

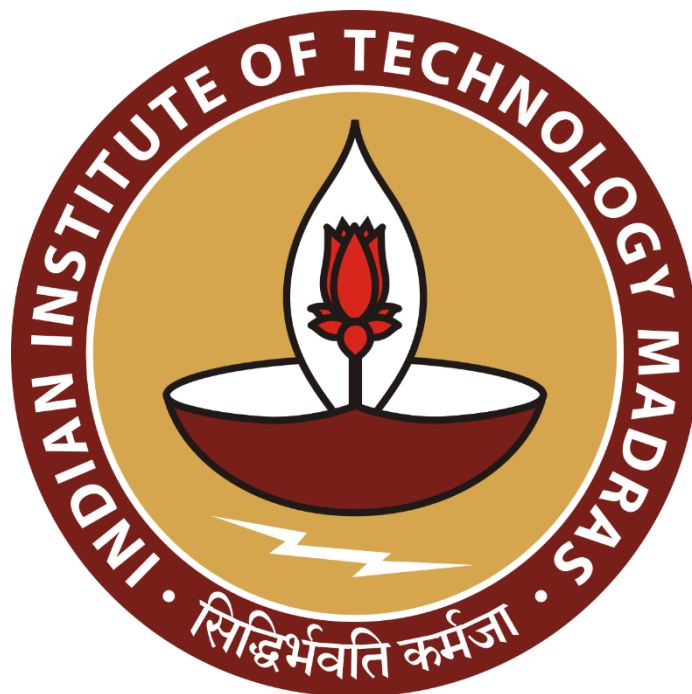
# **Modernizing and Optimizing the payment collection techniques of a Wholesale Dry Fruits Business**

**A Proposal report for the BDM capstone Project**

Submitted by

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## **Declaration Statement**

I am working on a Project titled “**Modernizing and Optimizing the payment collection techniques of a Wholesale Dry Fruits Business**”. I extend my appreciation to **Pooja Store**, 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: Ojasv Singhal

Date: 28/9/23

## 1 Executive Summary and Title

The project focuses on a Wholesale Dry Fruits Business based in New Delhi, India. The organization works as a B2B Wholesale business specializing in the sales of Fox Nuts and Dry Coconuts.

The major business issues being faced by the organization includes a suboptimal payment claiming system leading to multiple payments going unclaimed hence leading to large losses. It also suffers from an inherent lack of modernity in its data keeping methods leading to misleading figures for future usage. Another issue plaguing the organization is the loss of stocked produce due to various reasons ranging from pests to even theft.

The issues will be addressed by analyzing the data via different analytical approaches to obtain a fruitful outcome. One of the first things to be done in order for the organization's success would be to introduce the use of digital spreadsheets or other data management solutions and reduce their reliance on perishable books for "book keeping". A comprehensive repayment solution must be put in place and the amount of stocked produce be reduced for enhanced effectiveness in the area of storage.

The expected outcome is for the organization to reclaim its rich reputation within the market where it resides by optimizing the payment collection techniques and modernizing its ways of business and eventually diminishing the profit bleeding it suffers from.

## 2 Organization Background

Pooja Store, headquartered in New Delhi, India, boasts a rich history in the B2B wholesale industry. Specializing in the distribution of Fox Nuts and Dry Coconuts, the organization has been a prominent player in the region for several decades. It gets its produce from farmers from regions like Bihar and Odisha.

Founded with a commitment to quality and reliability, the company has established strong relationships with suppliers and buyers alike. Over the years, it has earned a reputation for providing premium quality dry fruits to a diverse clientele, ranging from retailers to food manufacturers.

Despite its historical success, the organization faces considerable challenges. An outdated payment claiming system has resulted in significant revenue losses, while antiquated data management methods hinder accurate financial insights. Moreover, the business contends with losses in stocked produce due to various factors, impacting its overall profitability.

To revitalize its operations and restore its market reputation, the company is embarking on a transformation journey, focusing on digitalization, payment optimization, and efficient inventory management. With these strategic changes, the organization aims to reclaim its position as a leader in the wholesale dry fruits industry.

### 3 Problem Statement

- 3.1 **Objective 1: Improve Payment Claiming Efficiency:** Enhance the payment claiming system to reduce unclaimed payments and financial losses, ensuring a more robust and streamlined financial operation.
- 3.2 **Objective 2: Modernize Data Management:** Implement modern data management solutions to ensure accurate financial tracking, enabling data-driven decision-making and future planning.
- 3.3 **Objective 3: Minimize Produce Losses and Enhance Storage:** Develop strategies to minimize losses in stocked produce, addressing issues like pests and theft, and optimize storage practices for improved operational efficiency and reduced wastage.

### 4 Background of the Problem

The major causes of the problems faced by the Wholesale Dry Fruits Business can be attributed to several key factors. Firstly, the suboptimal payment claiming system has arisen from a lack of automation and digitalization in the organization's financial processes, leading to inefficiencies, errors, and a high number of unclaimed payments. Secondly, the outdated data management methods are a result of the business's historical reliance on manual bookkeeping, which has led to inaccuracies and challenges in keeping up with modern financial standards. Lastly, the losses in stocked produce are primarily caused by inadequate pest control measures and security measures against theft. These issues stem from a lack of robust inventory management practices, leaving the stored products vulnerable to various threats. Addressing these root causes will be fundamental in resolving the challenges and ensuring the long-term success and profitability of the business.

It's not all fault of the business managers though, external factors like those who dishonestly withhold payment and those who unfairly steal from the business also contribute to the downfall of the business. These external issues can be dealt with effective background checks on those who are allowed to interact with the various operations of the organizations.

Having to effectively mitigate the losses being incurred by the business, it's crucial for these issues to be resolved at the earliest.

### 5 Problem Solving Approach

To address the major challenges faced by the Wholesale Dry Fruits Business effectively, a comprehensive problem-solving approach is essential. This approach encompasses a range of strategies and actions aimed at resolving the issues and ensuring the long-term success and profitability of the organization.

#### 1. Modernizing Payment Claiming System:

Assessment: Begin by conducting a thorough assessment of the current payment claiming system to identify its shortcomings and bottlenecks. Analyze historical data to quantify the extent of unclaimed payments and financial losses.

Digitalization: Implement digital tools and software to automate payment claiming processes. This includes invoicing systems, payment reminders, and online payment gateways to streamline the payment collection process and reduce errors.

Training and Integration: Provide training to employees on using the new payment systems effectively. Ensure seamless integration with accounting software to improve financial visibility.

## **2. Upgrading Data Management:**

Data Audit: Conduct a comprehensive audit of existing data management practices and identify areas where modernization is needed.

Digital Solutions: Introduce modern data management solutions such as cloud-based platforms, digital spreadsheets, and accounting software to replace traditional bookkeeping methods.

Data Security: Implement robust data security measures to protect sensitive financial information from breaches and unauthorized access.

## **3. Minimizing Produce Losses and Enhancing Storage:**

Inventory Management: Develop a robust inventory management system that includes regular stock checks, FIFO (First In, First Out) practices, and efficient record-keeping to prevent overstocking and minimize losses.

Security Measures: Enhance security measures by investing in surveillance systems, security personnel, and controlled access to storage areas to deter theft and unauthorized access.

Pest Control: Collaborate with pest control experts to implement effective pest control measures, including regular inspections, fumigation, and proper storage techniques to safeguard against pest-related losses.

## **4. Addressing External Factors:**

Background Checks: Conduct thorough background checks on customers and employees who interact with the organization's operations. This will help identify and mitigate the risk of dishonesty and theft from external parties.

**Collecting the right data** is critical for the successful implementation of the solution approach for the Wholesale Dry Fruits Business. The following data categories need to be gathered: -

Payment Data: Comprehensive records of all financial transactions, including invoices, payment dates, amounts, and payment statuses. This data will help in assessing the efficiency of the payment claiming system and tracking unclaimed payments.

Inventory Data: Detailed information on stocked produce, including quantities, types, purchase dates, and shelf life. Monitoring inventory turnover rates and identifying slow-moving or perishable items will be crucial for optimizing storage.

Data Management Practices: A thorough evaluation of current data management practices, including the types of tools and software used, as well as the accuracy and timeliness of data entry and reporting.

Security Incidents: Records of any past security incidents, thefts, or breaches to understand vulnerabilities in the storage and security systems.

Employee and Customer Data: Background check results for employees and customer records, including any history of dishonesty or fraudulent behavior.

Performance Metrics: Metrics such as customer feedback, financial performance indicators, and inventory turnover rates will provide ongoing insights into the effectiveness of the implemented solutions.

Pest Control Records: Data on pest control measures taken, including inspection schedules, pest species identified, and methods used for prevention and treatment.

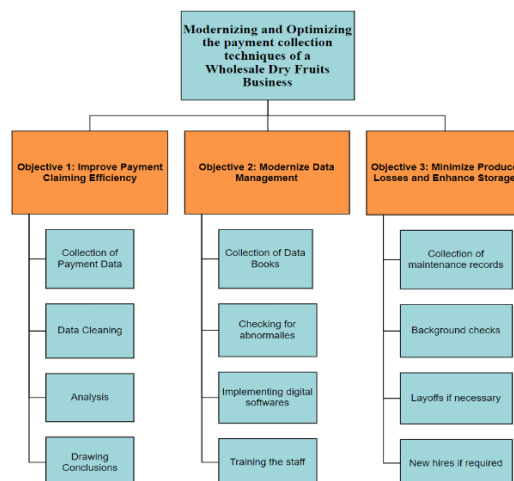
Feedback and Suggestions: Collect feedback and suggestions from employees, customers, and suppliers regarding the efficiency and effectiveness of the implemented solutions.

By systematically collecting and analyzing these data categories, the organization can make informed decisions, track progress, and continually refine its problem-solving approach to ensure that it addresses the identified challenges comprehensively and effectively.

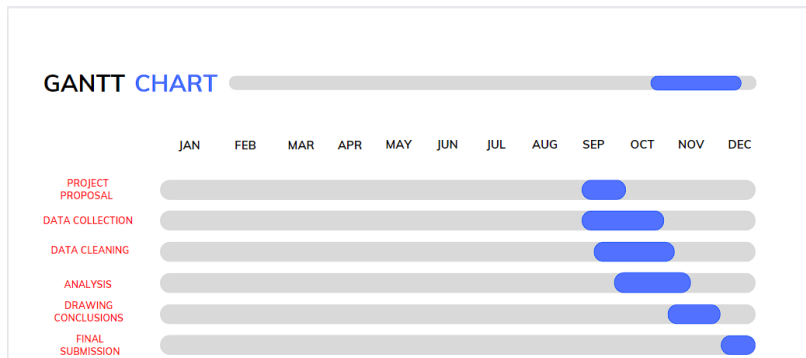
**Python** will be used for data analysis as it provides extensive and robust libraries like **matplotlib**, **NumPy** and **Pandas** for data analysis.

## 6 Expected Timeline

### 6.1 Work Breakdown Structure:



## 6.2 Gantt chart



## 7 Expected Outcome

The implementation of proposed solutions in the Wholesale Dry Fruits Business project is expected to yield several positive outcomes:

**Improved Payment Collection Efficiency:** Streamlined payment processes and digital solutions will reduce unclaimed payments, enhance cash flow management, and boost revenue and profitability.

**Enhanced Data Management and Accuracy:** Modernizing data management practices with digital tools will result in more accurate financial tracking, facilitating better decision-making, financial planning, and compliance with accounting standards.

**Reduced Produce Losses:** Effective inventory management and improved security and pest control measures will significantly reduce product wastage, increasing profitability and promoting sustainability.

**Reclaimed Reputation and Market Standing:** The organization aims to rebuild its reputation as a reliable and modern wholesale dry fruits business, attracting more customers and fostering trust among existing clients.

**Mitigation of External Risks:** Background checks and enhanced security measures will help mitigate risks from dishonest customers and potential theft, safeguarding the organization's financial interests.

Overall, these solutions aim to revitalize the business by addressing challenges and positioning it for sustainable growth, encompassing financial stability, operational efficiency, and a restored market reputation, all essential for long-term competitiveness and profitability.