



INDIAN INSTITUTE OF TECHNOLOGY MADRAS

CAPSTON PROJECT

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TITLE- ISSUES AND ANALYSIS FOR NEW BUSSINUSS

BY

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Executive Summary:

As we all know that everyone has the desire to build a house. Home means such a place where we can spend our life. There are many signs of a good house. A better floor than that is also a sign: So, today we are talking about the tiles and marble used on the floor. Tiles and marble are both different things but most of the tiles comes in uses because they are more attractive and cheaper than marble. And more colors and designs are available in tiles.

Marble is a characteristic stone which is made by limestone's transformative crystallization that outcomes in the change of calcium carbonate into calcite gems. Floor Tiles, then again, are produced using silicates or mud terminated at high temperatures.

This project of ours is mainly based on marble and tiles business. In this project, we will discuss about the issues and their solutions in the initial business of tiles and marble. It will help every new businessmen who want to do new business of marble and tiles. The reason for this task is to altogether help working on the nature of business navigation as per their necessities no matter what the information size and intricacy. This prompts ideas for arranging and dealing with stock, expanding deals for better income age, dealing with irregularity impacts. The venture generally speaking gives vital data pertinent to their stock administration choices:

Organization Background:

The name of the shop from which we have taken the problem statement in this project is Kisan Hardware. Kisan Hardware was established in June, 2015. This shop is located at Chunha , Sultanpur city in Uttar Pradesh state. The name of the owner of this shop is "Saddam Hussain". In the initial days it was just a basic hardware shop. But as time passed, they kept on increasing their stock. Today their stock includes steel door, wash basing, iron pipe, paint, water tank, India mark hand pump, latrine seat, ply door etc.

The goods of the shop owner go to the nearby rural areas. The shop owner says that when people buy most of the hardware items, they also order the marble and tiles for the floor, which have to be procured from outside. So Mr.Saddam Hussain says to open a new shop of marble and tiles. So that their customers can get rid of the problem and their revenue and profit can also increase.



Problem Statement:

When we were chatting with the shop owner, he told that every shop owner has to face many problems while opening a new shop. In which lack of demand, ineffective marketing, financial management etc. are included. Mr. Saddam Hussain told the main 2 problems regarding his business.

- I. How to handle our cash flow and financial management with new shop of marble and tiles & how much we need to invest in new inventory?
- II. Which brand(SKUs) of tiles and marble will create better profit and revenue for our business?
- III. Will any natural time(seasonal) affect this business and demand?

Background Of Problem:

During the conversation, Mr Hussain told that when we thought about doing business, many questions came in our mind and many problems also came. we get that the background of the problem with a new shop selling marble and tiles can vary depending on the specific circumstances of the business.

In the first part, due to lack of experience in the field of that new business, many difficulties would have to be faced. Because when we do not have much knowledge about the field then we face many more problems.

In second part, Time is passing by and people are upgrading themselves according to time. That's why people are making their homes better which is necessary along with the time they spend. Because of all these things, tiles and marble are an important link in the beauty of the house. Due to the ever increasing demands, Mr. Hussain decided that we should open a new shop. But due to lack of experience in the field of this business, he had to face many difficulties. The one who invests money first thinks about profit and revenue, so this is one of the main problems.

Problem Solving Approach:

To solve these given problems, we needed a shop which is doing this business for many years. So he went to Sultanpur city and contacted 5 different shops and was able to persuade one shop owner for the data. We will present a brief about this shop in the mid-term submission.

FOR FIRST PROBLEM:

Cash flow and financial management are important aspects of running a successful business, especially when starting a new shop. Here are a few strategies that can help:

Look for ways to increase revenue: Finding ways to increase sales or revenue can help improve your cash flow and overall financial performance.

Keep expenses low: Look for ways to reduce costs, such as negotiating better deals with suppliers or finding ways to cut back on unnecessary expenses.

How much we need to invest, it is depend on profit and revenue & investor income.

SECOND AND THIRD PROBLEM :

For this problem, we need to gather information for definite income analysis and benefit. we will do an itemized information investigation utilizing visual diagrams and Pie graphs to calculate the most extreme selling and greatest income producing SKUs. The following assignment will underscore the extent of various SKUs deals utilizing Pie diagram. We subsequently plan to plot a Pareto diagram to calculate the essential few SKUs from the minor numerous to foresee most selling SKUs. We will utilize recurrence circulation to sort out the information to yearly review. Quarterly and Month to month deals for marble and tile. Clearly, we additionally plan to plot the time-series of deals information plotted at given time spans to comprehend the irregularity impacts on the deals.

When we talk about the brand of marble and tiles, then we think it better to write this problem as a solution after knowing their likes and dislikes from the poll of 1000 people. Because these things will increase the business and also increase the customer base.

Intended Data Collection With Justification:

We are trying to collect data of past year jan,2022 to dec,2022. We are likewise gathering the quantities of units bought and sold by brand names to anticipate the immediate connection to effectiveness and the expense. Similar information will be dissected throughout various time stretches, for example, Month to month, Quarterly bases for looking through the flavoring impacts . This information will give us the SKUs connected with the most elevated selling and most elevated income producing over the range of year.

Analysis Tool:

we will use ms excel and google spread seat for cleaning and analysing data.

Expected Timeline:

According to me it may take 10-15 days to collect data because giving data is not a normal thing for any showrunner and sorting the data may take 8-10 days to solve the problem because data is unstructured,nonothrised,and lenghy.

Expected outcome:

- I. The expected outcome of addressing cash flow and financial management for a new shop would likely include monitoring and managing financial performance to identify areas for improvement and make adjustments as needed and ensuring compliance with financial regulations and laws .
- II. The expected outcome of second problem is that brand who will increass business,profitable revenue and strong costumer base through poll of costumer and analysing of data.
- III. The good outcome of this business will be that which does not have any seasonal effect.