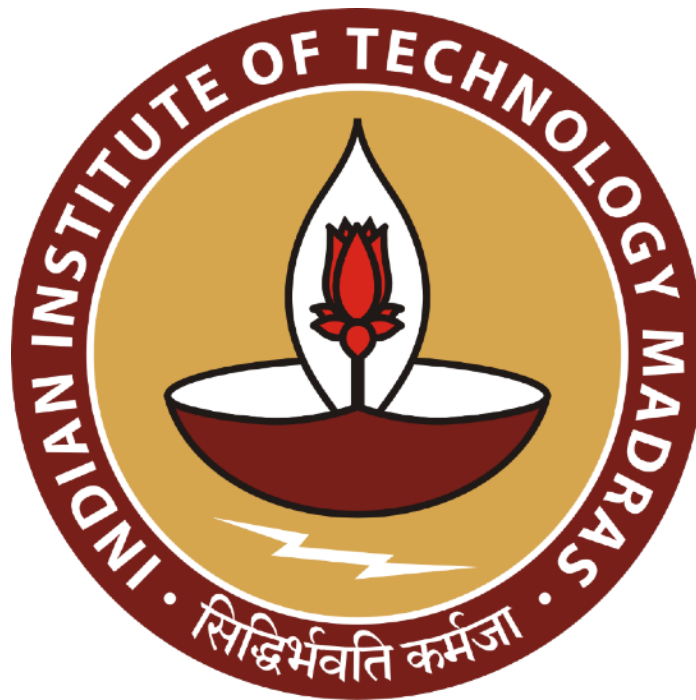# Financial Resilience Assessment and Risk Mitigation for a Fleet-Based Transport Business

A Proposal report for the BDM capstone Project

Submitted by

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Declaration Statement

I am working on a Project titled "Financial Resilience Assessment and Risk Mitigation for a Fleet-Based Transport Business". I extend my appreciation to **Shree Swami Samarth Travels**, for providing the necessary resources that enabled me to conduct my project.

I hereby assert that the data presented and assessed in this project report is genuine and precise to the utmost extent of my knowledge and capabilities. The data has been gathered from primary sources and carefully analyzed to assure its reliability.

Additionally, I affirm that all procedures employed for the purpose of data collection and analysis have been duly explained in this report. The outcomes and inferences derived from the data are an accurate depiction of the findings acquired through thorough analytical procedures.

I am dedicated to adhering to the principles of academic honesty and integrity, and I am receptive to any additional examination or validation of the data contained in this project report.

I understand that the execution of this project is intended for individual completion and is not to be undertaken collectively. I thus affirm that I am not engaged in any form of collaboration with other individuals, and that all the work undertaken has been solely conducted by me. In the event that plagiarism is detected in the report at any stage of the project's completion, I am fully aware and prepared to accept disciplinary measures imposed by the relevant authority.

I understand that all recommendations made in this project report are within the context of the academic project taken up towards course fulfillment in the BS Degree Program offered by IIT Madras. The institution does not endorse any of the claims or comments.

Signature of Candidate:

Name: Yash Badhe

Date: 13 November 2025

1. Executive Summary

Shree Swami Samarth Travels, a long-standing fleet management and transport service provider across Mumbai, Thane, and Navi Mumbai, operates with a sizeable fleet serving corporate, institutional, and government clients. The business primarily operates in a B2B and B2C capacity. Over the years, the company has built a strong reputation for reliability and customer satisfaction. However, as operations have scaled, the need for deeper financial and operational visibility has become increasingly important.

With several vehicles under active financing and a client base concentrated among a few key accounts, the organization has started observing fluctuations in revenue consistency and cash flow stability. Additionally, irregularities in GST records such as missing or incomplete tax details have highlighted the need for stronger compliance monitoring. These challenges, though subtle, directly impact financial sustainability and long-term growth planning.

To address these issues, this project proposes a structured analysis of the organization's internal data. By examining the sales and fleet registers, the study will evaluate **credit exposure** through metrics like the Debt Service Coverage Ratio (DSCR), measure **client concentration** to identify revenue dependency risks, and perform a **GST compliance review** to ensure tax accuracy. The goal is to create a transparent, data-driven framework that empowers Shree Swami Samarth Travels to make informed financial decisions, strengthen diversification strategies, and maintain compliance integrity.

2. Organization Background

Shree Swami Samarth Travels is a fleet-based transport and travel management company operating across **Mumbai, Thane, and Navi Mumbai**. The company was founded in **1997** by **Mr. Uttam R. Bornare**, who started a small transport agency and progressively expanded into a larger fleet-management and rental business. Day-to-day operations are now overseen

by **Mr. Shailesh Uttam Bornare**, who has introduced structured management practices and staff training to improve service delivery.

The company provides contract-based staff transportation, school routes, corporate travel support, domestic tours, and event logistics. Its client portfolio includes long-term engagements with organizations such as **SBI, Weatherford, St. Xavier's School,** and **Nelco Ltd.** The business maintains a substantial fleet (over 80 vehicles comprising buses and service cars) equipped for both AC and non-AC operations and follows standard safety provisions such as first-aid kits, fire extinguishers, and seat belts.

Over time Shree Swami Samarth Travels has served more than **50,000 customers** and established multi-year contracts with several clients. Current priorities for the company include improving financial sustainability, reducing client concentration risk, and strengthening GST and accounting controls to support scalable and compliant growth.

3. Problem Statement

3.1 Problem Statement 1:

The company faces challenges in assessing its **credit exposure and debt servicing capacity**, as the current vehicle loan and EMI data are not systematically analyzed. This limits the organization's ability to monitor financial stability, manage liquidity effectively, and plan future financing strategies.

3.2 Problem Statement 2:

The business exhibits a high **client concentration risk**, with a substantial portion of revenue dependent on a few key clients. This over-reliance threatens income stability and increases vulnerability to contract terminations or delayed payments, highlighting the need for diversified revenue streams.

3.3 Problem Statement 3:

The organization faces potential **GST compliance and integrity issues** due to inconsistent tax data and unverified GSTIN records. Such discrepancies can lead to audit risks, financial penalties, and reputational damage if not identified and corrected through systematic validation and reconciliation.

4. Background of the Problem

Shree Swami Samarth Travels has been operating in the transport and fleet management sector since 1997. Over time, the company has expanded its fleet to serve schools, corporates, and government clients across Mumbai, Thane, and Navi Mumbai. Most of this expansion has been financed through bank loans, resulting in multiple ongoing EMI commitments. Although the company's operations generate consistent revenue, payments often depend on client billing cycles. This creates occasional mismatches between income and loan repayment schedules, affecting short-term cash flow and financial planning.

A review of sales data shows that a significant portion of the company's turnover is concentrated among a few major clients. While these clients have maintained long-term associations, this dependence increases business risk. Any delay in payment or termination of a contract from these key clients could have a direct impact on revenue stability.

In addition, the company's sales records indicate irregularities in GST data, such as missing GSTIN entries and inconsistent tax calculations. These issues stem mainly from manual accounting processes and can lead to compliance challenges during audits or filings.

To ensure sustainable financial management, Shree Swami Samarth Travels aims to analyze its **loan exposure**, **client dependency**, and **tax compliance accuracy** through a structured, data-driven approach.

5. Problem Solving Approach

5a. Details about the Methods Used with Justification

Since the problems faced by Shree Swami Samarth Travels are mainly financial and data-related, I'll be using simple but effective quantitative methods to study them.

1. Credit Exposure Analysis:

 I'll use the company's EMI and financer data to check how much loan amount is active and how much is being paid every month. By comparing this with the monthly sales from the sales register, I can understand how much of the company's income goes into repayments. A ratio like **Debt Service Coverage Ratio (DSCR)** will be used to identify if there are any signs of financial stress.

2. Client Revenue Concentration:

 Here, I'll group all sales by client to find which clients bring the most business. Using the **Pareto (80/20) rule**, I'll identify if a large part of the company's revenue depends on just a few clients. This can help in planning diversification and reducing dependency.

3. GST Data Validation:

 I'll check the sales register for missing or invalid **GSTIN numbers** and mismatched CGST/ SGST/IGST entries. This will help the company spot any tax reporting errors or compliance issues.

Justification:

These methods were chosen because they directly relate to the company's real challenges loan repayment pressure, limited client base, and inconsistent tax records. The goal is to convert their existing data into clear insights that can actually help in decision-making.

5b. Details about the Intended Data Collection with Justification

Data Sources:

- **6-Month Sales Register:** Has information like date, client name, invoice value, and GST details.
- **Fleet & EMI Register:** Includes vehicle details, financer name, loan amount, EMI amount, and payment history.

Justification:

These two datasets give a complete picture of how the company earns (sales) and what it owes (loans). They're already maintained by the organization, so there's no need for extra data collection. Using this real data makes the analysis more reliable and relevant for the business.

5c. Analysis Tools and Justification

Microsoft Excel:

I'll use Excel for cleaning the data, removing blanks, and creating pivot tables for simple summaries like client totals and GST checks.

Python:

With libraries like Pandas and Matplotlib, I'll automate repetitive calculations, find patterns, and create visual graphs for things like revenue concentration and loan exposure.
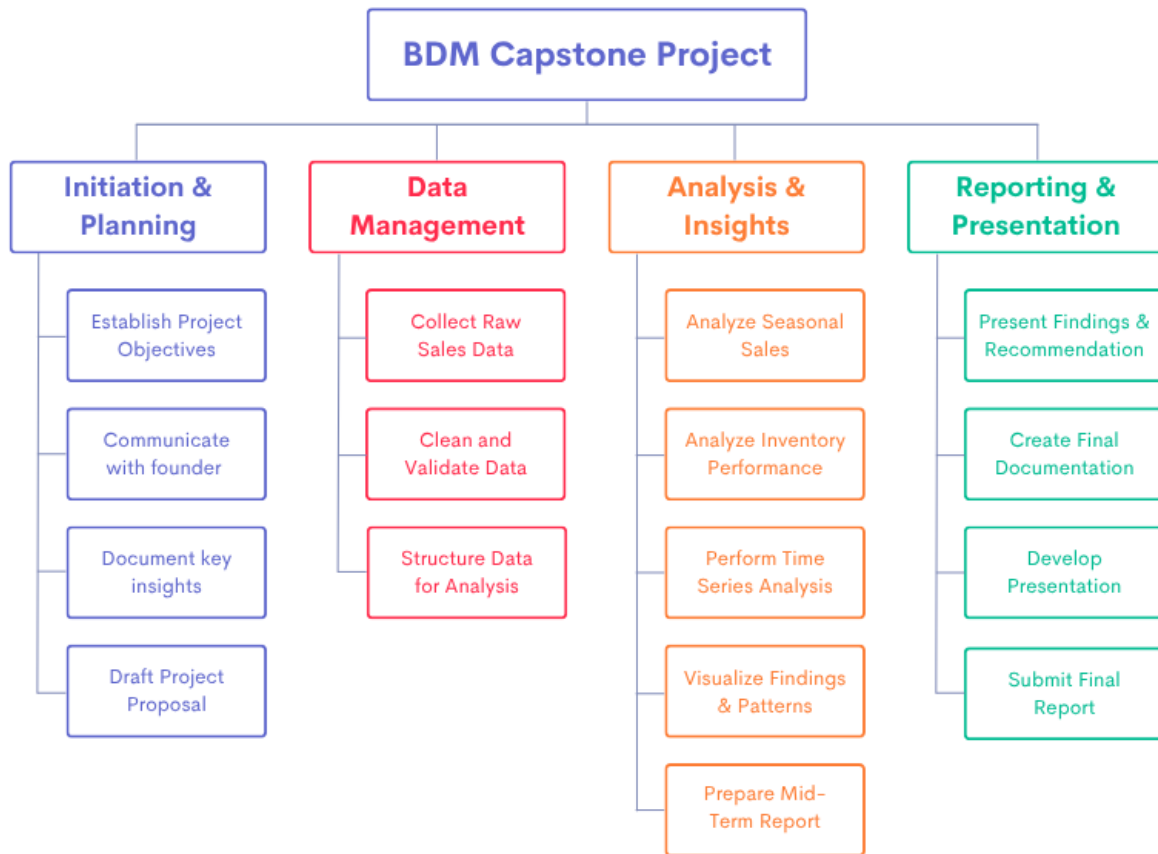
Power BI:

Once the analysis is done, I'll use Power BI to create a dashboard that shows all important insights like monthly revenue, client dependency, EMI exposure, and GST status in one place.
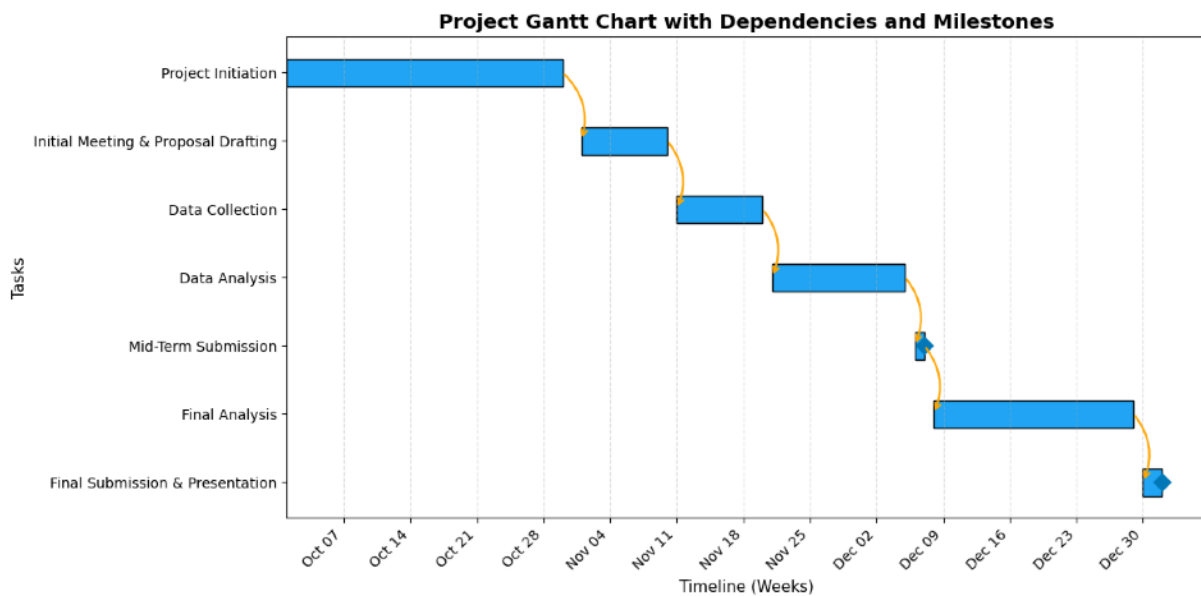
Justification:

Excel is great for initial work, Python makes the analysis faster and more accurate, and Power BI helps present it all in a way that's easy for the company to understand and use.

6. Expected Timeline

6.1. Work Breakdown Structure

6.2. Gantt chart

7. Expected Outcome

The project is expected to provide *Shree Swami Samarth Travels* with clear, data-backed insights into its financial and operational performance. Through **credit exposure analysis**, the company will gain a better understanding of its monthly loan obligations compared to its revenue inflow, helping identify possible cash flow risks. This will also highlight which vehicles contribute most to the overall financial burden, allowing better loan management and repayment planning.

The **client concentration analysis** will pinpoint the clients contributing the largest share of total revenue using Pareto analysis. These insights will help the management plan diversification strategies and reduce the company's dependence on a limited set of clients, improving business stability.

In terms of **GST compliance**, the study will detect missing or incorrect GSTIN entries and validate tax calculations to ensure accuracy. The findings will support audit preparedness and reduce the chances of penalties or compliance issues in the future.

All these insights will be compiled into an **interactive Power BI dashboard**, allowing management to track key metrics such as revenue flow, client dependency, loan exposure, and tax compliance in real time. Overall, the project will enable **Shree Swami Samarth Travels** to make more informed financial decisions and strengthen its operational transparency.