### INTERNSHIP REPORT ON

"HILITE GROUPS"

Submitted by Sneha k USN: 4AL21BA116

**Submitted to** 



### VISVESVARAYA TECHNOLOGICAL UNIVERSITY, BELGAUM

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

### MASTER OF BUSINESS ADMINISTRATION

**Under the Guidance of** 

INTERNAL GUIDE EXTERNAL

**GUIDE** 

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### CERTIFICATE

This is to certify that Ms. Sneha K, Second Semester Management student of Alva's Institute of Engineering & Technology, Mangalore, Karnataka has successfully completed her internship training in our organization for One Month from 18-10-2022 to 18-11-2022.

Her conduct and behavior was good during the course of the training.

We wish her success in all her endeavors.

For HILITE Builders,

lihu Varghese

(Associate Vice President - People & Culture)



(A Unit of Alva's Education Foundation @,Moodbidri)
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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 SNEHA bearing USN 4AL21BA116, 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 "HI LITE GROUP, KERALA" 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.

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### DECLARATION

I, Miss, SNEIIA K bearing USN No:4AL21BA116 student of Master of Business Administration (MBA), Alva's Institute of Engineering and Technology, Moodbidri, hereby declared that the project entitled " organizational study" at "Hi LITE GROUPS" has been prepared by me towards the partial fulfillment of the requirements for the master of Business Administration (MBA)program under the guidance of MRS. PRIYA SEQUEIRA, which I am submitting to the Visvesvaraya Technological University Belagavi is a record of original work done by me and not been previously formed on the basis for the award of any academic qualification Fellowship or other similar title of any other University.

Place: Mijar

Signature of the Student

SNEHA K

### **ACKNOWLEDGEMENT**

Preparing this project report has been a wonderful experience all together without the assistance of certain special people it would be impossible for me to present this report in its current format to thank them all individually would be a pleasant task but an Endeavour that would fall short of its mark even with the best intentions however I would like to acknowledge a few key people who have been instrumental in my preparation of this project report.

Firstly, I express my heartfelt thanks to the Visvesvaraya Technological University for including project work as a compulsory paper for MBA students that made me get a best knowledge and it will help me for my better future.

I would like to express my sincere thanks to principal **DR. PETER FERNANDEZ**, AIET, Moodbidri, and I express my deep sense of gratitude to our HOD and Internal guide **MRS. PRIYA SEQUEIRA** for her constant support and encouragement to carry out my internship project successful without much difficulty.

And also express my thanks to Mrs Roshini Human Resource Manager of HiLite Groups Kozhikode who had been kind enough to permit me to undertake the project work in the organization and also, I am very grateful to the staff of the head office HiLITE GROUPS for the whole hearted cooperation.

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### **Executive Summary**

The report on internship at "HiLITE Groups" was undertaken with the objective of studying the industry as a whole. The study was conducted for the period of four weeks. The purpose of the study was to understand the objectives and functions of the company and to know the work culture of the organization.

Providing pre-construction and construction management services, Hilite groups is a full-service general builder. They have a stable, highly skilled workforce, and generally complete a large portion of the job with their own crews. This includes selective demolition, site work, construction, customaries interior design, and villa construction. The ability to perform construction work internally enables HiLITE Groups to quickly respond to the demands of their clients for projects of any size and complexity. They take great satisfaction in their track record for high-caliber workmanship.

The present study is divided into six chapters. The first chapter gives the introduction about the organization study and explains the industry profile. The second chapter deals with company's profile of the organization. It includes details such as the history of the Organization, nature of the business, vision, mission, kinds of products offered etc. The third chapter deals with the McKinsey's 7's framework and Porter's Five Force model of the organizational effectiveness that suggest the internal factors of the anorganization which needs to be aligned and reinforced for the company to be successful. Porter's Five Forces Framework is a method for analyzing competition of a business. It draws from industrial organization economics to derive five forces that determine the competitive intensity and, therefore, the attractiveness of an industry in terms of its profitability. The fourth chapter SWOT analysis deals with a study undertaken by an Organization to identify its internal strengths and weaknesses, as well as its external opportunities and threats. Further, chapter five explains.

The analysis of financial statement where an analysis was made using ratios. It gives an understanding as to how efficiently the company is operating. The sixth chapter deals with the learning experience of the Organization study. The organization study shows a clear picture of how the operation of company takes place. The study helped to cultivate good communication, people skills and to build healthy

relationship in corporate life. The study has given good corporate exposure which will be helpful in future careers.

# CHAPTER ONE INTRODUCTION ABOUT THE ORGANIZATION AND INDUSTRY

### Purpose of this study

The study was confined to the organization with comparative study of various departments of the organization in the industry wherever required. The study was conducted to get orientation towards various functional activities. The study helps to know about the functional as well as managerial aspect of the company. And have the practical knowledge of process involved in the company/ industry.

### **Introduction to Industry**

Construction has always been a contracting industry; there are tons of little businesses that make up this sector nowadays. One of the greatest sectors in any economy right now is building. It significantly boosts the country's economy and employs a sizable number of people. Construction is a generic term that refers to the art and science of creating organizations, systems, and objects. The creation of roads and other service facilities that become integral components of structures and are necessary for their use, as well as the upkeep and repair of buildings and other immobile structures, are all included in the construction sector. The processes involved in constructing buildings, infrastructure, industrial facilities, and related operations through to the end of their lives are covered by the term "construction" in its most common usage. Building of portable buildings, such as trailers and ships, is not considered construction; nevertheless, structural modifications and alterations are included. It normally begins with planning, funding, design, execution, and construction, as well as covering repairs, maintenance, and improvement work.

### 1. Industry Structure

Construction industry is an monopolistic industry, in monopolistic industry there large number of small firms that can exercise a freedom of entry and exit. In this model, every firm has multiple competitors, yet, each one of them offers slightly different goods. In this cluster of enterprises, each one takes independent decisions about the price and <u>outcome</u> by keeping in mind the market it operates in, a product it sells, and the related cost of production.

Although, there is a greater flow of knowledge in the market, yet, it doesn't depict a perfect market.

### 2. Competitive position

Hilite Company consist in construction industry the main competitors are

- Landmark builders
- Skyline
- Confident groups
- Malabar builders
- Prestige groups

### 3. Government policies affecting the industry

For every company in construction industry has to follows so rules and regulation in India law some are:

- Building and other construction workers( Regulation of Employment and conditions of service) Act 1996
- Building and other construction workers (Regulation of Employment and condition of service) Central Rules, 1998.

These are the Government policies affecting the operations of construction industry.

### 4. Growth and opportunities of industry

Trends within the global <u>construction market</u> have evolved at a rapid pace over the past few decades. <u>Progress</u> in <u>technology</u>, significant improvements in <u>construction</u> techniques, and the use of superior grades of raw <u>materials</u> are some of the <u>factors</u> that have boosted the <u>construction market</u> in the past few years. While economic <u>factors</u> remain pivotal in the growth of the <u>construction sector</u> across the world, the rapidly growing global population is expected to create a substantial demand for heavy and <u>civil engineering</u> as <u>well</u> as general <u>construction</u> worldwide. According to a publication released by the <u>World Economic Forum</u>, the global <u>urban population</u> is increasing by around 200,000 per day. Furthermore, the publication also stated that the

global <u>urban population</u> is expected to grow past the 6 billion mark by 2045, which in turn is expected to put significant <u>pressure</u> on the <u>construction market</u>.

### **Introduction to Company**

Since 2003, HiLITE Builders, one of the premier builders and developers based in Calicut, has made a name for itself in the world of commercial, residential, and retail projects. I hope to provide a top-notch living environment that is harmonious with the natural world. My projects exude perfection and provide a variety of options to suit every lifestyle. The solid pillars that support us and elevate us to the status of one of the city's top builders are the trust and goodwill bestowed upon us by our deserving clients. HiLITE sophisticated and exquisite designs speak for themselves, providing a seamless world of unrivalled luxury. Since beginning, there has been no turning back, and we are currently working to fulfill additional goals. With our corporate headquarters in Calicut, our business operations began in early 2007. Company strives to satisfy customer needs while always being on time and never sacrificing quality. Due to the fact that our clients want nothing less, It have embraced cutting-edge technology and make sure to employ the greatest materials. HiLITE Group is the one of Kerala's most reputable real estate organizations because of the transparency of our business operations.

HiLITE firmly believe that every structure possesses a unique energy and soul. Because of this conviction, company have built residential, commercial, and retail spaces that have become landmarks in their own right. It is no surprise that Hilite groups are now regarded as the greatest builders in Calicut and the entire Kerala region. The HiLITE Group is made up of a committed team of skilled, experienced, and competent individuals who are inspired to give their all in everything they do.

Mr. P. Sulaiman is an entrepreneur turned builder with an experience of more than two decades in Project Management of different types and sizes. Establishing companies in diverse industry sectors like Builders and Developers, Real Estate, Construction and Contractors, Education and Food & Beverages, his growth has been phenomenal. Mr. Sulaiman has also been instrumental in introducing the Kerala

Construction Industry to pioneering building concepts. He took the bold step of introducing Kerala to its very first shopping mall with the construction of "The Focus Mall", Calicut, revolutionizing the state's shopping landscape.

Mr. Sulaiman's passion to take up new challenges and new projects has led the construction division of the group to complete more than 2000 projects in South India thereby playing a major role in the construction and contractor's industry of the region. Mr. Sulaiman started The White School International, a chain of schools to enhance learning opportunity with a thrust on quality education. The Ideal Public School owned by the HiLITE Group, imparts education for students coming from the rural belt and thereby creating a situation where quality education is accessible to all.

## CHAPTER TWO HILITE GROUPS PROFILE

### 1. Back ground of the company

In 1996 a man embarked on as solo journey. 2002 the thorny path to his designation he ignited the flame of innovation and made friends along the way. 2003 further on the sowed the seeds of inventive ideas from which sprung up the concept of community living. In 2005 with the confidence as their only amour they went ahead and sparked a retail revolution like no other. In 2008 head high and foot steady they created something out of the ordinary the greatest mixed – use development the country had seen gemstone to the crown of the education sector they introduced "white school". In 2016 much like every journey their too went through a phase of struggle despair and survival. In 2021 like a phoenix from the ashes they rose again this time with stronger swifter wings to navigate through in every weather today they continue to soar higher and faster. Today the company play lead role in real estate more over they have nearly 16 groups under them which runes successfully.

Hilite Builders Private Limited is a Non-government company, incorporated on 12 May, 2003. It's a private unlisted company and is classified as 'company limited by shares'. Company's authorized capital stands at Rs 50.0 lakhs and has 75.663605% paid-up capital which is Rs 37.83 lakh. HI Lite Builders Private Limited last annual general meet (AGM) happened on 30 Sep, 2017. The company last updated its financials on 31 Mar, 2017 as per Ministry of Corporate Affairs (MCA).HI Lite Builders Private Limited is majorly in Construction business from last 19 years and currently, company operations are active. Current board members & directors are Sulaiman Puthukulangara, Nasheeda Sulaiman, Cheruckil Muhammed Hariz and Abdul Shukoor .company is registered in roc-ernakulum (kerala) registrar office. HiLITE builder's private limited registered address is g-1003, t1, Hilite Business Park, HiLITE city, nh17, Thondayad bypass, Calicut KL 673014 in.

### I. Nature of the business

Hilite groups operate in field of real estate and construction. Since 2003, the HiLITE group has been a significant player in the real estate and construction industry. HiLITE groups is a privet owned entity which Mr Sulaiman Sir. HiLITE Groups

constructs villas, flats commercial spaces HiLITE Groups step into education Industry with the help of white school.

### II. MISSION VISION AND CORE POLICY

"To be highly professional in all our deals and thus, achiever customer delight"

### -Mission

"To be a widely successful business group with an Ever- expanding customer base"

-Vision

### **Core values:**

- 1. We will work hard, respond quickly and learn continuously.
- 2. We will share knowledge and information openly.
- 3. We are accountable for results, not just effort.
- 4. We will work for our customers. They are the core of our business.
- 5. We will be honest in all our knowledge.
- 6. We will work as a team.

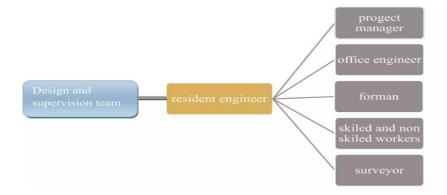
### III. Workflow Model

The working flow of the company and the contractor has many advantages in order to work every task closely and to solve problems arise between them.

In

every work there is a work flow whatever small is the section, the working site

of Ninthmile consytruction look like the chart below. As shown in the chart every work was executed based on this flow



### 2. Design and supervision team:

The team includes structural engineer, architectural engineers, sanitary engineers, electrical engineers and other experienced engineers in other professions. The design and supervision team is a team from the consultant side which guide every work executed in that site and gives supervision for the contractor based on the drawing and the specification (bill of the company).

This team mostly comes to the site when there is amiss understanding on drawings, working techniques, drawing detailing error, and for meeting between the three parties. The team provides continuous service to the project from start to finish, establishing and maintaining the quality and integrity of each design.

### 1. Resident engineer:

Position is responsible for multiple construction projects or a single project of a large scale requiring multiple disciplines. This includes reviewing design, supervising construction process and scheduling. Starting up process systems / equipment or facilities for turning over to the owners personnel. Supervise field staff and contractors on the site with responsibility for quality construction in accordance with plans and specifications. He / She also responsible for approval of change orders, invoices and payment applications which may include final payment. So, the resident engineer mostly control every work as much as possible in terms of their quality, cost and time. Testing of materials delivered at site and safety.

### 2. Project manager:

The project manager has so many responsibilities at the site and in our site these positions is accountable for the contractor or the owner and are appointed by the owner of the construction company. The main duty of the manager is Manages the whole site work execution, Makes payment to sub contract workers, Approves material request, Analyses the work processes, Executes sub-contracting agreements, Reviews and checks the reports made by the office engineer.

### 3. Site engineer:

Site engineer shall be accountable for the following tasks and responsibilities:

- Studying the work plan submitted by the contactor and suggests any
  modifications. To watch and inspect the construction work and
  assure that it is done in full accordance with the drawings, technical
  specifications and bills of quantities.
- Supervising the works on site in accordance with the contract documents and using the template and procedure established by the consultant.
- Inspecting and testing materials prior to their use at site as per sample approved by the consultant and ensuring removal of rejected material out from site.
- Ensuring the correct implementation of the works according to technical specifications, to designs and quality of materials.
- Checking of layout and setting out of buildings with respect to existing structures and site levels.

- Checking and testing of completed works before they are covered by the contractor, taking photos on a regular basis and also on account of defective work.
- Ensuring that health and safety measures are adopted and followed to the full extent. And prepare weekly report and suggest and instruct additional safety measures if needed.
- Maintain a filing system for all site memos and instructions, measured quantities of work and materials on site, reports and other documents and correspondence pertaining to the construction activities and
- Maintain a site order book to be made available for the consultants and senior officers to write comments or defects in construction noticedduring site visits and carrying out compliance at site.

### 4. Forman:

A foreman is the worker or tradesman who is in charge of a construction crew and is a skilled supervisor who is responsible to work side by side with the project manager, property owner, and other construction design engineers in order to complete a project in a given time limit. His job is to employ the suitable workers on the various tasks to complete the job, and supervise all phases of the construction project from start to end or supervise only a portion of the building process Normally the foreman is a construction worker with many years of experience in a particular trade who is charged with organizing the overall construction of a particular project.

Typically the foreman is a person with specialist knowledge of a given trade who has moved into the position and is now focused on an overall management of all trades rather than any particular specialized group. A good foreman is the keystone of their projects since they control every work more closely than the others like project manager, site engineer etc. the

Forman also have a duty of motivating workers and choosing good workers for every aspects of work.

### 5. Surveyor:

In any construction a surveyor is mandatory so, in our site the surveyor works starting from setting out to checking verticality, keeping the natural level of the building, checking elevation of columns.

### 6. Skilled and non-skilled persons:

This group includes masons, carpenter, bar benders and the daily laborers. In our country workers of such group are appointed only by experience these have its own advantage on the constriction. They work everything as they ordered by withier the Forman or the site engineer.

### IV. Product and services

Hilite groups is mainly focuses on realestate industry. The products and services of Hilite groups are villas, buliders flats, coperate work bookspace, complex when we give an close look to this company now they are covering the eductaion sector and beverages so they provides services like cafes, hotels.

### V. Ownership Patterns

HiLITE Builders Private Limited is a Non-government company, incorporated on 12 May, 2003HiLITE GROUPS owned and governed by Mr. P. Suleiman (proprietor).

### VI. Achievements And Awards

The Times Group honored Mr. Sulaiman by awarding him for being the "Game Changer" in the realty sector in Kerala during the 'Excellence in Business' awards in 2011. A man with extraordinary will power and dedication, Mr. Sulaiman is planning and executing challenging projects which are changing the real estate scenario of the state.

### VII. Future Growth Prospect

Upcoming projects of Hilite groups are:

- 1. Panjachanji -Chinese Restaurant.
- 2. Khobsi Bo Lebanese Restaurant.
- 3. Constructing new malls in four different districts.
- 4. Palaxi theaters.

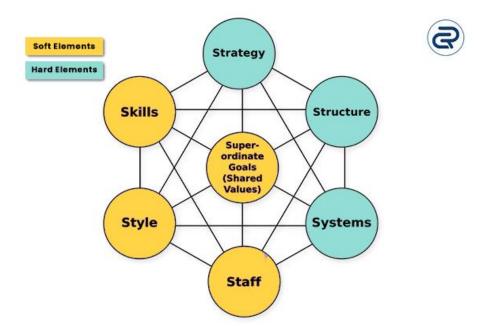
### **CHAPTER THREE**

### MCKENZIE'S 7S FRAMEWORK AND PORTER'S FIVE FORCE MODEL

### Applying McKinsey 7s Models on company

In the 1980s, three McKinsey consultants, Tom Peters, Robert Waterman, and Julien Philips created a tool that would prove to be one of the best tools to examine organizational design—the McKinsey 7S Model. They created a list of seven internal factors that determine an organization's efficiency.

The focus of the McKinsey 7s Model lies in the interconnectedness of the elements that are categorized by "Soft Ss" and "Hard Ss" – implying that a domino effect exists when changing one element in order to maintain an effective balance. Placing "Shared Values" as the "center" reflects the crucial nature of the impact of changes in founder values on all other elements.



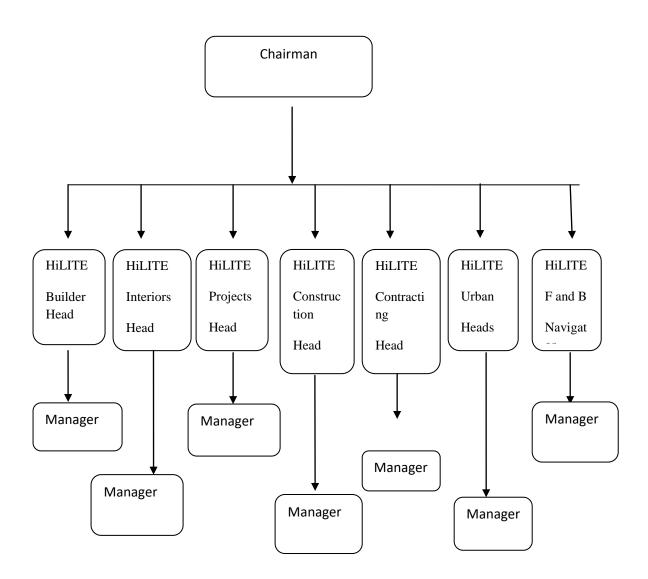
### **Strategy**

Most importantly, a firm's strategy should be in alignment with the other six factors of the McKinsey 7S model. For instance, even if a short-term strategy usually doesn't help provide exceptional results, it may help a company do so if it aligns with the other six factors. Business environment changes day-to-day so the business always adopts various plans for each situation.

Hilite group uses business level strategy like using of SBM (Strategic business management) department of HiLITE groups develop, execute, and manage

various strategies. Strategy is one that is reinforced by a clear vision and mission as well as strong values. Most importantly, a firm's strategy should be in alignment with the other six factors of the McKinsey 7S model. For instance, even if a short-term strategy usually doesn't help provide exceptional results, it may help a company do so if it aligns with the other six factors.

### **Structure**



Organization structure in simple terms, it involves the chain of command and knowing who takes instructions from whom. Without proper structure, it's really

difficult, if not impossible, to conduct daily operations successfully. A lack of structure can lead to chaos and confusion. That's why the McKinsey consultants who created this consulting framework added structure to the model.

The Hi-late group consist of multiple department so they follows department matrix each department always follows the proper formal way the company always focuses on the best way adapt method. The company always focuses on sound and structure in the McKinsey 7S Model refers to organizational structure.

### **Shared values**

In HiLITE company each employee of company is comes from different family and different area so the morals and values are differ from person to person shared values include norms and behavior that are expected from all staff members. These are usually mentioned in the company guidelines and employees are required to familiarize themselves with them before commencing the job.

### **Systems**

Hilite group of company uses the MIS system for recorded and interpret and retrieve employee's data. The top official wills analysis this system they do performance appraisals. Company uses formal system in every works. The entire department follows the decorum which is already derived by the authority of the company. Systems entail the business and technical infrastructure of the company that establishes workflows and the chain of decision-making.

### **Skills**

Hilite group mainly deals with real estate and building construction when we roll on to various department and skills were varies from different positions skills and competencies of people whom the company employs. To ensure that an organization has the right skill set to achieve its goals, it can either up skill current employees or hire new ones. Company concern about the skills of the hired employees, to up skill the employees competence they each department facilitate training to their.

### **Style**

A good leadership style is essential to ensure job satisfaction and productivity. Hilite groups follow participative leadership form. Company provides an employee required workspace.

The HR group always focuses and updates the employee's requirements for doing their working environment. Style refers to the management style that is prevalent in a company. It also includes the company's informal rules and culture.

### **Staff**

Hilite group consist of near to 200 employees in construction teams and it includes engineers, project managers, foreman, and designers. For blue collar job the company also have 300 employees on contract they rewarded on the bases of daily wages but also involves how to hire, train, and marinating them. One must also consider other factors, such as the size of the workforce, its diversity, employee benefits, etc. HiLITE Groups Uses formal interviews structure to hire their peoples after hiring individuals the company conduct induction programs to make the new employee about the company norms. Company also provide various financial and non financial benefit for their employees

### APPLYING POTERS FIVE FORCE MODEL ON COMPANY

Knowing who your competition is and how their products, services, and marketing strategies affect you is critical to your survival. Whether you are a Fortune 500 company or a small, local business, competition has a direct influence on your success.



Porter's Five Forces is considered a macro tool in business analytics – it looks at the industry's economy as a whole, while a SWOT analysis is a microanalytical tool, focusing on a specific company's data and analysis. Understanding the competitive forces, and their underlying causes, reveals the roots of an industry's current profitability while providing a framework for anticipating and influencing competition (and profitability) over time," Porter wrote in a Harvard Business Review article. "A healthy industry structure should be as much a competitive concern to strategists as their company's own position. Poters five force model help the industry to shape the industry from the competitors.

### 1. Competitive rivalry

Rivalry competition is high when there are just a few businesses selling a product or service, when the industry is growing and when consumers can easily switch to a competitor's offering for little cost. When rivalry competition is high, advertising and price wars ensue, which can hurt a business's bottom line.

HiLITE Groups they are the plays a major role in real-estate market in Kerala their of the goal is to be lead primary position not only in India but also all around the world. The main competitors of HiLITE builders are Land mark, confident group, kalyan Builders. Ambuja Neotia Group. brigade group embassy group, godrej properties, Mahindra life space developers, and prestige estates projects. The main competitor advantage of HiLITE groups is they offers customaries flats to customers, they provide flats for rent this force examines how intense the competition is in the marketplace. It considers the number of existing competitors and what each one can do.

### 2. The bargaining power of suppliers

For each department they have its own suppliers who play a major role input flow this force analyzes how much power a business's supplier has and how much control it has over the potential to raise its prices, which, in turn, lowers a business's profitability. It also assesses the number of suppliers of raw materials and other resources that are available. The fewer suppliers there are the more power they have. Businesses are in a better position when there are multiple suppliers. Learn more about finding suppliers and B2B partners.

HiLITE obtains materials from multiple sources, resulting in a low level of bargaining power for suppliers. As a reputable company Hilite can easily switch to alternative suppliers in the event of any problems. To ensure a secure supply of these materials Hilite establishes effective communication and strong relationships with its suppliers, which can have an impact on the fluctuation of products prices

### 3. The bargaining power of customers

Consumers have power when they are fewer in number but there are plentiful sellers and it's easy for consumers to switch. Conversely, buying power is low when consumers purchase products in small amounts and the seller's product is very different from that of its competitors.

HiLITE Groups Company places a significant emphasis on its customers and their needs recognizing their strong bargaining power. The company operates in both India and UAE, with a strategic focus on its primary customer bases. It prioritizes meeting customer need in terms of pricing and quality, acknowledging the impact of consumer on the markets

### The threat of new entrants

The easier it is for a new competitor to gain entry, the greater the risk is of an established business's market share being depleted. Barriers to entry include absolute cost advantages, access to inputs, economies of scale, and strong brand identity. Although new small construction companies are emerging in the market,

Hilite Group has established a strong reputation, making it less susceptible to new entrants. In order to further solidify their position in the industry, the SDM department focuses on developing new strategies. This relates to the concept of barriers to entry, which refers to how challenging it is for competitors to join the market. If it is relatively easy for new entrants to gain a foothold, there is a higher risk of established companies losing market share. Factors that can create barriers to entry include cost advantages, input accessibility, economies of scale, and brand recognition.

### 4. The threat of substitute products or services

The threat of substitutes is informed by switching costs, both immediate and long-term, as well as consumers' inclination to change.

In the market, there are numerous companies offering comparable products to customers, increasing the likelihood of customers switching to other companies. To determine the threat of competition, factors such as the number of competitors, their prices and quality in comparison to the examined business, and their profits are examined to see if costs can be reduced further. Additionally, the potential for

substitutes is evaluated by considering both immediate and long-term switching costs and consumers' willingness to switch products.

### CHAPTER FOUR SWOT ANALYSIS

### **SWOT Analysis**

SWOT analysis is a technique developed at Stanford in the 1970s, frequently used **SWOT** is in strategic planning. Analysis an acronym for Strengths, Weaknesses, Opportunities, and Threats and is a structured planning method that evaluates those four elements of an organization, project or business venture. A SWOT analysis is a simple, but powerful, framework for leveraging the organization's strengths, improving weaknesses, minimizing threats, and taking the greatest possible advantage of opportunities. SWOT analysis is a process where the management team identifies the internal and external factors that will affect the company's future performance. It helps us to identify of what is happening internally and externally, so that you can plan and manage your business in the most effective and efficient manner. A SWOT involves identifying the strengths and weaknesses of the organization, and opportunities and threats present in the market that it operates in. It can be used for studying various situation of a business.



### Strength

An organization's strengths refer to its areas of excellence and competitive advantages, such as a strong brand, dedicated customer base, solid financial position, distinctive technology, and more.

In the case of Hilite company, it has developed a positive reputation among the people of Kerala and UAE, which has contributed to its strong goodwill. The Hilite group also prioritizes a strong and eco-friendly culture, promoting stress-relief activities for its employees. Additionally, the company recognizes outstanding employee performance and rewards the best performers.





### Weaknesses

Weaknesses hinder an organization's ability to perform at its best and represent areas that need improvement to remain competitive, such as having a weak brand, above-average turnover, excessive debt, an insufficient supply chain, or a lack of capital.

Hilite groups' primary weakness is its growing employee turnover rate in the construction field, and the organization has not taken any action to address this issue. Although the organization had previously planned to conduct exit interviews to identify the reasons behind the turnover, the plan was ultimately abandoned.

### **Opportunities**

Opportunities are external factors that can provide an organization with a competitive advantage, as previously mentioned.

Hilite group has built a positive reputation among the public, which will benefit the company as it plans to expand its business in 2023 by launching new initiatives to increase its market share and become a leader in all major sectors.

### **Threats**

Upon examining the threats facing Hilite groups, it appears that the company has not met the expectations of lower-level employees regarding salary, benefits, and working conditions in the field, resulting in significant turnover in the construction sector. Furthermore, the company is not willing to provide monetary benefits that meet employee expectations. These are factors that could potentially damage the organization. Threats are factors that have the potential to negatively impact an organization.

### CHAPTER FIVE ANALYSIS OF FINANCIAL STATEMENT

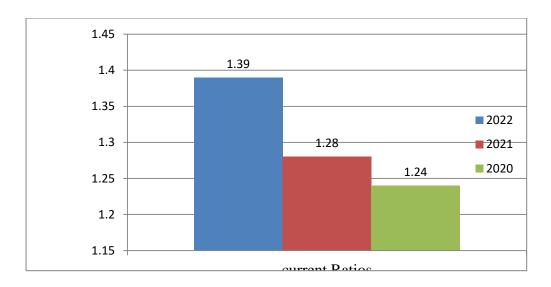
## **Short Term Solvency Ratios**

A solvency ratio is a key metric used to measure an enterprise's ability to meet its short-term debt obligations and is used often by prospective business lenders. A solvency ratio indicates whether a company's cash flow is sufficient to meet its <u>long-term liabilities</u> and thus is a measure of its financial health. An unfavorable ratio can indicate some likelihood that a company will <u>default</u> on its debt obligations. Let's see various short term solvency ratios and calculate short term financial status of the company.

Ratio	Numerator	Denominator	As on 31.03.2	As on 31.03.2 021	As on 31.03.2 020
Current ratio (in times)	Total current assets	Total current liabilities	1.39	1.28	1.24
Quick Ratio	Current asset- Inventory	Current liabilities	0.51	0.50	0.58
Cash ratio	Cash bank balance + Current Investment	Current Liabilities	0.04	0.05	0.028

#### **Current ratio**

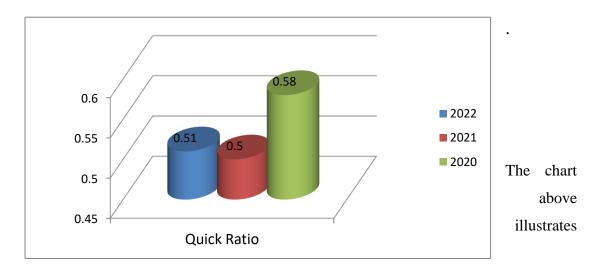
The current ratio is a <u>liquidity ratio</u> that measures a company's ability to pay short-term obligations or those due within one year. It tells investors and analysts how a company can maximize the <u>current assets</u> on its balance sheet to satisfy its current debt and other payables. The current ratio is called current because, unlike some other liquidity ratios, it incorporates all current assets and <u>current liabilities</u>. The current ratio is sometimes called the <u>working capital</u> ratio.



The pandemic has led to fluctuations in current ratios, although the recommended current ratio is 2:1. Over the past three years, the current ratio for Hilite Group has fluctuated, with a ratio of 1.39 in 2020, decreasing to 1.28 in 2021, and further decreasing to 1.24 in 2022. This shows that the company has been able to increase its ability to use its assets to pay off its short-term financial obligations by increasing its current assets and decreasing its current liabilities.

#### **Quick Ratio**

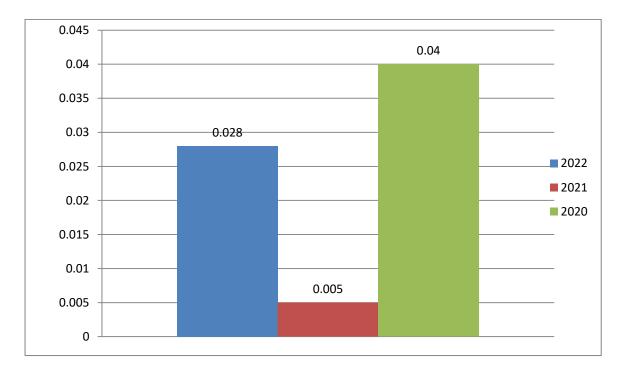
Here quick ratio is an indicator of a company's short-term <u>liquidity</u> position and measures a company's ability to meet its short-term obligations with its most liquid assets. Since it indicates the company's ability to instantly use its near-cash assets (assets that can be converted quickly to cash) to pay down its current liabilities, it is also called the <u>acid test ratio</u>. An "acid test" is a slang term for a quick test designed to produce instant results.



the fluctuation of Hilite group's quick ratio from 2020 to 2022. The quick ratio was 0.51 in 2020, decreased to 0.5 in 2021, and increased again to 0.58 in 2022. This fluctuation indicates that the company is improving its performance. The reasons for this improvement control in inventory levels, accounts receivable,. in the quick ratio to ensure that it is not due to negative factors such as poor inventory management or high levels of accounts receivable.

#### Cash ratio

The cash ratio is a measurement of a company's <u>liquidity</u>. It specifically calculates the ratio of a company's total <u>cash and cash equivalents</u> to its current liabilities. The metric evaluates company's ability to repay its short-term debt with cash or near-cash resources, such as easily <u>marketable securities</u>. This information is useful to creditors when they decide how much money, if any, they would be willing to loan a company.



The chart above illustrates the changes in the cash ratio of the Hilite group over the past three years. The cash ratio has consistently increased from 2020 to 2022, indicating positive growth for the company. In 2020, the cash ratio was 0.04, which increased to 0.05 in 2021 but decreased due to the pandemic crisis. In 2022, the ratio further increased to 0.028, demonstrating an improved performance of the company.

# **Long Term Solvency Ratios**

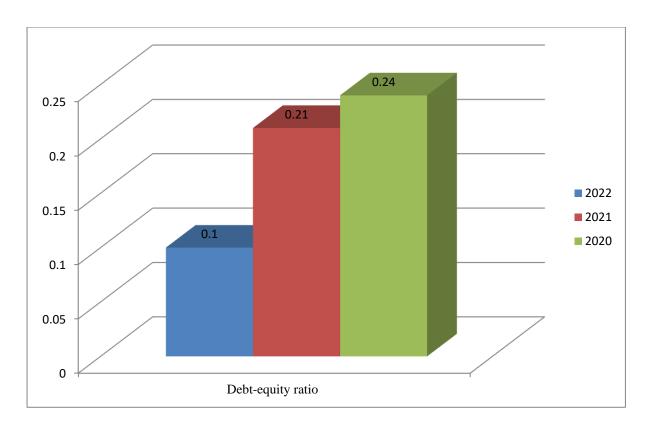
Long term solvency means the firm's ability to meet its liabilities in the long run. Long term solvency ratios help to determine the ability of the business to repay its debts in the long run. Various long term solvency ratios are

Ratio	Numerator	Denominator	As on 31.03.20 22	As on 31.03. 2021	As on 31.03.2 020
Debt-equity ratio (in times)	Debt consists of long term and short term borrowings	Shareholders' equity	0.10	0.21	0.24
Proprietary ratio	Proprietary Fund	Total assets	0.03	0.031	0.03
Solvency ratio	Shareholders' equity	Net Assets	0.28	0.26	0.42
Capital Gearing ratio	Preference share +other borrowed fund +Debentures	Fixed interest bearing funds	0.06	0.06	0.2

## **Debt-equity ratio**

Debt equity ratio is calculated to assess the long term solvency position of a business concern. Debt equity ratio expresses the relationship between long term debt and shareholders' funds.

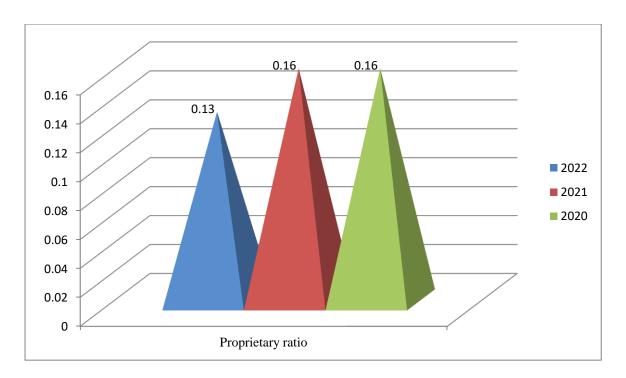
Debt equity ratio = Long term debt / Shareholders 'funds



From the above chart we can understand the variation of debt equity ratio of the company from 2020 to 2022 the debt equity ratio of the company is increasing in 2020 the debt equity of Hilite group was 0.24 then it has been increased to 0.21 in 2021. In 2022 debt equity ratio is changed to 0.1this shows the company is improving their debt equity ratio. This change for this improvement size and nature of the company, its industry, and its overall financial health. In general, reducing the debt-to-equity ratio can lead to a number of positive outcomes

#### **Proprietary Ratio**

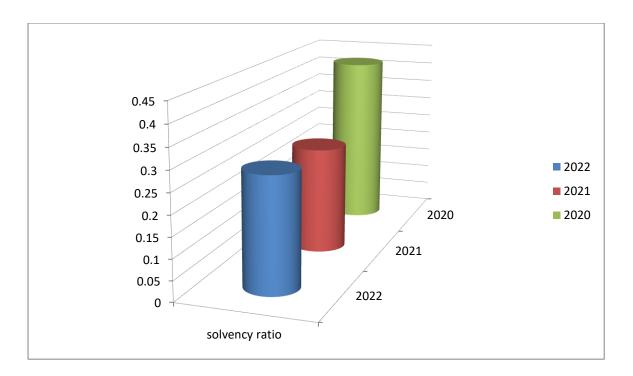
Proprietary ratio gives the proportion of shareholders' funds to total assets. Proprietary ratio shows the extent to which the total assets have been financed by the shareholders' funds. Equation for find proprietary ratio dividing shareholders fund with Total Assets.



This chart reflect the changes of proprietary ratio of the organization as per above mention shows the extent to which the total assets have been financed by the shareholders' funds. From this chart we can clearly understand that proprietary ratio in 2020 is 0.13 but when it comes to 2021 it has been increased 0.16 the next year also it shows constant value it shows a positive sing. These variation shows that company management had an strong control on prop

### **Solvency Ratio**

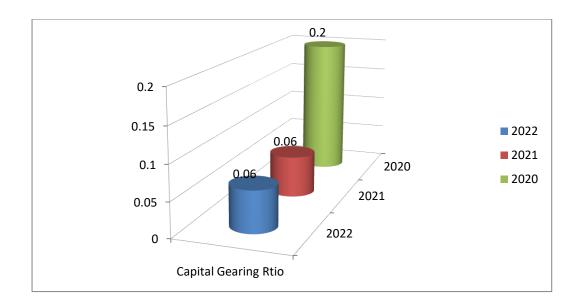
A solvency ratio is a key metric used to measure an enterprise's ability to meet its long-term debt obligations and is used often by prospective business lenders. A solvency ratio indicates whether a company's cash flow is sufficient to meet its <u>long-term liabilities</u> and thus is a measure of its financial health. An unfavorable ratio can indicate some likelihood that a company will <u>default</u> on its debt obligations.



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## **Capital gearing Ratio**

Capital gearing is a British term that refers to the amount of debt a company has relative to its equity. In the United States, capital gearing is known as "financial leverage." Companies with high levels of capital gearing will have a larger amount of debt relative to their equity value. The gearing ratio is a measure of financial risk and expresses the amount of a company's debt in terms of its equity. A company with a gearing ratio of 2.0 would have twice as much debt as equity.



This chart reflect the changes of capital gearing ratio of the organization as per above mention shows the chart we can clearly defines that capital gearing ratio in 2020 is 0.2 but when it comes to 2021 it has been increased 0.06 the next year also it shows constant value. From 2021 onwards the company is started to extend the business for that company established. These variation shows that company management had an strong control on share holders values, improving the credits this shows an positive growth

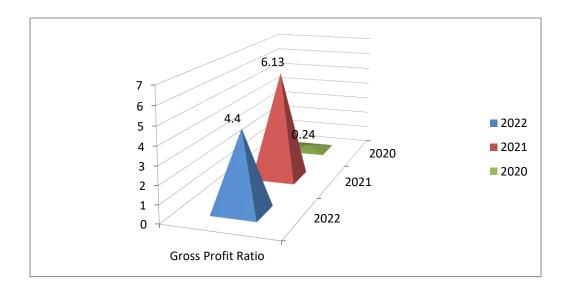
# **Profitability Ratios**

Profitability ratios are financial metrics used by analysts and investors to measure and evaluate the ability of a company to generate income (profit) relative to revenue, <u>balance sheet assets</u>, operating costs, and <u>shareholders' equity</u> during a specific period of time.

Ratio	Numerator	Denominator	As on 31.03.2 022	As on 31.03.2 021	As on 31.03.2 020
Gross Profit Ratio	Gross Profit	Sales	4.40	6.13	0.24
Net profit ratio (in %)	Net profit	Sales	0.64	2.19	2.06
ROI	Net Profit	Capital employed	1.63	6.11	5.42
Return On assets Ratio	Net Profit	Total assets	0.82	2.94	2.63

# **Gross profit Ratio**

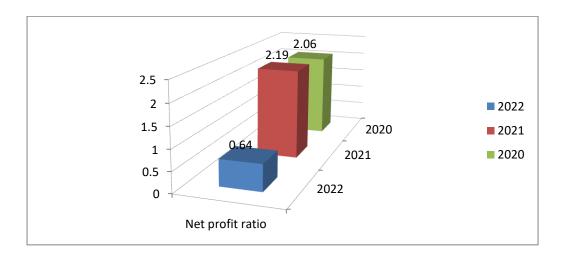
The gross profit ratio is a profitability measure calculated as the gross profit (GP) ratio to net sales. It shows how much profit the company generates after deducting its cost of revenues.



This chart reflects the changes occurred in the gross profit ratio of the company for the first two years there is no much changes that occurred in this ratio but when it come to 2022 the ratio has been increased to 1.23. Increase in the gross profit ratio can have several positive impacts for a company, including increased profitability, financial stability, and investor confidence, as well as opportunities for expansion and a competitive advantage.

## **Net profit Ratio**

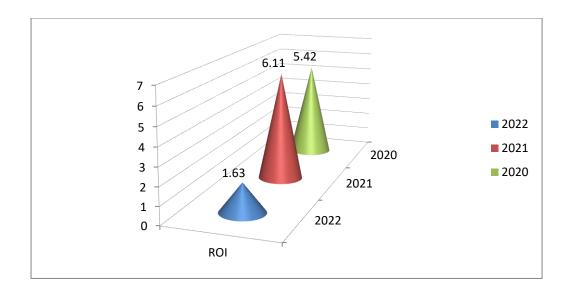
Net profit ratio (NP ratio) is a popular profitability ratio that shows the relationship between net profit after tax and net sales revenue of a business entity. It shows the amount of profit earned by an entity for each dollar of sales and is computed by dividing the net profit after tax by the net sales for the period concerned. Both the numbers needed to calculate this ratio can be taken from entity's income statement or profit and loss account. Net profit ratio is also frequently referred to as profit margin on sales.



The above chart shows the variation of net profit ratio of Hilite Groups these ratios are drawn from their balance sheets of 2020, 2021, 2022. Among these years we calculated their each year net profit ratio in 2020 0.64 is their net profit ratio and it is increases to 2.19 in 2021. In 2020 it is drastically increased to 2.06 this shows and good performance of the company

## **ROI**

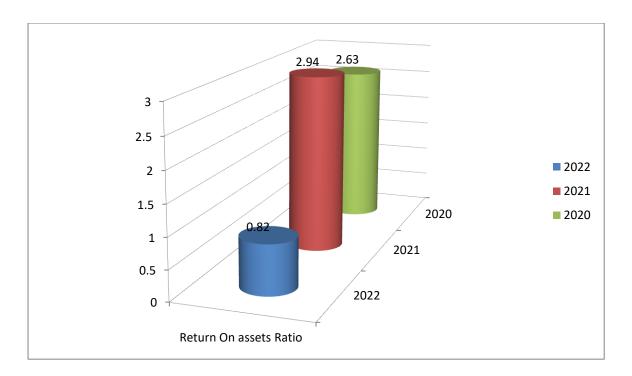
Return on investment (ROI) is a <u>financial ratio</u> used to calculate the benefit an investor will receive in relation to their investment cost. It is most commonly measured as <u>net income</u> divided by the original <u>capital cost</u> of the investment. The higher the ratio, the greater the benefit earned.



Above chart shows the variation among RoI of Hilite groups. In 2020 the ROI ratio was 6.11, in 2021 it has been increased to 6.11. In the last year ROI of hilite group increased to 24 times. The company has been started new product line so the company increased the invest in 2022 this is the main reason that ratio of ROI in 2022

### **Return on Assets Ratio**

Return on Assets (ROA) is a type of <u>return on investment (ROI)</u> metric that measures the profitability of a business in relation to its <u>total assets</u>. This ratio indicates how well a company is performing by comparing the profit (<u>net income</u>) it's generating to the capital it's invested in assets.



The above chart gave a visual experience about the changes in Return on Assets from this chart we can understand that there is a continuous increase that happened in ROA. In 2020 the ROA was 0.82 to the next year it has been changed to 2.94.In last year it again increased to 2.63. When we compare the first two year the change In ROA is less but in 2022 the ROA has been reduced to 0.82 the reasons that company say that depreciation on assets.

# CHAPTER 6

## LEARNING EXPERIENCE AND BIBILOGRAPHY

# **Learning Experience**

- ➤ It was a very good opportunity to correct or evaluate myself and to understand how capable I am to adapt to new changes or interested to learn the things in real or actual working conditions.
- ➤ In HiLITE GROUPS I was thought how things works in the corporate and how the decision making is done, and how the coordination between the employees will create a Unity among the employers, which is very helpful in decision making and building a good future and carrying out the business in the right way.
- ➤ I got an opportunity to speak with the various employees that is managers, officers, managing director who work in the various departments of the bank and gain experience in the various fields.
  - Update internal database with new employee information, including contact details and employment forms.
  - Screen of application forms.
  - Schedule and confirm interviews with candidates.
  - Filing candidate's profile.
  - Covered reception duties as required.
  - I have made welcome call & sent welcome messages for the candidates who are supposed to join on the coming date/day.
  - Answered employee queries via telephone.
- ➤ Also, I learnt how the communication must be precise and to the point between various management.
- ➤ I came to know what exactly company needs weather Quality of work or quality of work to be done or both. And also, to some extent I could understand the
- Employee's works culture uniformity which is a very essential element that management should maintain among their employees and Outlook of employee will also create an impression on the minds of another about the

taste, preference, values and principles, punctuality dedication and honesty are the other important things that I have learnt from HiLITE GROUPS.

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#### Website

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- https://hilitebuilders.com/outlook-vol-79-q3-edition-2022/

# **ANNEXURE**

# Balance Sheet of Hi LITE Groups of Company

Particulars	2022	2021	2020
<b>Equities And Liabilities</b>			
Shareholder's Funds			
Equity Share Capital	24,00,00,000	21000000	210,00,000
Reserves and Surplus	300,00,00,000	297,00,00,000	279,00,00,000
Current Liabilities	193,00,00,000	230,00,00,000	207,00,00,000
Other Liabilities	119,00,00,000	112,00,00,000	111,00,00,000
Total Liabilities	636,00,00,000	663,00,00,000	62000,00,000
Assets			
Fixed Assets	348,00,00,000	348,00,00,000	349,00,00,000
Current Assets	268,00,00,00	295,00,00,000	257,00,00,000
Other Assets	19,00,00,000	19,00,00,000	13,00,00,000
Total Assets	636,00,00,000	663,00,00,000	620,00,00,000

