BUSINESS DATA MANAGEMENT
CAPSTONE PROJECT

Case Study of Hindustan Enterprises

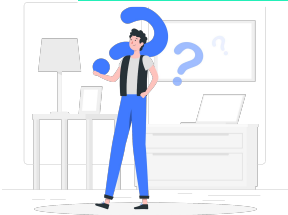Name : Mohammad Afnan Shamsi
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Executive summary

The business from where i collected data is a wholesale store, started by Mr. Nazish Hussain in early 2018.

The store deals in wide range of plastic furniture like chairs, tables etc.

Unfortunately the store has been encountering challenges in increasing the net profit & Inventory Management

01 Data Collection & Cleaning

- To collect data I went to store and collected extensive 30 day dataset from the 1st of June to the 30th of June 2024 of the top 10 SKUs.

- Data collected for analysis was primary data and was very raw.

- Hence to clean the data Google Sheets/Excel was used for data cleaning and future analysis.

02 Data Analysis
Objective : 1 Sales

Average daily revenue : ₹60,061

Deviation : ₹26,435

Minimum revenue : ₹23,028

Maximum revenue : ₹1,18,686
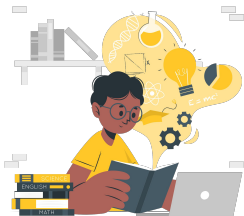
Total revenue : ₹16,21,641

Based on the contribution to revenue, the SKUs are divided into 3 categories.

The top selling SKUs are chair dollar, chair sunrise and chair king
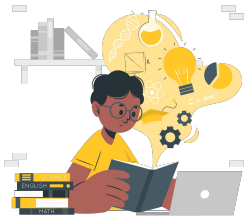
Class A	Class B	Class C
CHAIR SUNRISE	CHAIR CRYSTA	STOOL JUPITER
CHAIR DOLLAR	TABLE MAGNA	CHAIR MICKY MOUSE
CHAIR KING	CHAIR SIGMA	
CHAIR FORTUNER		
CHAIR SAFARI		

02 Data Analysis
Objective : 2 Inventory

- Inventory analysis reveals that the fast moving SKUs are stored in large quantities like chair Sunrise, chair Fortuner.
- Whereas the slow moving SKUs are purchased when they are about to get short.

Inventory Vs Sales

Legend: ■ Average Inventory ■ Average Sales

Product	Average Inventory	Average Sales
CHAIR KING	1616	1280
TABLE MAGNA	480	329
CHAIR MICKY ...	400	207
CHAIR SUNRI...	2860	2014
CHAIR FORT ...	1300	802
CHAIR SAFARI	1200	888
CHAIR DOLLAR	2416	1590
STOOL JUPIT...	660	597
CHAIR SIGMA	352	288
CHAIR CRYSTA	850	449

Y-axis: Stock per Unit (0 – 3000)
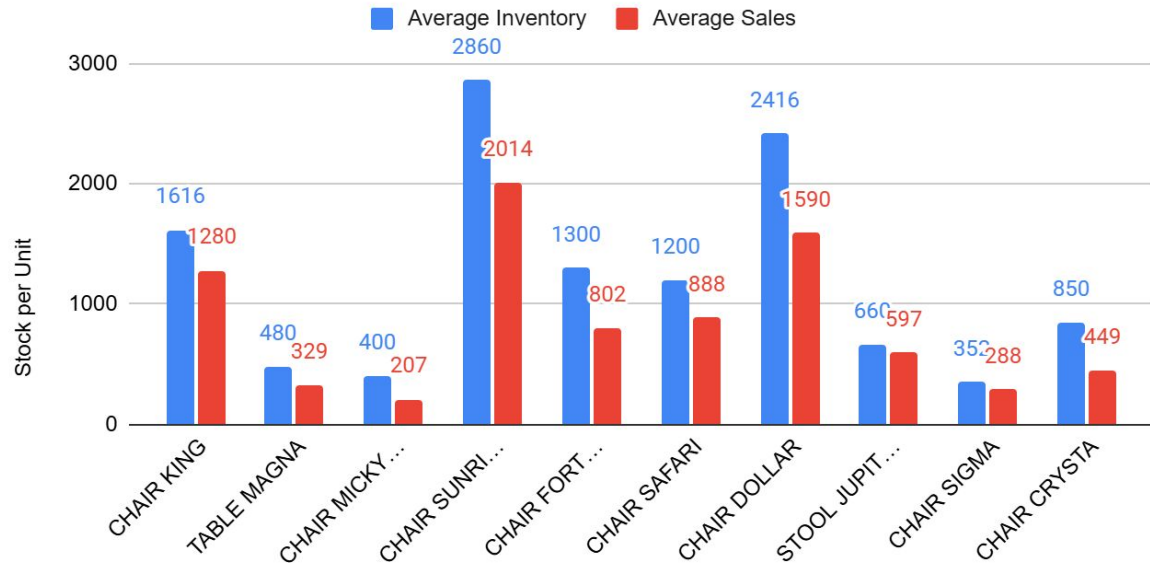
02 Data Analysis
Objective : 3 Profit / Loss

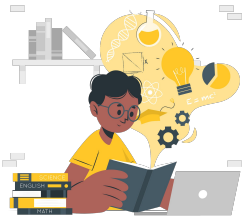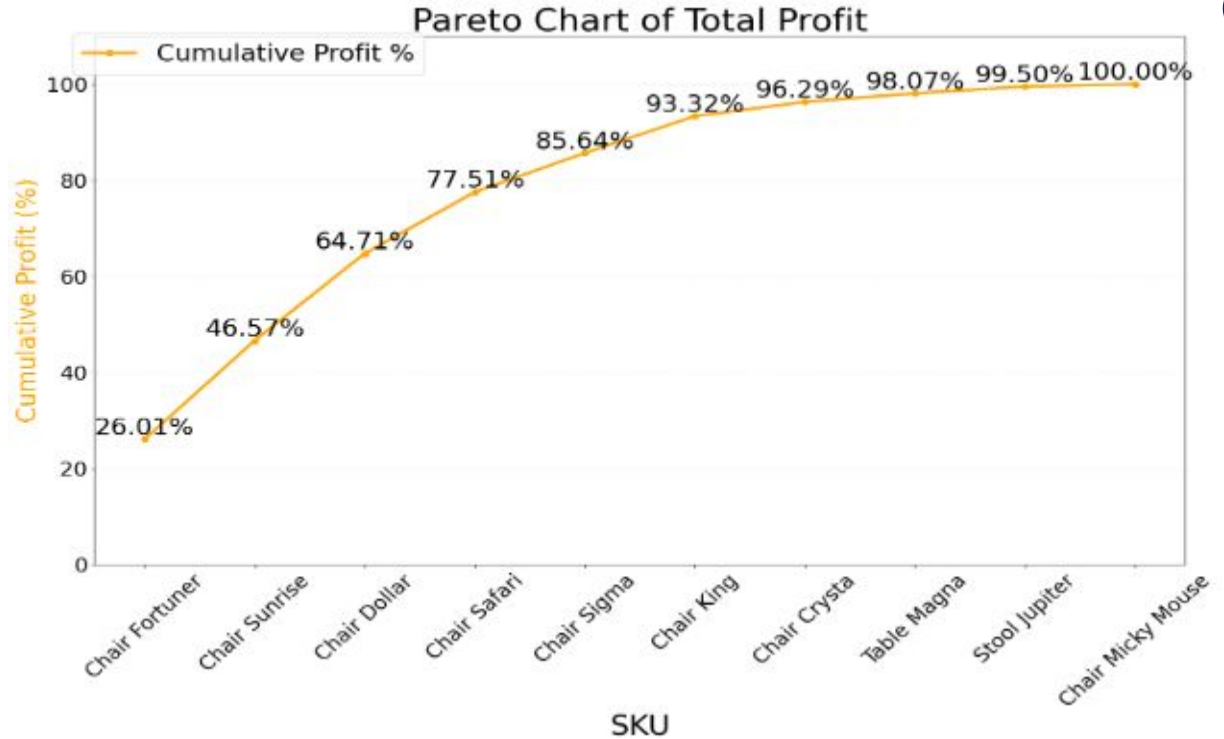- Chairs Fortuner, Sunrise, Dollar and Safari contribute to approximately 80% of the total profit.
- Chair Fortuner and Chair Sigma have the maximum profit generating capacity.

Pareto Chart of Total Profit

— Cumulative Profit %

Cumulative Profit (%)

26.01%
46.57%
64.71%
77.51%
85.64%
93.32%
96.29%
98.07%
99.50%
100.00%

SKU

Chair Fortuner, Chair Sunrise, Chair Dollar, Chair Safari, Chair Sigma, Chair King, Chair Crysta, Table Magna, Stool Jupiter, Chair Micky Mouse

02 Data Analysis

## *Objective : 4 Fixed Cost Analysis*

- The business is debt free, and the owens the premises, hence the operating cost is low.
- Majority of the fixed cost goes to salaries
- Unloading charges are other costs which are the cost of labour to unload the goods which is around Rs. 1800 per truck.

Fixed Cost Analysis			Salaries	
	COST			COST
ELECTRICITY	₹2,300		Staff 1	₹6,000
Salaries	₹64,000		Staff 2	₹7,000
Unloading	₹3,600		Staff 3	₹6,000
TOTAL FIXED COST	₹69,900		Owner	₹45,000
			TOTAL SALARIE	₹64,000
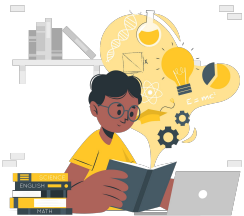
03 Findings (PL & Insights)

BALENCE SHEET		
VARIABLES	**VALUE**	**REMARK**
TOTAL REVENUE	₹1,621,641	FAIRLY GOOD
GROSS PROFIT	₹166,520	
NORMALISED FIXED COSTS	₹69,900	MAJORLY FROM MONTHLY FIXED EXPENSES
NET PROFIT	₹96,620	
GROSS PROFIT RATIO	10.27%	FAIRLY GOOD FOR A WHOLESALE STORE
NET PROFIT RATIO	5.96%	FAIRLY GOOD FOR A WHOLESALE STORE
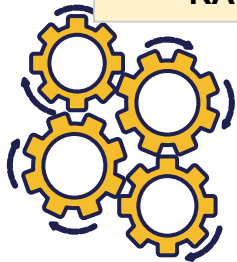
04 Recommendations

1. Increase the sales of high profit items (such as:- Chair Fortuner and Chair Sigma)
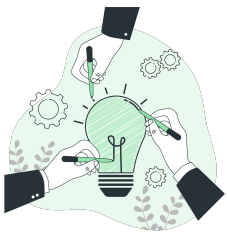
Promotion & Marketing
Bulk Sales and Discounts

2. Profit Maximization

Reducing Holding Costs
Improving Sales of High Profit SKUs
Avoiding Loses on Category C SKUs

3. Exploring Nearby Cities for Marketing

4. Opening a Retail Store of their own

5. Effective Pricing Strategies

Bundle Pricing
Promotional Pricing

Eye-Catching Displays

6. Enhance Store Display for Customer Attraction