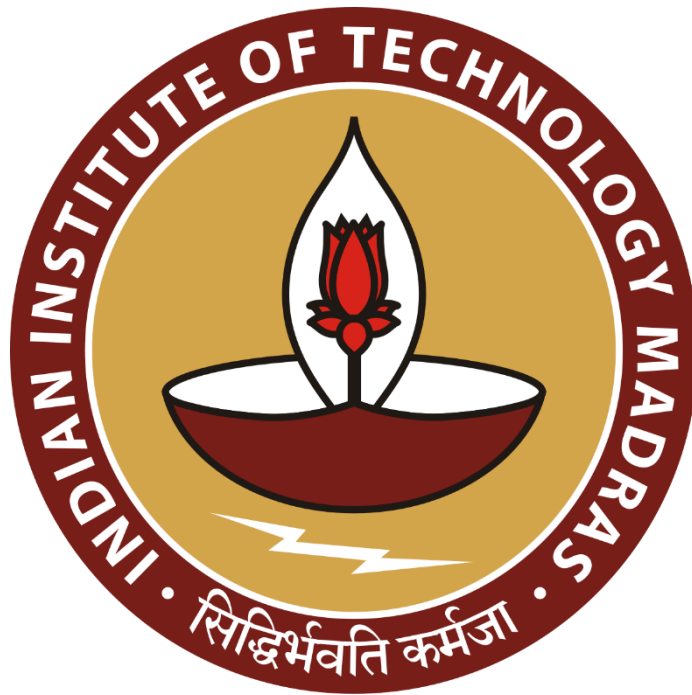


BUSINESS DATA MANAGEMENT

Proposal report for the BDM Capstone Project



IITM Online BS Degree Program,
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Submitted by
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Declaration Statement

I am working on a Project titled "Case study on Hindustan Enterprises". I extend my appreciation to Hindustan Enterprises, 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.

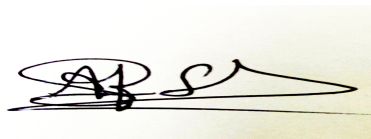
Additionally, I affirm that all procedures employed for the purpose of data collection and analysis have been duly explained in this report. The outcomes and inferences derived from the data are an accurate depiction of the findings acquired through thorough analytical procedures.

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:

A handwritten signature in black ink, appearing to read 'AFS', is written over a horizontal line on a light-colored background.

Name: Mohammad Afnan Shamsi

Date: 13/07/2024

BDM Capstone Project- Analysis of Hindustan Enterprises

Executive Summary :

- This project that I am working on is a small-scale wholesale store located at “210 Peeli Kothi, Hussain Bagh, Bareilly”. The business is B2B and deals in the segment of molded plastic furniture.
- From my interaction with the business owner and some general observation from quite a long time, I found out that the store has managed to build a good customer relation base, and also has managed to get good sales, but the number of the expired stock is high, the inventory management is inefficient, resulting in issues such as dead stock and frequent out-of-stock situations.
- The above problems can be addressed by filtering the data and analyzing using different analytical approaches like plotting trend lines and scatter plots and by using the pivot tables, plotting pie charts, and stacked histograms to find insights from the data.
- The expected outcome will help the organization as it will assist the owner in organizing the business more effectively by creating pivot tables and graphs, will suggest the best possible solution for inventory management and will suggest the business plan to increase profit margin and solve the above mentioned problems.

Organization Background

Name of the business : Hindustan Enterprises

Owner : Nazish Hussain

Address : 210 Peeli Kothi, Hussain Bagh, Bareilly, Uttar Pradesh

- Hindustan Enterprises is a wholesale business store which deals in the segment of molded plastic furniture with a wide range of chairs and tables. The store is a 3 storey godown which is located at a prime location. The business gets its supplies from the company Metro Maharaja and is also their only authorized distributor in that area.
- This business was established in early 2018. The owner of the store has put a total of twenty lakhs into the business, with some of that money going toward fixed assets like building the godown and some going into inventory.
- The business initially covered only the area of Bareilly but has now expanded to nearby cities such as Pilibhit, Fatehganj, Shahi, and other nearby cities.
- As a result of my conversation with the owner of the store and some analysis on my part, I have discovered that the store is not operating well in terms of net profit and can improve in some parts like handling inventory and managing their prices.

Proof of originality :



Picture of the shop



Picture of the SKUs

Sl. No.	Description of Goods	HSN/ACSC Code	Qty.	Rate	Amount
1)	Plastic Chair Fortuna		60	285	17100
2)	Plastic Chair Satamali		80	245	19600
3)	Plastic Chair Satamali		16	195	3120
Total Rupees In words: Forty Six Thousand Nine Eighty Eight			Total Amount Before Tax: 39820		
Add: CGST @ 9%			3584		
Add: SGST @ 9%			3584		
Add: IGST @ %					
Total Tax Amount			7168		
Total Amount After Tax			46988		

Bank Name: HDFC BANK
Address: Civil Lines, Bareilly
A/c No.: 50200053541704
IFSC Code: HDFC0000304

For HINDUSTAN ENTERPRISES
Authorised Signatory

Picture of a sales bill

Problem Statement

From my interaction with the business owner and some general observation from quite a long time, I found out that the store has managed to build a good customer relation base, and also has managed to get good sales, but

- Inefficient Stock Management : The stock is not managed properly which leads to left over stock of some SKU and frequent out of stock situations.
- Underperformance of the store: The store is not performing well in terms of net profit because of the low pricing and expired inventory.

The above problem can be solved by

Optimization of the inventory, i.e analyzing the store inventory using sales and intake.

Analyzing the net profit margin and steps to increase the same.

To open a retail store and sell the products at retail price which can generate great profits.

Background of the Problem

- As a result of my conversation with the owner of the store and some analysis on my part, I have discovered that the owner places an order of stocks every one or two months which leads to over buying the most selling stocks and eventually they end up with left over stock issues.
- Due to this, the number of expired stock is high, which cannot be returned to the factory in case of any damage or replacement, this leads to major losses for the business.
- I have also been a customer of this establishment, and from what I've seen, I've concluded that despite the fact that the store is in the center of the city and has a good amount of sales relative to its size and reach, and have a good relations with many customers, the establishment is having trouble expanding its fixed assets.
- Inadequate sales and improper management of inventories are two of the key factors that I believe contributed to the present state of things.
- In addition to that the margins on the product is kept low which leads to low profits.

Problem Solving Approach

Details about the methods used with Justification:

The primary type of data that I have collected is time-series data. So I will be plotting all sorts of trend lines and scatter plots to analyze the data and by using the pivot tables, I can plot pie charts, and stacked histograms to find insights from the data that I have collected, and by using the Ratios that were taught in the course, I am planning to compute key financial quantities, which I believe can help to solve the above problem.

Details about the intended data collection with Justification:

The owner had a vast amount of primary data and I have planned to collect the data for the June month cycle, for making the process of data collection as well as analysis conclusive. The various variables that have been collected for the above products are:

- Cost price of each SKU
- Selling Price of each SKU
- Quantity Sold
- Quantity Bought

From the above 4 variables, I am planning to compute key quantities like Revenue, Expenditure, Gross Profit, Net Profit, Profit Margin, Average Inventory, Wastage due to damage, and many more key financial ratios like ROCE (return on capital employed), Gross profit ratio, Net profit ratio, etc. I am also planning to collect the information about liabilities, fixed assets, variable assets, labor, and transportation costs for calculating the above ratios.

Details about the analysis tools with Justification:

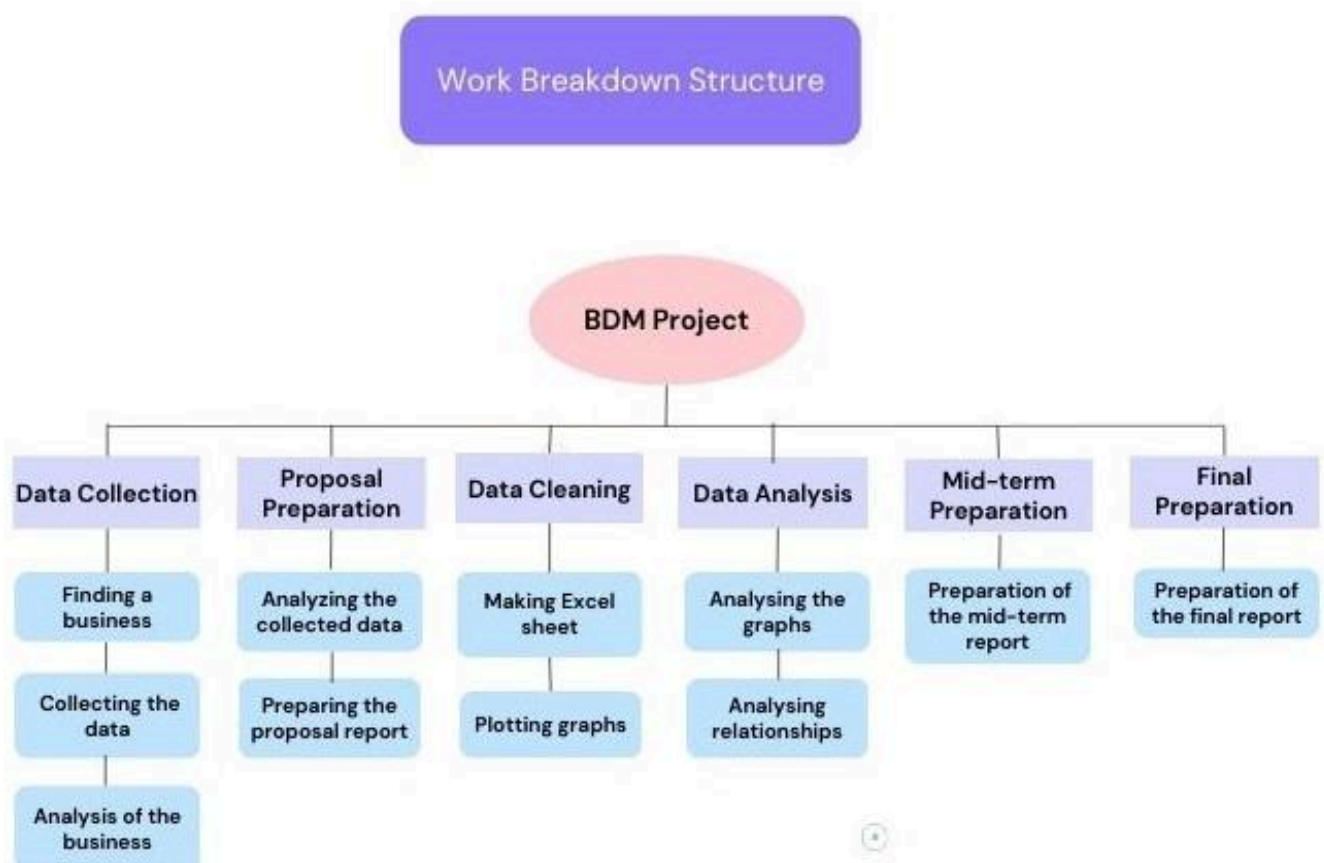
Since the type of data collected is majorly time series data, I am using Excel to process the data. Tools that are being used for the entire analysis are:

- Pivot Tables for filtering and computing row/ column wise
- Various Excel functions like VLOOKUP, COUNTIF, COUNTIFS, boolean operators, etc.
- For data visualization, I am primarily using: Pie charts, Stacked Histograms, Histograms, Scatter plots, Heat maps, etc.

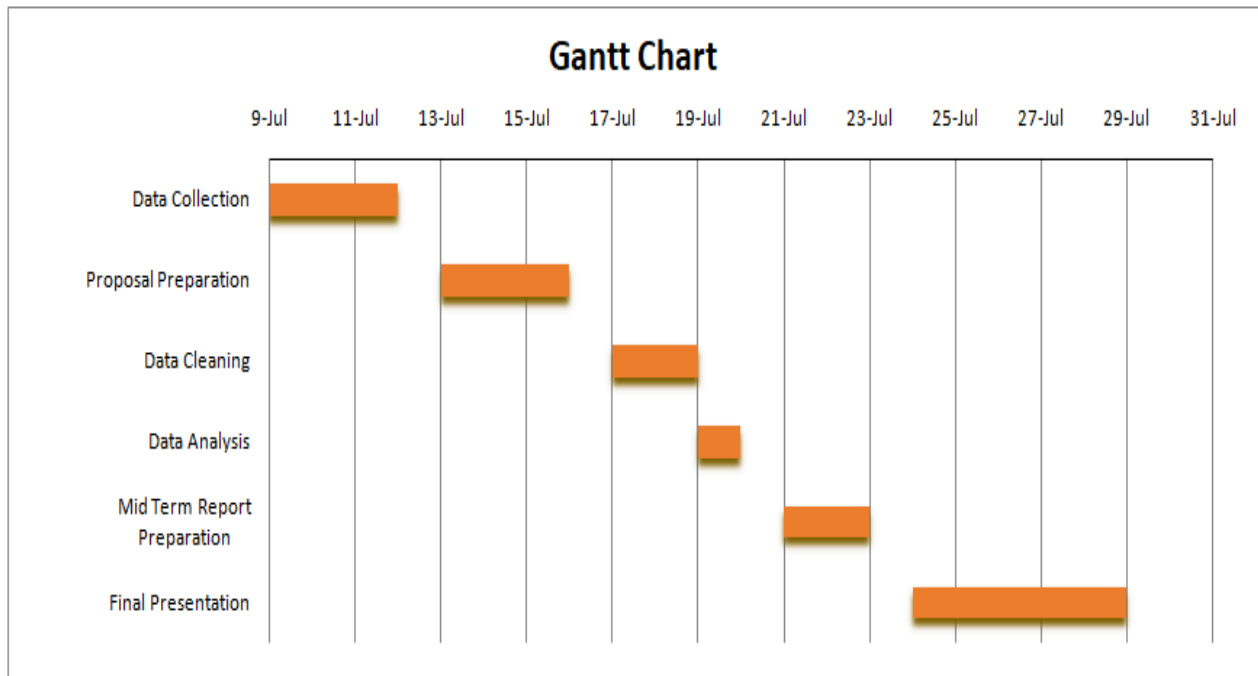
Expected Timeline

I have successfully collected 30 days worth of data which will be first cleaned , analyzed according to which more data will be collected if needed.

Work Breakdown Structure:



Gantt chart :



Expected Outcome

- Assist the owner in organizing the business more effectively by creating pivot tables and graphs.
- Suggest the best possible solution for inventory management.
- Suggest the business plan to increase profit margin and solve the above mentioned problems.