR 5000Cr. They are specializing in Automotive Systems for the Two-wheeler, Three-wheeler and Four-wheeler Passenger and Commercial vehicle niche. Their Product Portfolio is diversified across Metal Processing, Polymer Processing, Floriculture, Home Appliances, Foundry, Security Hardware, and Suspension & Mirrors respectively.

We carry a long standing relationship with the Major Indian and Global OEMs, incorporating 32 manufacturing facilities in 7 states across India with a workforce of over 15,000 people. Their Export footprint is spread across leading nations namely United States, Japan, United Kingdom, and China. Their Product Portfolio specializes in Metal Processing, Polymer Processing, Suspension systems, Mirrors, Home Appliances, Security Hardware, Floriculture and Foundry products. Badve was established in the year 1988 with a capital influx of INR 20,000, Badve Group commenced its operations in a single shed as an Automotive Fastener manufacturer in India.

However, as a first generation entrepreneur, Mr. Shrikant Badve struggled to raise funds from several banks due to lack of collateral securities. With an annual turnover of INR 1 Lakh in the preliminary year, the group evolved from inception phase into growth phase. Today, Badve Group is a Market Leader in the Automotive Sheet Metal and Polymer Products with one in three domestic two-wheeler being equipped with a Badve manufactured frame assembly.The group has taken magnificent leap in the global and domestic expansion by establishing efficient supply chains correspondingly enlarging our customer base which resulted in INR 5000 Crores of annual gross turnover as on 2021.

We as a group have outgrown in terms of Global Exports, Customer base, Diversified Product Portfolio and wide geographical reach all over India with 32 PAN India Manufacturing Plants. Our strong fundamentals have enabled our growth potential at 16.4% CAGR beating the ACMA (Automotive Component Manufacturers Association of India) Index of 12% over the course of last four financial years.

Badve Group arises as a Conglomerate due to its YOY growth which is strongly associated with our 34 years of manufacturing expertise, long term customer relationships and diversified product range. Further, our focus to increase the value add per vehicle has allowed us to move towards becoming a one-stop shop for our customers in the metals and plastics category. The value which we have created within the automotive space is a testimony to our customer centricity and excellence which resulted in several awards and recognitions from our customers and government agencies.

Badve Engineering Limited is an Unlisted company incorporated on25/09/1996. It has its registered office in the state of Maharashtra, India. Company' Corporate Identification Number (CIN) isU73100MH1996PLC102827and registration number is102827. Currently the Company is involved in the business activities of metal product.

# CHAPTER-2
# ORGANIZATIONAL PROFILE:

## 2.1 BACKGROUND

Established in the year 1988 with a capital influx of INR 20,000, Badve Group commenced its operations in a single shed as an Automotive Fastener manufacturer in India. However, as a first generation entrepreneur, Mr. Shrikant Badve struggled to raise funds from several banks due to lack of collateral securities.

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## 2.2 NATURE OF BUSINESS

In 1989, Mr. Shrikant Badve opened a small manufacturing facility in Aurangabad that was 150 square feet in size, had three employees, and had an annual turnover of roughly Rs. 1 lakh. The Badve Engineering Group now has more than 20 manufacturing facilities and is present in practically all of India, having developed from a small seed into a fully fledged tree.

Sheet metal fabrication, surface treatments including painting and electroplating, as well as plastic moulding and painting, are among the processes. The Group primarily produces Car Components and Aggregates for 2W, 3W, and 4W Manufacturers, Components for Household Appliances and Helmets through a JV with Italian company Vema.

## 2.3 VISION, MISSION AND QUALITY POLICY

**VISION:-** To globally offer engineering products through inexorable march of new technology, thus becoming a trusted brand through customer delight.

**MISSION:-** To be a leading global organization for the supply of world class products.
There by meeting customer schedules of development, validation and supply of every product on order. Through relentless and continuous improvements while partnering with all stakeholders.

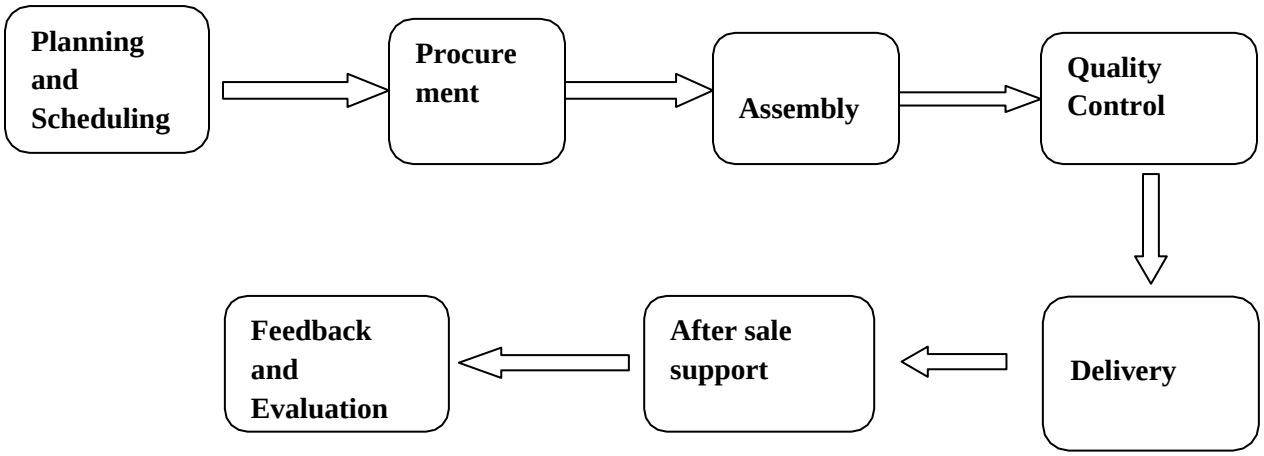
**QUALITY POLICY**

Badve engineering pvt ltd commit to produce and supply quality products fulfilling customers requirements. We shall strive to enhance customer satisfaction through continual improvement, involving all of us to achieve market leadership of our product.

Badve promises the on time supply of quality products and services to our regulars through repetitive improvement in our manufacturing organization, engineering know how and superiority examination equipment. Badve has a zero defect approach to quality and has a continuous improvement program in the place with layered process audits and fast response tracking of all quality metrics.

## 2.4 WORKFLOW MODEL

The work flow model of Badve Engineering Ltd




Just-In-Time (JIT) model. The JIT model aims to reduce inventory costs and improve efficiency by producing products only when they are needed and in the required quantities.

**The JIT model involves the following workflow steps:**

**Planning and scheduling**: The first step in the JIT workflow model is planning and scheduling. This involves determining the production schedule based on customer demand, and forecasting the required raw materials, equipment, and labor.

**Procurement**: Once the production schedule has been determined, the required raw materials and components are procured. This is done based on the production schedule to ensure that the materials arrive just in time for production.

**Assembly**: The assembly process involves the actual manufacturing of the product. The JIT model emphasizes continuous flow and small batches, which enables faster production cycles and minimizes work in progress inventory.

**Quality Control**: Quality control is an essential step in the JIT workflow model. This step involves ensuring that each component meets the required specifications, and that the finished product meets customer expectations.

**Delivery**: Once the product has been manufactured and inspected, it is delivered to the customer. The JIT model focuses on delivering the product as quickly as possible to minimize inventory costs and improve customer satisfaction.

**After-sales support**: After the product has been delivered, the automotive organization may provide after-sales support to customers. This can include technical support, maintenance, repair services, and warranty support.

**Feedback and evaluation**: The automotive organization may also collect feedback from customers to evaluate their satisfaction with the product and identify areas for improvement. This feedback can be used to make changes to the manufacturing process.

## 2.5 OWNERSHIP PATTERN

| | |
|---|---|
| Mr. Shrikant S. Badve | Managing director |
| Mrs. Supriya S. Badve | Whole Time Director |
| Mr. Ashok V. Tagare | Non-executive Director |
| Mr. Dilip B. Huddar | Non-executive Independent Director |
| Mr. Kishan Vir Sharma | Non-executive Independent Director |
| Mr. Anant R. Sathe | Non-executive Independent Director |

## 2.6 ACHIEVEMENTS / AWARDS:-

- Research and Development Award Received
- From Prime Minister of India, Shri. Dr. Manmohan
- Outstanding Entrepreneur Award by COSIDICI Government of India at Jammu in 2016.

## 2.7 FUTURE GROWTH AND PROSPECTS

- To attract the investments and to promote Research and Development.
- The government responsibility is to provide the best infrastructure facility and good working environment to the industry.
- It aims at developing the Products at Best Quality with safety environment.

## CHAPTER-3

## MCKENSY'S 7S FRAMEWORK AND PORTERS FIVE FORCE MODEL:

## 3.1 MCKENSY'S 7S FRAMEWORK :

The **McKinsey 7S Framework** is a management model developed by business consultants Robert H. Waterman, Jr. and Tom Peters (who also developed the MBWA- "Management By Walking Around" ) in the 1980s. This was a strategic vision for groups, to include business, business unit, and teams.

**The 7's** are **structure, strategy, systems, skills, style, staff, and shared values**.

The model is most often used as an organizational study tool to assess and monitor changes in the internal situation of an organization.

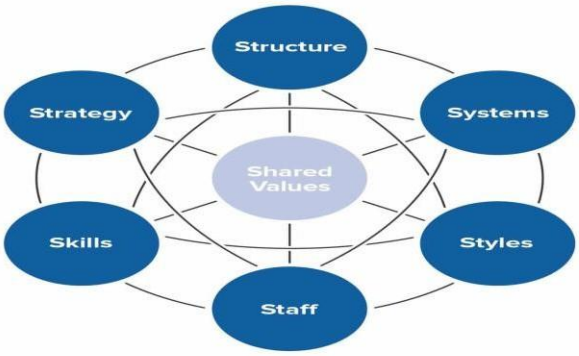
The model is based on the theory that, for an organization to perform well, these seven elements need to be aligned and mutually reinforcing. So, the model can be used to help identify what needs to be realigned to improve performance, or to maintain alignment (and performance) during other types of change.

Whatever the type of change – restructuring, new processes, organizational merger, new systems, change of leadership, and so on – the model can be used to understand how the organizational elements are interrelated, and so ensure that the wider impact of changes made in one area is taken into consideration.

## OBJECTIVES:

- Examine the likely effects of future changes within a company
- Align departments and process during a merger or acquisition
- Determine how best to implement a proposed strategy

**The seven key elements of the McKinsey 7-S Model are:**

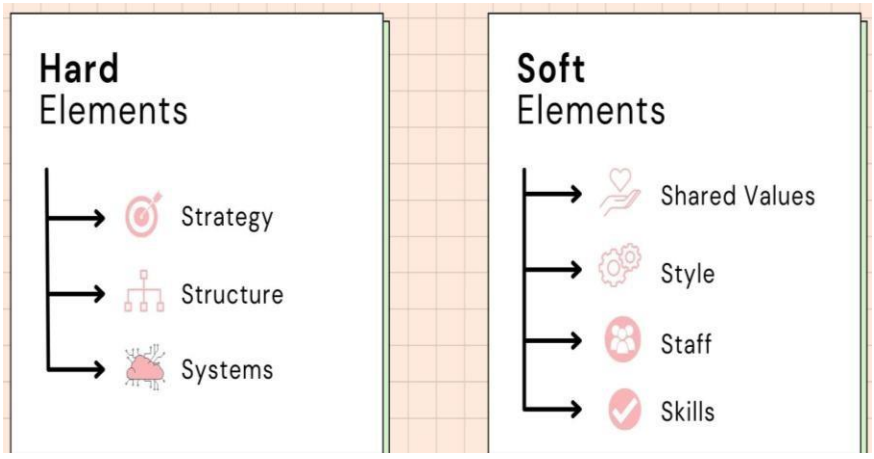



The McKinsey 7-S Framework then categorizes these elements into two categories:

hard and soft elements.

Hard elements that are easily identifiable and influenced by leadership and management.

Soft elements are those that are intangible and culture-driven.




## HARD ELEMENTS

### 3.1.1 STRATEGY:

The strategy element is a detailed plan that organizations create for successful change implementation and to gain a competitive edge. A well-crafted strategy is aligned with the other six elements of the 7-S model and is reinforced by a strong vision, mission, and values.

**Corporate Strategy:**

The automotive industry's corporate strategy focuses on achieving long-term growth and profitability by expanding into new markets, investing in new technologies, and developing strategic partnerships and alliances. This includes investing in emerging markets with high growth potential, such as China and India, and developing new products and services that meet the changing needs of customers.

The industry also works closely with suppliers and other partners to develop innovative solutions that improve efficiency and reduce costs throughout the value chain. Finally, the industry also focuses on sustainability and environmental responsibility, investing in research and development to reduce emissions and improve fuel efficiency, and supporting initiatives to promote cleaner transportation.

**Business Strategy:**

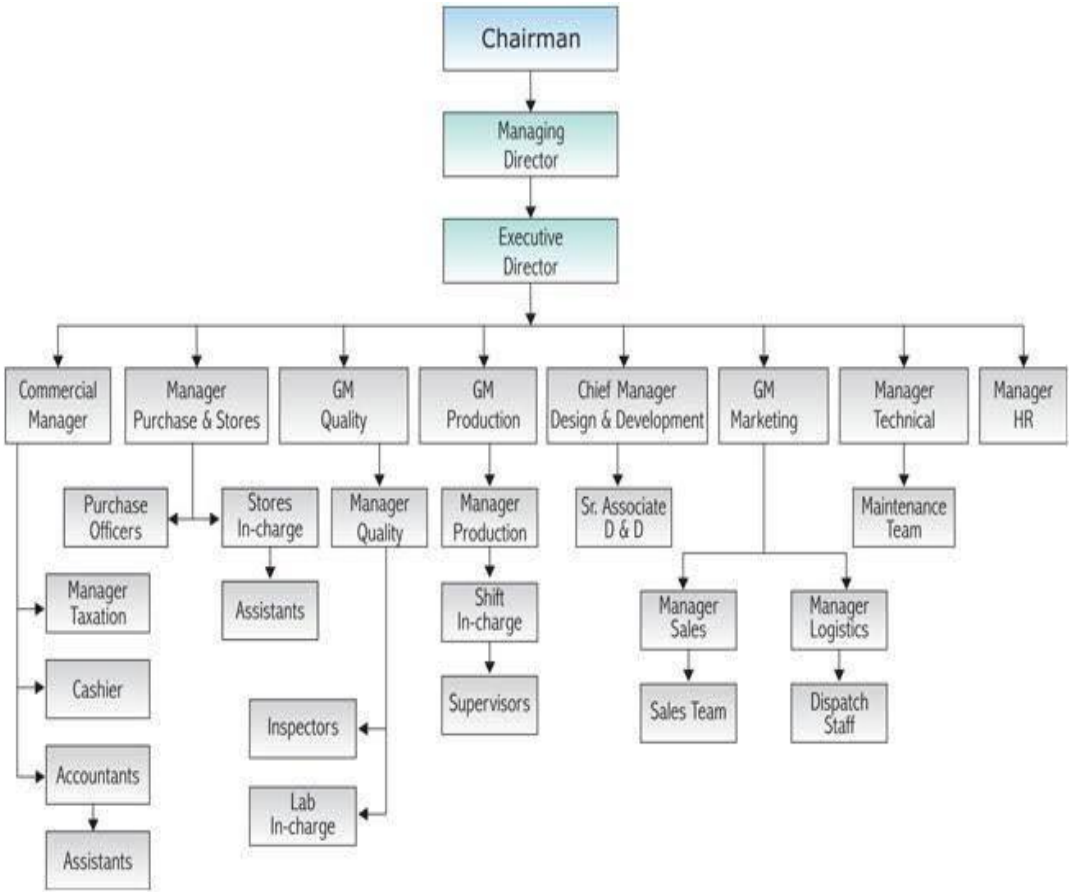
The automotive industry's business strategy focuses on designing, manufacturing, and selling vehicles and related products to customers. The industry aims to produce vehicles that meet customers' needs for performance, safety, comfort, and style, while also delivering value for money. The industry's business strategy also involves developing and implementing innovative technologies that improve vehicle performance, reduce emissions, and enhance the overall customer experience.

**Operation Strategy:**

The automotive industry's operation strategy focuses on optimizing the production process to increase efficiency, reduce costs, and improve quality. This includes designing and implementing lean production systems, using advanced manufacturing technologies, and streamlining the supply chain to minimize lead times and inventory levels. The industry also invests in research and development to continuously improve its products and processes, and in training and development programs to enhance the skills and knowledge of its workforce.

### 3.1.2 STRUCTURE:

Structure or organizational structure refers to a clear chain of command to avoid chaos & confusion. Structure is a simple yet crucial element as it creates a sense of employee accountability within the organization.



### 3.1.3 SYSTEMS:

Systems refer to the business processes and operational procedures employed to complete a business's routine activities. An organization's SOPs consist of such practices and workflows that directly impact productivity and decision-making. The automotive industry uses various systems to support their manufacturing and operations. Some common systems used in the automotive industry include:

Computer-Aided Design (CAD) and Computer-Aided Manufacturing (CAM) systems: These systems are used in the design and production of automotive parts, allowing for more precise and efficient production.

Enterprise Resource Planning (ERP) systems: These systems help manage the entire business process, from planning to manufacturing to distribution and sales.

Just-In-Time (JIT) systems: This system aims to reduce waste by producing goods just in time to meet customer demand, minimizing inventory costs and lead times.

Quality Management Systems (QMS): These systems ensure that products meet the required quality standards through the use of quality control and quality assurance processes.

Customer Relationship Management (CRM) systems: These systems help manage customer interactions and improve customer satisfaction, which is critical in the automotive industry where customer loyalty and repeat business are important.

Supply Chain Management (SCM) systems: These systems help manage the flow of goods and services from suppliers to customers, ensuring that materials and components are available when needed, and reducing costs and delays.

### 3.1.4 SHARED VALUE:

These are the core values governing an organization's health. While implementing a change, organizations expect a behavioural modification from their employees, which is only possible in a strong change culture and organizational values.

Job creation: The automotive industry is a significant employer, providing jobs for millions of people around the world. These jobs range from skilled engineers and designers to production line workers and support staff, creating economic opportunities for individuals and communities.

Innovation and technology: The automotive industry drives innovation and technological advances in areas such as fuel efficiency, safety features, and connectivity. These advancements not only benefit the industry but also have broader societal benefits, such as reducing emissions and improving road safety.

Supply chain management: The automotive industry relies on a vast network of suppliers and vendors, creating economic opportunities for businesses of all sizes. Effective supply chain management can help drive down costs and improve efficiency, benefiting both the industry and its suppliers.

Environmental sustainability: The automotive industry has a significant impact on the environment, and many companies are working to reduce their carbon footprint and improve sustainability. This includes developing alternative fuel vehicles and exploring more sustainable production methods.

Overall, the automotive industry has the potential to create significant shared value by driving innovation, creating jobs, and contributing to economic growth and sustainability.

### 3.1.5 STYLE:

This element refers to the management style prevalent in a company that decides the level of employee productivity and satisfaction. The style of the automotive industry can vary depending on the company, but some common styles include:

Hierarchical: In a hierarchical style, decision-making power is centralized at the top of the organization, with the CEO and other executives making most of the important decisions.

Collaborative: In a collaborative style, decision-making is shared among different teams and departments, with a focus on working together to achieve common goals.

Lean: In a lean style, the organization focuses on efficiency and eliminating waste in all areas of the business, from production to logistics.

Innovative: In an innovative style, the organization places a strong emphasis on research and development, constantly striving to create new and improved products and technologies.

Customer-centric: In a customer-centric style, the organization places a strong emphasis on understanding and meeting the needs and preferences of its customers.

### 3.1.6 STAFF:

This element represents the talent pool required, the size of the existing workforce, and their motivations. It also considers how they are trained and rewarded within the organization. This relates to those who work for an organization. The company's people resources, including their development, training, and growth

The hiring process includes several steps, including hiring, training, and selection of candidates. It describes how employees are created, educated, integrated, and motivated, as well as how their careers are structured inside a company.

Supervisory staff – This person is responsible for supervising other employees of the organization. It employs experienced personnel as its supervisor. They can observe their colleagues and guide them based on the company's needs. Experienced supervisors are a key contributor to this enterprise.

Technical staff –These are the staff that is responsible for the work related to the technical aspect. Within this company, they appoint qualified and experienced technical personnel. As a result, these employees will have a good knowledge of the workplace.

Clerical staff –These assets are responsible for the office work. These people are the backbone of the company. If they function correctly, they will be an asset to the business. In this business, they are the ones who are qualified for clerical work. These people work together to accomplish the company's goal.

### 3.1.7 SKILLS:

Skills refer to the abilities of employees to complete tasks. A Study suggests that 45% of respondents reported that a skill gap caused a loss in productivity. Skills gaps overburden experienced employees who must pick up the slack for their co-workers' inexperience. It is essential to identify the skill gapsand create relevant employee training programme to bridge these gaps.

Apprenticeships: Many automotive companies offer apprenticeships, which provide new employees with hands-on training under the supervision of experienced professionals. This type of training often involves rotating through different areas of the company to gain a comprehensive understanding of the business.

Job shadowing: New employees may be paired with experienced workers to shadow their work and learn from their expertise. This allows the new employees to observe and learn on the job without taking on full responsibility right away.

Cross-training: Employees may be trained in different areas of the company to gain a broader understanding of the business and to develop new skills. For example, an automotive technician may receive training in customer service to better communicate with clients.

Continuing education: Many automotive companies offer ongoing training opportunities to keep employees up-to-date with the latest technology and industry developments. This may include attending conferences, workshops, and other training sessions.

## 3.2 PORTER'S FIVE FORCE MODEl:

1. Competition in the industry
2. Potential of new entrants into the industry
3. Power of suppliers
4. Power of customers
5. Threat of substitute product

### 3.2.1 Competition in the industry

The first of the Five Forces refers to the number of competitors and their ability to undercut a company. The larger the number of competitors, along with the number of equivalent products and services they offer, the lesser the power of a company.

Suppliers and buyers seek out a company's competition, if they can offer a better deal or lower prices. Conversely, when competitive rivalry is low, a company has greater power to charge higher prices and set the terms of deals to achieve higher sales and profits.

- They have intensive rivalary among the competitors
- Low switching costs from buyers as there is more competition
- Competition is high

### 3.2.2 Potential of New Entrants into an Industry

A company's power is also affected by the force of new entrants into its market. The less time and money it cost for a competitor to enter a company's market and be an effective competitor, the more an established company's position could be significantly weakened.

An industry with strong barriers to entry is ideal for existing companies within that industry since the company would be able to charge higher prices and negotiate better terms.

- The product differentiation can be a major threat to new entrants
- More competitors due to growing manufacturing hub

### 3.3.3 Power of Suppliers

The next factor in the Porter model addresses how easily suppliers can drive up the cost of inputs. It is affected by the number of suppliers of key inputs of a good or service, how unique these inputs are, and how much it would cost a

company to switch to another supplier. The fewer suppliers to an industry, the more a company would depend on a supplier.

As a result, the supplier has more power and can drive up input costs and push for other advantages in trade. On the other hand, when there are many suppliers or low switching costs between rival suppliers, a company can keep its input costs lower and enhance its profits.

- Suppliers have the power to negotiate with the price
- They have the power to send quotation to their buyers based on their required offer

### 3.2.4 Power of Customers

The ability that customers must drive prices lower or their level of power is one of the Five Forces. It is affected by how many buyers or customers a company has, how significant each customer is, and how much it would cost a company to find new customers or markets for its output. A smaller and more powerful client base means that each customer has more power to negotiate for lower prices and better deals.

A company that has many, smaller, independent customers will have an easier time charging higher prices to increase profitability.

- The buyers have the power to request for the quotation
- The bargaining power of buyers are more concentrated than sellers
- The buyers is price intensive

### 3.2.5 Threat of Substitutes

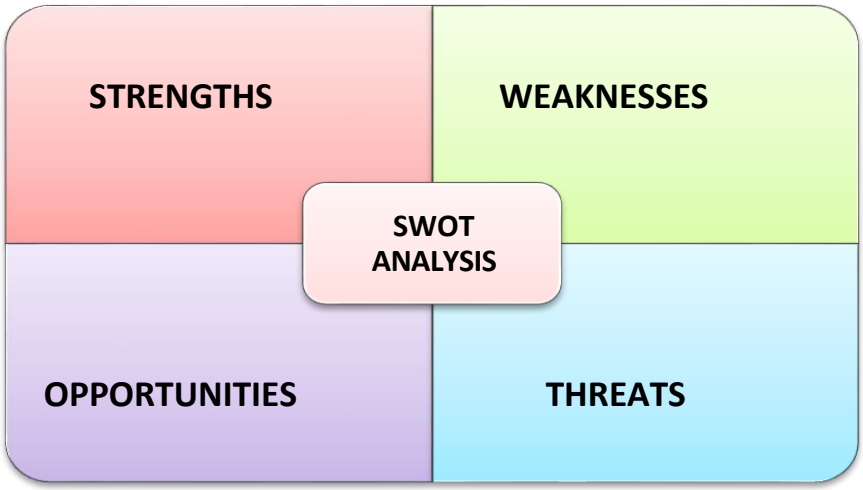
The last of the Five Forces focuses on substitutes. Substitute goods or services that can be used in place of a company's products or services pose a threat. Companies that produce goods or services for which there are no close substitutes will have more power to increase prices and lock in favourable 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.

Understanding Porter's Five Forces and how they apply to an industry, can enable a company to adjust its business strategy to better use its resources to generate higher earnings for its investors

- The threat of products substitute products is more
- Growing competitors due to growing manufacturing

# CHAPTER-4
# SWOT ANALYSIS

## STRENTHS, WEAKNESSES, OPPORTUNITIES, THREATS:-




SWOT analysis is a strategic planning technique used to help a person or organization identify strengths, weaknesses, opportunities, and threats related to business competition or project planning. This technique, which operates by peeling back layers of the company is designed for use in the preliminary stages of decision – making processes and can be used as a tool for evaluation of the strategic position of organizations of many kinds.

It is intended to specify the objectives of the business venture or project and identify the internal and external factors that are favorable and unfavorable to achieving those objectives.

Users of a SWOT analysis often ask and answer questions to generate meaningful information for each category to make the tool useful and identify their competitive advantage. SWOT has been described as the tried-and-true tool of strategic analysis, but has also been criticized for its limitations.

## 4.1 STRENGTHS:

**Diversified Product Portfolio**: The organization has a diverse product portfolio, which can help it to sustain in the market during the economic downturns.

**Brand Equity**: The company has a strong brand name in the market, which can help it to attract customers and build brand loyalty.

**Strong Manufacturing Capabilities**: The company has expertise in multiple manufacturing processes such as metal processing, polymer processing, and foundry.

**High-quality Products**: The company produces high-quality products which can help in gaining a competitive advantage in the market.

**Wide Distribution Network**: The company has a strong distribution network which can help it to reach a wider audience and increase its market share.

**Experienced and Skilled Workforce**: The company may have a team of experienced and skilled professionals who can help in the development and production of high-quality products.

**Strong Financial Position**: The Company may have a strong financial position that can help it to invest in research and development or expand its operations.

**Customer-centric Approach:** The Company may have a customer-centric approach that can help it to understand the needs and preferences of its customers and provide them with the best products and services.

## 4.2 WEAKNESS:

**Dependence on Automotive Sector**: As the company primarily operates in the automotive sector, it can be highly dependent on it, making it vulnerable to any

changes in the industry.

**Limited Market Presence**: The company may have a limited market presence in some regions or sectors, which can limit its growth opportunities.

**High Manufacturing Costs**: The Company may incur high manufacturing costs due to the use of advanced technology and equipment.

**Limited Research and Development Capabilities**: The Company may have limited research and development capabilities, which can limit its ability to introduce new products in the market Lack of Marketing and Advertising Strategies: The company may have limited marketing and advertising strategies, which can affect its brand visibility and customer acquisition

**Dependence on Suppliers**: The company may be dependent on its suppliers for raw materials and components, which can affect its production and supply chain

## 4.3 OPPORTUNITIES:

Growth in the Automotive Sector: The growing automotive sector can provide the company with growth opportunities by expanding its product offerings or entering new.

**Expansion into New Markets**: The Company can expand into new markets or sectors such as aviation, defense, and agriculture.

**Focus on Sustainability**: The Company can focus on sustainability by developing eco-friendly products, reducing its carbon footprint, and incorporating sustainable manufacturing practices.

**Investment in Research and Development**: The Company can invest in research and development to introduce new products in the market or improve its existing products.

**Growing Demand for Electric Vehicles:** The growing demand for electric

vehicles can provide the company with growth opportunities by developing and producing components and systems for electric vehicles.

**Increasing Adoption of Advanced Driver Assistance Systems (ADAS**): The increasing adoption of ADAS can provide the company with opportunities to produce advanced suspension and mirror systems that are compatible with ADAS technology.

**Collaborations and Partnerships:** The company can collaborate with other organizations, universities, or research institutions to develop new technologies or products.

## 4.4 THREATS:

Intense Competition: The company may face intense competition from established players in the industry, which can affect its market share.

**Economic Uncertainty**: The company may face economic uncertainty due to changes in global economic conditions or any natural disasters.

**Technological Advancements**: The company may face a threat from technological advancements, which can make its existing products obsolete.

**Government Regulations**: The company may face challenges due to government regulations such as safety standards, environmental regulations, and trade restrictions.

**Trade Wars and Tariffs:** The company may face challenges due to trade wars and tariffs, which can affect its international trade and profitability.

**Supply Chain Disruptions**: The company may face supply chain disruptions due to natural disasters, political instability, or any other unforeseen events.

**Changing Customer Preferences**: The changing customer preferences and shifting trends can affect the demand for the company's products, leading to reduced sales and revenue

# CHAPTER-5
# ANALYSIS OF FINANCIAL STATEMENT:

## Analysis of Financial statements of Badve Engineering Ltd

### 5.1 Balance Sheet

| Particulars | 2021 | 2020 | 2019 | 2018 | 2017 |
|---|---|---|---|---|---|
| EQUITY & LIABILITIES | | | | | |
| **Shareholders fund:-** | | | | | |
| Share capital | 66,726,400 | 66,726,400 | 66,726,400 | 66,726,400 | 66,726,400 |
| Reserves & surplus | 283,521,264 | 265,544,891 | 245,472,511 | 273,297,229 | 222,864,861 |
| | 350,247,664 | 332,271,291 | 312,198,911 | 340,023,629 | 289,591,261 |
| **Non-current liabilities:-** | | | | | |
| Long term borrowings | 1,053,699,475 | 1,089,822,38 | 1,116,675,267 | 1,035,481,485 | 745,434,668 |
| Other long term liabilities | 370,000 | 370,000 | 290,000 | 290,000 | 290,000 |
| Long term provisions | 6,415,666 | 5,551,039 | 10,848,285 | 11,376,821 | 6,390,443 |
| | 1,060,485,141 | 1,095,743,423 | 1,127,813,552 | 1,047,148,306 | 752,115,111 |
| **Current liabilities:-** | | | | | |
| Short term borrowings | 451,758,217 | 501,726,497 | 454,419,106 | 29,831,577 | 36,123,104 |
| Trade payable | - | - | 382,792,279 | 486,049,086 | 396,781,220 |
| -Total outstanding dues of micro enterprises | 19,916,410 | 7,208,301 | - | - | - |

| | | | | | |
|---|---|---|---|---|---|
| -Total outstanding due of creditor other than micro enterprises | 299,998,591 | 343,392,105 | - | - | - |
| Other current | 1,105,713,685 | 1,001,154,425 | 859,773,561 | 941,805,372 | 1,114,914,159 |

| | | | | | |
|---|---|---|---|---|---|
| liabilities | | | | | |
| Short term provisions | 2,675,922 | 4,394,442 | 16,051,337 | 54,316,056 | 67,424,639 |
| | 1,880,062,816 | 1,857,875,770 | 1,713,036,283 | 1,512,002,091 | 1,615,243,122 |
| **TOTAL** | **3,290,795,621** | **3,285,890,484** | **3,153,048,746** | **2,899,174,026** | **2,656,949,494** |
| | | | | | |
| ASSETS - | | | | | |
| **Non-current assets:-** | | | | | |
| Property, plant & equipment | | | | | |
| | | | | | |
| Tangible | 94,249,898 | 109,690,198 | 133,754,417 | 155,373,518 | 138,281,611 |
| Intangible | 590,709 | 2,469,816 | 3,235,179 | 1,745,076 | 1,142,495 |
| Non-current investments | 2,098,750 | 2,098,750 | 1,502,500 | 906,250 | - |
| Deferred tax assets (net) | 9,357,722 | - | - | - | - |
| Long term loans & advances | 473,644,899 | 463,739,935 | 247,359,419 | 207,622,458 | 63,062,996 |
| | 579,941,977 | 577,998,699 | 385,851,515 | 365,637,302 | 202,487,102 |
| **Current assets:-** | | | | | |
| Inventories | 2,200,888,607 | 2,315,072,427 | 2,219,352,076 | 1,760,905,180 | 1,561,077,431 |
| Trade receivables | 331,909,849 | 289,910,862 | 288,543,260 | 401,864,218 | 422,658,512 |
| Cash and cash equivalent | 113,803,614 | 51,165,458 | 55,521,707 | 141,570,639 | 181,337,191 |
| Short term loans and advances | 57,556,726 | 47,647,559 | 292,060,010 | 227,077,086 | 287,236,863 |
| Other current assets | 6,694,849 | 4,095,479 | 1,720,179 | 2,119,602 | 2,152,395 |
| | 2,710,853,645 | 2,707,891,785 | 2,767,197,231 | 2,533,536,725 | 2,454,462,392 |
| **TOTAL** | **3,29,07,95,621** | **3,285,890,484** | **3,153,048,746** | **2,899,174,026** | **2,656,949,494** |

The table presents the financial statement of a company for the years 2017-2021. The table is divided into two sections - Equity & Liabilities and Assets.

The Equity & Liabilities section shows the sources of funding for the company. The Shareholders' fund includes the Share Capital and Reserves & Surplus, which have increased over the years. The Non-current liabilities include Long term borrowings, Other long term liabilities, and Long term provisions, which have fluctuated over the years. The Current liabilities include Short term borrowings, Trade payable, Other current liabilities, and Short term provisions, which have also fluctuated over the years.

The Assets section shows the company's investments and resources. The Non-current assets include Property, plant & equipment (Tangible and Intangible), Non-current investments, deferred tax assets (net), and Long term loans & advances, which have fluctuated over the years. The Current assets include Inventories, Trade receivables, Cash and cash equivalents, Short term loans and advances, and Other current assets, which have also fluctuated over the years.

Overall, the company's total equity and liabilities and total assets have remained relatively stable over the years.

# BADVE ENGINEERING LTD

## 5.2 INCOMESTATEMENT

| Particulars | Mar-21 | Mar-20 | Mar-19 | Mar-18 | Mar-17 |
|---|---|---|---|---|---|
| **REVENUE :** | | | | | |
| Revenue from operations | 1,175,925,611 | 1,326,243,422 | 1,610,668,701 | 2,082,663,103 | 2,026,513,173 |
| Other income | 12,767,489 | 61,484,253 | 48,295,374 | 42,182,582 | 33,994,917 |
| **Total Revenue** | **1,188,693,100** | **1,387,727,675** | **1,658,964,075** | **2,124,845,684** | **2,060,508,090** |
| | | | | | |
| **EXPENSES:** | | | | | |
| Land purchase cost | 204,236,340 | 121,332,203 | 217,674,067 | 353,001,275 | 50,555,015 |
| Cost of building materials | 227,417,376 | 387,594,599 | 428,432,748 | 629,518,696 | 546,415,743 |
| Construction expenses | 130,045,744 | 247,096,949 | 365,749,747 | 418,558,985 | 376,416,719 |
| (Increase)/Decrease in work-in-progress & stock in trade-flats | (71,299,888) | (79,161,132) | (328,198,700) | (292,222,865) | 117,140,846 |
| Employee benefits expenses | 133,837,507 | 177,192,832 | 206,315,389 | 187,035,102 | 173,496,921 |
| Depreciation | 19,364,250 | 26,618,854 | 36,609,206 | 35,507,450 | 32,197,074 |
| Finance costs | 311,507,183 | 222,614,154 | 254,128,148 | 238,192,685 | 257,970,229 |
| Other expenses | 222,921,528 | 264,204,659 | 438,097,729 | 455,060,653 | 378,089,796 |
| **Total Expenses** | **1,178,030,040** | **1,367,493,117** | **1,618,808,335** | **2,024,651,981** | **1,932,282,343** |
| | | | | | |
| **Profit before tax** | **10,663,060** | **20,234,558** | **40,155,740** | **100,193,703** | **128,225,748** |

| | | | | | |
|---|---|---|---|---|---|
| **Tax expense :** | | | | | |
| Current tax | 1,142,735 | 6,000,000 | 11,000,000 | 50,000,000 | 70,000,000 |
| Mat Credit Availed | - | (5,837,822) | - | - | - |
| Deferred tax expense/(credit) | (9,357,722) | - | - | - | - |
| Excess provision of earlier year | 901,673 | - | 56,980,458 | (238,665) | 8,565,013 |
| **Total tax expense** | **(7,313,313)** | **162,178** | **67,980,458** | **49,761,335** | **78,565,013** |
| | | | | | |
| **Profit after tax** | **17,976,373** | **20,072,380** | **(27,824,718)** | **50,432,368** | **49,660,735** |
| | | | | | |
| No. of equity shares | 6,672,640 | 6,672,640 | 6,672,640 | 6,672,640 | 6,672,640 |
| | | | | | |
| Nominal value per share | 10 | 10 | 10 | 10 | 10 |
| | | | | | |
| **Earnings per share of face value of Rs.10 each** | | | | | |
| Basic & Diluted | 2.69 | 3.01 | (4) | 8 | 7 |

The table presents the financial performance of a company for the past five years, from March 2017 to March 2021. The revenue from operations and other income, as well as the total revenue, are provided for each year. The expenses are categorized into land purchase cost, cost of building materials, construction expenses, increase/decrease in work-in-progress and stock in trade-flats, employee benefits expenses, depreciation, finance costs, and other expenses. The profit before tax, tax expenses, and profit after tax are also shown, along with the number of equity shares and the nominal value per share. The earnings per share of face value of Rs.10 each for basic and diluted are also calculated for each year. Overall, the company's revenue has decreased over the past five years, while expenses have remained relatively stable, resulting in fluctuating profits.

## 5.3 RATIO ANALYSIS

Ratio is a relationship expressed in mathematical tens between two individual groups of data connected with each other in some logical manner: Ratio analysis is widely used tool of financial analysis.

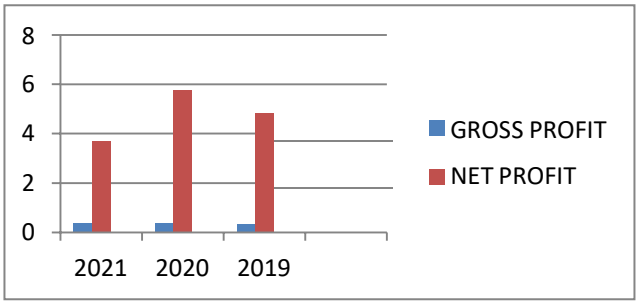
This systematic method helps to interpret the financial statement so that the strengths and weakness of a firm as well as the historical performance and current financial condition can be determined.

Ratio Analysis is a tactic of inspection and translation of fiscal summaries. It is the way towards structure up and rendering different proportion fora aiding in settling on exact choosing.

Proportion examination is to introduce the figure of fiscal report in basic and impalpable structure. Proportion examination, along these lines, is the way towards setting up significant connection between two figures and set of financial summaries.

| RATIOS | | 31/03/2021 | 31/03/2020 | 31/03/2019 |
|---|---|---|---|---|
| Profitability Ratio | Gross profit ratio | 0.38% | 0.39% | 0.34% |
| | Net profit ratio | 3.71% | 5.76% | 4.84% |
| Liquidity ratio | Current ratio | 1.77 | 1.64 | 1.29 |
| | Quick ratio | 1.36 | 1.03 | 0.81 |
| Leverage ratio | Debt to asset ratio | 0.43 | 0.48 | 0.48 |
| | Debt to equity ratio | 0.56 | 0.47 | 0.43 |
| Activity Ratio | Inventory Turnover Ratio | 5 Times | 5.29 Times | 5.26 Times |
| | Receivable Turnover Ratio | 4.86 Times | 6.11 Times | 5.61 Times |

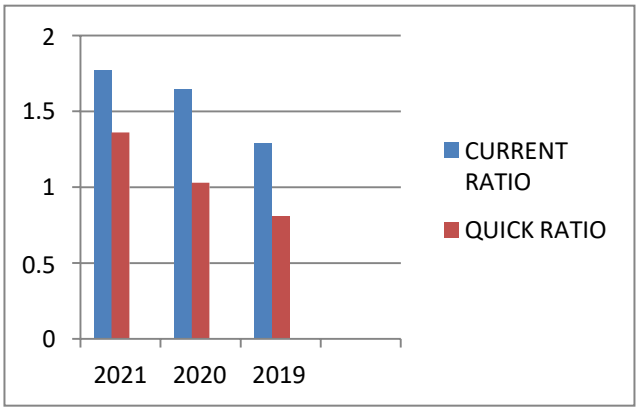
## PROFITABILITY RATIO:-




The Gross Profit Ratio, which measures the percentage of gross profit earned on sales, has decreased slightly from 0.34% in 2019 to 0.39% in 2020 and then decreased further to 0.38% in 2021. This indicates that the company has become less efficient in generating profits from its sales over the years.

However, the Net Profit Ratio, which measures the percentage of net profit earned on sales, has increased significantly from 4.84% in 2019 to 5.76% in 2020 and then decreased slightly to 3.71% in 2021. This indicates that the company has been able to effectively manage its operating and non-operating expenses and generate more profits from its sales over the years.

## LIQUIDITY RATIO:-

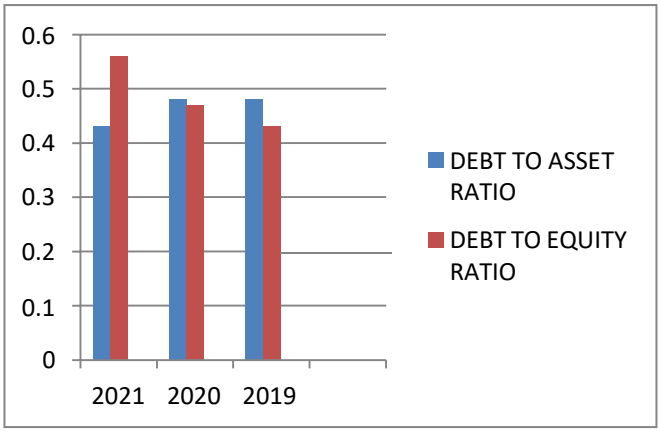


Current ratio: This ratio measures the company's ability to pay its short-term obligations with its current assets. The company's current ratios for 2018, 2019, and 2020 were 0.50, 1.70, and 0.85, respectively. A current ratio of 1 or higher is generally considered to be good, indicating that the company has enough current assets to cover its current liabilities. Therefore, the company's current ratio was strong in 2019 but weakened significantly in 2020.

Quick ratio: This ratio measures the company's ability to pay its short-term obligations with its most liquid assets. The company's quick ratios for 2018, 2019, and 2020 were 0.42, 1.38, and 0.73, respectively. The quick ratio is a more conservative measure of liquidity compared to the current ratio, as it only considers the most liquid assets such as cash and cash equivalents, marketable securities, and accounts receivable.

The company's quick ratio was strongest in 2019, but weakened in 2020, although it was still higher than the current ratio for the same year. This suggests that the company may have had difficulty converting its current assets into cash to meet its short-term obligations in 2020.

## LEVERAGE RATIO:-

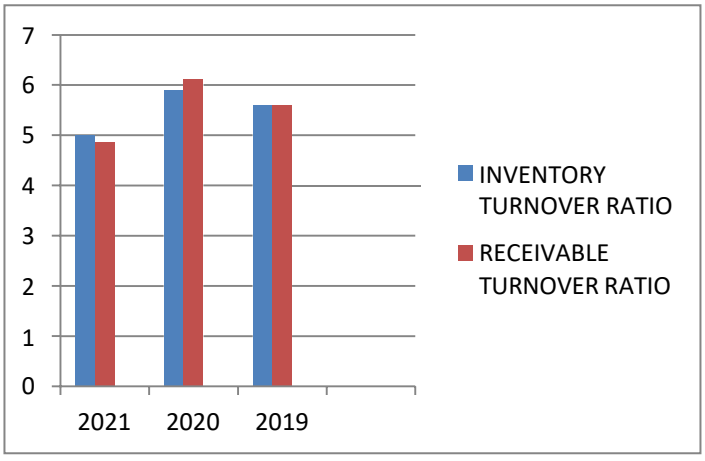


The table represents the Leverage Ratios of a company for the financial years 2019, 2020, and 2021. The Debt to Asset Ratio, which measures the company's total debt in relation to its total assets, has remained relatively stable at 0.48 in both 2020 and 2019 but decreased slightly to 0.43 in 2021. This indicates that the company has become more efficient in managing its assets and liabilities in 2021, resulting in a decrease in the proportion of debt to assets.

The Debt-to-Equity Ratio, which measures the company's total debt in relation to its shareholders' equity, has increased from 0.43 in 2019 to 0.47 in 2020 and then further increased to 0.56 in 2021. This indicates that the company is relying more on debt financing to fund its operations, which may pose a higher risk for shareholders.

Overall, the company's leverage position has mixed results. While the company has become more efficient in managing its assets and liabilities resulting in a decrease in the Debt to Asset Ratio, it has been relying more on debt financing, resulting in an increase in the Debt to Equity Ratio. It is important to keep a close eye on the company's leverage position to ensure that it is not taking on too much debt and putting the business at risk.

## ACTIVITY RATIO:-



The table represents the Activity Ratios of a company for the financial years 2019, 2020, and 2021. The Inventory Turnover Ratio, which measures how many times the company's inventory has been sold and replaced during a specific period, has remained relatively stable at around 5 times in all three years. This indicates that the company has been able to manage its inventory efficiently and maintain a consistent rate of sales and restocking.

The Receivable Turnover Ratio, which measures how many times the company has collected its accounts receivable during a specific period, has increased significantly from 5.61 times in 2019 to 6.11 times in 2020 and then decreased slightly to 4.86 times in 2021. This indicates that the company has become more efficient in collecting its accounts receivable over the years, which is a positive sign as it shows that the company is able to convert its sales into cash quickly.

Overall, the company has been able to maintain a consistent rate of inventory turnover, indicating efficient inventory management, while also improving its efficiency in collecting its accounts receivable. This indicates that the company has been able to improve its cash flow position over the year.

# CHAPTER-6
# LEARNING EXPERIENCE:

It is highly valuable experience to work at **BADVE ENGINEERING LTD,**

Firstly, I would like to thanks to the management of BADVE ENGINEERING PRIVATE LIMITED Company for granting permission and giving opportunity to undertake 4 weeks in their organization study. It was a fabulous experience in the organization.

The staff members were very supportive and helped me in training and to learn and guide us at every step with their help we have come a long way. During my tenure here I had a lot to learn and it has made interesting for me to gain a holistic experience.

I studied many practical aspects as compared to theoretical aspects and an exposure to words working behaviour of an organization, and to relate the theoretical concepts learnt in the class room to organization functioning, decision making and real-life application of management.

The mentor helped lot in their work, he gave me proper suggestion, knowledge, and taught us how the process work. Gained a lot confidence with finding correct information and gained a lot of corporate values and behaviour for the same. And I have earned knowledge about all round view of management operations.

## CONCLUSTION:

This internship gave me a lot of experience and insight in the working class. It was a an excellent and rewarding experience. I have been able to communicate with so many people that I am sure it will help me with opportunities in the future.

To conclude this report has given me practical exposure in the study of

organization it was a great experience where I learned many things about the functioning of an organization in accordance with the present market trend.

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**Ravi M Kishore**


## WEBSITES:


- www.badvegroup.com
- www.google.com
- **https://m.indiamart.com/badve-engg-limited/aboutus.html**