

REDUCING STOCK WASTAGE AND INCREASING PROFITABILITY OF A SWEETS SHOP

BDM CAPSTONE PROJECT

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ABOUT THE BUSINESS

Aggarwal Sweets Corner is a sweets shop. It was founded by Mr. Mukesh Aggarwal in August 2019.

It manufactures and sells a variety of all-weather and seasonal sweets along with packaged snacks.

Currently, it operates solely through its physical store, with no online presence.



PROBLEM STATEMENT

1

Issues in estimating production to match with the sales demand, causing overproduction and stock wastage.

2

Lack of a dynamic pricing strategy affecting profitability, resulting in missed revenue during peak seasons and excess inventory during slow periods.

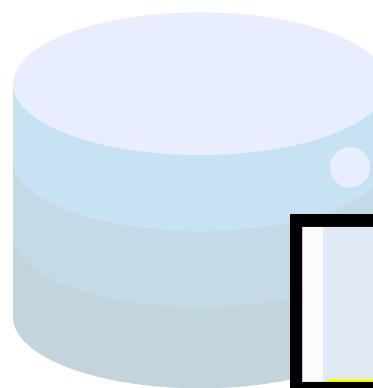
3

Absence of online sales channels restricting access to larger customer base and slower inventory turnover.



DATA COLLECTED

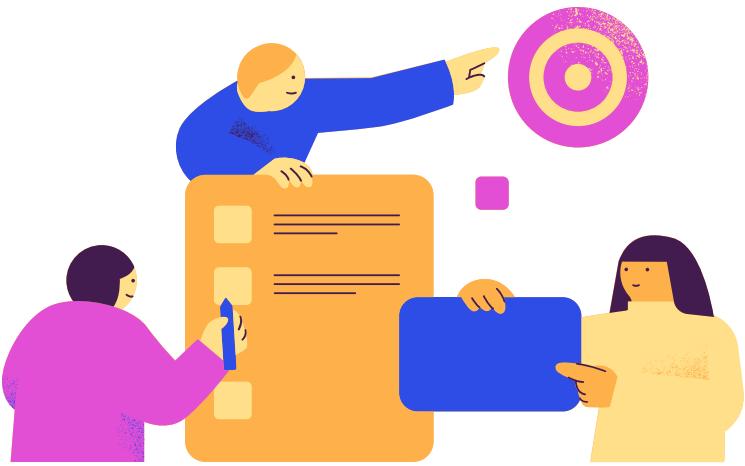
Time Period of Data Collected : **1 Year**
(January 2024 - December 2024)



Manufactured_Sales_Data ▾	Production_Cost_Data ▾	Price_List ▾
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- **Manufacturing-Sales Data:** This sheet contains weekly records of production, sales, and expired quantities of sweets. The quantity of sweets is measured in kilograms (Kgs).
- **Production Cost Data:** This sheet contains the manufacturing cost (in INR) information for the sweets.
- **Price List:** This sheet has the prices (in INR) of the sweets.

ANALYSIS PROCESS



Data Collection

Manually compiled and inserted all the relevant data into Google Sheets

Data Preprocessing

Calculated key statistical measures such as total monthly sales, product-wise revenue, total quantity of expired products, net revenue, etc.

extensively used pivot tables and VLOOKUP function in Google Sheets.

these computed metrics helped me in understanding the current business dynamics.

ANALYSIS PROCESS

Data Analysis

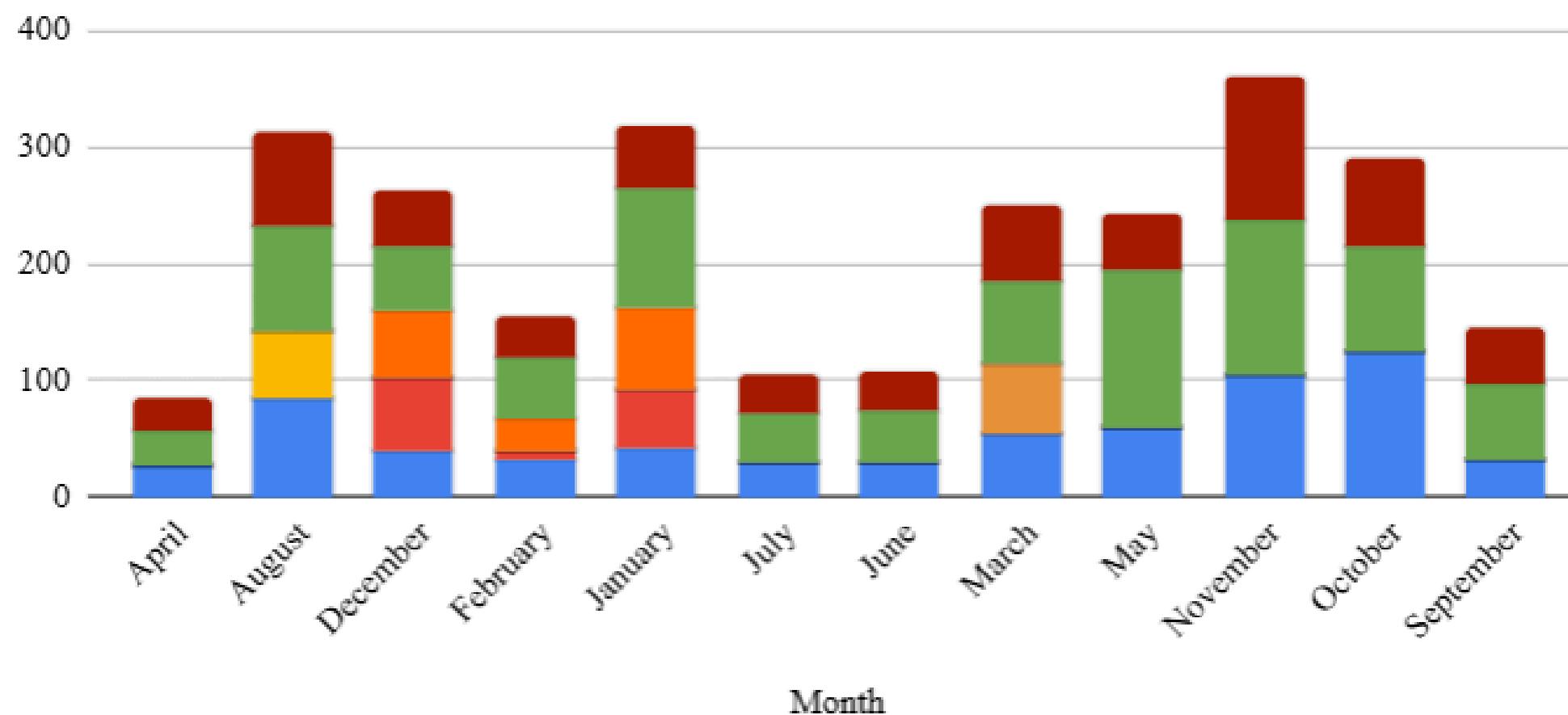
- **Sales Analysis** to understand monthly and weekly product demand trends.
- **Product Expiration Analysis** to assess inventory wastage across months and weeks.
- **Revenue Analysis** to evaluate the financial contribution of each product over time.
- **Product Cost Analysis** to understand the cost implications of expired inventory and profit margins.



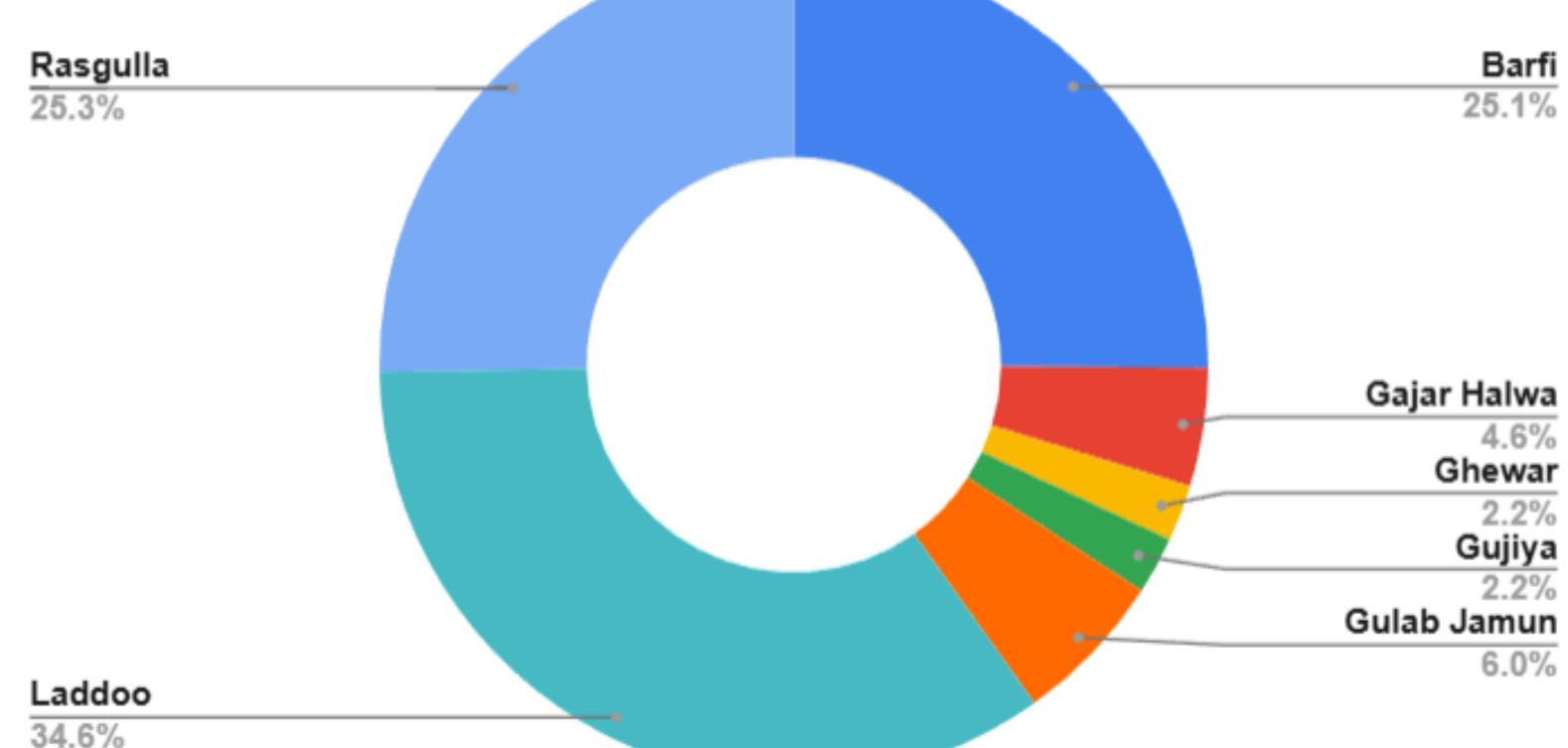
RESULTS

Total Sold Quantity of Each Sweet Over Months

Rasgulla Laddoo Gulab Jamun Gujiya Ghewar
Gajar Halwa Barfi



SUM of Sold Qty (in Kgs)

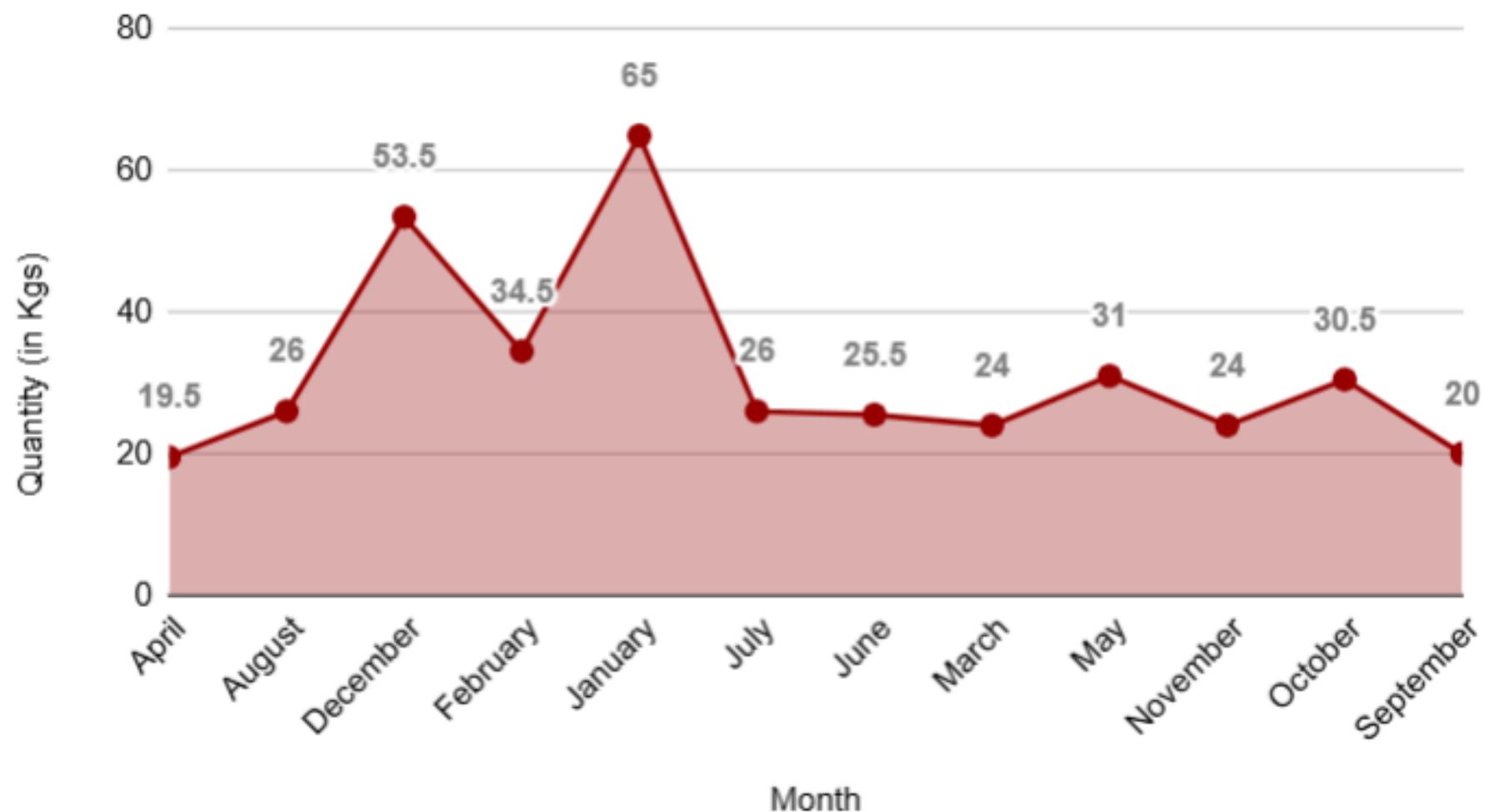


Sales Analysis reveals

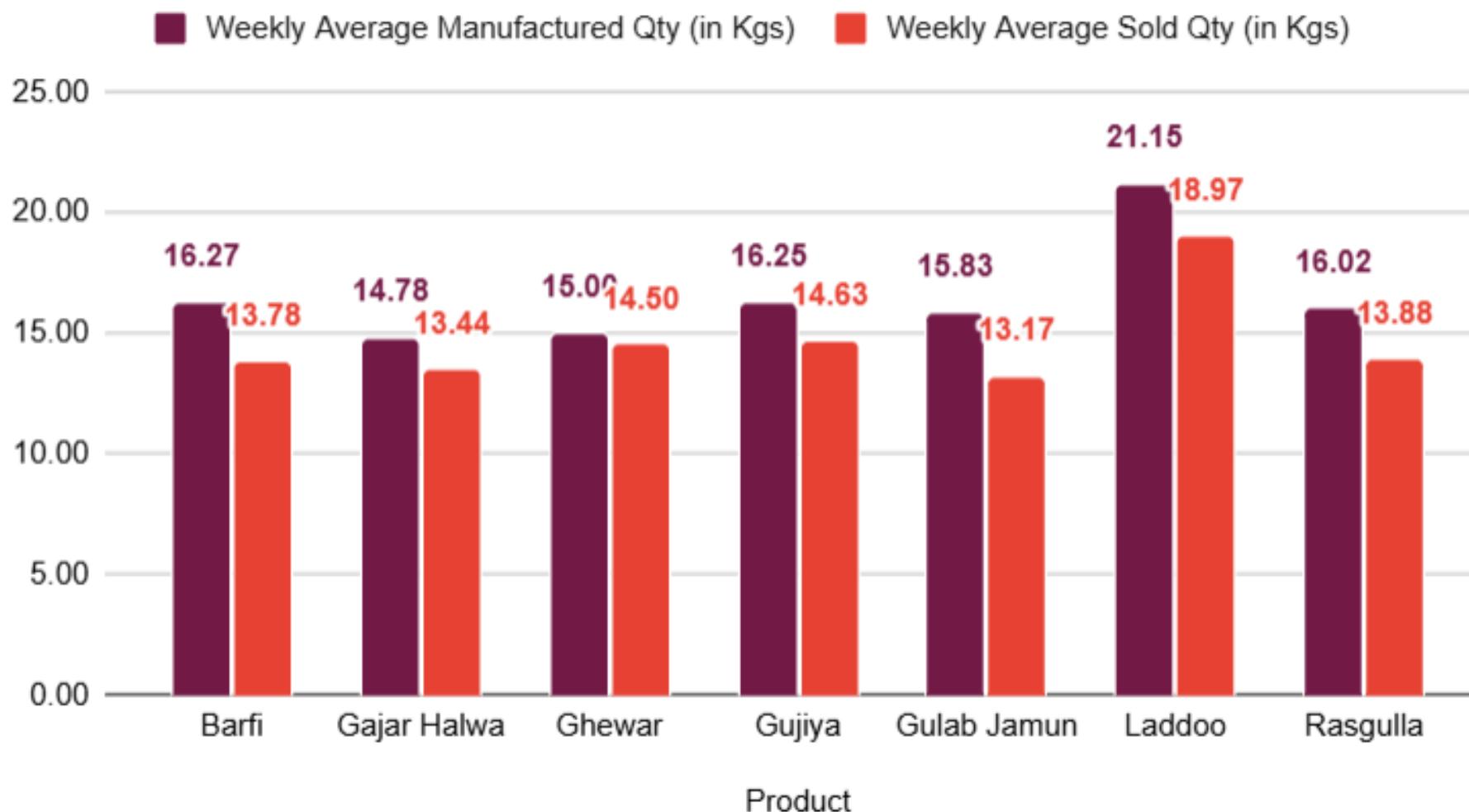
- **November** showed the highest sales in terms of quantity, while **April** showed the least.
- **Laddoos** are the most sold item, followed by Rasgulla, Barfi, and other seasonal sweets.

RESULTS

Total Expired Quantity (in Kgs) Over Months



Weekly Average Manufactured and Sold Qty (in Kgs)

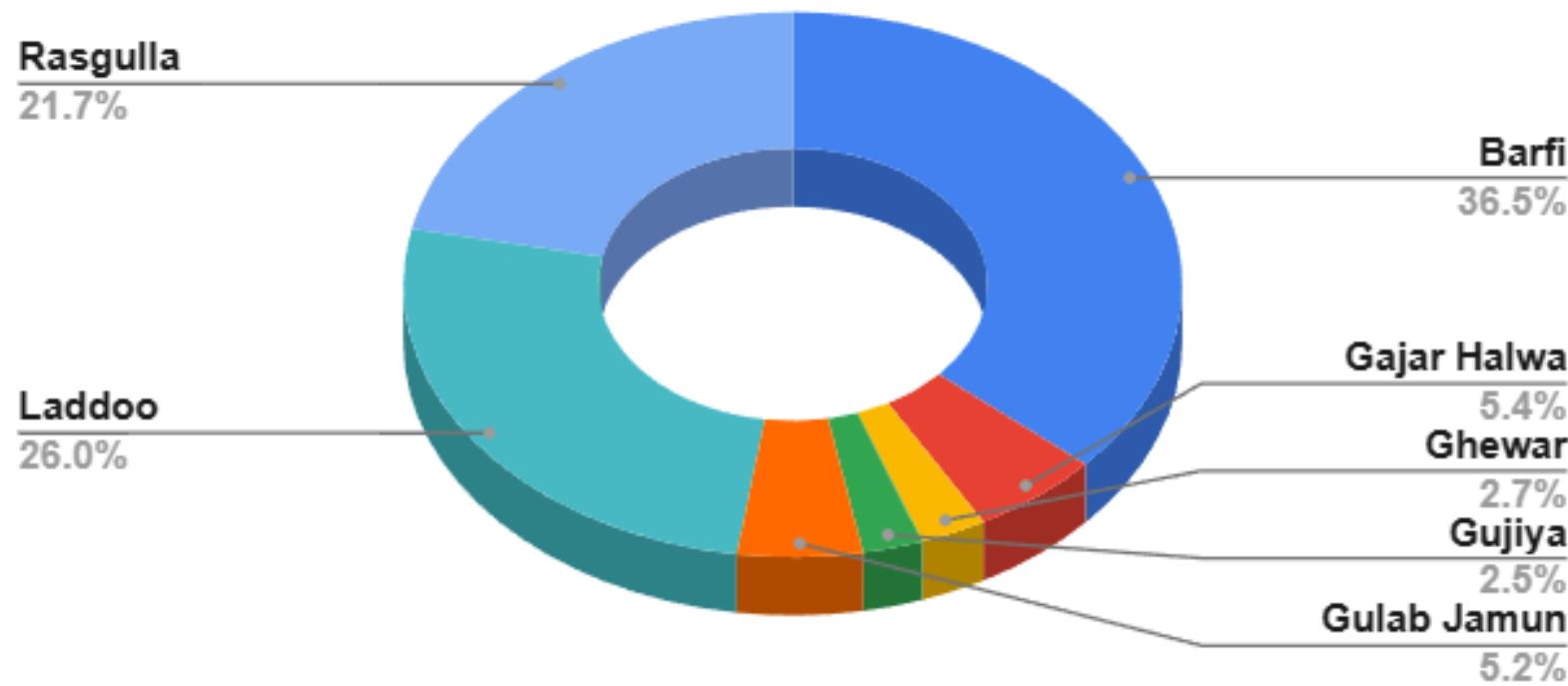


Product Expiration Analysis showed that

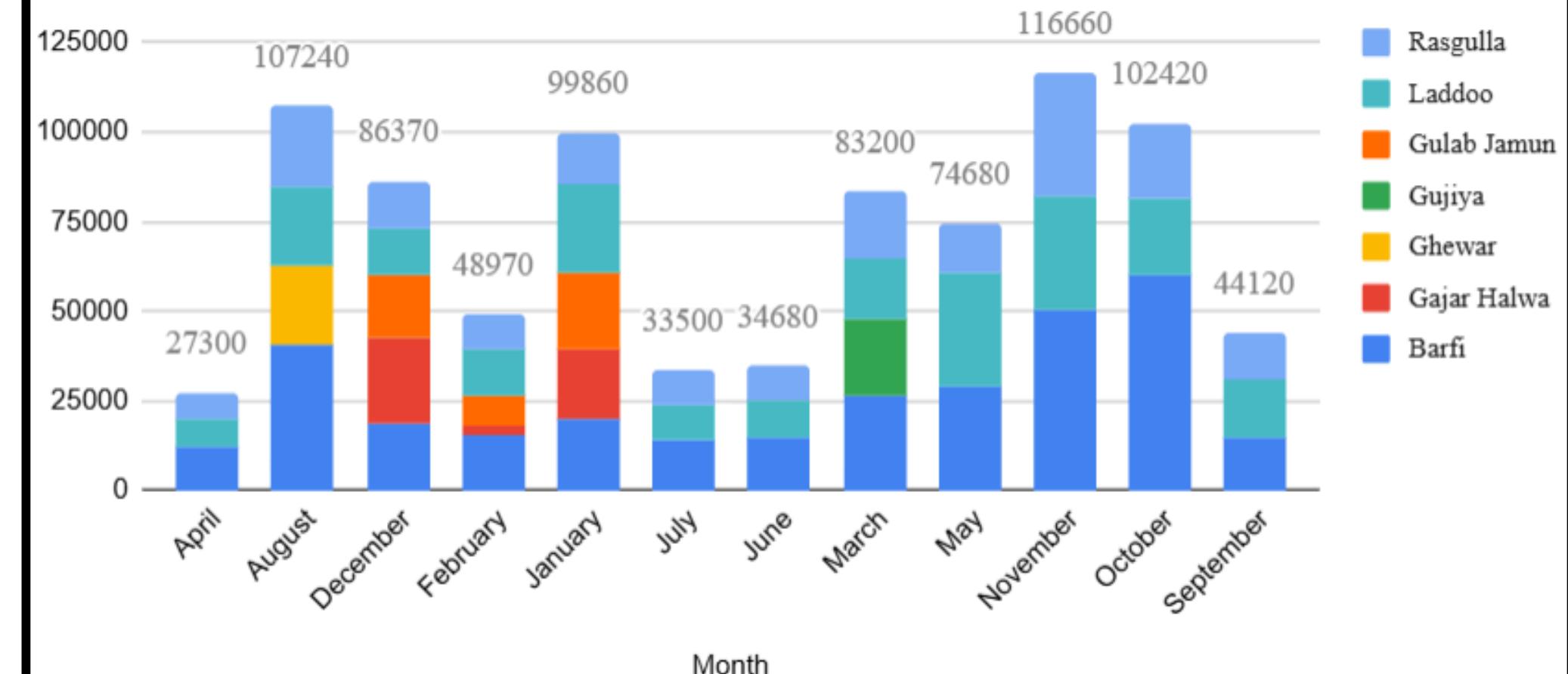
- **January** recorded the highest expiry of products, followed by **December**, despite good sales. And **April** recorded the least.
- The difference in **average manufactured and sold quantity** is highest in **Gulab Jamun**.

RESULTS

Net Revenue Contribution of each Product



Product-wise Revenue Generated Over Months



Analysis of Revenue indicates

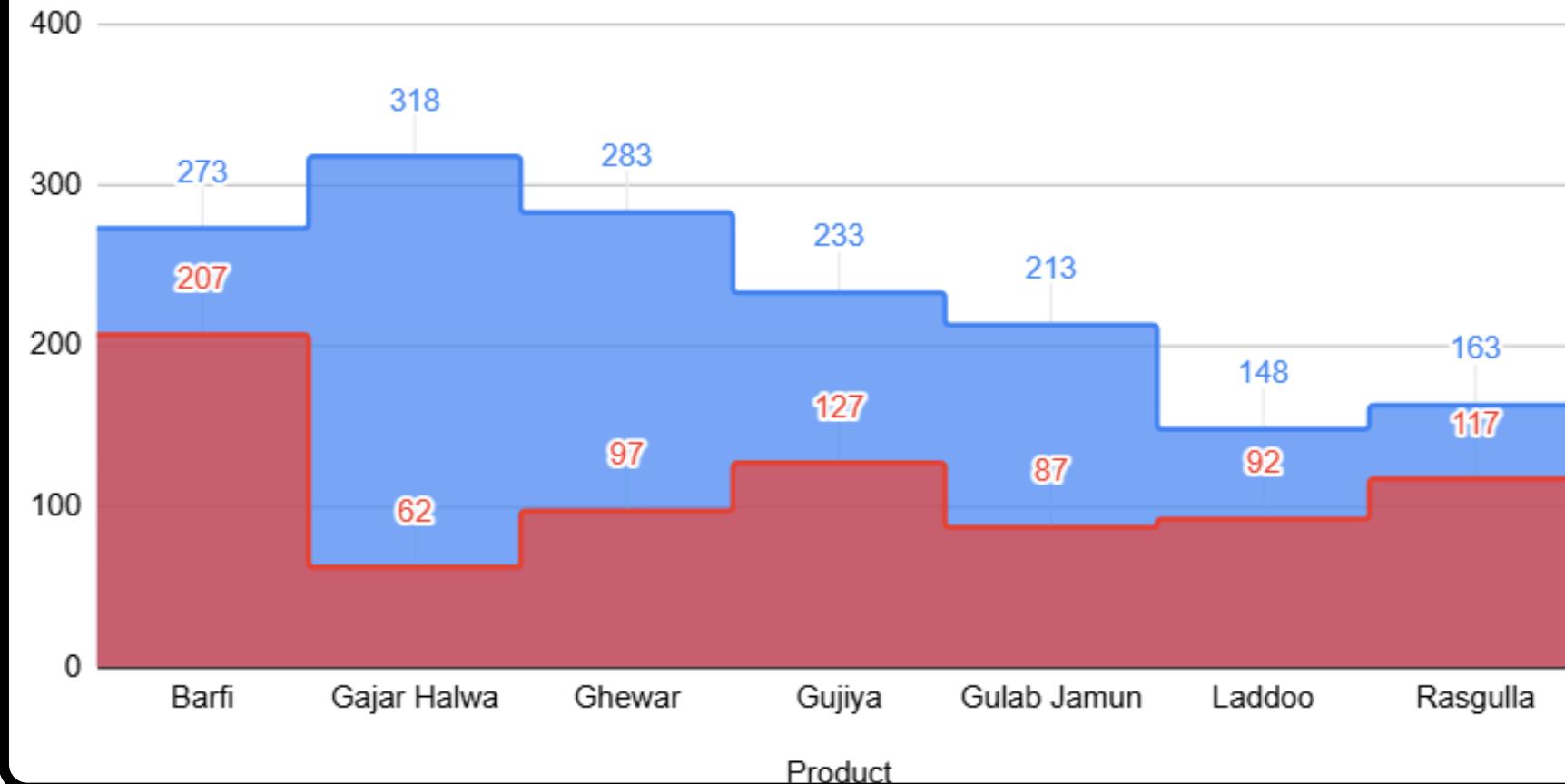
→ **Barfi** contributed the highest in net revenue of the business.

→ The average monthly revenue is approximately ₹71,583, and the total revenue exceeded this average in only **7 months**.

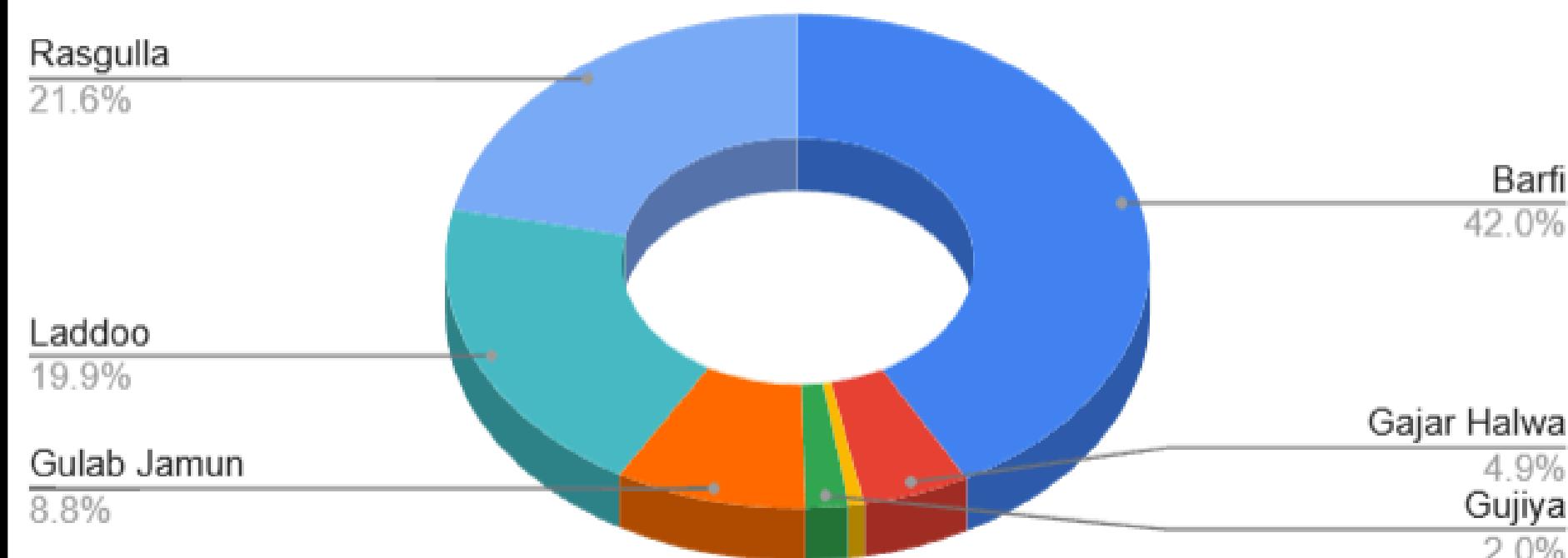
RESULTS

Cost Price and Profit of Each Product

■ Cost Price ■ Profit



Contribution of each Product In Cost of Expired Quantity



Product Cost Analysis says that

→ **Gajar Halwa** has the highest manufacturing cost, but the least profit margin, ~19.5% of manufacturing cost.

→ **Barfi** has the highest profit margin of Rs. 207 against the manufacturing cost of Rs. 273. It has contributed maximum in **revenue loss** due to **expiration**.

RECOMMENDATIONS



The business should align its weekly manufacturing of products more closely with average weekly sales, especially for high-expiry items like Gulab Jamun. This can reduce stock wastages to significant amounts.



Since sweet sales decline in summer, the business can introduce seasonal discounts, promotional offers, or price reductions to attract more customers and improve sales.



Introduction of deep freezers or cold storage can increase the shelf life of sweets, reducing spoilage, particularly during hot summer months.



The shop should start building its presence on social media. This will help more people in the region know about weekly discounts and special offers, leading to more customers and better brand recognition.



THANK YOU

