

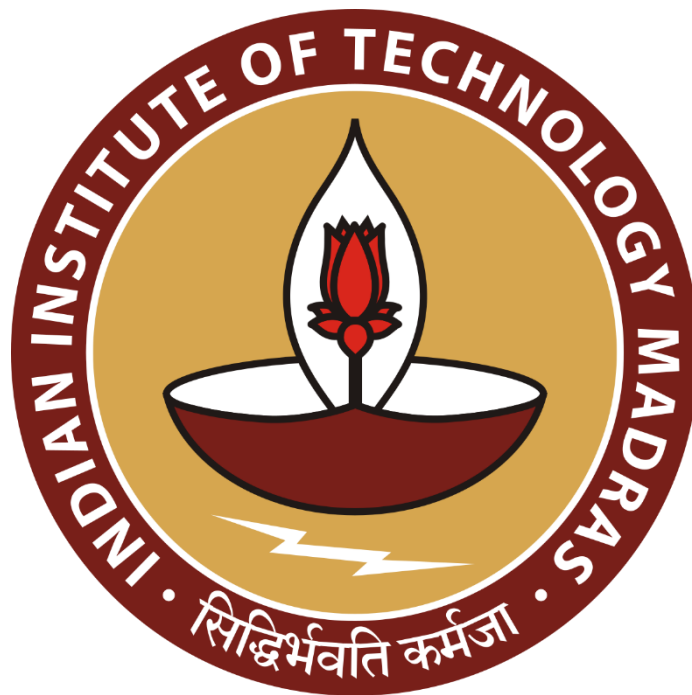
EFFECTIVE STOCK INVENTORY MANAGEMNET OF "BABA BAKERS"

A Proposal report for the BDM capstone Project

Submitted by

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Declaration Statement

I am working on a Project titled “effective stock inventory management of baba bakers”. I extend my appreciation to ‘BABA BAKERS’, 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.

A handwritten signature in black ink, appearing to read 'Razvi Syed Sulaim', with a stylized flourish at the end.

Signature of Candidate: **(Digital Signature)**

Name: RAZVI SYED SULAIM

Date: 4-12-2023

1 Executive Summary and Title

This project is about a small bakery shop located at kat kat gate road, hattisinghpura, Aurangabad, Maharashtra. the business is a B2B and B2C type and deals with the segment of bakery items sales and business. The project will be mostly based on there b2b sector business

The major problem the business is facing are related to nominal profit due to less margin, inventory stock problem and poor marketing strategies

By analysis of the data of sales and production with help of different analysis methods we aim to solve the problems faced by the firm. for example, using MS Excel and its tools like using Pareto, performance analysis and charts and graph representations which will give insights about the business overall performance and helping in effective decision making

The decisions would help in increase of sales, focus on high performing products, resulting in business growth. Using the knowledge gained from the course of business data management and using Microsoft excel mainly for studying and analyzing data for fruitful outcome.

The effective analysis and visualization of data and its pattern will lead us to discover effective strategies resulting in the business growth

2 Organization Background

The business firm I am working with is a bakery named “BABA BAKERS” that handles business in b2b and b2c mode. The baba bakers was established in 2007, 7th of July by Mr. Amer Sheikh he has a bakery and a bakery outlet for his business. the bakery is situated in hattisinghpura, kat kat gate road, Aurangabad, Maharashtra.

The bakery firm has a moto, “the real taste”

MR. Amer is a skilled man and started hi business by himself. Now the business is being run by Mr. Amer and his Son Mr. Sufiyan. the business is currently facing a negative impact due to covid19 and lockdown period. the business handles with supply of bakery products to other business for b2b while has an outlet that is used for their b2c business. it resulted in very low b2c business sales resulting in a temporary halt to it.

The organization now face tough competition due to post covid scenarios and competitors in their b2b market also but is well established because of their work for past these years in building trust and connection in the city

3 Problem Statement

- 3.1 Low Profit Margins in Product Sales of items in b2b business
- 3.2 Reluctance of labours in accepting competitive and low wages
- 3.3 Declining Market Demand due to Intense Competition in B2B Product Offerings
- 3.4 Ineffective Inventory Management Causing Overstocking and Stockouts

4 Background of the Problem

Through discussion with the shop owner, I found out some significant problems that the firm is facing. the problems are mainly arising due to the way the business is being run by the owner , his marketing skills and strategies , influence on product rates by other competitors in the local market .

By recognizing these key problems, through analyzing the data and trends we can find effective solutions and ways to improve the firm's overall improvement

- Due to lockdown the price rate of ingredients needed for production has increased, but the selling price of the bakery product are same due to heavy competition with other bakery firms. it thus created a problem and challenge to the bakery as their sales are still in demand but the margin of profit they earn is significantly reduced. As the margin is reduced, they can't fulfill the labour and manpower required for their optimal production rate.
- Mr. Amer and his son has good marketing sales but lacks in effective stock and inventory management. the most of the data of there sales are carried out manually with improper record keeping causing poor data collection and management. This method results in problems of over stocking of there products or shortage of the stocks
- The post lockdown has caused this firm to halt its b2c business. this is another big reason for the problems they are facing as b2c will provide them a good margin. Due to emerging competition, they are lacking behind in the b2b sector with there reduced margin and the limited type of product they sell.

5 Problem Solving Approach

The problems faced by the business firm must be addressed with the help of a problem-solving approach:

- ❖ Methods used
 - Collecting data of the product sales
 - Most of this data are stored manually we need to collect it and store it in data sheets
 - Data analysis for factors like monthly sales, revenue, and inventory stocks
 - Analysis of trends and patterns of the data with the help of graphs and plotting to discover business areas where improvement is needed

- The products with highest profit and lowest profit will be identified and worked on
- ❖ Inventory stock management
 - As the firm has no software to store their data, we must manually store them into a spreadsheet
 - By analyzing the sales for past three – four months we should highlight the most sell and least sell products
 - Providing them effective inventory management ideas and introducing them to software to use for storing the data
- ❖ Revenue generation strategies
 - With introducing new business strategies and business plan I intend to help the owner in helping their ineffective stock management problem
 - With addition of new products in there b2b sector that are in demand they can scale their business margin again, and help them capture bigger market
 - B2c expansion of the firm can lead to a new source of revenue for the firm with effective marketing communications and trust they built they could earn more profit and margin in b2c sector than b2b

By collecting the data of sales, I will try to analyze data patterns. with help of discussion with the owners we can gain insight on product demands, customer buying behavior which will help us in finding solutions to such challenges

- ❖ Tools used
 - I have used MS excel as the primary tool for our data analysis process
 - Using its diverse features like graphs and pivot table for gaining insights from collected data
 - With help of graphs and charts we can get pictorial visualization of the data to understand the problems more clearly

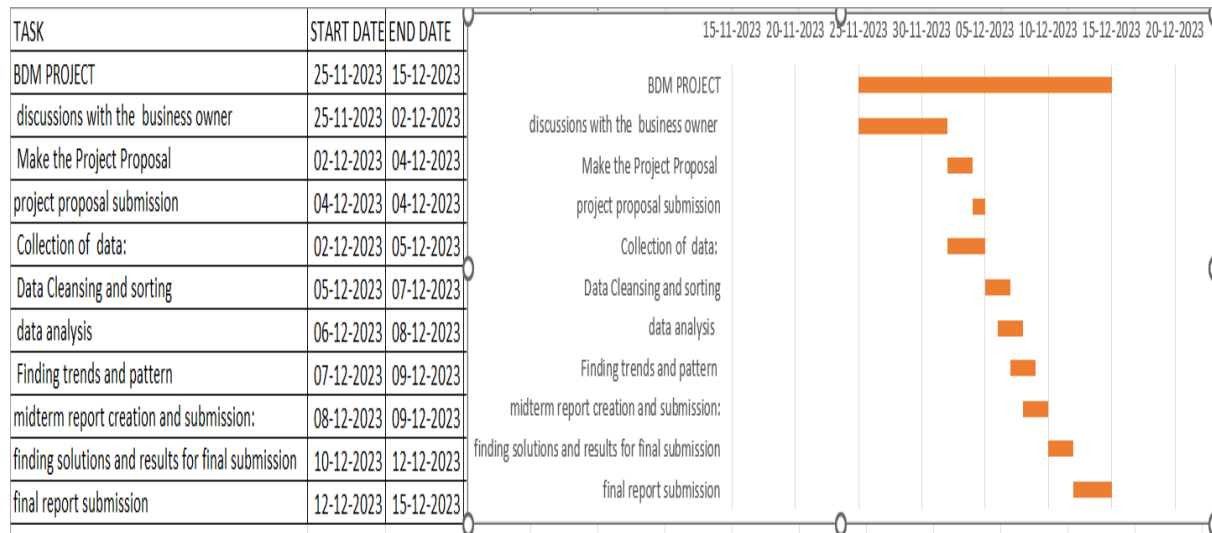
6 Expected Timeline

Work Breakdown Structure:

- meeting and discussions with the business owner: 25th November – 2nd December
- Make the Project Proposal: 2nd – 4th December
- project proposal submission: 4th – 4th December
- Collection of relevant sales and data: 2nd - 5th December
- Data Cleansing: 5th - 7th December
- Analysis of the Data: 6th - 7th December

- Finding trends and pattern: 7th - 9th December
- midterm report creation and submission: 8th – 9th December
- results and solution finding for final report: 10th – 12th December
- final report submission: 12th – 15th December

6.1 Gantt chart



7.Expected Outcome

With the help of this project, I will gain knowledge and experience of handling business data and help me distinguish the various concept of data analysis and there application by various tools.

By end of this project, I expect the following outcomes:

- Effective stock and inventory management and better analysis of the products and their trends
- Effective business strategy and planning for better sales and profit
- Analyzing the key problems and finding a solution for reduced margin problem