

AN ORGANISATIONAL STUDY OF PROGNOSYS MEDICAL SYSTEMS PVT LTD(PROGNOSYS)

BY
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Submitted to

VISVESVARAYA TECHNOLOGICAL UNIVERSITY, BELAGAVI



In partial fulfilment of the requirements for the award of the degree of
MASTER OF BUSINESS ADMINISTRATION

Under Guidance of

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CERTIFICATE BY THE INSTITUTION

This is to certify that **Mr. RAMKUMAR M H** bearing **USN 1CR19MBA69** is a bonafide student of Master of Business Administration of our Institution during 2019-21 batch. The organization study report on **PROGNOSA** is prepared by him under the guidance of **Mrs. Namitha P Konnur**, Assistant Professor, in partial fulfillment of the requirements for the award of the degree of Master of Business Administration, affiliated to Visvesvaraya Technological University, Belagavi Karnataka.


Signature of the
Guide

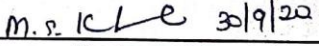

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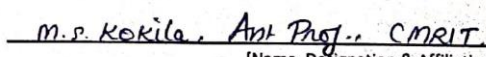

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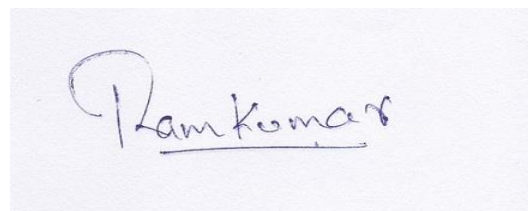
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STUDENT DECLARATION

I, **Mr/Ms RAMKUMAR M H** bearing **USN 1CR19MBA69**, hereby declare that the organization study report of **PROGNOSYS MEDICAL SYSTEMS PVT LTD (PROGNOSYS)** prepared by me under the guidance of **Prof. Namita P.K.** faculty of M.B.A Department of CMR Institute of Technology, Bengaluru. I also declare that this report is prepared in partial fulfillment of the university Regulations for the award of degree of Master of Business Administration by Visvesvaraya Technological University, Belagavi. I have undergone an organization study for a period of four weeks. I further declare that this report is based on the original study undertaken by me and has not been submitted for the award of any degree/diploma from any other University /Institution.

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A rectangular box containing a handwritten signature in blue ink. The signature appears to be 'Ram Kumar' written in a cursive style.

Place: BANGALORE

Date: 29 SEP 2020

Signature of the Student

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ACKNOWLEDGEMENT

I acknowledge the deep gratitude to all those who have made organization study successful and helped in preparing the report.

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Mr/Ms RAMKUMAR M H
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CHAPTER - 01

INDUSTRIAL PROFILE

INTRODUCTION:

Health care is the maintenance or improvement of health via the diagnosis, treatment and prevention of disease, illness, injuries and other physical and mental impairments in human beings.

The size of the Indian healthcare delivery industry is estimated at 3.4bn treatments in volume terms and Rs3.8 trillion in value terms in the year FY15.

Except with respect to select health programmes, the private sector dominates the provision of personal medical care in India with 80.00% of all outpatient care and 60.00% of all in-patient care being provided by the private sector. 2.5% of GDP contributed towards Government for domestic uses.

Large urban centres with higher population densities typically have multispecialty tertiary care hospitals, while smaller cities and towns tend to have hospitals with capabilities in basic diagnostics and routine medical procedures but refer tertiary care needs to hospitals in larger cities.

While **58.00% of the total healthcare expenditure in India is borne by consumers** directly (without insurance coverage or reimbursements), this proportion rises to **86.00%** in case of private healthcare services.

A key concern is the affordability of healthcare by a vast majority of the population.

Key Features:

- **Impressive growth prospects:** The healthcare delivery market is expected to grow at a CAGR of 12% and reach Rs6.8 trillion by the year 2019-2020. There is immense scope for enhancing healthcare services penetration in India, presenting ample opportunity for development of the healthcare industry.
- **Strong fundamentals:** Rising income levels, ageing population, growing health awareness and changing attitude towards preventive healthcare is expected to boost healthcare services demand in future.
- **Increasing penetration of health insurance:** Health insurance is gaining momentum in India; gross healthcare insurance premium is expanding at a CAGR of 39% over FY 2006–10. This trend is likely to continue, benefitting the country's healthcare industry.

- Shift from communicable to lifestyle diseases: With increasing urbanization and problems related to modern-day living in urban settings, currently, about 50% of spending on in-patient beds is for lifestyle diseases; this has increased the demand for specialized care.
- Expansion to tier-II and tier-III cities: There is substantial demand for high-quality and specialty healthcare services in tier-II and tier-III cities. To encourage the private sector to establish hospitals in these cities, the government has relaxed the taxes on these hospitals for the first five years.

Major Growth Drivers:

- Growing number of medical professional pushing the need for technology based solutions to enable networked Hub & Spoke Healthcare delivery model.
- Growing Indian Health care Sector.
- Growing Indian Economy.
- Growing Diagnostic & pathology services market.
- Increased life expectancy –more number of old patients.
- Increase in disposable income of families.
- Change in disease profile –increase in lifestyle related diseases.

Growing Middle Class

CHAPTER – 02
ORGANISATION PROFILE

A. BACKGROUND OF A COMPANY:

LEADING PERFORMANCE:

PROMOTERS

Founder & president	MR. Krishna Prasad vajapeyam
Co-Founder & director-Finance	Mr. Keshava MS
Co-Founder & Executive Director-Finance	Mr. Sunil Monga

KEY PERSONNELS

Vice President-Manufacturing	Mr. HemantUsgaonkar
General Manager-Marketing	Mr. Sujit N Kaushik
National Business Manager, SBU – 1 (C-Arm Systems)	Mr.Pritheshshet
National Business Manager, SBU – 2 (DigitalRadiography)	Mr. Narayanan R

INVESTERS

- Mr. Avinashkenkare
- Mr. MayurSirdesai

Prognosys Medical Systems, based in Bangalore, specialises in developing and integrating high quality solutions in Healthcare. The combined experience and domain knowledge helps company to design solutions that use cutting edge information technology and telecommunication engineering in the areas of Telemedicine and Tele-health to connect people, processes, systems and technology in a modern medical enterprise.

Their ability to adopt technology, understand customer needs and a willingness to work with the medical fraternity to customize products and continuously improve solutions, makes them unique. It has helped them reach technological leadership in a very short period of time.

Prognosys' constant endeavour to deliver the finest and the latest solutions in Healthcare Technology has been the driving spirit behind innovative products like the Remote Patient Monitoring Systems (Real-time) for Ambulances and ICUs. In addition, Prognosys has further enhanced its solution offerings through strategic business partnerships. Prognosys has recently tied up with Canon, Japan i½ a world leader in Digital Radiography to bring the best in class DR solutions to India. Coupled with Prognosys' Tele-radiology/Mini PACS solution, DICOM images can be viewed

and reported from anywhere, anytime.

B. NATURE OF BUSINESS:

- Prognosys Medical Systems Pvt Ltd (Prognosys) designs, manufactures, develops and integrates high end digital healthcare solutions and systems.
- Prognosys has established itself as a reputed brand in the areas of Radiology and Telemedicine products and solutions.
- Provides a range of products, including high-frequency X-ray, Digital Radiography System, C-Arm and accessories like automatic film processors.
- Prognosys has partnered with Global medical equipment solution providers like Canon, Sedecal, Thales, GMM etc. to provide best of solutions to the Indian healthcare market.
- Prognosys is looking to raise ~INR680Mn in its second round of funding.
- Prognosys already has offerings for all segments of the Digital Radiography (DR) market.
- Additionally, the group is building a new Tele-Health Digital Platform, architected by Microsoft that complies with International & National Standards of E-Health and aims to directly connect 300+ medical devices.

vStrong Partnerships:

- Prognosys has had a strong partnership with multinational player, Canon, since the entry of Canon Digital X-ray Systems in India in 2007.
- Other partners include major domestic and international players:
 - ✓ ISRO
 - ✓ United Health Group
 - ✓ Railtel üRicoh
 - ✓ Wipro
 - ✓ Toshiba
 - ✓ Thales

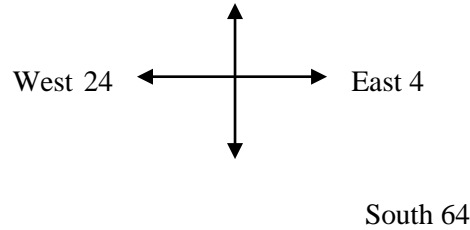
vSignificant Presence:

➤ **29+ distributors across India &growing:-**

Installations done across India, except Goa and Chhattisgarh.

➤ **Customer Footprint in India:-**

North 62



➤ **Exports to -17 countries:**

- Prognosys has OEM customers in US & Europe, who sell internationally.
- With DR installations in Nepal, Prognosys is already working with other SAARC countries for distribution networks.
- Additionally, Prognosys is planning to set up an office in Dublin, Ireland for other markets.

C.VISION, MISSION AND QUALITY POLICY:

VISION-

- ❖ To become the most respected company in the region **through innovation**, and offer a world class range of **Digital Imaging Products and Solutions**.
- ❖ Endeavour to become India's leading manufacturer of world class imaging system for the global market.

MISSION-

- ❖ To gain customer Trust and Recognition as the **S.M.A.R.T** (Safe, Modern, Affordable, Reliable and Trendy) Digital Healthcare solution provider.
- ❖ Created a strong organization structure to achieve its vision and mission

QUALITY POLICY-

- ❖ Technological Advancements in Digital Healthcare solutions.
- ❖ Enhanced geographical penetration of tele commercial technology.
- ❖ Improving in quality of care in rural and underserved community.
- ❖ Real time transmitting of ECG and other vital sign data for expert opinion during cardiac and other emergencies.
- ❖ Share resources optimally and increase efficiency and through-put.
- ❖ Consultation service between the consultant in the department and resident at a distant location.
- ❖ Single referral hospital can handle multiple nodal centres simultaneously through telemedicine.

D.PRODUCT/ SERVICE PROFILE:

I. Ceiling Mounted Dual / Single Detector DR System.



Features:

- Ceiling suspended Dual / Single Detector Digital Radiography System with Fully Automated movements and positioning.

- 80KW, 1000mA, 150 KV HF –X-ray Generator (Options of lower power generators & tubes also available)
- 400 KHU X-ray Tube for high volume handling
- Dual (Or single) X-ray detectors for all general x-ray studies
- Highest Resolution detector –11.30+ MP, 125 Microns –CesiumIodide Flat Panel Technology
- Automated Programs for Body Part Exams & Image Processing Tools

Customers & Target Groups:

✓ **Government:**

- Super Specialty Hospitals
- District Hospitals
- Teaching Medical Colleges
- Other Autonomous Hospitals

✓ **Private:**

- Super Specialty Hospitals
- Teaching Medical Colleges
- High End Diagnostic Centres

Quality Certifications:

- CE /AERB Certified
- FDA Certification -2016

II. Floor Mounted DR System



Features:

- Manual / auto models.
- Single X-ray Detector designed to work in both Vertical & Supine Studies.
- Highest Resolution detector –11.30+ MP, 125 Microns –Caesium Iodide Flat Panel Technology.
- Ensures safety of the detector –increased life span while full ranges of x-rays are possible.
- Same unit can be upgraded to dual detector solution.

Customers & Target Groups:

✓ Government:

- Teaching Medical Colleges
- Taluk Head Quarters
- Other Specialty Hospitals -Chest Institutes, Emergency/ Trauma Care.

✓ **Private:**

- Teaching Medical Colleges
- Corporate Hospitals
- Emergency/ Trauma Care -Corporate
- Branded Diagnostic Centre

Quality Certifications:

- CE /AERB Certified
- FDA Certification -2016

III. Mobile DR System Battery Powered



Features:

- 32KW, 400mA, 125 KV HF –X-ray generator
- 140 KHU X-ray Tube
- Canon 701 C –Portable wireless detector
- Highest Resolution detector –, 125 Microns –Caesium Iodide Flat Panel Technology
- Motorized movement for bed side use
- Automated programs for body part exams & image processing tools
- Canon CXDI compatible solution.

- Wired & wireless panel options

Customers & Target Groups:

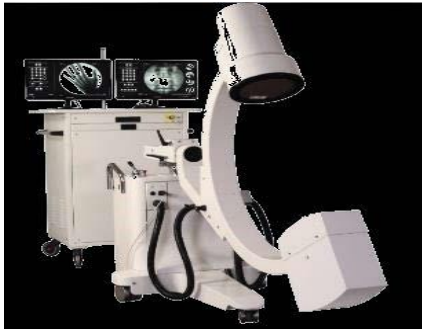
✓ **Government / Private:**

- ICU / NICU / OT
- Super Specialty Hospitals
- District Hospitals
- Large Corporate Hospitals -Chain
- Teaching Medical
College •Trauma &
Emergency Care

Quality Certifications:

- CE /AERB Certified
- FDA Certification -2016

IV. C-arm



Features:

- X ray generator –5 kW
- 9” Image intensifier
- Can be used in surgery Rooms
- Ortho / Gastro / Urology interventional work
- Can also be used in emergency and trauma
- Digital –Full DICOM
- Lower Dose
- High Resolution Images

- Higher productivity

Customers & Target Groups:

✓ **Government / Private:**

- Super Specialty Hospitals
- District Hospitals and Large Corporate Hospitals -Chain
- Teaching Medical College
- Trauma Centres & Other Surgery Rooms
- Sub-Divisional Hospitals
- Medium/ Small Hospitals
 - Nursing Homes

E. OWNERSHIP PATTERN:

Board of Directors:

1. Mr. Krishna Prasad -- Founder & President

- An Electronics Engineer from Bangalore University, and a Masters in Computer Science from the United States.
- Joined Chaya graphic as a partner in 1989 and has since grown the business from a small distribution company in Bangalore, India to a Rs.35Crore company with nationwide presence in distribution of products, technology design, manufacturing, servicing and exports.
- Founded Prognosys Medical Systems in December 2003 with a view to develop cutting edge digital technology solutions in Medical Imaging & Tele-Healthcare.

2. Mr. Keshava MS -- Co-Founder & Director –Finance

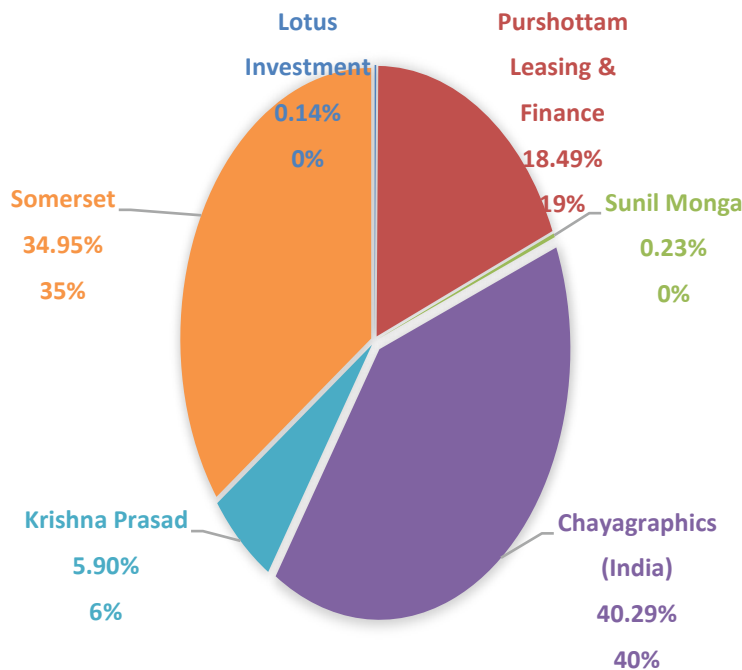
- Chartered accountant by profession, he has been with Chayagraphics since 1990.
- Co-founded Prognosys Medical Systems and continues to advise and manage their financials.

- Co-founder and senior partner of Vinay& Keshava Chartered Accountancy Firm offering services to various financial transactions & consultancy.

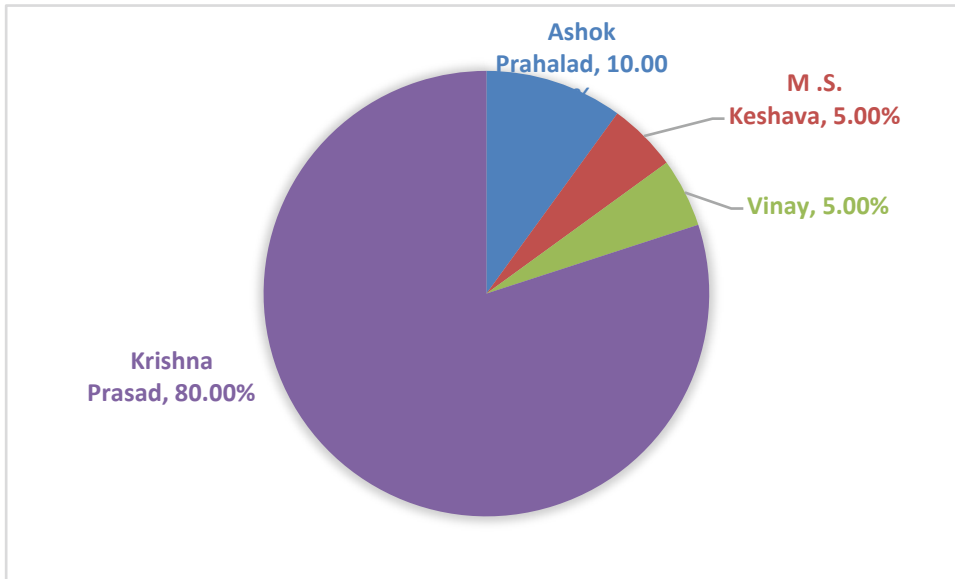
3.Mr. Sunil Monga -- Executive Director

- Electronics Engineer with Honours, from Delhi College of Engineering, has “O” levels certifications from Cambridge University, a Diploma in Marketing &Sales Management from Y.M.C.A, Delhi and an M.B.A. Faculty of Management Studies, Delhi.
- Started his career with Siemens and subsequently went on to establish many SMEs in the healthcare space.
- He directs and guides the Sales, Marketing -Business Development teams and Customer Support operations.

OWNERSHIP STRUCTURE



Chaya graphics Ownership Structure:



Experienced Management Team:

4.Mr. HemantUsgaonkar. -- Vice President, Manufacturing.

- Over 25 years of top leadership experience with Siemens Ltd.
- Hemanth has had a very distinguished career across –Quality testing, Commissioning, Manufacturing, Design, PLM in Global Healthcare products.
- Led Siemens Factory as GM and is also a Certified Lead Auditor & FDA Trained for Quality Systems.
- Won several awards and accolades to his credit.

5.Mr. SrinivasVardhan–General Manager, Sales.

- 21 years of experience in Radiology & Imaging. He has held leadership positions in various Healthcare organizations such as Nycomed AG, Amersham Health, GE Healthcare & Mallinckrodt.
- He leads the overall sales efforts of Prognosys as GM –sales.

6.Mr. Sujit N. Kaushik -- GM – Corporate Communications Marketing & Documentation

- An Engineer by qualification, he has over 20 years of experience in Marketing, Business development & Corporate Communication.
- He has led IT companies and Healthcare companies in evolving Go-To Market strategies, setting up commercial operations and partnerships in global markets.

7.Mr. Pritesh Seth -- National Business Manager, SBU –1 (C-Arm Systems)

- Holds master's in business administration. A dynamic professional with close to 10 years of experience in Sales, Channel Management, Business Development & Client Relationship Management,
- He has proven abilities in devising sales & marketing strategies. Possessing an attitude and attention to detail he leads Prognosys C Arm sales processes,

8.Mr. Narayan -- National Business Manager, -- SBU –2 (Digital Radiography)

- Narayanan holds a Masters in Physics and Electronics from Delhi University.
- Has over 20 years of experience in Radiology alone and has been part of the change and Innovation in the Indian Radiography market, while working with Care Stream (formerly Kodak).
- He has been a part of and has witnessed the transformation from Conventional Films to CR System to now DR Systems.
- He leads the sales efforts in DR systems nationally.

F.ACHIEVEMENTS / AWARDS:

Significant Achievements:

- ❖ Over 350 installations of equipment and machineries in 4 years.
- ❖ Leading consultant for the telemedicine business in India.
- ❖ Identified as a technology partner of choice by organizations like ISRO, Konkan Railways and many OEM partners

- ❖ Recognized as a leader in innovation in telemedicine in India.
- ❖ Most Renowned hospitals in the country use Prognosys solution's machines and medical equipment's.
- ❖ Implementation of the largest telemedicine network in the state of Rajasthan in association with ISRO.
- ❖ Strategic partnership with Larsen & Toubro Ltd for promoting emergency medicine and REM-ICU solution.
- ❖ Installation of DR systems in two most renowned institution of the country.

G.Future Growth and Prospects:

Established Infrastructure to facilitate rapid growth:

- Capacity created for manufacturing / assembly of over 500 + DR products per annum.
- Capacity to build / test / manufacture over 600 C-Arms / Mobile X-Rays per annum.
- The facility has a 3 tier warehouse to stock longer lead time materials to ensure uninterrupted manufacturing process.
- The factory is equipped with 130 KVA captive power generators.
- The factory is compliant with all statutory and good manufacturing practices (GMP).
- Access to quality & trained manpower.
- 28,500sqft of floor space.
- The facility also hosts an efficient R&D, product design and development systems to enable quick adaptation to change in market demand.
- In-house training facility created for continuous learning.
- The factory is planned to cater up to INR 300Crsof turnover per annum with the current range of products.
- Technological Advancements in Digital Healthcare solutions.
- Enhanced geographical penetration of tele commercial technology.

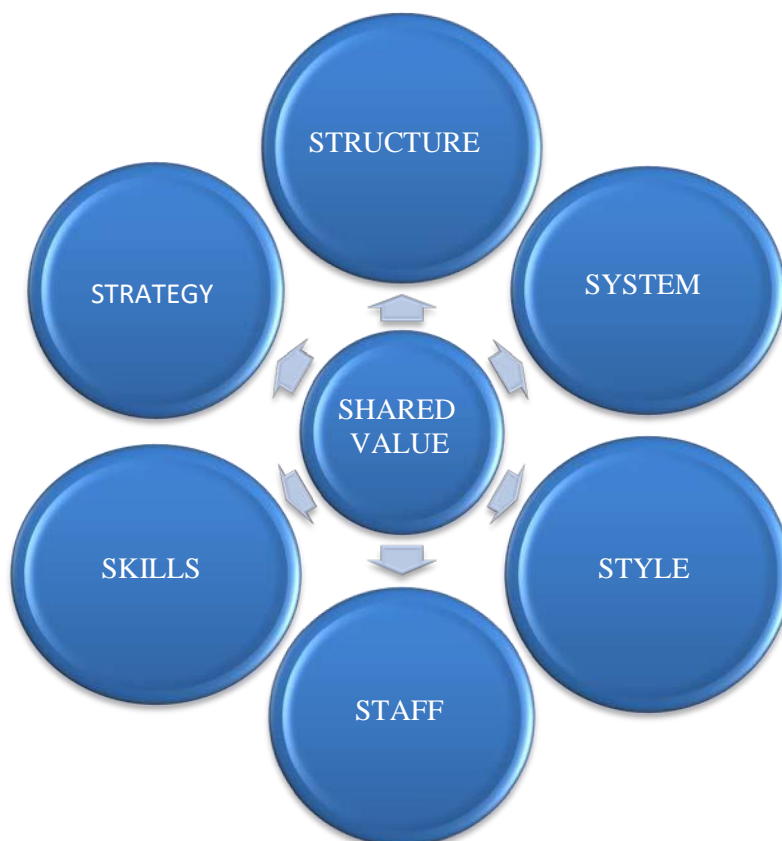
- Growth primarily driven by increasing number of research activities to develop new and advanced digital X-ray products
- Increase in awareness that early detection is critical to treatment.
- Growth in investments in the clinical and healthcare segments by the government and foreign players.
- Manufacture of advanced instruments by medical diagnosis equipment manufacturers.
- Easy access to diagnosis centres, hospitals and medicines.
- Quick and accurate detection of diseases through diagnosis.
 - Improved services of diagnostic centres over the past few years.

CHAPTER 03

MCKENSYS 7'S MODEL AND PORTERS FIVE FORCE MODEL

MCKINSEY 7S FRAMEWORK

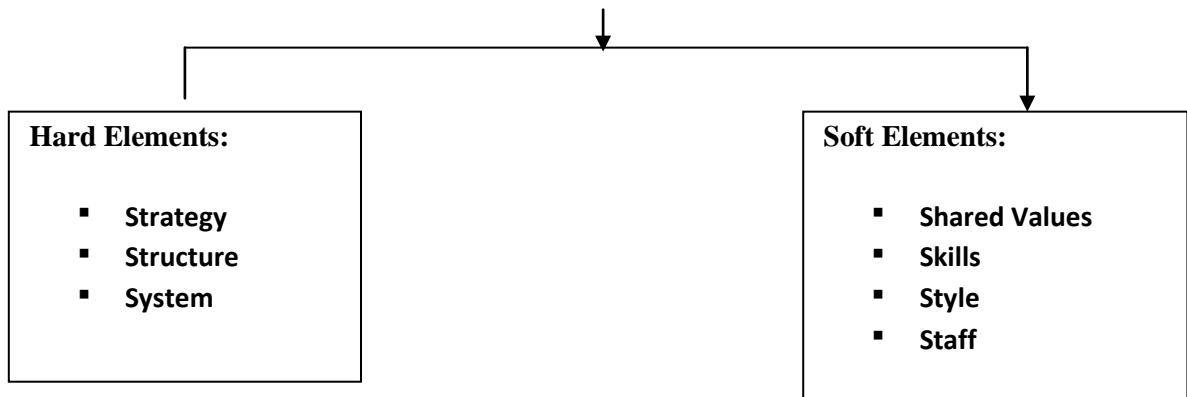
The McKinney's 7S Framework is a management model developed by well-known business consultants Robert H. Waterman, Jr. and Tom Peters (who also developed the MBWA—"Management by Walking Around" motif, and authored in search of Excellence) in the 1980's. This was a strategic vision for groups, to include Businesses, Business Units, and teams. The 7S are Structure, Strategy, Systems, Skills, Style, Staff and Share values. The Model is most often used as a tool to assess and monitor changes in the internal situation of an organisation.



The Seven Interdependent Elements

The basic premise of the model is that there are seven internal aspects of an organisation that need to be aligned if it is to be successful.

7 Internal Aspects



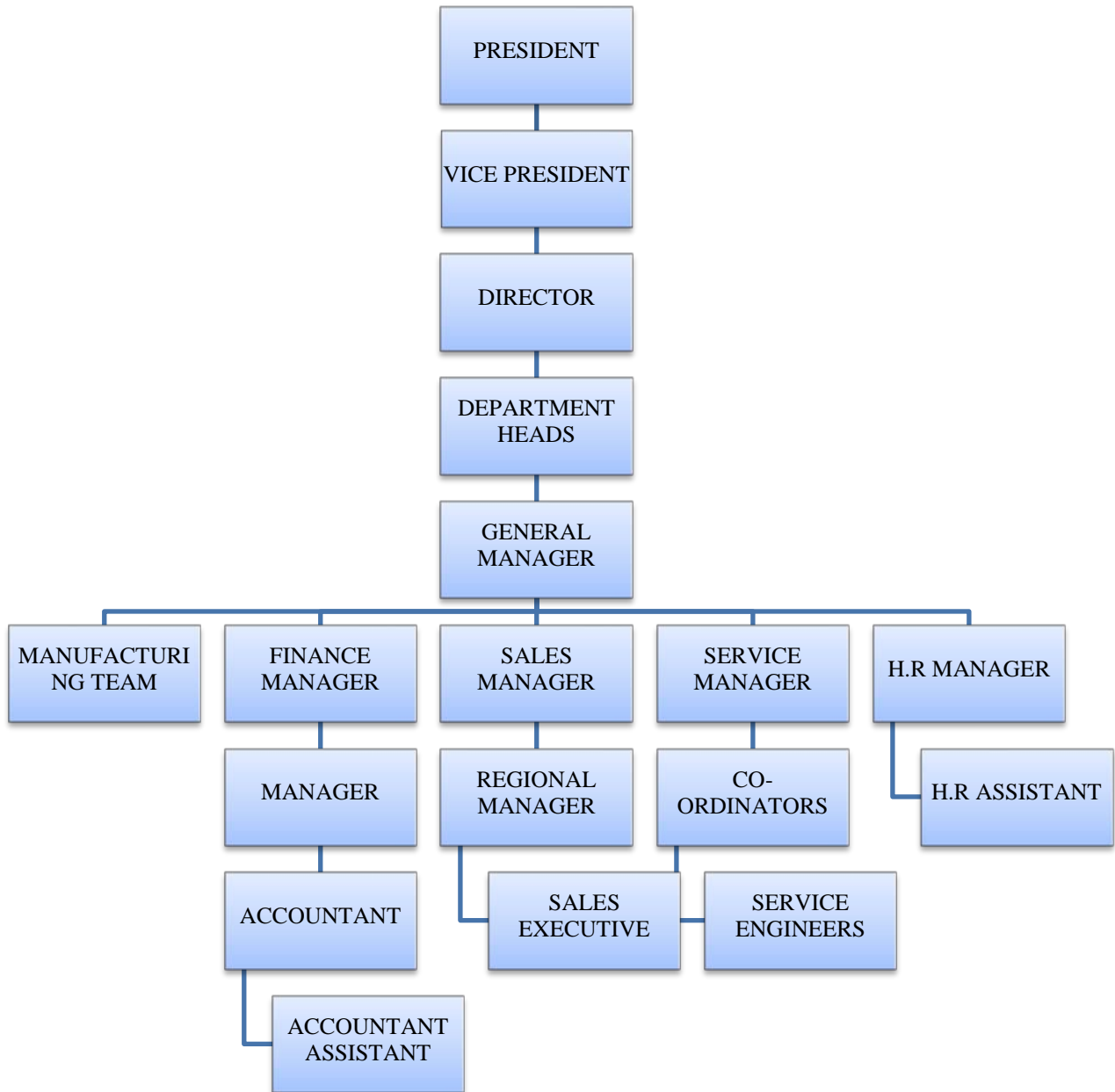
1.STRATEGY

It is the set of decisions and action resulting in formulation and implementation of strategy design to achieve the objective of an Organisation.

- To develop high quality of product and design machinery to suit consumer demand.
- To change of models in technology products based on hospitals requirements.
- To implementation of very advanced technology in the production of equipment's.
- To produce digitalized equipment's which will ease the tedious jobs.
- Convert all analog into digitals. -Digitalized radiography, X-ray machines, etc...
- To produce and market all quality equipment's at a competitive price and according to the latest technology.

2. STRUCTURE

The in which the organisation units related to each other such as centralised financial division, decentralised delegated etc.,. The organisational structure of “PROGNOSYS MEDICAL SYSTEM PVT LTD” in respect of job title is as follows:



3. SYSTEMS

The management maintains their control over the flow of their organisations by implementing certain rules and regulations to have a control over their employees.

- The record of Attendance Registration is been maintained.
- All the staff members of an organisation have been provided with punch in card to record the number of their entry and exit to the organisation.
- No Uniforms are been provided to the employees in the organisation.
- Employees are been provided with the transportation facilities.
- They are provided with the canteen facility.
- They maintain all Dematerialised documentation for their financial records.
- Time monitoring.
- Daily or weekly work reports.
- Maintain the records of working hours of the employees.

4.SHARE VALUES

Share Values are explicit or implicit fundamental beliefs, concepts and principles that underlie the culture of an organisation. These values guide decisions and behaviours of the employees and management. Share Values are what link an organisation together.

The values of organization are...

1. The organization guided their goal of excellence in the medical systems manufacturing industry. There is Professional commitment and loyalty towards the organization.
2. Forward thinking and are flexible and adaptive to the changes in the environment. Embrace change and use it to their advantage.

3. **Integrity:** Committed to doing the right things though it is not easy to do. They are Ethical in all their business dealings.
4. **Excellence:** The organisation seeks for continuous improvement.
5. **Service:** Strive to exceed the expectation of customers with every interaction.
6. **Teamwork:** The organisation will measure individual success by the success of their overall work group.
7. **Accountability:** Maintain the highest personal standard.

5. SKILL

To perform management function and assume multiple roles, managers must be skilled. Three managerial skills essential to successful management:- Technical, Human and Conceptual. Technical skills involve process or technical knowledge and proficiency. Managers use the processes, technique and tools of a specific area. Human skill involves the ability to interact effectively with people. Managers interact and cooperate with employees. Conceptual skill involves the formulation of ideas. Managers understand abstract relationships, develop ideas and solve problems creatively. Thus, technical skills deals with things, human skill concerns people and conceptual skill has to do with ideas.

Workers are divided into three categories:

1. The top level management.
2. The middle level management.
3. The lower level management.

6. STYLE

The style of an organisation refers to the reporting relationship between superior and subordinates.

The PROGNOSYS MEDICAL SYSTEM PVT LTD following a **Democratic/participative style** for their functioning process. This style emphasizes that management offers guidance to its teams and departments while accepting input from individual staff members. Leaders reserve the right to make final decisions but encourage feedback, idea and suggestions from all employees. So it is essential to the manufacturing firm like PROGNOSYS MEDICAL SYSTEM PVT LTD.

- Regular up-gradation of knowledge.
- Regular co-ordination among the team members.
- The company is well known for Health Care Services.
- The present employees have the ability to do the Job.
- Each and every employee skills are been motivated and assessed.

7.STAFF

The manpower sourcing is done through advertisement, manpower consultant and personal reference. The concern department head will give the manpower requirement along with the job description. The human resource department will conduct interviews and select the right person for the right job.

The training department will train them for the departmental requirements. Promotion is based on the performance.

Salaries, PF's and employee benefits:

Each employee will have growth in salary consisting of basic salary dearness allowance and good incentives system with company accommodation.

STAFFING	NUMBER OF STAFFS
Design Engineer	8
Technical Support Engineer	13
General Manager	2
Senior Accounts Executives	2
Service Engineer	12
Area Sales Manager	13
Senior Sales Manager	2
Application Specialist	3
Assembly Executives	9
Production Executive	3
Supervisor – Processor Division	1
Quality Manager	1
Sr. Technical Co-ordinator	1
Electronics Technicians	1
Technical Writer	1
Office Assistant	7

PORTERS FIVE FORCE MODEL

Porter Five Forces Analysis is a **strategic management tool** to analyze industry and understand underlying levers of profitability in a given industry. MetLife, Inc. managers can use Porter Five Forces to understand how the five competitive forces influence profitability and develop a strategy for enhancing MetLife, Inc. competitive advantage and long term profitability in Life Insurance industry.

What are Porter Five (5) Forces

In his revolutionary article - "Five Forces that Shape Strategy", Michael Porter observed five forces that have significant impact on a firm's profitability in its industry. These five forces analysis today in business world is also known as -Porter Five Forces Analysis. The Porter Five (5) Forces are -

Threat of New Entrants

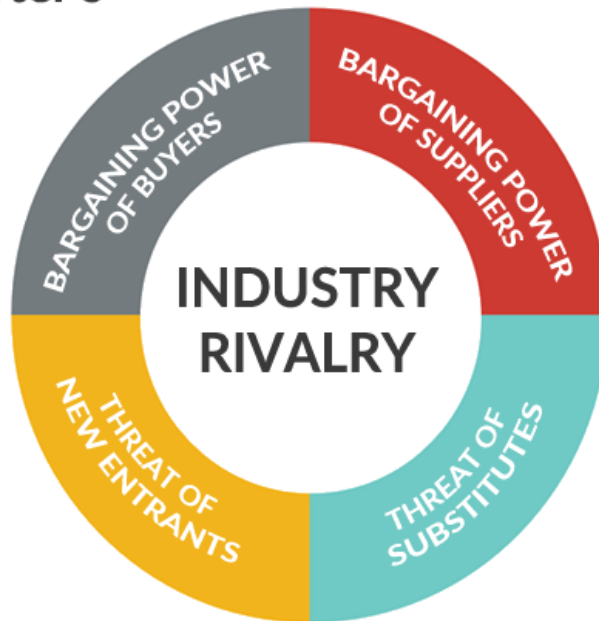
Bargaining Power of Suppliers

Bargaining Power of Buyers

Threat from Substitute Products

Rivalry among the existing players.

Michael Porter's Five Forces Framework



Porter Five Forces is a holistic strategy framework that took strategic decision away from just analyzing the present competition. Porter Five Forces focuses on - how prognosys Medical Systems, Inc. can build a sustainable competitive advantage in Medical Instruments & Supplies industry. Managers at prognosys Medical Systems, Inc. can not only use Porter Five Forces to develop a strategic position with in Medical Instruments & Supplies industry but also can explore profitable opportunities in whole Healthcare sector.

prognosys Medical Systems, Inc. Porter Five (5) Forces Analysis for Healthcare Industry

Threats of New Entrants

New entrants in Medical Instruments & Supplies brings innovation, new ways of doing things and put pressure on prognosys Medical Systems, Inc. through lower pricing strategy, reducing costs, and providing new value propositions to the customers. prognosys Medical Systems, Inc. has to manage all these challenges and build effective barriers to safeguard its competitive edge.

How prognosys Medical Systems, Inc. can tackle the Threats of New Entrants

- By innovating new products and services. New products not only brings new customers to the fold but also give old customer a reason to buy prognosys Medical Systems, Inc. products.
- By building economies of scale so that it can lower the fixed cost per unit.
- Building capacities and spending money on research and development. New entrants are less likely to enter a dynamic industry where the established players such as prognosys Medical Systems, Inc. keep defining the standards regularly. It significantly reduces the window of extraordinary profits for the new firms thus discourage new players in the industry.

Bargaining Power of Suppliers

All most all the companies in the Medical Instruments & Supplies industry buy their raw material from numerous suppliers. Suppliers in dominant position can decrease the margins prognosys Medical Systems, Inc. can earn in the market. Powerful suppliers in Healthcare sector use their negotiating power to extract higher prices from the firms in Medical Instruments & Supplies field. The overall impact of higher supplier bargaining power is that it lowers the overall profitability of Medical Instruments & Supplies.

How prognosys Medical Systems, Inc. can tackle Bargaining Power of the Suppliers

- By building efficient supply chain with multiple suppliers.
- By experimenting with product designs using different materials so that if the prices go up of one raw material then company can shift to another.

- Developing dedicated suppliers whose business depends upon the firm. One of the lessons prognosys Medical Systems, Inc. can learn from Wal-Mart and Nike is how these companies developed third party manufacturers whose business solely depends on them thus creating a scenario where these third party manufacturers have significantly less bargaining power compare to Wal-Mart and Nike.

Bargaining Power of Buyers

Buyers are often a demanding lot. They want to buy the best offerings available by paying the minimum price as possible. This put pressure on prognosysMedical Systems, Inc. profitability in the long run. The smaller and more powerful the customer base is of prognosysMedical Systems, Inc. the higher the bargaining power of the customers and higher their ability to seek increasing discounts and offers.

How prognosys Medical Systems, Inc. can tackle the Bargaining Power of Buyers

- By building a large base of customers. This will be helpful in two ways. It will reduce the bargaining power of the buyers plus it will provide an opportunity to the firm to streamline its sales and production process.
- By rapidly innovating new products. Customers often seek discounts and offerings on established products so if prognosys Medical Systems, Inc. keep on coming up with new products then it can limit the bargaining power of buyers.
- New products will also reduce the defection of existing customers of prognosys Medical Systems, Inc. to its competitors.

Threats of Substitute Products or Services

When a new product or service meets a similar customer needs in different ways, industry profitability suffers. For example services like Dropbox and Google Drive are substitute to storage hardware drives. The threat of a substitute product or service is high if it offers a value proposition that is uniquely different from present offerings of the industry.

How prognosys Medical Systems, Inc. can tackle the Treat of Substitute Products / Services

- By being service oriented rather than just product oriented.
- By understanding the core need of the customer rather than what the customer is buying.
- By increasing the switching cost for the customers.

Rivalry among the Existing Competitors

If the rivalry among the existing players in an industry is intense then it will drive down prices and decrease the overall profitability of the industry. prognosys Medical Systems, Inc. operates in a very competitive Medical Instruments & Supplies industry. This competition does take toll on the overall long term profitability of the organization.

How prognosys Medical Systems, Inc. can tackle Intense Rivalry among the Existing Competitors in Medical Instruments & Supplies industry

- By building a sustainable differentiation
- By building scale so that it can compete better
- Collaborating with competitors to increase the market size rather than just competing for small market.

CHAPTER 04
SWOT ANALYSIS

“PROGNOSYS MEDICAL SYSTEM” ⇒ SWOT ASSESSMENT

SWOT analysis (alternative SWOT Matrix) is a structured planning method used to evaluate the Strengths, Weakness, Opportunity, and Threats involved in a project or in a business venture. A SWOT analysis can be carried out for a Product, Place, industry or person. It involves specifying the objective of the business venture or project and identify the internal and external factors that are favourable and unfavourable to achieving that objective. Setting the objective should be done after the SWOT analysis has been performed. This would allow achievable goals or objectives to be set for the organisation.

a)STRENGTH:

- Company’s assets like Plant & Machinery, Computers and Skilled Employees.
- Strong Key-Personnel taking care of administration and delivering quality products.
- Price and Quality of Equipment, Timely delivery and quality service.

b)WEAKNESS:

- High out-of-pocket expenses for the equipment and after sales services.
- Lack of demographically distributed efficient healthcare service system.
- The compensation paid to the employees is currently high, which is increasing overall cost.
- Lack in Training to the Employees that affect the company’s external factor like Marketing.

c) OPPORTUNITIES:

- Many new technologies are entering the imaging segment; hence investments in this segment are surging and propelling its growth.
- The country is becoming a medical tourism destination for overseas patients as treatment costs and other expenses are comparatively lower, especially for treatments related to orthopaedic, cardio vascular and cosmetic operations.
- The X-ray segment is growing fast because of conversion from analog-equipment to digital systems

d) THREATS:

- Market / competitive pressure leads to decrease the sales.
- Government Regulations for purchase of Equipment parts has a direct effect on the company's price strategy as there is an increase in the Tax Rates.
- Due to the changes in the Seasonal Requirement of Customers Demand, that would be the advantage for the Competitors.

Chapter 05
ANALYSIS OF FINANCIAL STATEMENT

PROGNOSUYS MEDICAL SYSTEM PRIVATE LIMITED			
NO. 249, 4th Main Chamarajpet.			
Bangalore- 560018			
Balance Sheet as at 31st March 2018			
Particulars	Note no	31-Mar-18	31-Mar-17
		Rs.	Rs.
EQUITY AND LIABILITIES			
A. Share Holder's Funds			
Share capital		2,09,45,080.00	1,79,17,580.00
	A1	23,59,54,713.71	
Reserves and surplus			16,81,58,714.23
Money received under share warrants	A2	-	-
		-	30,27,500.00
B. Share Application Money Pending Allotment	B	33,29,740.24	
C. NON CURRENT LIABILITIES			
Long-Terms Borrowings	C1	2,89,57,276.00	7,96,966.47
Deferred Tax Liabilities	C2		6,28,142.00
Other Long Term Liabilities	C3	13,47,63,679.95	-
Long-Term provisions			75,56,425.00
D. CURRENT LIABILITIES			
Short-Terms Borrowings	D1		93,70,916.79
Trade payables	D2	2,83,38,759.94	98,54,948.30
Other Current Liabilities	D3	2,26,23,068.21	4,83,52,212.86
Short-Term provisions	D4	1,24,71,303.43	91,09,175.05

		48,73,83,621.48	27,47,72,580.70
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		Rs.	Rs.
ASSETS			
E. NON CURRENT ASSETS			
Fixed Assets			
(i) Tangible Assets	E1	2,51,03,401.42	2,00,09,321.13
(ii) Intangible Assets	E1	55,66,273.62	6,98,911.89
(iii) Intangible Assets under development	E1	-	33,65,339.00
Non-Current Investment	E2	8,000.00	8,000.00
Deferred Tax Assets (Net)	E3	17,33,997.00	-
Long Term Loans and Advances		-	-
Other Non-Current Assets	E4	33,49,698.00	1,09,84,622.00
F. CURRENT ASSETS			
Inventories	F1	11,22,24,852.33	7,18,82,750.29
Trade Receivables	F2	21,57,01,020.30	12,37,42,118.57
Cash and Cash Equivalent	F3	9,92,78,429.58	1,55,74,080.50
Short Terms Loans and Advances	F4	1,00,49,981.23	1,08,17,263.32
Other Current Assets	F5	1,43,67,968.00	1,76,90,174.00
		48,73,83,621.48	27,47,72,580.70

HORIZOTAL ANALYSIS OF BALANCE SHEET			
Particulars	Increase decrease amount	or in	Increase decrease percentage (%)
EQUITY AND LIABILITIES	Rs.		Rs.
A. Share Holder's Funds			
Share capital	30,27,500.00		16.90%
Reserves and surplus	6,77,95,999.48		40.32%
B. Share Application Money Pending Allotment			
C. NON CURRENT LIABILITIES			
Long-Terms Borrowings	25,32,773.77		317.80%
Differed Tax Liabilities			
Long-Term provisions	2,14,00,851.00		283.21%
D. CURRENT LIABILITIES			
Short-Terms Borrowings	12,53,92,763.16		1338.11%
Trade payables	1,84,83,811.64		187.56%
Other Current Liabilities	-2,57,29,144.65		-53.21%
Short-Term provisions	33,62,128.38		36.91%
Total Liabilities	21,26,11,040.78		77.38%
ASSETS	Rs.		Rs.
E. NON CURRENT ASSETS			-
Fixed Assets	0.00		-
(i) Tangible Assets	50,94,080.29		25.46%
(ii) Intangible Assets	48,67,361.73		696.42%
Non-Current Investment	0.00		0.00%
Deffered Tax Assets (Net)	-		-
Other Non-Current Assets	-76,34,924.00		-69.51%
F. CURRENT ASSETS			-
Inventories	4,03,42,102.04		56.12%
Trade Receivables	9,19,58,901.73		74.31%
Cash and Cash Equivalentts	8,37,04,349.08		537.46%
Short Terms Loans and Advances	-7,67,282.09		-7.09%
Other Current Assets	-33,22,206.00		-18.78%
Total Assets	21,26,11,040.78		77.38%

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PROGNOSUYS MEDICAL SYSTEM PRIVATE LIMITES		
NO. 249, 4th Main Chamarajpet.		
Bangalore- 560018		
Profit and Loss Account for the period ended 31st March 2018		
Particulars	31-Mar-18	31-Mar-17
	Rs.	Rs.
INCOME		
I. Revenue from operations	50,80,15,748.67	21,89,82,249.09
II. Other income	76,48,851.85	72,07,960.24
III. Total Revenue	51,56,64,600.52	22,61,90,209.33
IV. EXPENSES		
	-	-
Cost of Materials Consumed	12,10,49,500.98	11,46,08,815.33
Purchase Stock-in-Trade	15,88,48,855.29	2,18,86,950.01
Changes in Inventories of Finished Goods, Work-in-Progress & Stock in Trade	90,63,875.63	-1,30,98,936.51
Employees Benefit Expenses	9,00,52,603.24	6,64,11,020.79
Financial Costs	61,79,577.12	50,80,786.36
Depreciation and Amortization Expense	1,11,70,263.48	52,42,452.25
Other Expenses	8,98,22,542.80	2,28,34,170.82
Total Expenses	48,61,87,218.54	22,29,65,259.05
V. Profit before exceptional and extraordinary items and tax	2,94,77,381.98	32,24,950.29
VI. Exceptional Items	-	-
VII. Profit before extraordinary items and tax	2,94,77,381.98	32,24,950.29
VIII. Extraordinary Items IX. Profit before tax	-	-
	2,94,77,381.98	32,24,950.29

X. Tax expenses:		
(1)Current Tax	1,10,07,835.00	16,40,314.90
(2)Deferred Tax	-23,62,139.00	2,72,998.00
XI. Profit(Loss) from the period from continuing operations	2,08,31,685.98	13,11,637.39
XII. Profit/(Loss) from discounting operations	-	-
XIII. Tax expenses of discounting operations		
XIV. Profit/(Loss) from discounting operations	-	-
XV. Profit/(Loss) for the period	2,08,31,685.98	13,11,637.39
XVI. Earning per equity share:	-	-
(1)Basic	15.32	0.96
(2)Diluted	9.95	0.73
	51,56,64,600.52	22,61,90,209.33

HORIZOTAL ANALYSIS OF Profit and Loss Account		
Particulars	Increase or decrease in amount	Increase or decrease in percentage (%)
	Rs.	Rs.
INCOME		
I. Revenue from operations	28,90,33,499.58	131.99%
II. Other income	4,40,891.61	6.12%
III. Total Revenue	28,94,74,391.19	127.98%
IV. EXPENSES		
Cost of Materials Consumed	64,40,685.65	5.62%
Purchase Stock-in-Trade	13,69,61,905.28	625.77%
Changes in Inventories of Finished Goods, Work-in-Progress & Stock in Trade	2,21,62,812.14	-169.20%
Employees Benefit Expenses	2,36,41,582.45	35.60%
Financial Costs	10,98,790.76	21.63%
Depreciation and Amortization Expense	59,27,811.23	113.07%
Other Expenses	6,69,88,371.98	293.37%
Total Expenses	26,32,21,959.49	118.06%
V. Profit before exceptional and extraordinary items and tax	2,62,52,431.69	814.04%
VI. Exceptional Items		
VII. Profit before extraordinary items and tax	2,62,52,431.69	814.04%
VIII. Extraordinary Items		
IX. Profit before tax	2,62,52,431.69	814.04%
X. Tax expenses:		
(1)Current Tax	93,67,520.10	571.08%
(2)Deferred Tax	-26,35,137.00	-965.26%
XI. Profit(Loss) from the period from continuing operations		
XII. Profit/(Loss) from discounting operations	1,95,20,048.59	1488.22%
XIII. Tax expenses of discounting operations	-	-
XIV. Profit/(Loss) from discounting operations	-	-
XV. Profit/(Loss) for the period	1,95,20,048.59	1488.22%
XVI. Earning per equity share:		
(1)Basic	14.36	1495.83%
(2)Diluted	9.22	1263.01%
	28,94,74,391.19	127.98%

Chapter 06

LEARNING EXPERIENCE

Learning acquiring new or modified existing knowledge, behaviour, skills, values or preferences and may involve synthesizing different types of information. The ability to learn is possessed by humans, animals and some machines. Progress over time tends to follow learning curves. Learning is not compulsory; it is contextual. It does not happen all at once, but builds upon and shaped by what we already know. To that end, learning may be used as a process, rather than a collection of factual and procedural knowledge. Learning is based on experience. Learning produces changes in the organism and the changes produced are relatively permanent.

The internship project at PROGNOSYS MEDICAL SYSTEM PVT LTD was wonderful experience in terms of industry exposure and learning experience. There was a great opportunity for me to do my research work there. I was a part of many activities of the company during this period. Learnt about the sector company's history, how they promote the company, how to manage production and finance department to get more growth, etc... I started my research in the company and as well as I was looking at other works that was allotted to me. The best learning experience was that I started from the very basics of getting the overall idea.

The study which helped me lot to make the knowledge about the Healthcare centre because I was unaware about this industry. From the organisation I had very precious knowledge about the healthcare equipment manufacturing and the effort behind it. Moreover I experienced with the company in their cost allocation.

PROGNOSYS MEDICAL SYSTEM PVT LTD is well planned company especially the areas like quality and their products. By this organization study I have understood the importance of surgical and medical instruments in healthcare centre.

The company has systematic manner for procuring the medical instruments. This thought me the necessity of new instruments in company. A slight change in quality of products will have an impact in

the market and which will decrease the competency. So a proper care must be taken by the company to maintain and improve its position in the market.

And the company uses some of the techniques/strategy to keep the interest of the employees in the organization like; providing job training and giving appreciation to their good contributions. I was also able to understand the different tactics of the companies to attract and retain the customers. This is very important because in this era of industrial competition, it is crucial for any company to maintain, and simultaneously increase its market position, in terms of the market share it possesses. To retain the customers, it is as important as to reach out to more people.

My Internship Journey towards the Organisation of Prognosys Medical System made me to feel excited of learning new thing about the organisation. I was been placed in the accounts department, and got an opportunity to work with accounting team members. I have been learnt how to work with Tally and Excel from the Accounting team. I have learnt how to interact with the clients. Visited the production department and observed the production process. I have learnt how to deal with small issues or queries.

I had a very pleasant learning there, I learnt about the corporate culture and its working style of different department. The guide helped me to understand the organisation. In conclusion, I would like to state that by the experience of this training, the theoretical knowledge has no meaning without the practical approach. Both theoretical and practical knowledge serves as the two face of the same coin. This learning experience is valuable for me because I got an opportunity to understand about the healthcare centre, instruments, production process, and customer values, and so on.

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[siteshttps://prognosysmedical.com/](https://prognosysmedical.com/)

<https://www.zaubacorp.com/company/PROGNOSYS-MEDICALSYSTEMS-PRIVATE-LIMITED/U72900KA2003PTC032831>

Some of the information is been gather from Organisation's PDF file.