

An Internship Report on  
**“BIG BAGS INTERNATIONAL PVT LTD”**

BY

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*Submitted to*



**DEPARTMENT OF MBA ALVA'S INSTITUTE OF ENGINEERING AND  
TECHNOLOGY**

**Affiliated to Visvesvaraya Technological  
University, Belagavi 2022**

**UNDER THE GUIDANCE OF**

**INTERNAL GUIDE**

**Mrs Priya Sequira**

**HOD of MBA**

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

**EXTERNAL GUIDE**

**Mr. Laxmi Narayan**

**Big Bags International Pvt Ltd**

## CERTIFICATE FROM ORGANISATION

# BIGBAGS

INTERNATIONAL PVT. LTD.  
DYNAMIC | DRIVEN | DEPENDABLE

REF: BBIM/2022

Date: 20<sup>th</sup> November 2022

### TO WHOM SO EVER IT MAY CONCERN

This is to certify that Ms. Priti V Shetty (USN: 4AL21BA060) MBA student of Alva's Institute of Engineering & Technology Mijar Moodabidre, has completed Internship in our organization, from 20<sup>th</sup> October 2022 to 20<sup>th</sup> November 2022.

During her training period we found her sincere and hard working

We wish you all the success in your future endeavors.

For Big Bags International Pvt Ltd

Authorised Signatory



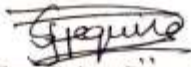
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DATE: 30/01/2023

## CERTIFICATE

This is to certify that **PRITI V SHETTY** bearing USN **4AL21BA060**, 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 "**BIG BAGS INTERNATIONAL PVT LTD, GANJIMUTT**" is prepared by her under the guidance of **Mrs. Priya Sequeira**, HOD, Sr. 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.



**Mrs. Priya Sequeira**  
Internal Guide

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



**Dr. Peter Fernandes**  
Principal

Alva's Institute of Engg. & Technology,  
Moodbidri - 574 225, D.K.

# **DECLARATION**

I **PRITI V SHETTY** hereby declare that internship conducted at **Big Bags** under the guidance of **MRS PRIYA SEQUIRA, HOD of MBA, ALVA'S Institute of ENGINEERING AND TECHNOLOGY** and external guidance by **Mr. Laxmi Narayan, Deputy Manager, Mangalore. Big Bags International Pvt Ltd Mangalore**

I also declare that this internship is towards the 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 of a period of four weeks. I further declare that this internship 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.



**PRITI.V.SHETTY**

**(USN: 4AL21BA060)**

## **ACKNOWLEDGEMENT**

I am elated to present this report entitled “organization study with respect to Big Bags international private limited”. I consider it to be my privilege and pleasure to express words of gratitude and respect to all those who have guided and inspired me in completing this study.

It is my pleasure to extend my gratitude to our beloved principal Mr Peter Fernandis Alva’s institute of Engineering and technology Mijar for giving me an opportunity to undertake this project.

I wish to express my profound gratitude to my guide Mrs. Priya Sequira HOD of MBA for her valuable guidance and encouragement.

I express my heartfelt gratitude to my external guide Mr. Laxmi Narayan, HR manager, BigBags international pvt. Ltd Ganjimutt Mangalore for his support.

I wish to express my sincere gratitude to all teaching and non-teaching staff members of MBA department of Alva’s institute of Engineering and technology For their constant concern and support, last but not least I thank my parents my friends and all my well wishers who have directly or indirectly helped me in completing this internship. This work would not have been possible without their encouragement and support.

**Place: Moodabidri**

**Date:**

**PRITI V SHETTY**

**(USN: 4AL21BA060)**

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## **EXECUTIVE SUMMARY**

Big Bags International Private limited is an Indian company, providing exceptional services and highly competitive price for over 20 years. They supply FIBCs tailored according to customer specifications.

They are one of the leading Manufacturer and exporters of FIBC from India, and they export to more than 20 countries across the globe. All FIBCs supplied by Big Bags are tested and comply with international standards.

Big Bags International Private Limited is headed by the CEO of the company Mr. Ravish Kamath. The different departments include HR, Accounts, costing, store & purchase, internal transport, Logistics, Sales & Marketing production planning, quality, sample departments.

A detailed report on the project is prepared and presented in the following pages. This report contains six chapters which describes about the introduction and internship, purpose of the study and many more. It also includes detailed information about the industry profile, background of the organization. The main objective of the application is done on McKensey's 7s framework, Porters five forces model. In addition SWOT analysis had been done along with analysis of financial statement, ratio analysis in order to interpret the financial condition of the organization,

At the end, the learning experience section which I had undergone through my internship program.



**CHAPTER 1**

**INTRODUCTION ABOUT THE INTERNSHIP,  
THE INDUSTRY AND ORGANIZATION**

## **INTRODUCTION ABOUT THE INTERNSHIP**

An internship is an opportunity offered by Employer for a certain period of time. The Internship work is undertaken with the aim to study the Organization at “Big Bags International Private Limited”. This Internship is done during third semester of MBA program under the circulation of VTU Belagavi for the duration of 1 month (15/10/2022 – 15/11/2022) with the help of both Internal guide “Navya” and External guide” Laxminarayan” with their guidance. The study helped us to gather the information pertaining to the operation Maintenance and other activities related to the entire Organization. It also helped us to bridge the gap between work process and academics activity, along with the opportunity to come up with the new idea and thought process.

The knowledge and experience that had obtained during this period of 1 month will be helpful for the future purpose in the work places that will add some weights to our background and also the additional skill gained will be helpful in maintaining the good relationship in the work place.

For every employee working in the organization, safety and health is the most important aspect and the organization is responsible for providing the required provisions for the workers working in the hazardous and risky environment. Maintaining proper safety at the work places and ensuring the healthy need of the employees is the responsibility of the management both morally and legally for an organization.

The primary objective of the study is to determine the overall working and management of Big Bags International Private Limited, to understand the various features of the organization, to find out the operations, strengths and weakness of the firm or to make SWOT analysis of the company, to know the profile, background, present and future plans of Big Bags International Private Limited. The study is undertaken to include the analysis the overall working and management of the manufacturing sector, which is one of the major part of the country.

# **INTRODUCTION ABOUT THE ORGANIZATION**

## **COMPANY PROFILE:**

Big Bags international private limited is the preeminent destination for world-class FIBC products and solutions customized to the bulk packaging requirements of a wide range of discerning global customers.

Big Bags is an ISO 9001:2008, ISO 22000 HACCP, BRC-IOP, and AIB-certified company, incorporated in 1993 and headquartered in Bangalore. The company employs over 2500 people working in state-of-the-art facilities within the well-established PEENYA Industrial Complex area in the northern part of Bangalore.

Big Bags traces its history back to 1993 when it saw a gap in the market for a quality producer of PE tarpaulins. The company rapidly understood the needs of the customers and quickly grew to be a pioneer and a leader with the ability to produce over 250 million square feet of PE Tarpaulins in India and overseas.

Big Bags long envisioned a global footprint” Quality, Performance and commitment” are the three interrelated cornerstones of big bags of doing things that have continued to enable the company to realize its vision.

- Quality rest is world-class and is delivered at cost-effective prices to customers
- Performance that pioneers
- Commitment to consistently excel



Since its inception, the products manufactured by Big Bags have enjoyed an excellent reputation, enabling the company to expand rapidly within India and regularly export across the globe.

The company started with a small production capacity of 500 bags per day in early 2000. Since then, Big Bags has expanded its capabilities to currently produce around 30,000 FIBC per day and 1,00,000 PP woven sacks. In addition, Big Bags has the capacity to produce 2,50,000 meters of fabric per day, 2,50,000 meters of linear per day, 40,000 meters of lamination per day, 2,00,000 meters of webbing per day, and 1,00,000 meters of dust proof per day. Big Bags can further enhance the production capacity based on customer demand.

Furthermore, they commissioned a world-class facility in Mangalore in April 2012. This factory houses on a 25-acre campus with end-to-end facilities and can produce 10,000 bags per day. They had expected phase 2 of this facility to start operating by the mid of January 2013, with a capacity to produce over 40000 bags per day. This facility also enjoys the advantage of quicker time to international markets owing to its presence and proximity to the Mangalore shipping port.

Big Bags International Pvt Ltd is a Company committed to firm Corporate ethical values. They are committed to the fair treatment of all our employees. In keeping with this, they are firmly against the employment of child labour as per the Indian Labour Act. They ensure that all their employees are above the age of 18 years.

All the employees are covered under the state government's medical insurance, i.e., ESI 1948 act. They are fair towards their competition and resist indulging in unhealthy and unethical trade practices,

1. Hold paramount the safety, health, environment, and welfare of the public in the performance of professional duties.
2. Act in such a manner as to uphold and enhance personal and professional honor, integrity, and the dignity of the profession.
3. Treat with respect and consideration all persons regardless of race, religion, gender, sexual orientation, maternity marital or family status, disability age, or national origin.
4. Build a professional reputation for the merit of service and refrain from competing unfairly with other country regulations related to the product.
5. Recognise that the chief function of big bags Pvt Ltd at all times is to serve the best interest of its constituency.

## **INDUSTRY PROFILE:**

Manufacturing is the production of merchandise for use or sale using labour and machines, tools, chemicals, biological processing, and formation. A bags supplying company offers industrial bulk packing, bulk packing shipping products as well as food packing products. Supply bulk bags to mineral chemical agriculture industries throughout the country. As a manufacturer, they provide customers with quality products and on-time delivery. Their products include textile bags, bulk bags, container liners, and polyethylene bags for wide commercial candidates. The production of the manufacturing industry differs largely from single-unit manufacture to bulk construction. Single unit manufacture is assembling high-class goods. Due to different strategies, equipment is regularly manufactured in small classifications which knowingly decreases the costs. Bags manufacturing company help in the commercial expansion and development of several main divisions in the nation.

The term may refer to a range of human activities from handicrafts to high tech but is most commonly applied to industrial production in which raw materials are transformed into finished goods on a large scale. Such finished goods may be used for manufacturing other, more complex products such as aircraft, household appliances, or automobiles and are sold to wholesalers who in turn sell them to retailers, who then sell them to end users or customers. Manufacturing takes turns under all types of an economic systems.

In a free-market economy, manufacturing is usually directed toward the mass production of products for sale to consumers at a profit. In a collectivist economy, manufacturing company is directed by the state to supply a centrally planned economy. In a mixed market, economy manufacturing occurs under some kind of governmental regulation. Modern manufacturing includes all intermediate processes required for the production and integration of product components.

## **HISTORY**

The flexible intermediate bulk container, popularly nomenclature as FIBCs, is said to have been first manufactured in the late 1950s/early 1960s in the United States, Europe, and Japan. However, FIBS manufactured with polyolefin fabrics was experimented in UK, Canada, and the US in the early 1970s, just above the time that the Raffia tape and weaving technology surfaced globally.

The growth of flexible intermediate bulk containers that are universally used today got the boost with the development of high-strength light weight fabric. India witnessed the introduction of FIBS during early 1990s and has grown to be front line manufacturing industry. It has found expert acceptance and nearly ninety percent of production is exported, providing the Indian exchequer excellent foreign

exchange earnings. Both the domestic demand and exports are envisaged to record huge potential growth.

IFIBCA was established in 2004 as the first industry association supporting the manufacturing of flexible intermediate bulk containers when India's FIBC industry was still in its infancy. Since then, IFIBCA has established itself as an interactive forum for FIBC, woven sacks, and bag manufacturers,

With greater liberalization, IFIBCA's focus has shifted to professional and value-added services to the FIBC industry. IFIBCA believes that the government and the industry need to work together to simulate manufacturing and catalyse a FIBCs boom that can contribute significantly to the development of India. IFIBCA persistently works to facilitate changes that would strengthen India's FIBC manufacturing base to make it a leader on the world FIBC map.

## **GLOBAL DEMAND**

Global demand for Flexible Intermediate bulk containers will register a CAGR of 6.3% by 2021, as per ReportsnReports.com. According to the flexible intermediate bulk container industry report, the increased production and trade of horticulture products and chemicals have boosted the need for bulk packing and hence, the demand for FIBCS. FIBCs are used in the chemical, fertilizers, and food sectors. Significant growth in sectors such as food and horticulture which are posting above-average CAGRs has led to a considerable increase in the demand for FIBCs. The growing need to reduce the overall weight of the bulk packaging and transporting materials is a major factor driving the demand for packaging sacks in the construction, chemical, and fertilizer sectors.

Commenting on the flexible intermediate bulk container market report, an analyst says the growing environmental concern about the usage of synthetic plastic which is mostly derived from petroleum feedstock has encouraged the industry to develop eco-friendly plastics for consumers. Companies such as Braskem and Dow Chemical Company have been investing heavily in developing technologies to produce bio-based polymers through biomass. We expect that bio-based polymer will be produced more than 2.5 times its volume in 2015. Its volume was around 6.6 million tons in 2015, which is expected to grow to more than 16.7 million tons by 2020. Globally, polypropylene and polyethylene for the production of FIBS. Further, the report states that fluctuations in the price of raw materials are another major challenge faced by vendors in the global FIBC market. Crude oil and natural gases are the major sources of naphtha and ethylene, which are the basic materials used to manufacture polypropylene. The polypropylene market and manufacturers have been facing challenges in areas such as fluctuation in demand and supply of raw materials and volatility in prices.

The flexible intermediate bulk container market study was conducted using an objective combination of primary and secondary information including inputs from key participants in the industry. The report contains the comprehensive market and vendor landscape in addition to a SWOT analysis of the key vendors.

## **INDIAN FIBC IN THE GLOBAL CENTRE STAGE**

Indian FIBC industry is the third largest producer in the world Indian producers are supplying virtually every country across the globe. While the primary mode of selling overseas is through resellers, direct supply to end users is increasing. Indian companies are now participating in worldwide bids for supply across continents.

## **CHALLENGES OF THE INDIAN FIBC INDUSTRY**

Infrastructure Port and other facilities to handle inbound and outbound cargo internal transportation more road dependent, poor rail cargo facilities, Power severe shortages in most of the states Labour development in all areas increasing demand for labour and labour shortage finance cost of finance @ 10-12%

## **POTENTIAL MARKET**

As jumbo bags gain prominence in the existing markets in India, there is a lot of effort already made to penetrate new markets which have huge potential in the future.

Cement: Infrastructure is growing at a phenomenal rate in India and cement being basic raw material offers a huge potential as more and more manufacturers start to adapt bulk transportation, they will facilitate cost savings, practical advantages as a result of lesser unit cost of packing and substantial reduction in wastage,

Food: Several food and related products are being packed and transported in Jumbo bags, these include Organic and regular Rice exported in Jumbo Bags. Other significant developments are sugar, cashew coffee which are also exported in Jumbo bags and has the potential to reach huge volumes

Alumina: The country is today producing surplus alumina which is being exported. This trend is likely to continue with the establishment of greenfield export-oriented alumina refineries.

Price: While price is always an important factor, customers should be conscious about their choice of supplier and their ability to meet safety standards.

## **CHAPTER 2**

# **ORGANIZATION PROFILE**



## **BACKGROUND**

Big bags international private limited is a company incorporated on 05 July 2000. It is classified as a non-government company and is registered at the Registrar of Companies, Bangalore. Its authorised manufacturing of man-made fibres [This includes the manufacture of artificial and synthetic filament and non-filament fibres]

## **ORGANIZATION PROFILE**

ORGANISATION NAME : BIG BAG S INTERNATIONAL PRIVATE LIMITED

BUSINESS : BAGS MANUFACTURERS

CERTIFICATION : ISO 9001: 2008

REGISTERED OFFICE : # 8 EPIP

GANJIMUTT, MANGALORE

LOCATION TYPE : SEMI URBAN

ADDITIONAL BUSINESS : DEALERS

CEO : MR RAVISH B KAMATH

YEAR OF COMMENCEMENT : 1993

PRODUCTION TYPE : MANUAL AND MECHANICAL

EMPLOYEES 4000

PRODUCTS : FIBER BAGS

## **NATURE OF THE BUSINESS**

Big bag international Pvt Ltd is committed towards providing customers with the maximum class of FIBCS loose bags in the industry. In keeping with this, we are firmly against the employment of child labor as per the Indian labor act. All our employees are covered under medical insurance under the state government i.e., ESI 1948 Act. Throughout our growth as a single-source bag company, our core principle has remained the same- take care of the customer, focus on Quality, and always do the right thing.

Flexible Intermediate bulk containers (FIBCs) are the most often made of thick woven polyethylene or polyp Rolene, are either coated or uncoated and are very in weight. These supply belongings are standard vessels in large quantities for transporting, stringing, and handling semi-finished and granular products. Container liner offers lower weight, lower handling cost, lower cargo destruction, lower merchandise, lower waste removal as well as lower product loss. They even offer flexible and specially designed liners, with a large group of associations.

Big bags offer a variety of dry liners that come in multiple styles and which are excessive for bulk bags, drums, boxes, and more. Most importantly, each FIBCs are manufactured to meet customer requirement.

## **VISION**

“Total Customer Satisfaction”

“To produce world-class FIBCs competitively in the global market with the involvement of all our customers with the utmost quality, hygiene and consistency”

## **MISSION**

“100% quality assurance to customers”

“To become the cost competitive partner for the world-class high-grade FIBC products serving clients across industry, globally and be known by them as a loyal and trustworthy companies

## OBJECTIVES

- To achieve and set the highest standard of appropriate quality and safety standards in processing and supply of Flexible Intermediate Bulk containers which meet statutory and regulatory requirements
- To produce safe and quality products of global standard to meet customers' requirements and committed to continually improving its own set of standards by enhancing the skills of the employees and improvisation in plant technology and implementing the ISMS and QMS principles throughout the system.

## QUALITY POLICY

Quality is already highlighted in the corporate profile, is a key tenant to the Big Bags way of doing things. Quality at Big Bag is benchmarked to international standards and permeates into each and every step of the manufacturing and product delivery process.

A key component of our quality program is our focus on cleanliness and hygiene that ensure all our FIBCs, especially food grade FIBCs are sanitized and free from dust, germs and pollutants.



## **HEALTH AND SAFETY POLICY**

- Provide safety healthy working environment to prevent accidents and injury health arising linking with occurring in course of work as a result of the operation and use of employee machines and facilities.
- Ensure that employees work manner that will not take care of their health and safety also their fellow workers as well as the environment.
- Ensures following good training practices like regular training on first aid, as well as a workshop on the use of extinguishers besides periodical mock evacuation drills so that workers are well prepared for unforeseen circumstances. Investigate accidents/incidents establish their causes implement an action plan procedure for working practices and prevent the reoccurrence of similar accidents.
- Convey awareness of health safety cleanliness, hygiene and natural surrounding communicated to everyone.

## **ENVIRONMENTAL INITIATIVES**

Big Bags International Pvt. Ltd certified Karnataka State Pollution Control Board under the provision Prevention Control Pollution Act Big Bags International Pvt. Ltd efficient waste management and disposal waste without affecting the environment.

## **QUALITY CONTROL DEPARTMENT**

Big Bags Quality Control Department is responsible for the daily quality verification of production adhering to the ISO certificate quality control system and handling customer complaints.

The hallmark of the Big Bag Quality control team is its proactive approach to quality which often results in improved processes, better products, cost savings, and new benchmarks of efficiency.

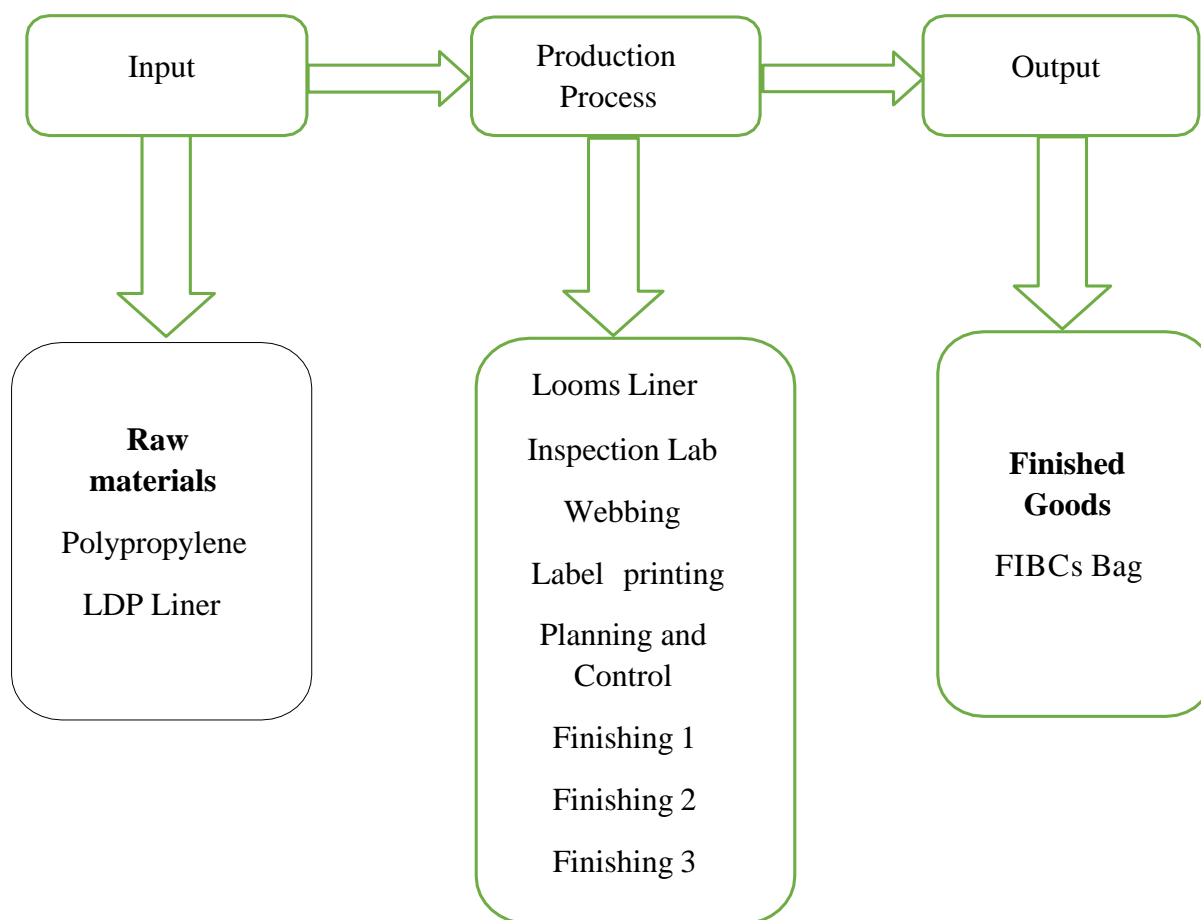
### **Certification**

BBi is an ISO 9001:2015, FSSC 22000, HACCP AND BRC certified organisation.

### **Bag Certifications**

All our bags are produced as per American, European, Australian & other international standards. Some of the recognized international test houses like Labordata, Texene BVI and IIP (Indian Institute of Packaging) have certified our FIBC's products.

## WORKFLOW MODEL



## PRODUCT/ SERVICE PROFILE

The characteristics of the end product have been described to the extent needed to conduct the hazard analysis, including information on the following, appropriate:

- Product name or similar identification
- Composition
- Biological, chemical, and physical characteristics relevant for food safety Intended shelf life and storage conditions
- Packaging
- Labelling relating to food safety and instruction for handling, preparation and usage

**Flexible Intermediate bulk container (FIBCs)>**

## **BAGS TYPES**

- **Stabilized bags**

Stabilized bags are those FIBCS with inward building of baffles stitched to fabrics so that the bags hold shape after filing. These bags guarantee valid in shape. It contains higher stability after filing and retains in rectangular shape. These designs are available in all stitching patterns such as intel/outlet pattern and various closing options.

- **Standard bags**

Standard bags are four loop bags with workhorse design for FIBCs and all types of bulk resources. These designs are available with all sewing patterns like intel/outlet and various closing options.

- **Tunnel loop bag**

This type of bags has two parallel loops organization the top length of the bags and enable easy operation of FIBCs with fork-lift. This design is also available in all stitching patterns such as intel/outlet pattern and various closing options.

- **Conical bags**

Conical bags are shaped as a cone at the bottom of the bags. These bags specially fit to pack sticky products which are not so free flowing, such as slurries (semi liquid) clay granular etc. These conical design products provide the sticky materials to flow towards the passage spout.

- **Ventilated bag**

Those bags are FIBCs with breathable bands that allow for spread of air. These kings of bags are useful for products that requires breathing movement when packed, such as vegetables fruits etc. This design is available in all sewing patterns such as intel/outlet patterns.

- **Type A bags**

Type A bags are assembled type of bags. It is usually recommended that type of FIBCs are not used for combustible powder or gas atmosphere may be present.

- **Type bags**

This type fabric is fabricated from insulating fabric or from fabric/ lining mixture voltage from 6000 volts. The use this type FBICs rise argument release. is generally recommended that this of FBICs may used for storages powders requires a trigger

- **Type C bags**

This type bags are constructed for insulting fabrics. However, fabric/lining mixture having voltage from 6000 volts. The of this FIBCs bags may rise argument release. This kind bags used to store transfer stimulus energy more

- **Deport Bag**

These are fabricated to submit with the tipping facilities for disposal of waste which contains waste and be disposed land fill. They take extra care ensure that the deport bags is fabricated with high grade raw materials. This special type of bags specially fabricated transport dangerous materials. This of bags designed and tested accord to nations Recommendation

- **Baffled Line**

This baffled FIBCs design uses inward baffles which helps maintain the shape once the bag has been These bags are also preferred for transporting and storing products, were best use available space designed substitute inflexible forms container. panels that safeguard the product uniformly into the corners.

- **Diaper bag**

Diaper bags are bulk bags with easy flow of products, either with full base discharge or conical discharge of products. These kinds of bags are specially designed for the problems while discharging the sticky or powder materials which will be hard to discharge with conservative FIBC's base type.

- **Pallet-less Bag**

Pallet-less bags are preferred for storing and transporting product. The pallet-less FIBCs bags design uses inner baffles that helps maintain the original shape when once the bag has been filled. These type of bags are achieved with punched panel that safeguard the products flows regularly into the corners.

- **Silo bag**

These bags have the ability to carry from 20,000 to 10,000kgs. These bags can be stored from 2years to 5years and these kind of bags are used by farmers in storing animal feeds, grains etc.

- **Woven sacks**

Woven sacks bags are toughest packing bags, used to pack materials such as grain, crushing and honey industry. Furthermore, these bags are also used in chemical, fodder and fertilizer industry. Other applications are sand, cement, metal parts, and concrete etc. They offer 100% custom bags such as woven bags and woven postbags as per the required of the customers.

- **Single Loop bag**

These types of bags are very cost effective and suitable for bulk handling solutions. These bags are made using the materials i.e., polypropylene is available in both the inner liner and outer liners options. There are perfect for storing larger volume and high-capacity resources like fish feed, cement, chemicals, minerals, food grains etc. a variety of both the outer liner and the liner are available.



- **Double Loop Bag**

Double loop bags are very cost effective and suitable for bulk handling solutions. These bags are also ideal for storing larger volume and high-capacity resources like fish-feed, cement, chemicals, food grains etc. These types of bags are made using the materials i.e., polypropylene which is available in both the inner and outer liners options. Filing and discharge spout try-base deferred liner, multi-trip, UN permitted for hazardous goods, etc.

## **THE BIG BAGS SERVICE COMMITEMENTS**

At present 90% of company's products are exported. Big Bags International Private Limited exports to all major industrial countries like:

- Germany
- France
- UK
- Spain
- UAE
- USA
- Canada

Their ability to make some of the most complicated bags has attracted people around the globe. They finally garnered and dedicated employees who strive for the qualitative production of FIBC to the requirements of the customers

- ✓ All enquiries will be handled within 24 hours.
- ✓ Samples will be dispatched within 5 working days.
- ✓ Customized solutions to meet the requirements of each customer.
- ✓ High priority to the delivery of the consignments.
- ✓ Continuously update the customers on shipment details as well as order schedules on weekly basis.
- ✓ Customer complaints will be handled very carefully and will be settled with customers amicably.

## **OWNERSHIP PATTERN**

The proprietor is Ravish B Kamath, holding the business's authority and ownership. He is individually accountable for the debts and liabilities acquired by the business.

**Ownership:** A sole proprietorship Mr. Ravish B Kamath {One business owner}

**Administration:** Single owner runs the entire business

**Drawings of a person:** Managers have infinite liability for the requirement of the industry

**Income tax management:** Corporate unit has no tax, where incomes as well as charges permitted by the manager

**Documents required for establishment:** Business license, DBA filling are required for the establishment of the business.

**Capital contribution:** Proprietor underwrites whatever capital needed.

## **ACHIVEMENTS**

Major achievements of Big Bags international group

- Exports promotion award under large sector for the year 2009-10 & 2010-11 and large-scale Jumbo Bags for the year 2011-12 & 2012-13 by All India Flat Tape manufacturer's association.
- Export excellence award for the Best manufacturer exporter under large category in the year 2014 by, Federation of Karnataka chambers of commerce and industry.
- Export excellence award for the best district exporter Dakshina Kannada for the year 2015 & 2016 by, Federation of Karnataka chambers of commerce and industry.
- 2nd best exporter of FIBC's for the year 2013-14, 2014-15, 2015-16 and 2016-17 by Plastic export promotion council (Sponsored by the ministry of commerce and Industry, Govt. of India).
- Best District exported Award by Federation of Karnataka chambers of commerce and industry for FY 2017-18.
- They have received an award for the second largest exporter of FIBC for the year 2017-18, 2018-19, 2019-20 & 2020-21 in an event which was felicitated by the honourable Commerce Minister of India Shri Piyush Goyal. First PE Tarpaulin Company in India having ISO 9001 Certificate
- Best Export Award of PE Tarpaulin consecutively for 4 years
- Recognized as Export house by government of India

## **AWARDS**

- Awards Received by Big Bags International Group
- Export award 1998-1999-II-AIFTMA
- Export excellence 2002-2003-awarded by AIFTMA annual session, Goa
- Export performance award-2004-by AIFTMA • Export promotion award-2000-01-by AIFTMA
- SSI export award II-1997-98 by AIFTMA • Export promotion award-2006-07 announced by AIFTMA 33rd annual session/AGM 2008 in Agra
- Export award by PLEXCOUNCIL for plastic tarpaulin-2001-02
- Export award by PLEXCOUNCIL for plastic tarpaulin- 2002-03, 2003-04, 2004-05, 2005 2006, 2007-08 & 2008-09
- Plastic promotion export plexcouncil-2001-02, 2002-03 & 2003-04
- Export promotion award 2007-08 for FIBC awarded by AIFTMA at 34th annual session/AGM 2009 held at Jaipur
- Export promotion award 2009-10 & 2010-11 for Jumbo bags awarded by AIFTMA

## **FUTURE AND GROWTH PROSPECTS**

Big Bags International Pvt Ltd is having a strategy to increase its production level in future. And also, by expansion of more actives schemes that use much smaller amount of elements, such as consumption of less water, and less energy to achieve extreme product and performance. Indian markets for bags are expanding because of its usefulness and features. They are also having a high demand for their bags in all field and also have good market and provide products at fair rates.

However, the planning is more important in every management. The company is also planning to have its market in worldwide market as well. The owner of the firm believe that they will be able to acquire more share through on-going competition. The company is also planning to open branches in other areas so that they can give employment opportunity to the people who are residing there.

# **CHAPTER 3**

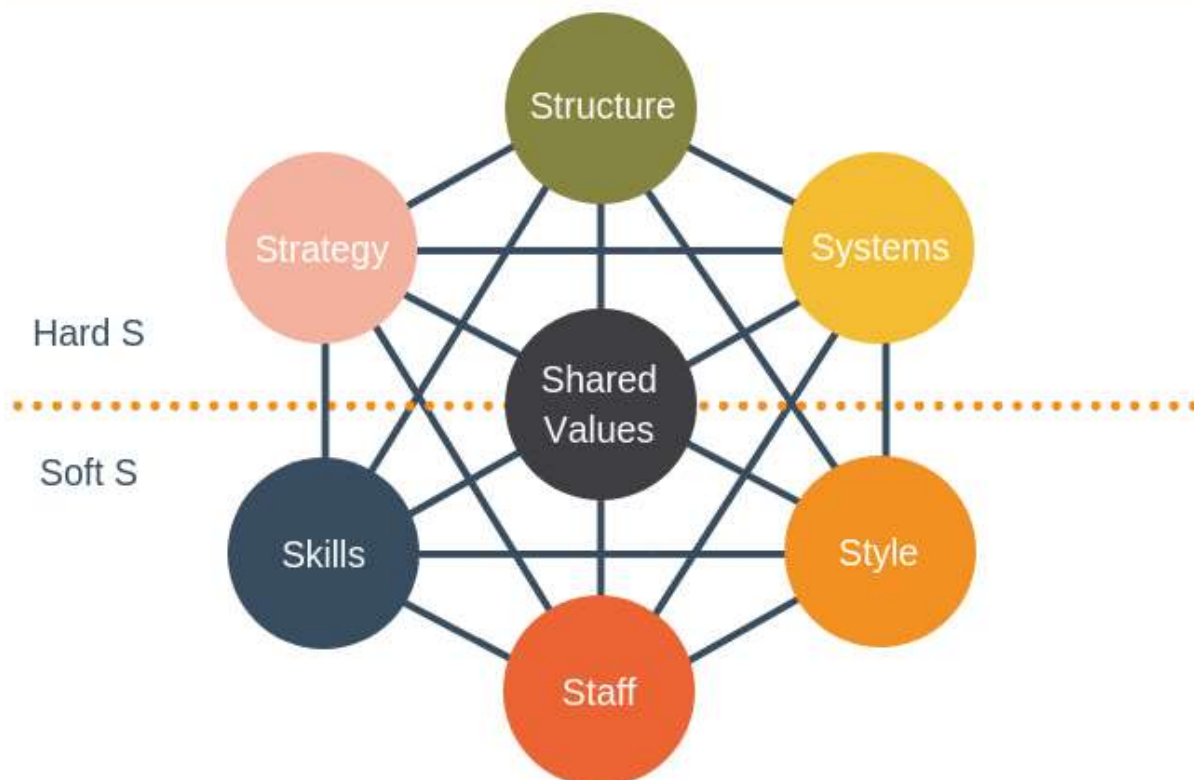
## **MCKINSEY'S 7S FRAMEWORK AND PORTERS FIVE FORCE MODEL**

## **MCKENSY'S 7S FRAMEWORK INTRODUCTION:**

Model of organization effectiveness go in and out of fashion, but the McKinsey's 7s framework has stood the test of time. The model was developed in the 1980s by TOM PETER and ROBERT WATERMAN, former consultant at McKinsey & Company. They identified seven internal elements of an organization that need to align for it to be successful.

The framework can be used to examine the likely effects of future changes in the organization, or to align departments and processes during a merger or acquisition. You can also apply the McKinsey 7s model to elements of a team or a project.

### **McKinsey 7S Framework**



### **The 7s model from Mckinsey contains the following components**

- **Hard factors:**

Structure

Strategy

- **Soft factors:**

Shared values

Style

System

Skills

Staff

### **Implication in BIG BAGS INTERNATIONAL PRIVATE LTD:**

#### **1. STRUCTURE:**

Structure represents formal relationships among various positions and activities performed in the organisation . It is the organisation chart of the firm . It is also one of the most visible and easy to change elements of framework. It involves the arrangement of reporting relationship ,line of communication ,rules and procedures which exists to guide the activities performed by various positions in organisational structure. BIG BAGS INTERNATIONAL PVT LTD has decentralised structure since every department takes care of its own. Under this structure the top level management can focus fully on planning strategies for long term growth of the business.

#### **ROLES:**

##### **LEVELS**

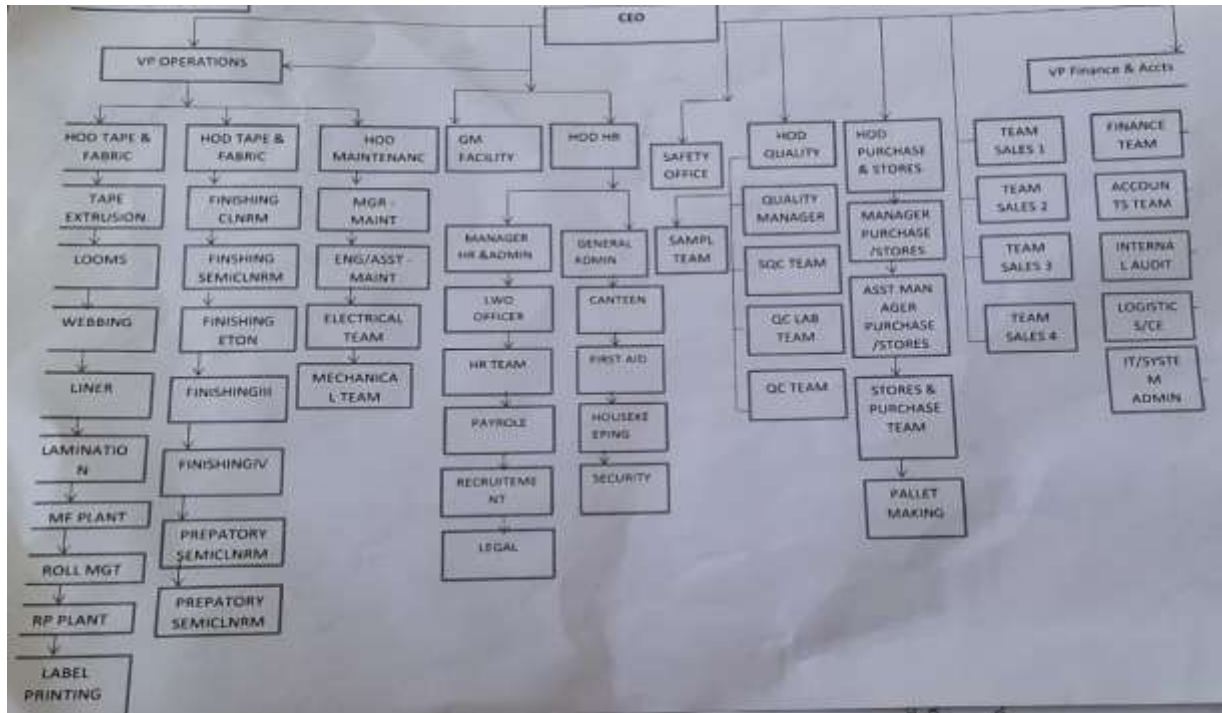
##### **SPECIALISED ROLES**

- |                                 |   |
|---------------------------------|---|
| 1. Top level management         | > strategic planning, monitoring the whole organisation |
| 2. Middle level management      | > operation planning; supervision of lower management   |
| 3. Lower level management       | > front line planning , supervision of operations       |
| 4. Operational level management | > works \ functions                                     |

#### **RULES AND RESPONSIBILITIES:**

- Free tea for employees ,for lunch coupon can be taken from the biometric machine located in canteen and deduction will be made from monthly salary.

- Transport facility is provided for workers in different shifts
- First aid room is located near HR office with in-house ambulance facility.
- Salary is paid on every 10<sup>th</sup> of every month.
- Resignation letter has to be submitted in HR department ,1 month notice period after submitting resignation letter is provided.



## 2. SYSTEM:

System of the company refers to the daily procedures ,workflow and decisions that makeup the standard operations within the organisation .These are the processes and procedures of the company ,which revel business daily activities and how decisions are made. The present system is designed keeping in mind in any organisation in the manufacturing industry where the primary resource is manpower. The top management can use the system to manage the implementation of strategies by checking that the human are deployed in a proper manner to achieve the business goal.

Big Bags International Pvt Ltd have strong quality system . One of the system that is followed by the company so far is:

- Big Bags International Pvt Ltd has a system of evaluating the performance of employees to maintain the records and for the pay roll.
- Based on the different performance the payroll or incentives also been increased.

In the manufacturing sector there are only 3 steps:

1. Input : raw materials ( polypropylene)

2. Production process: looms ,linear,inspection lab, weebing, lable printing, planning control, finishing .

3.Output: finished goods (FIBC bags)

### **3.Strategy:**

In this company they do not make any new strategy, but they add new things to the old strategy and make as new strategy which helps to get the customer. Sometime by creating new strategy some small industry take terrible decision which is successful in short run but fails in long run by reducing quality and customer loyalty , Basically the strategy means the work plan. The entire performance of work is based on the brand so Big Bags company keep their initial strategy as base and adding some input to initial strategy and make it as new strategy. This helps the industry to get new customer and retain old customer by giving improved quality.

### **CORPORATE STRATEGY:**

They are trying to manufacture more variety of bags with best quality and expand its business in various other countries as well so that they can be globally recognised .

### **BUSINESS LEVEL STRATEGY:**

This strategy is a plan to distinct itself from the existing competitors . Big Bags business level strategy is to give good quality products to the customers and to come up with various types in bags so that they can satisfy the customers to the maximum extent.

### **FUNCTIONAL LEVEL STRATEGY:**

\_Under this strategy various departments in big bags have their own strategy to maintain the smooth functioning of operations.

>Marketing department have segregated its work into various teams ,so that maximum output can be generated out of every activity.

>In finance department ,the employees will be given daily assignments which they have to submit before the prescribed time so that any mistakes can be rectified before the final submission.

### **OPERATIONAL LEVEL STRATEGY:**

- All enquires should be handled within 24 hours
- Samples should be dispatched within 5 working days
- High priority should be give to the delivery of consignments



- Customer's complaints should be handled carefully and should be settled with customers amicably.
- Big bags international pvt ltd believes the customer is always right and all efforts should be made to satisfy customers.
- Continuous updates related to shipment details as well as order schedule on weekly basis should be given to customers.

#### **4. Style:**

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

Big bags international pvt ltd the top managers let the staff to take decisions regarding various issues related to their department and they can also take guidance from the top authorities if required.

#### **5. Staff:**

The organization has well trained and experienced workforce and few new workers who are doing their probationary period. The owner of the industry selects suitable candidate for the right job, for effectively utilizes the workers ability for the benefit of the industry. The owner motivates his worker by giving good incentive and good working environment this help to boost the morale of the worker and he work effectively for the benefit of the organization.

>Workers including 3 shifts =20,000 -30,000

>Hr department = 1500

>Marketing department = 3000

>Finance department = 2500

#### **6. Skills:**

The industry has well experienced workforce, who use their skills and knowledge efficiently to achieve the organization goal. The workers of this industry mainly have good communication, good knowledge of the technology, concentration and flexibility in time management etc. The good quality of skills increases the productivity of the industry and these skills helpful to maximum utilization of available resources.

In big bags international private ltd , in every department the team leaders or the experienced employee will take a training session for the new employees and the existing employees who require Training . Counselling , On-Field training will be conducted to improve the skills of employees.

## **7. Shared Values:**

The shared values are the core of the McKinsey 7s model. They are the norms and standards that guide employee behaviour and company action and thus, are the foundation of every organization. The shared values are the sum of above six factors. These six factors need to perform effectively for the achievement of the organization goals. The staff of this industry trust in teamwork and in each other. Here one person's skills helpful to reduce other mistakes.

Big Bags International Pvt Ltd is a company committed to firm corporate ethical values:

- ❖ We are committed to fair treatment of all our employees. In keeping with this we are firmly against the employment of child labour as per the Indian law labour act. We ensure that all our employees are above the age of 18 years.
- ❖ All are employees are covered under medical insurance under state government i.e. ESI (employee state insurance)1948 act.
- ❖ We are fair towards our competition and resist from indulging in unhealthy and unethical trade practices.

## **PORTER'S FIVE FORCES MODEL**

Porter's five forces is a business analysis model that helps to explain why various industries are able to sustain different levels of profitability. This model was developed by Michael E Porter. Five forces analysis helps organizations to understand the factors affecting profitability in a specific industry and can help to inform decisions about whether to enter a specific industry, whether to increase the capacity in a specific industry and develop competitive strategies

### **Chart showing Porter's five force model**



### **IMPLICATION ON BIG BAGS INTERNATIONAL PVT LTD:**

#### **1. Threat of new entrants:**

This force determines how easy (or not) it is to enter an industry. This industry is fast growing industry so in future many competitors may born,

because of high profitability and low entry barriers. The threat from new entrants is high for this industry because off

- This business required low amount of capital to enter a market

- There is no government regulation
- The customer switching costs are low
- Economics of scale can be easily achieved
- Patents as barriers

## **2.Bargaining power of supplier:**

Strong bargaining power allows supplier to sell higher priced or low-quality raw materials to their buyers. This directly affects the buying firms profit because it must pay more for materials.

In this BIG BAGS intl. pvt.ltd. the raw materials are in surplus quantity and there are many sellers who sell their products in low price and good quality, so there are no problems like bargaining power of supplier. If this situation happens the suppliers have strong bargaining power when:

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

## **3.Bargaining power of buyer:**

Buyers have the power to demand lower price or higher price quality from industry producers when their bargaining power is strong. Lower price means lower revenues for the producer, while higher quality products usually raise production cost. Both scenarios result in lower profits for producers.

In this company the customer is loyal to the product which the industry produce, but some buyer bargain for lower the price even though the product is good quality.

Buyer has strong bargaining power when:

- Buying in large quantities
- Only few buyers exist
- Switching costs to another supplier are low

- There are many substitute

#### 4. Threat of substitute:

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.

BIG BAGS INTERNATIONAL PRIVATE LTD. has no close substitution but in India some people cover sweets in newspapers even though most of the people make proper box to cover the sweets. So, there is no substitute for the goods this company produces.

#### 5. Rivalry among existing competitors:

This force is the major determinant on how competitive and profitable an industry is. In competitive industry, firms must compete aggressively for a market share, which results in low profits.

This company starts in 2016 but it efficiently gains the market for its goods in all over Karnataka, so this industry has lot of competitors. The competition covers within and outside of Karnataka. Rivalry among competitors is intense when:

- There are many competitors
- Exit barriers are high
- Low customer loyalty
- Competitors are of equal size

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

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# **CHAPTER 4**

## **SWOT ANALYSIS**

SWOT analysis is a process that recognize an organization strengths, weakness, opportunities and threats. Specifically, SWOT is a simple, logical outline that evaluates what an object can and cannot do, for factors both internal as well as external. Using environmental data to appraise the situation of a company, a SWOT analysis helps to determine what propotion of the firm is achieving its objectives, and what difficulties must be overcome or to be minimized to achieve desired results, here the organization is today, and where the organization will be positioned in future.



### **Application of swot on big bags international pvt ltd**

#### **STRENGTH:**

- Level of wage labour accessibility
- Well experienced and skilled labors
- Expanded product choice helps the company to maintain stability
- No requirement of high educated employees for production
- More than 85% of the male employees are employed
- Raw material security through international procedures
- Well established firm
- Quality check-ups

#### **WEAKNESSES:**

- Lack of skilled manpower
- Unqualified employees produce low level of productivity as they depend on others
- Limited branches
- Competition from foreign players such as China, Vietnam, Bangladesh, Pakistan
- Difficulties in communication among superior and employees as the employees are from the different states.
- Less communication among various departments

**OPPORTUNITY:**

- Our business division is increasing, with many future changes for success
- Increase in export demands of the company
- The company enjoys more forecasts in exports due to the high quality products and high contact to international market.

**THREATS:**

- A stiff competition from other companies
- Increase in labour continuous rise in raw materials
- Increase in labour cost
- Government policies may reduce the growth potential
- Lower products price from competitors



# **CHAPTER 5**

## **ANALYSIS OF FINANCIAL STATEMENT**

## **ANALYSIS OF FINANCIAL STATEMENT**

Financial statement analysis is the process of reviewing and analyzing the company's financial statement make better economic decisions to earn income in future. It is the process of classifying the facts and figures given in the financial statements into simple understandable component and establishing the relationship between the classified component with a view to provide a full picture of the profitability and financial position of the enterprises.

Financial statement is the formal report record of financial activities and position of the business, person and other entity. The objective of the financial statement is to provide information about the financial position, performance and the change in the financial position of an enterprise that is useful to a wide range of users in making decisions.” Financial statements should be understandable, reliable, relevant and comparable.” Reported assets, liabilities, equity, income and expenses are directly related to an organizations financial position.

Financial statement may be used by different users for different purpose. Internal users and external users completely rely on the company's financial statement to get depth knowledge about the company's financial position. For internal users such as managers the financial statements offers all the necessary information to plan, evaluate and control operations. For external users such as investors and creditors use the financial statements to ensure the future possibility and liquidity of the company.

### **USERS OF FINANCIAL STATEMENTS**

- **COMPANY MANAGEMENT:**

To make financial and operational decisions about the business, the company management needs to understand the profitability, liquidity, and cash flows of the organization every month.

- **INVESTORS:**

Investors are the owners of the company so they should be updated with the performance of the company. They make the decisions of investing or moving out of the company based on the financial statements.

- **COMPETITORS:**

Companies competing against would like to know the financial status os the other company. This might help them to evaluate its financial conditions.

- **GOVERNMENT:**

In order to check if the company had paid appropriate taxes, government agencies like the sales tax department. Income tax department would like to go through the company's financial statements.

**TABLE COMPARITIVE BALANCESHEET OF BIG BAGS INTERNATIONAL PRIVATE LIMITED (2021-2020)**

<b>Particulars ( in crores)</b>	<b>2022</b>	<b>2021</b>	<b>Increase/ Decrease (Rs)</b>	<b>Increase/ Decrease (%)</b>
<b>Equities and liabilities</b>				
Equity capital	8.78	8.78	0.00	0.00
Total share capital	8.78	8.78	0.00	0.00
Revolution reserves	15.78	16.04	-0.26	-1.65
Reserves and surplus	7.08	6.02	1.06	14.97
Total reserves and surplus	22.86	22.06	0.80	3.50
Total shareholders fund	31.64	30.84	0.80	2.53
Non-current liability				
Long term borrowings	1.86	2.06	-0.20	-10.75
Long term provisions	0.12	0.03	0.09	75.00
Total non-current liability	1.98	2.09	-0.11	-5.56
Current Liability				
Short term borrowings	56.38	59.6	-3.22	-5.71
Trade payables	16.06	19.4	-3.34	-20.80
Other current liabilities	0.86	0.67	0.19	22.09
Short term provisions	8.29	9.68	-1.39	-16.77
Total current liability	81.59	89.35	-7.76	-9.51
<b>TOTAL LIABILITY</b>	<b>115.2</b>	<b>122.3</b>	<b>-7.07</b>	<b>-6.14</b>
<b>Assets</b>				
Non-current Assets				
Tangible assets	22.31	24.6	-2.29	-10.26
Fixed assets	24.33	24.61	-0.28	-1.15
Non-current investments	0.02	0.03	-0.01	-50.00
Long term loans and advances	1.02	1.26	-0.24	-23.53
Total non-current Assets	47.68	50.5	-2.82	-5.91
Currents Assets				
Inventories	23.02	22.9	0.12	0.52
Trade receivables	30.46	32.16	-1.70	-5.58
Cash	1.56	1.86	-0.30	-19.23
Short term loans	4.2	4.6	-0.40	-9.52
Other current assets	8.29	10.26	-1.97	-23.76
Total current Assets	67.53	71.78	-4.25	-6.29
<b>TOTAL ASSETS</b>	<b>115.2</b>	<b>122.3</b>	<b>-7.07</b>	<b>-6.14</b>

**INTERPRETATION:**

As per the above balance sheet take, the total assets had decreased by 7.07 crores in the year 2021 as compared to 2020 which is not a good sign to the company. On other hand total liabilities had decreased by 7.76 crores which is a good sign to the company.

**TABLE COMPARITIVE BALANCESHEET OF BIG BAGS INTERNATIONAL PRIVATE LIMITED (2020-2019)**

<b>Particulars ( in crores)</b>	<b>2021</b>	<b>2020</b>	<b>Increase/ Decrease (Rs)</b>	<b>Increase/ Decrease (%)</b>
<b>Equities and liabilities</b>				
Equity capital	8.78	8.78	0.00	0.00
Total share capital	8.78	8.78	0.00	0.00
Revolution reserves	16.04	12.88	3.16	19.70
Reserves and surplus	6.02	5.98	0.04	0.66
Total reserves and surplus	22.06	18.86	3.20	14.51
Total shareholders fund	30.84	27.64	3.20	10.38
Non-current liability			0.00	
Long term borrowings	2.06	1.77	0.29	14.08
Long term provisions	0.03	0.11	-0.08	-266.67
Total noncurrent liability	2.09	1.88	0.21	10.05
Current Liability			0.00	
Short term borrowings	59.6	66.74	-7.14	-11.98
Trade payables	19.4	30.52	-11.12	-57.32
Other current liabilities	0.67	0.52	0.15	22.39
Short term provisions	9.68	4.35	5.33	55.06
Total current liability	89.35	102.1	-12.78	-14.30
<b>TOTAL LIABILITY</b>	<b>122.3</b>	<b>131.7</b>	<b>-9.37</b>	<b>-7.66</b>
<b>Assets</b>			0.00	
Non-current Assets			0.00	
Tangible assets	24.6	26.5	-1.90	-7.72
Fixed assets	24.61	26.62	-2.01	-8.17
Non-current investments	0.03	0.06	-0.03	-100.00
Long term loans and advances	1.26	1.15	0.11	8.73
Total non-current Assets	50.5	54.33	-3.83	-7.58
			0.00	
Currents Assets			0.00	
Inventories	22.9	25.82	-2.92	-12.75
Trade receivables	32.16	35.14	-2.98	-9.27
Cash	1.86	1.84	0.02	1.08
Short term loans	4.6	4.3	0.30	6.52
Other current assets	10.26	10.22	0.04	0.39
Total current Assets	71.78	77.32	-5.54	-7.72
<b>TOTAL ASSETS</b>	<b>122.3</b>	<b>131.7</b>	<b>-9.37</b>	<b>-7.66</b>

**INTERPRETATION:**

As per the above balance sheet take, the total assets had decreased by 9.37 crores in the year 2020 as compared to 2019 which is not a good sign to the company. On other hand total liabilities had decreased by 12.78 crores which is a good sign to the company

## **Ratio analysis**

Ratio analysis is the technique of the computation of number of accounting ratios from the derived financial statements and comparing those with the ideal or standard ratios or the previous year's ratios of other similar concerns.

There are different type of financial ratios and it depends upon the type of company or the industry we choose.

### **CATEGORIES OF FINANCIAL RATIO:**

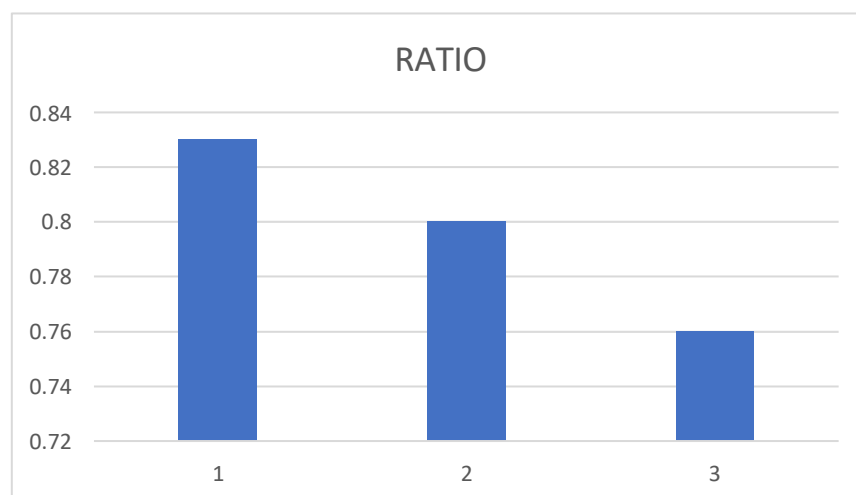
#### **1. LIQUIDITY RATIO:**

Liquidity ratio helps to measure the company's ability to meet in short term debt obligation. If the liquidity ratio is high then it means that the company is rich in cash.

##### **a) CURRENT RATIO**

The current ratio is a liquidity ratio that measures a company's ability to pay short term obligations are those due within one year.

YEAR	CURRENT ASSETS	CURRENT LIABILITY	RATIO
2022	67.53	81.59	0.83
2021	71.78	89.35	0.80
2020	77.32	102.13	0.76



#### **INTERPRETATION**

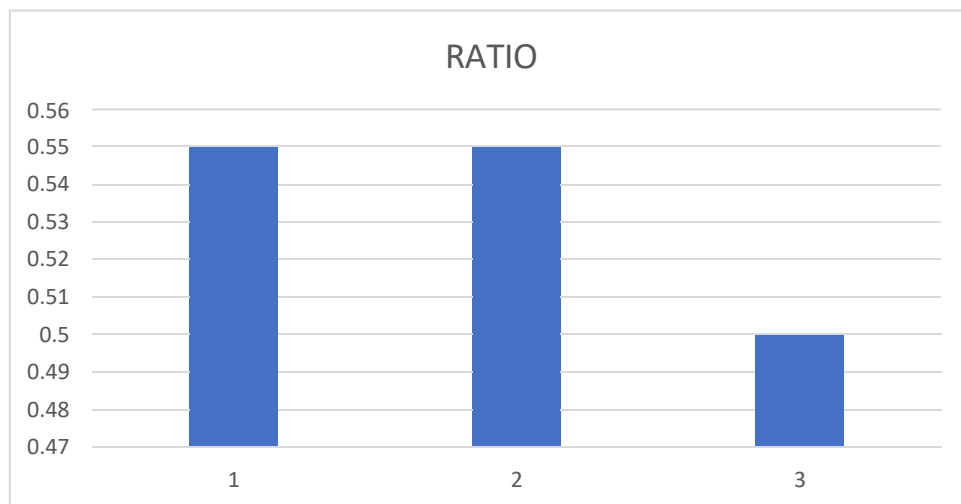
From the above figure, it is clear that the current ratio is increasing over the year. When compared to 2017, the ratio in the year 2018 has increased by 0.73:1. From then, the ratios have kept increasing.

### a) QUICK RATIO:

The quick ratio is used to measure the company's ability in paying off its current liabilities on immediate basis. The quick ratio is considered as more conservative measure than the current ratio which include all the current assets as coverage for the current liabilities.

**QUICK RATIO= QUICK ASSETS/CURRENT LIABILITIES**

YEAR	QUICK ASSET	CURRENT LIABILITY	RATIO
2022	44.51	81.59	0.55
2021	48.88	89.35	0.55
2020	51.50	102.13	0.50



### INTERPRITATION:

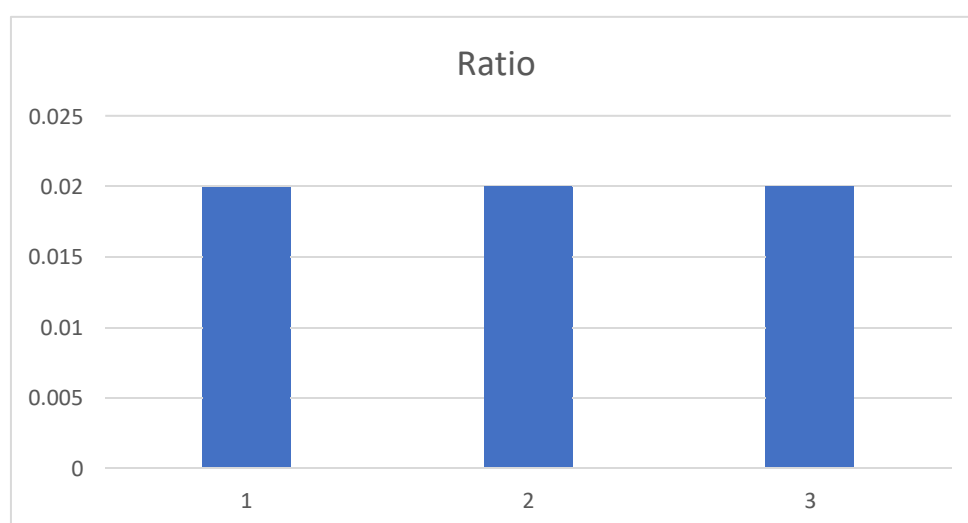
From the above figure it is clear that there was a constant growth in 2017-18 and a drastic growth in 2019 by 10 percent but in previous years it again came back to the previous growth pattern

### a)CASH RATIO

Since money is more fluid resource, the budgetary investigator may look at money proportion and its proportionate to current liabilities. The perfect money proportion is 0.50:1

**CASH RATIO= CASH - CURRENT LIABILITIES**

year	Cash	current liability	Ratio
2022	1.56	81.59	0.02
2021	1.86	89.35	0.02
2020	1.84	102.13	0.02



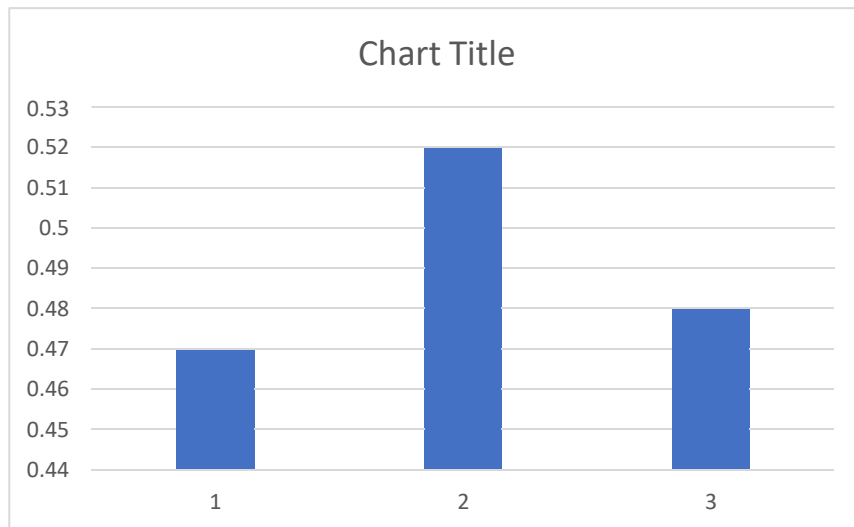
#### **INTERPRETATION:**

From the above figure, it is clearly stated that in all the three years the company has equal amount of cash to balance the liability. In all the three years there is a constant change in cash and liability of the firm but it did not effect the cash ratios

## LONG TERM SOLVENCY RATIO:

### 1. DEBT – EQUITY RATIO: DEBT /EQUITY

YEARS	DEBT	EQUITY	RATIO
2022	4.2	8.78	0.47
2021	4.6	8.78	0.52
2020	4.30	8.78	0.48



#### Interpretation :

From the above data we can conclude by saying that the company's debt and equity ratio in the previous year is better than the debt and equity ratio of the preceding previous year.

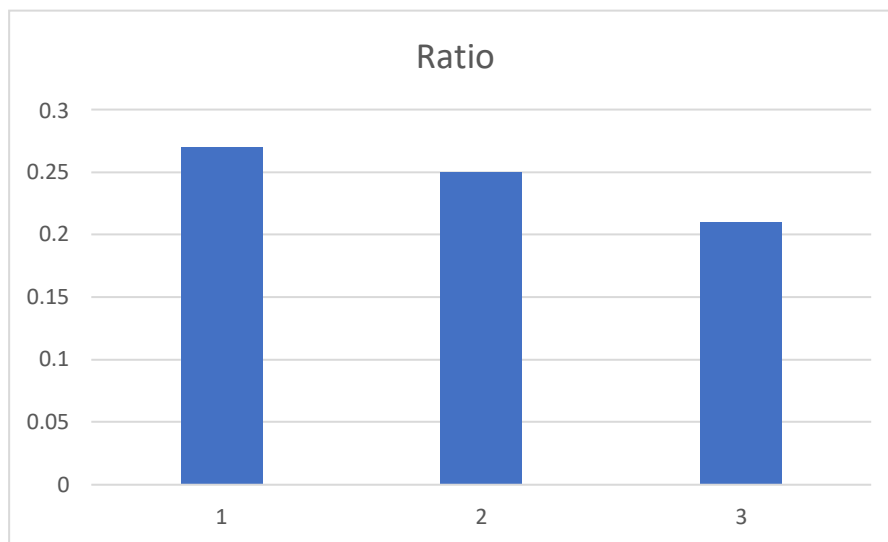
## PROPRIETARY RATIO

The proprietary ratio is the proportion of shareholder's fund equity to total assets as it provides a rough estimate of the amount of capitalization currently used to support a business.

### PROPRIETARY RATIO = SHAREHOLDERS FUND/TOTAL ASSETS

year	shareholders fund	Total assets	Ratio
2022	31.64	115.21	0.27
2021	30.84	122.28	0.25
2020	27.64	131.65	0.21





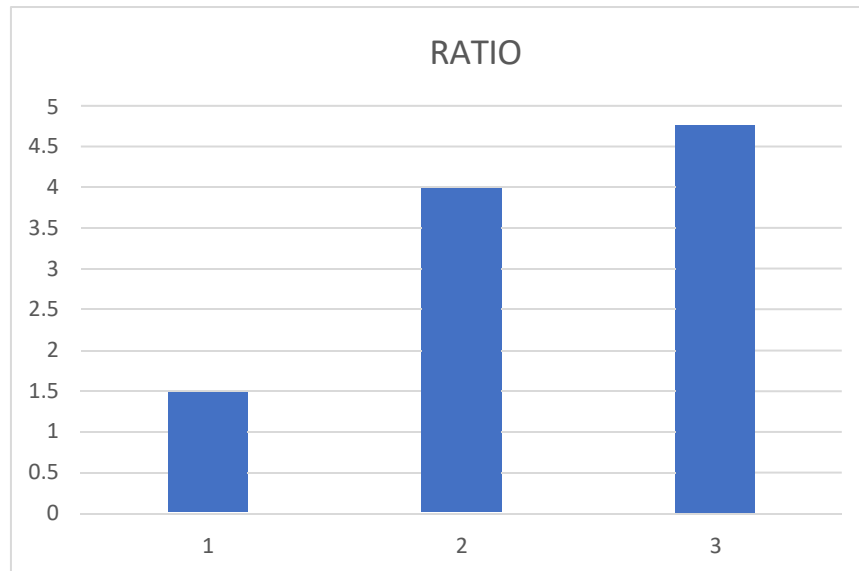
### Interpretation :

From the above figure we can say that in the year 2022 the shareholders of the company have contributed more to purchase the assets, by comparing all the three years we can say that there is a rapid growth of 2 percent every year.

### 2.SOLVENCY RATIO:

A solvency ratio is a financial metric that measures a company's ability to cover long-term liabilities and shows how efficiently it generates cash flow to meet future debt obligations.

YEAR	TOTAL LIABILITY	TOTAL CAPITAL	RATIO
2022	115.2	81.64	1.41
2021	122.3	30.84	3.97
2020	131.7	27.64	4.76



### **INTERPRITATION:**

By seeing the bar graph we can conclude that in the year 2020 the firm had more capital to bear its liabilities but as and when year passed the firm couldn't gather more funds for its debts, which is not a good statement for the organization.

### **4.CAPITAL GEARING RATIO**

Capital gearing ratio is the ratio between total equity and total debt; this is a specifically important metric when an analyst is trying to invest in a company and wants to compare whether the company is holding the right capital structure.

YEAR	STAKEHOLDERS EQUITY	FIXED INTEREST BEARING FUNDS	RATIO
2022	8.78	58.24	0.15
2021	8.78	61.66	0.14
2019	8.78	68.51	0.13

### **Interpretation :**

From the above graph it is clear that every year the debt is increasing by 1% but we can also see that shareholders equity is constant and there is no increase or decrease in the common stakeholders equity.

### **PROFITABILITY RATIO:**

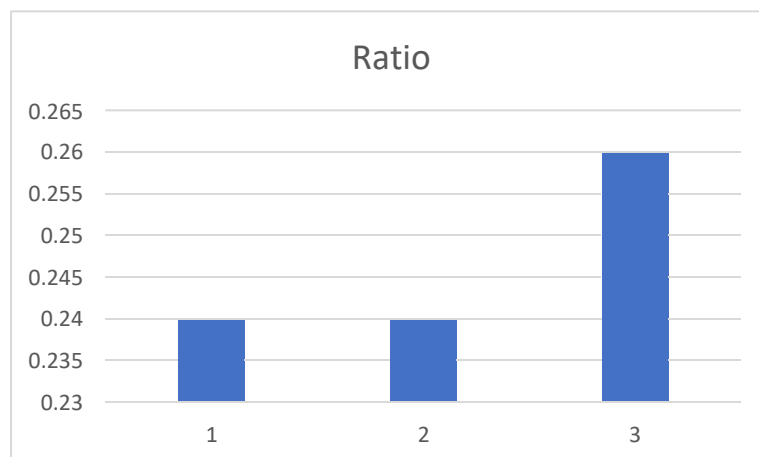
The profitability ratio measures the profitability or the operational efficiency of the firm. These ratios reflect the final results of business operations. Management attempts to maximize these ratios to maximize firm value.

### **GROSS PROFIT RATIO:**

This ratio expresses the relationship between Gross Profit and Sales. It indicates the efficiency of production or trading operation. A high Gross profit ratio is good management as it implies that the cost of production is relatively low.

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

year	Gross profit	Net Sales	Ratio
2022	10.10	42.86	0.24
2021	13.66	56.35	0.24
2020	14.49	54.69	0.26



### **INTERPERATION:**

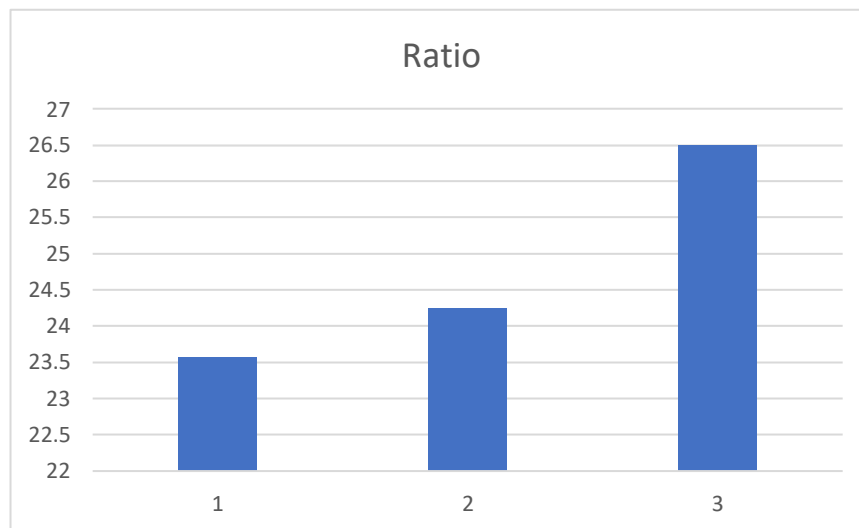
From the above ratio we can conclude that from the last two years there is no growth in the gross profit of the company but in 2020 there is a drastic fall in the 2021 and then it didn't had any growth or fall till the previous year.

### **NET PROFIT RATIO**

Net profit ratio establishes a relationship between net profit (after taxes) and sales.

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

year	Net profit	Net Sales	Ratio
2022	10.10	42.86	23.57
2021	13.66	56.35	24.24
2020	14.49	54.69	26.49



### **INTERPERATION:**

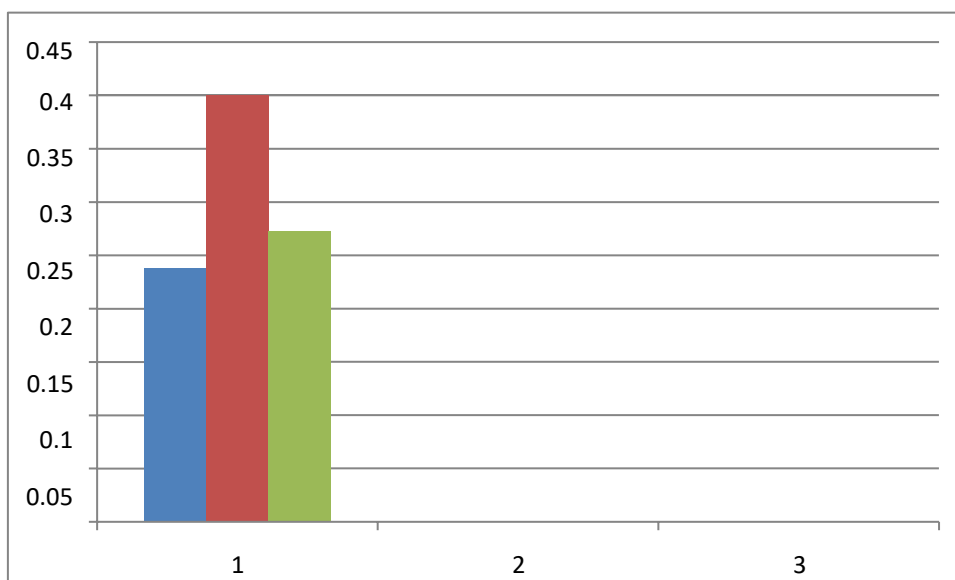
From the above graph we can conclude that the company has a decline in the profit from 2020 to 2022 ,from 2020 to 2021 there is a decrease of 2 % and from 2021 to 2022 there is a decrease of 1% .

### **RETURON ON ASSET RATIO:**

Return on assets is a profitability ratio that provides how much profits a company is able to generate from its assets. It indicates how well a company's investments generate value, making it an important measure of productivity for a business. It shows the relationship between earnings and base of the company.

**Return on assets= net income/total asset**

YEAR	NET INCOME	TOTAL ASSET	RETURN ON ASSET RATIO
2022	31.28	131.65	0.237599696
2021	48.96	122.28	0.400392542
2020	31.35	115.21	0.272111796



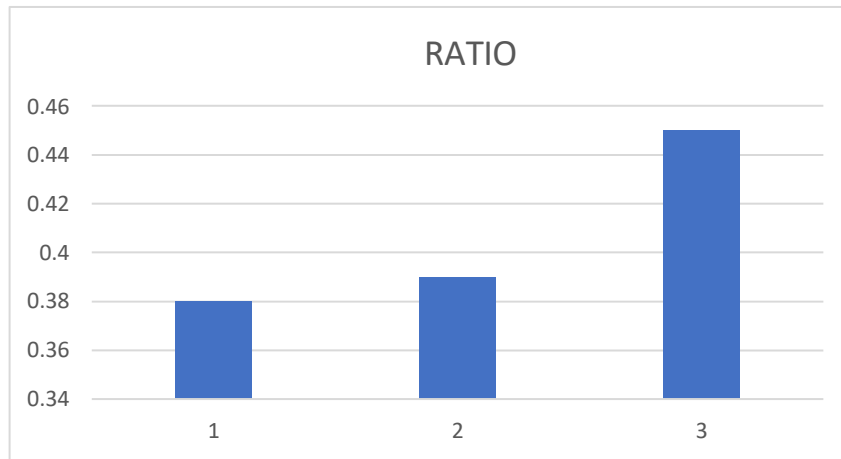
### Interpretations:

10% to 12% is the standard ratio for a profitable firm. The higher the ratio the better it is. This is because a higher ratio would indicate that the company can produce relatively higher earnings in comparison to its asset base i.e more capital efficiency. We can say that for every rupee that the company invests in assets during the year, it produces above ROAratio of net income.

### **RETURN ON INVESTMENT :**

Return on investment (ROI) is a financial ratio used to calculate the benefit an investor will receive in relation to their investment cost.

YEAR	NET PROFIT	COST OF INVESTMENT	RATIO
2022	10.10	26.30	0.38
2021	13.60	35.14	0.39
2020	14.49	32.11	0.45



**INTERPRETATION:**

From the above graph we can conclude that the firm got highest returns in the year 2020 but after that there is a decline in the next year and from 2021 there is a decrease of 1% in 2022.

## **CONCLUSION**

Every person learns from his/her experience and most of the personalities and characters of a person are molded by whatever experience he/she has in their life. Every student when doing a professional course needs to undertake an internship programme, which helps him/her to explore their skills and gain in-depth knowledge about the operations of the organization.

The Big Bags International Private Limited offered me a very useful opportunity to learn about the company and industry as a whole. It allowed me to expand my skills and career options and most importantly, the organization study helped me to develop myself to face challenges. It also helped me to gain valuable knowledge about the company.

The past four weeks of the internship had been very educative which helped me to have a practical idea of whatever I had learned in the class theoretically. I got familiarized with the working of organization, structure and policies that every company adheres to in a systematic manner.

Learning experiences differ from person to person depending upon one's ability. The most important thing I have understood is that the company culture strictly fulfills the needs of the employees as well as the customers.

## **LEARNING EXPERIENCE**

- Learnt the importance of communication'
- Learnt the importance of networking
- Leant the significance of time management
- Learnt to use theoretical knowledge in practical situations
- Learnt the importance of maintaining proper records
- Gained exposure to meeting huge deadlines

**CHAPTER 6:**  
**LEARNING EXPERIENCE**



## **LEARNING EXPERIENCE**

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Learning experiences differ from person to person depending upon one's ability. The most important thing I have understood is that the company culture which strictly fulfills the needs of the employees as well as customers. I also learnt communication, networking, time management, theoretical knowledge in practical situations, maintaining proper records, meeting huge deadlines

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**ANNEXURE**

**Rs. Crore**

	<b>2020-2021</b>	<b>2019-2020</b>	<b>Increase/Decrease</b>	<b>Changes in %</b>
<b>Equity and Liabilities</b>				
Equity capital	8.78	8.78	0	0
Total share capital	8.78	8.78	0	0
Revolution reserves	15.78	16.04	-0.26	-1.65
Reserves and Surplus	7.08	6.02	1.06	14.97
Total reserves and surplus	22.86	22.06	0.8	3.50
<b>Total shareholders fund</b>	<b>31.64</b>	<b>30.84</b>	<b>0.8</b>	<b>2.53</b>
<b>Non-current liability</b>				
Long term borrowings	1.86	2.06	-0.2	-10.75
Long term provisions	0.12	0.13	-0.01	-8.33
<b>Total noncurrent liability</b>	<b>1.98</b>	<b>2.09</b>	<b>-0.11</b>	<b>-5.56</b>
<b>Current Liability</b>				
Short term borrowings	56.38	59.6	-3.22	-5.71
Trade payables	16.06	19.4	-3.34	-20.80
Other current liabilities	0.86	0.67	0.19	22.09
Short term provisions	8.29	9.68	-1.39	-16.77
<b>Total Current Liability</b>	<b>81.59</b>	<b>89.35</b>	<b>-7.76</b>	<b>-9.51</b>
<b>Assets</b>				
<b>Non-current Assets</b>				
Tangible assets	22.31	24.6	-2.29	-10.26
Fixed assets	24.33	24.61	-0.28	-1.15
Non –current investments	0.02	0.03	-0.01	-50



Long term Loans and Advances	1.02	1.26	-1.24	121.57
<b>Total noncurrent Assets</b>	<b>47.68</b>	<b>50.5</b>	<b>-2.82</b>	<b>-5.91</b>
<b>Current Assets</b>				
Inventories	23.02	22.90	0.12	0.52
Trade receivables	30.46	32.16	-1.7	-5.58
Cash	1.56	1.86	-0.3	-19.23
Short term loans	4.2	4.6	-0.4	-9.52
Other current assets	8.29	10.26	-1.97	-23.76
<b>Total Current Assets</b>	<b>67.53</b>	<b>71.78</b>	<b>-4.25</b>	<b>-6.29</b>
<b>Total Assets</b>	<b>115.21</b>	<b>122.28</b>	<b>-7.07</b>	<b>-6.13</b>

Profit and loss account of Big Bags International Pvt. Ltd

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17
<b>INCOME</b>					
1. Revenue from operation	42.86	56.35	54.69	51.73	55.69
Less: Excise/service tax	6.43	8.45	8.20	7.76	8.35
Revenue from operation(net)	36.43	47.9	46.49	43.97	47.36
2. Other income	0.03	0.9	0.11	0.03	0.02
<b>3.Total revenue 1+2</b>	<b>36.46</b>	<b>48.8</b>	<b>46.6</b>	<b>44.00</b>	<b>47.36</b>
<b>EXPENSES</b>					
Cost of material consumed	17.42	23.36	23.91	21.24	24.84
Purchase of stock in trade	0.22	1.5	0.27	1.5	0.53

Operating and direct expenses	3.01	4.66	3.11	3.15	3.44
Change in inventories of finished goods, WIP and stock in trade	0.4	0.1	0.34	-0.1	-0.12

Employee benefit expenses	2.06	2.83	2.32	2.39	1.86
Depreciation and amortization expenses	0.59	0.4	0.36	0.56	0.34
Other expenses	2.06	1.98	1.4	2.15	1.92
<b>Total expenses</b>	<b>26.36</b>	<b>35.14</b>	<b>32.11</b>	<b>31.15</b>	<b>33.07</b>
5. profit /loss before extraordinary items and taxes 3-4	10.1	13.66	14.49	12.85	14.29
6. Extraordinary items	0	0	0	0	0
7. profit /loss before tax 5-6	10.1	13.66	14.49	12.85	14.29
8. Tax expenses	0	0	0	0	0
<b>Profit and loss for the period 7-8</b>	<b>10.1</b>	<b>13.66</b>	<b>14.49</b>	<b>12.85</b>	<b>14.29</b>