



BIJU PATNAIK INSTITUTE OF INFORMATION TECHNOLOGY & MANAGEMENT STUDIES (BIITM), BHUBANESWAR

Plot No. F/4, Chandaka Industrial Estate, Infocity, Patia, Bhubaneswar-24

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SUMMER INTERNSHIP PROJECT 2024

REPORT TITLE

A STUDY ON ELEMENTS OF EFFECTIVE SUPPLY CHAIN
MANAGEMENT AND LOGISTICS AT PARLE BISCOITS PVT.
LTD

SUBMITTED BY

ARYASATYA ROUTRAY

MBA Batch: 2023-25

University Regn. No.: 2306258245

Faculty Guide

Prof. B.B. Das
(Marketing)BIITM,
Bhubaneswar

Corporate Guide

Mr. Manoj Kumar
Das, Parle (Patia),
Bhubaneswar



Biju Patnaik Institute of Information Technology & Management Studies

CERTIFICATE OF FACULTY/INTERNAL GUIDE

This is to certify that **Mr. Arya Satya Rout Ray** bearing university registration no.**2306258245** of 2023-25 batch, has completed his summer internship at **Parle, Bhubaneswar** from **03/06/24** to **18/07/24** under the supervision of **Dr. Biswa Bihari Das** and has submitted this project report under my guidance in partial fulfilment of the requirements for award of the degree of Master of Business Administration at Biju Patnaik Institute of Information Technology and Management Studies, Bhubaneswar. To the best of my knowledge and belief, this project report has been prepared by the student and has not been submitted to any other institute or university for the award of any degree or diploma.

Date:

Signature of the Faculty/Internal Guide

Place: Bhubaneswar

Name:

Designation:



Biju Patnaik Institute of Information Technology & Management Studies



PARLE BISCUITS PVT. LTD

C/O – LINGARAJ BISCUITS PVT.LTD

Ref. No:- BIITM/MBA/04/2024

Date:23/07/2024

EXTERNAL GUIDE CERTIFICATE

This is to Certify that **MR. ARYA SATYA ROUT RAY**

Having Regd. No: 2306258245

a Student of **MBA** from “**BIJU PATNAIK INSTITUTE OF INFORMATION TECHNOLOGY & MANAGEMENT STUDIES**”

BHUBANESWAR

has Successfully Completed his internship Programme at

Lingaraj Biscuits Pvt.Ltd, Bhubaneswar

From 03rd JUNE, 2024 to 18th JULY, 2024

During internship Programme he has successfully completed Project

Work on “ **SUPPLY CHAIN MANAGEMENT AND LOGISTICS OF PARLE BISCUITS**”

His Performance during the internship was found Punctual, hardworking and inquisitive.

Mr.Manoj Das

Coordinator Manager

PARLE BISCUITS PVT. LTD.
C/O LINGARAJ BISCUITS PVT. LTD.
31, Chandaka Industrial Estate
Patia, Bhubaneswar-751024

PLOT NO- 31,CHANDAKA INDUSTRIAL ESTATE,PATIA,BHUBANESWAR-751024,ODISHA,INDIA



Biju Patnaik Institute of Information Technology & Management Studies

DECLARATION

I, Mr. **Arya Satya Rout Ray** Bearing university registration no **2306258245** (2023-25 batch), hereby declare that the project report titled Element of effective supply chain management and Logistic is based on my internship at Parle Biscuits Pvt. Ltd, during the period **03/06/24** to **18/07/24** and is an original work done by me under the supervision of **Mr. Manoj Kumar Das** and **Dr. Biswa Bihari Das**. This report is being submitted to Biju Patnaik Institute of Information Technology and Management Studies, Bhubaneswar, affiliated to Biju Patnaik University of Technology, Odisha, in partial fulfilment of the requirements for the award of the degree of Master of Business Administration. This project report has not been submitted to any other institute/university for the award of any degree or diploma.

Date:

Place:

Signature



EXECUTIVE SUMMARY

Title of the internship report is **“A Study on Elements of effective Supply Chain Management and Logistics at Parle Biscuits Pvt Ltd, Patia”** Bhubaneswar.

This study was conducted at Parle Biscuits Pvt. Ltd. As an intern at Parle Biscuits, Lingaraj Biscuit, Bhubaneswar, I worked on a project investigating the company's logistics and distribution network, inventory optimization strategies, and distribution channel management. The objective of this project was to analyze the company's logistics operations and provide recommendations for improvement. I conducted interviews with key personnel, observed logistics operations, and analyzed data on transportation, warehousing, inventory levels, and distribution channels. I also researched industry best practices and benchmarks to compare with Parle Biscuits' logistics operations.

Findings are Parle Biscuits has a well-structured logistics network, with a combination of road and rail transportation, strategic warehousing, and a hub-and-spoke delivery model. The company's JIT inventory system and VMI with key suppliers minimize inventory levels and reduce costs. Parle Biscuits has strong partnerships with channel partners, ensuring timely delivery and increasing customer satisfaction.

This internship provided valuable hands-on experience in logistics and distribution management. I gained insights into the operations of a leading FMCG company and developed skills in data analysis, report writing, and presentation. I am confident that this experience will benefit my future career in supply chain management.



ACKNOWLEDGEMENT

I am thankful To Lingaraj Biscuits, A subsidiary of **PARLE BISCUITS Pvt. Ltd**, where are I was able to prepare this project report.

I express great sense of gratitude to **Mr. Manoj Das** (coordinator) for pay his kind support, guidance and cooperation for the successful completion of this study.

His academic excellence, immense interest, scholarly suggestions and affable temperament have been the source of inspiration and motivation which helped me to complete this research work. I want to offer my sincere thanks to all the staff members of Lingaraj Biscuits. I also in debt to the respondents for their valuable support and cooperation for the purpose of study.

I am also thankful to my internal faculty guide Prof. Dr. B.B. Das Professor of Marketing to have taken the pains to guide my project work at all times. Without his help and it would be impossible to complete my project with stipulated knowledge I had.

I express my great sense of gratitude to my caring family for their encouragement and moral support which require completing the study.

Name – **Arya Satya Rout Ray**

Regd No.- **2306258245**

CONTENTS

SL No.	PARTICULARS	PAGE NO.
1	Certificate of internal guide	
2	Certificate of company guide	
3	Declaration	
4	Acknowledgment	
5	Preface	
6	Executive summary	
7	Chapter-1	9-13
	✓ Introduction	
	✓ Scope	
	✓ Objectives	
	✓ Research Methodology	
	✓ Limitations	
8	Chapter-2	14-23
	✓ Company profile	
	✓ Industry Analysis	
9	Chapter-3	24-38
	✓ Competitor Analysis	
	✓ Procurement Analysis	
	✓ Logistics and Distribution Analysis	
	✓ Customer Analysis	
10	Chapter-4	39-43
	✓ Findings and analysis	
11	Chapter-5	44-45
	✓ Suggestions	
	✓ Conclusions	

12	Bibliography	46
13	Annexure	47-49

CHAPTER-1

INTRODUCTION

Biscuit industry in India in the organized sector produces around 60% of the total duction, the balance 40% being contributed by the unorganized bakeries. The industry consists of two large scale manufacturers, around 50 medium scale brands and small units ranging up to 2500 units in the country, as at 2000-2001. The unorganized sector estimated to have approximately 30,000 small & tiny bakeries across the country. The annual turnover of the organized sector of the biscuit manufacturers (as at 2001-2002) is Rs. 50 crores. In terms of volume biscuit production by the organized segment in 2001-2002 estimated at 1.30 million tons. The major Brands of biscuits are - Britannia, Parle Bakeman, Priya Gold, Elite, Cremica, Dukes, Anupam, Horlicks, Craze, Nezone, besides various regional/State brands. Biscuit industry, which was till then reserved in the SSI sector, was unreserved in 1997-1998, in accordance with the Govt Policy, based on the recommendations of the Abid Hussain Committee. The annual production of biscuit in the organized sector, continues to be predominantly in the small and medium sale sector fore and after de-reservation. The annual production was around 7.4 Lakh tons in 1997-1998 In the next five years, biscuit production witnessed an annual growth of 10% to 12%, up to 1999-2000.

However, the average utilization of installed capacity by biscuit manufacturers in the country has been a dismal 60% over the last decade up to 2001-2002.

Biscuit can he broadly categorized into the following segments:(Based on productions of 2000-2001)

Table:

Glucose	44
Marie	13
Cream	10
Crackers	13
Milk	12
Others	8

As regards the consumption pattern is concerned. surveys and estimates by industry from time to time indicate the average consumption scenario in the four Zones have been more or less close to each other, as below:

Northern States: 28%

Southern States: 24%

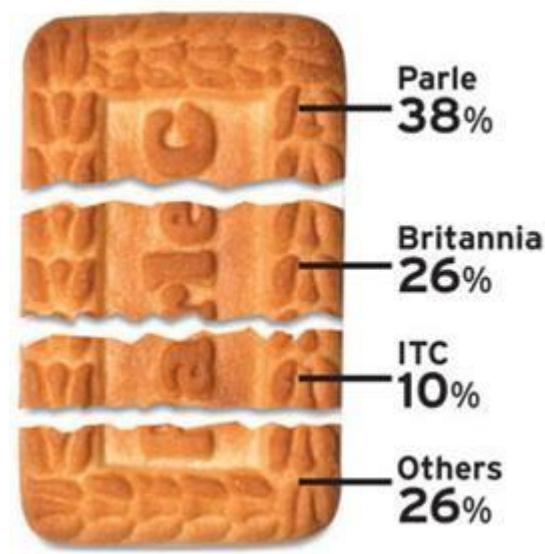
Western States: 25%

Eastern States: 23%

Though India is considered as the third largest producer of Biscuits after USA and China, the per capita consumption of biscuits in our country is only 2.1 Kg., compared to more than 10 kg in the USA, UK and West European countries and above 4.25 kg in southeast Asian countries, Le. Singapore, Hong Kong, Thailand, Indonesia etc. In view of the meager per capita consumption even as penetration of biscuits manufactured by the organized sector, into rural areas in India, has been incredibly good during the last 10 years, as also in the metro and other cities, small towns etc. However, despite this, the industry has not been able to utilize about half of their installed capacities.

The Food Processing Ministry has been rendering yeomen service to the industry, of which biscuit manufacturing is an important part. The Ministry, with the objective of enabling food processing Industries to undertake technology up gradation diversification. expansion as also to set up new units has formulated scheme of Grants and Financial Assistance.

SHARE PERCENTSAGE OF SEGMENT OF TOTAL BISCUIT MARKET



SCOPE OF THE STUDY

- **Procurement and Inventory Management:** Study the procurement process of raw materials, including supplier selection, negotiation, and management. Analyze the inventory management practices, including raw material, work-in-progress, and finished goods inventory.
- **Logistics and Distribution:** Examine the logistics and distribution network, including transportation, warehousing, and delivery. Investigate the company's distribution channels and strategies to ensure timely delivery of products to customers.
- **Supply Chain Visibility and Risk Management:** Investigate the level of supply chain visibility and transparency, including the use of technology and data analytics. Study the supply chain risk management strategies, including identification, assessment, and mitigation of risks.
- **Process Optimization and Technology Integration:** Analyze the current supply chain processes and identify areas for optimization. Investigate the use of technology, such as ERP systems, transportation management systems, and other digital tools, to improve supply chain efficiency and responsiveness.

OBJECTIVE OF THE STUDY

- To Investigate Parle Biscuit's logistics and distribution network, including transportation, warehousing, and delivery
- To Analyze how the company optimizes inventory levels to minimize costs and maximize efficiency.
- To Study how the company manages its distribution channels to ensure timely delivery of products to customers.

RESEARCH METHODOLOGY

Primary Data: - I personally have collected from the various employees of Parle biscuit, during my internship period.

Secondary Data: -This data is mainly collected from different types of sources such as: -

- Official documents
- Journals
- Reports
- Official site of the future group
- Website of the company

LIMITATION OF THE STUDY

This study was mainly conducted with the aim of understanding Elements of effective supply chain management of Parle Biscuit Ltd. Despite its contribution, the study had several limitations.

- Time Constraint: The study is limited by the short duration of the internship, which restricts the scope of the study and the depth of analysis.
- Access to Data: The study may be limited by the availability and accessibility of data, particularly sensitive information related to supply chain operations.
- Single Case Study: The study focuses on a single company, Parle Biscuit, which may not be representative of the entire industry or sector.
- Lack of Quantitative Analysis: The study may rely heavily on qualitative data and analysis, which may not provide a comprehensive understanding of the supply chain management system.
- Limited Perspective: The study is conducted from the perspective of an intern, which may not capture the entire gamut of supply chain management practices and challenges faced by Parle Biscuit

CHAPTER-2

COMPANY PROFILE



- Parle Products Pvt. Ltd., a stalwart in the Indian food industry, has been a household name for over nine decades. Founded in 1929 by Mohanlal Dayal Chauhan, the company began as a small bakery in Mumbai's Vile Parle suburb, producing a range of sweet and savory biscuits. Today, Parle is a leading manufacturer of biscuits, confectionery, and beverages, with a strong presence in the Indian market.
- With a turnover of over ₹10,000 crores (approximately USD 1.5 billion) and a net profit of ₹500 crores (approximately USD 75 million), Parle employs over 5,000 people across its 10 manufacturing facilities located in Mumbai, Bangalore, Hyderabad, Chennai, and others. The company's product portfolio includes iconic brands such as Parle-G, Monaco, Hide & Seek, KrackJack, Melody, Mango Bite, Frooti, and Appy, among others.
- Parle's commitment to quality and innovation has earned it numerous awards and recognition. The company has been bestowed with "India's Most Trusted Brand" by Brand Trust Report, "Best Bakery Company" by Food Safety and Standards Authority of India (FSSAI), and "Innovation Award" by Confederation of Indian Industry (CII). Parle's dedication to social responsibility is also noteworthy, with initiatives supporting education for underprivileged children, healthcare for rural communities, and environmental sustainability through sustainable practices in its manufacturing processes.

- Throughout its journey, Parle has remained true to its core values of quality, innovation, and customer satisfaction. The company's focus on research and development has enabled it to stay ahead of the curve, introducing new products and flavors that cater to changing consumer preferences. Parle's extensive distribution network ensures that its products are available in every nook and corner of the country, making it a ubiquitous presence in Indian households.

As Parle continues to grow and expand its operations, it remains committed to its founding principles of quality, integrity, and customer satisfaction. With a rich legacy and a strong vision for the future, Parle Products Pvt. Ltd. is poised to remain a leader in the Indian food industry for generations to come.

LINGARAJ BISCUITS PVT LTD. Manufacturing unit in Bhubaneswar, Odisha

Company Number: U1555412OR2004PTC007735

Status: Active

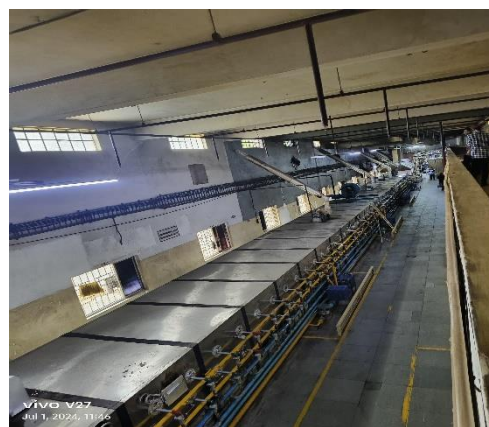
Incorporation Date: 23 August 2006 (almost 10yrs ago)

Company Type: Company limited by shares Jurisdiction India

Registered Address Plot No. -31, CHANDAKA INDUSTRIAL ESTATE, PATIA. BBSR

Directors/Officer: KRISHNA KUMAR AGARWAL

KUNAL AGARWAL



Overview

Lingaraj Biscuit PVT LTD covering area starting to the ending position including raw material Godown, Workers Colony, Finished good section, Dispatched section and Gas Tanker area. More than 500 workers are working 4 hrs of production every day except Sunday.

Time (Per Hrs)	Session
6AM to 2PM	1st
2PM to 10PM	2nd
10PM to 6Am	3rd

COMPANY'S VISION, MISSION AND VALUES

Vision:

- To be the largest and most trusted food company in India, known for its quality, innovation, and customer satisfaction.
- To be a global player in the food industry, with a presence in multiple countries and a reputation for excellence.

Mission:

- To deliver high-quality food products that meet the evolving needs and preferences of our customers.
- To build strong relationships with our customers, suppliers, and partners through trust, transparency, and mutual respect.
- To continuously innovate and improve our products, processes, and services to stay ahead of the competition.
- To contribute to the well-being of our communities and the environment through sustainable practices and social responsibility initiatives.

Values:

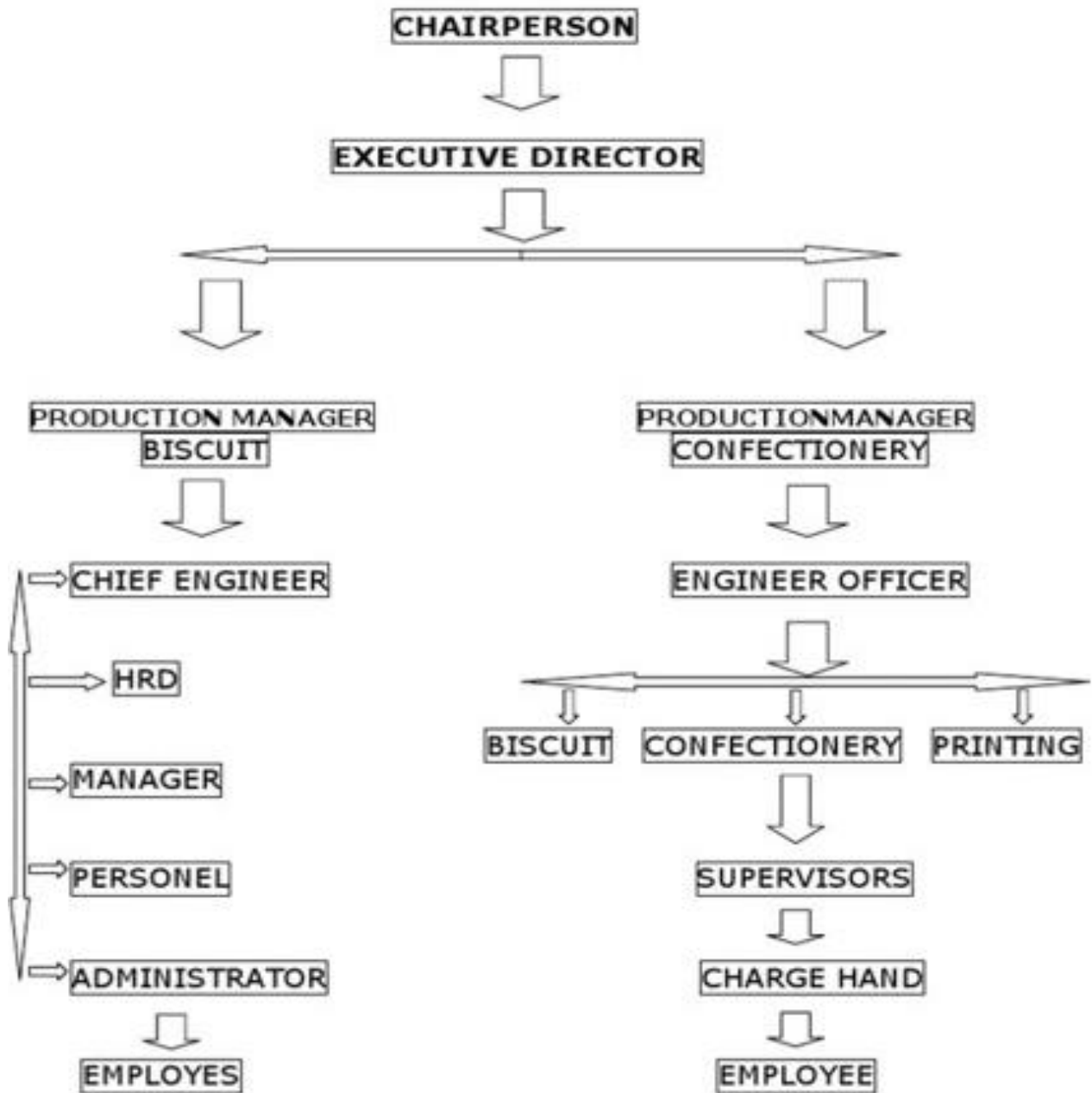
- Quality: We are committed to delivering high-quality products that meet the highest standards of taste, safety, and hygiene.

- Integrity: We operate with integrity, transparency, and honesty in all our interactions with customers, suppliers, partners, and employees.
- Innovation: We encourage innovation, creativity, and experimentation to stay ahead of the curve and meet the evolving needs of our customers.
- Customer Satisfaction: We are customer-centric and strive to exceed customer expectations through our products, services, and interactions.
- Teamwork: We believe in teamwork, collaboration, and mutual respect to achieve our goals and objectives.
- Social Responsibility: We are committed to contributing to the well-being of our communities and the environment through sustainable practices and social responsibility initiatives.

SWOT ANALYSIS

<p style="text-align: center;"><u>Strength</u></p> <ol style="list-style-type: none"> 1. Brand image, one of the oldest in the country. 2. Well diversified product range. 3. Extensive distribution system. 4. Low and mid-range prices catering to all segments of consumer 	<p style="text-align: center;"><u>Weakness</u></p> <ol style="list-style-type: none"> 1. Over dependent on Parle-G Brand 2. They must rely more on retailer AD Grocery Store to showcase their diversified product range rather than on individual advertisement of individual products. 3. Declining market share. 4. Stiff competition on by other player.
<p style="text-align: center;"><u>Opportunity</u></p> <ol style="list-style-type: none"> 1. Similar Biscuit Category 	<p style="text-align: center;"><u>Threat</u></p> <ol style="list-style-type: none"> 1. Tie up with school as part of Tiffin 2. Ties up with corporate, Medical and Hostel.

MANAGEMENT HIERARCHY



INDUSTRY ANALYSIS



FACTORIES:

- Mumbai, Maharashtra (Head Office and Factory)
- Bangalore, Karnataka (Factory)
- Hyderabad, Telangana (Factory)
- Chennai, Tamil Nadu (Factory)
- Delhi, Delhi (Factory)
- Kolkata, West Bengal (Factory)
- Pune, Maharashtra (Factory)
- Ahmedabad, Gujarat (Factory)
- Ludhiana, Punjab (Factory)
- Ghaziabad, Uttar Pradesh

(Factory) Total Factories: 10

Parle Products

Parle products has a diverse product portfolio that spans across various categories such as biscuits, snacks, and beverages. Here is an overview of their product portfolio:

Biscuits:

- Parle-G: Glucose biscuits
- Monaco: Salted crackers
- Krackjack: Sweet and salty crackers
- Hide & Seek: Chocolate chip cookies

Cream biscuits:

- Milk Shakti: Milk biscuits
- Digestive Marie: Digestive biscuits
- Creams: Cream biscuits in various flavors

Snacks:

- FullToss: Namkeens (savory snacks)
- Mexitos: Corn chips
- Chatkeens: Traditional Indian snacks

Confectionery:

- Melody: Chocolate toffees
- Mango Bite: Mango-flavored candy

- Kismi: Toffee
- Poppins: Fruit-flavored candy
- Rol-a-Cola: Cola-flavored candy

Cakes & Rusk:

- Parle Cake: Variety of cake flavors including chocolate, vanilla, and mixed fruit
- Parle Rusk: Toasted bread slices

Beverages (Under Parle Agro):

- Frooti: Mango-flavored drink
- Appy: Apple juice drink
- Appy Fizz: Apple-flavored fizzy drink
- Bailey: Packaged drinking water

Health and Nutrition

- Milano: Premium cookies
- Simply Good: Range of healthy snacks

Parle continues to expand and innovate within these categories, introducing new products to cater to evolving consumer preferences.

Production Capacity:

- Biscuits: 1.2 million tons per annum
- Confectionery: 0.8 million tons per annum
- Retail Stores: Over 5,000 stores across India

- Wholesale Stores: Over 1,000 stores across India
- Distributor Network: Over 3,000 distributors across India Warehouse and Distribution Centers:
 - Over 20 warehouses and distribution centers across India
 - Total storage capacity: Over 1 million square feet

CHAPTER-3

COMPETITOR ANALYSIS

BRITANNIA INDUSTRIES LIMITED



Britannia Industries Limited is an Indian company based in Kolkata that is famous for its Britannia and Tiger brands of biscuit, which are highly recognized throughout the country. Britannia is one of India's leading biscuit firms, with an estimated 38% market share. It is the leader in all biscuit categories except glucose, where Parle has an edge.

Main biscuits produced by Britannia industries are:

Good Day, Tiger, Marie Gold, 50-50, Chocó - Chips, Chocó - nuts, Little Hearts, Nutri Choice, Bourbon, Nice Time, Pure Magic, Milk Bikes, Jim-Jam, Cream Treats, Time Pass, Digestive, etc.

Strengths:

- Britannia is currently the market leader in the organized biscuit industry.
- Well-defined and appealing advertisements highlighting the core value of energy and health.
- They have 6 power brands which contribute towards 80% of their sales.
- Well diversified portfolio of biscuits and innovative concepts of smaller size packets.
- Only biscuit company to have removed trans-fat from all its recipes, catering to a market with sensitive needs.

Weaknesses:

- Increase in input costs is putting pressure on the prices.
- Stiffer competition from other players in the segment.

BRITANNIA Vs PARLE Battle of Market continues –

Britannia & Parle are the two-food major of India in the field of Biscuits as well as Bakery Product fighting it out in market for the share consumer pocket and market dominance.

In the yester year it was market segment by which both are dominated and not much was seen to disturb that arrangement. Parle with its Parle- G, KrackJack and Monaco whereas Britannia has good day, Marie Gold and creams.

Britannia dominates the Premium segment of biscuit whereas Parle dominates the mass; Low Premium biscuit things were pretty predictable. But for the entry of new player have change that status. Now the ITC and Priya Gold are try to break in to their market and have established themselves as important players in Biscuit Market. These two major Biscuit Producer are now forced to innovate their product by the Consumers to create brand which could be differentiated.

PARLE Vs BRITANNIA BRAND ANALYSIS:

Description	Britannia	Parle
Established	1896	1929
Nature of business	Public ltd	Family run business
No of manufacturing units	5 own ,40CMU	8 own units ,60 CMU
Market share (value)	32.80%	32.94%
Ads Major methods	Cricket events and players	Celebrities' endorsement
New areas of promotion	Environment	Health and wellness

Here Britannia is the biggest players which is compete with Parle in each and every aspect of Biscuit Market.

ITC:

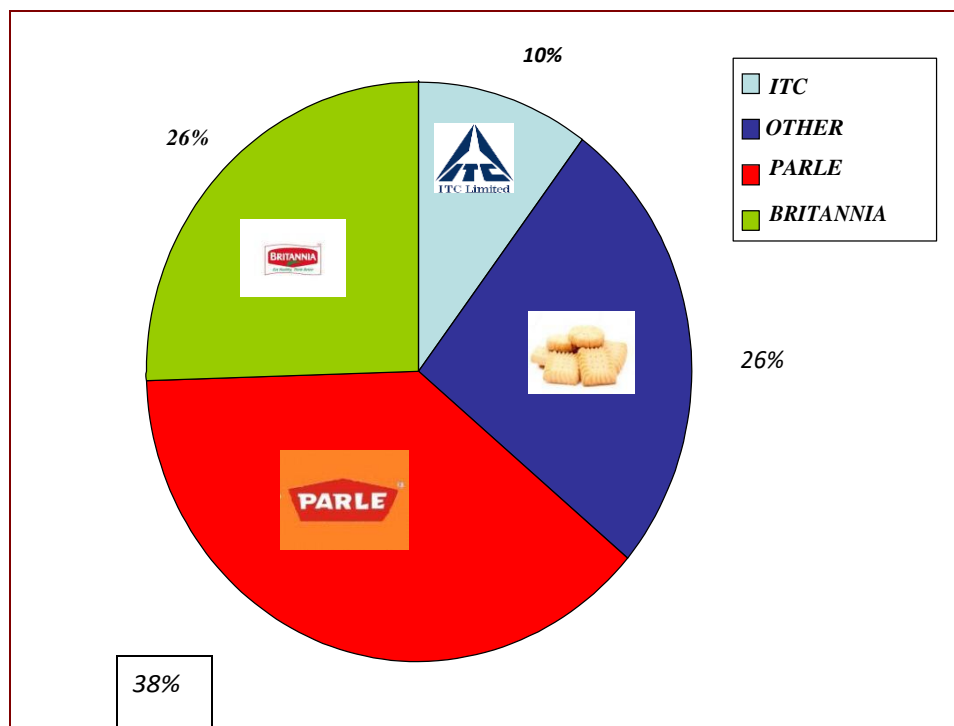
Sunfeast Glucose Biscuit Sunfeast is a brand introduced by ITC Foods India Ltd. The launch of “Sunfeast” marks ITC Foods entry into the branded biscuit market with a range of offerings in both basic and value-added segments. 'Sunfeast', with the Brand Essence “Spread the Smile,” connotes happiness; contentment, satisfaction and pleasure one would derive from the biscuits. Sunfeast`s entry in the market was a tough competition for the existing brands like Parle G and Tiger. Product The core benefit of the product is to give good quality to the customers. The consumer needed a change in the taste from Parle G which was consumed from years long. The product looks promising in terms of look, taste and features.



Price unlike Parle G Sunfeast does not focus on the low-price fund It mainly concentrates on offering a good quality and a change in the taste for the consumers.

Place Unlike Parle G Sunfeast markets its products mainly in metros and small cities. Its strong distribution network is a major strength of Sunfeast biscuits Its distribution channel includes: - Departmental stores small retailers.

CURRENT BISCUIT MARKET SHARE:



PROCUREMENT ANALYSIS

SUPPLY CHAIN OF RAW MATERIAL FROM OUTSIDE:

- Wheat Flour – Eastern Food (JagatPur , Cuttack)
- Sugar- Rayagada (Odisha), Andhra Pradesh, TikaBali
- Vegetable Oil – Cargill (Paradeep Refinery), Andhra Pradesh, Tika Bali SMP- Haryana
- Wrapper – Kanpur
- Propane Gas – Nagpur
- Parle Flavour – Maharashtra, Mumbai
- Chocó Chips - Maharashtra, Mumbai
- Cartoon Box – Mancheswar, Bhubaneswar
- Chemical – Kalyan Nagar/Kolkata

Per day Production Per Capita:

Per day 5 to 6 metric ton of Production and Approximately 25 to 30 Trucks are Dispatched from here all over India, including Calcutta, Ranchi, Bihar, Jharkhand, Jordan, Siligudi, U.P, Odisha, Nagaland etc.

MANUFACTURING PROCESS OF PARLE:

TWSTING (Raw Materials)

Mixing (R.M + other ingradient)

MOULDING (Rotary)

DIEING (Shape & Size)

BAKING

COLDING

PACKAGING

INGREDIENT OF BISCUIT

- Wheat Flour
- Sugar
- Vegetables Oil (Refined Blitzed Dorized –RBD)
- Sckimoned Milk Powder (Solid type)
- Parle Flavour
- Cho co chips
- Salt
- Water
- Invert Syrup

Addition Chemical Composition:

- Ammonium Bi- Carbonate – Moulding
- Sodium Bi- Carbonate- Baking
- Sodium-meta–Bio Sulphate- Adapting
- Mono Acid Calcium Phosphate - Longevity
- Citric Acid – Smell
- Lactic Acid-Stable size
- Dietetic Fibber (Diabetic)
- Fenamole (liquid to solid)

LOGISTIC AND DISTRIBUTION ANALYSIS:

DISTRIBUTION LOGISTIC:

- Selection of Channel member: Parle takes into consideration a host of factor selecting a channel member. This because it believes that selection of channel member is a long-term decision and the rest of the decision regarding the supply chain depending upon the efficiency and coverage by the channel member.

Followings are the host of factor considering by the company in selecting the channel member.

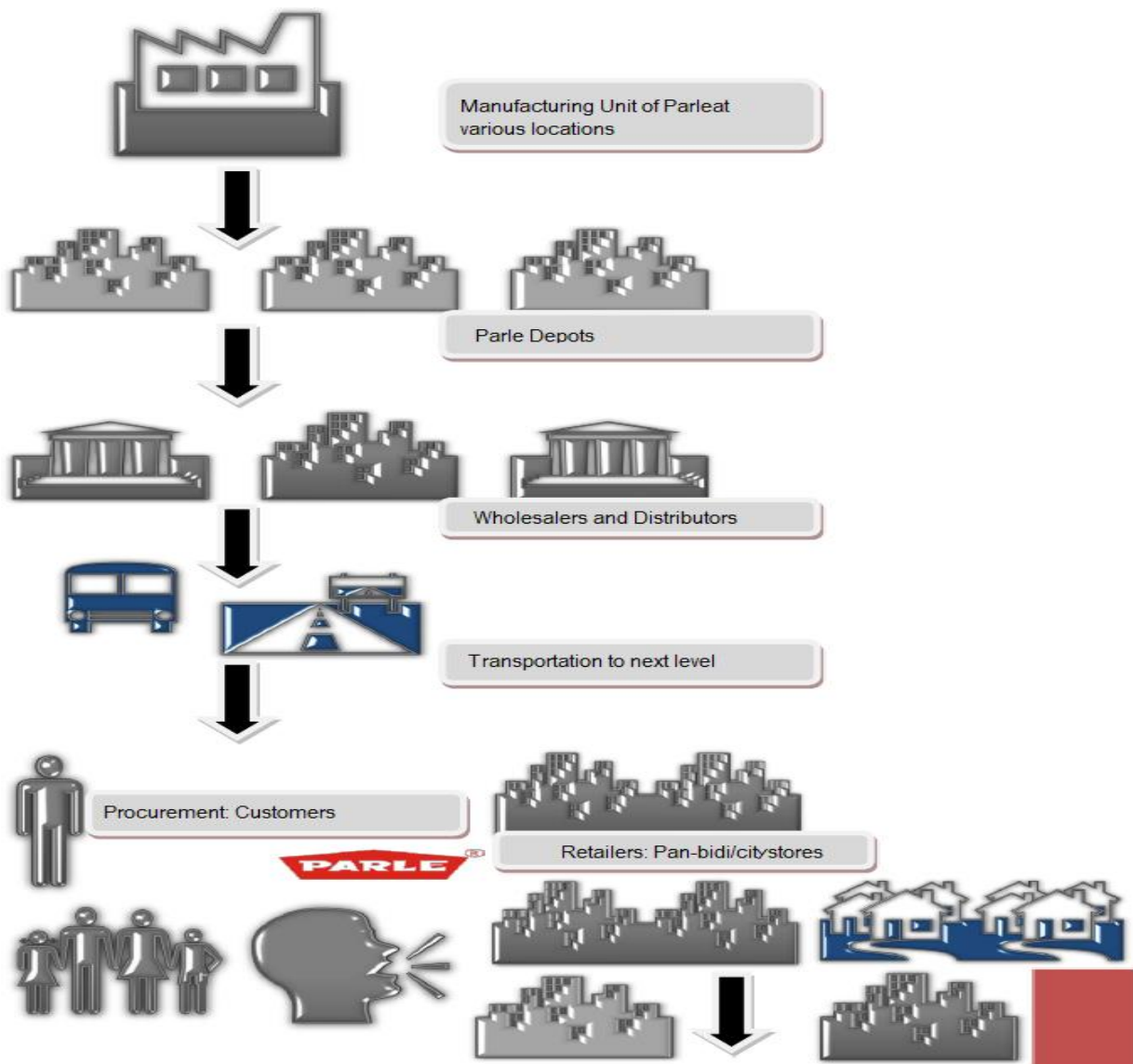
- Authentication is required by the regarding the identification of channel member, which includes the name, address, Photograph of the location
- Proof of solvency which requires the name and address of the channel member's banker.
- Details of the delivery vehicle which includes the following:
 1. Light commercial vehicle
 2. Matador
 3. Three-wheeler van
 4. Tricycle van

The number and model of each of the vehicle need to be furnished to the company.

- The salesmen too are divided into various category like,
 1. The field salesman
 2. The counter salesman
- The details of the clerical staff and labour are to be provided. The technical competence of the salesman needs to be mentioned.
- Dealers of the company must carry a good reputation. This is due to the fact that Parle believes that the reputation of the dealer affects the climate in the long run.

- Market distribution by the distribution needs to be define which includes details Geographic coverage and Outlet per market area.
- The company also require the dealer to furnish any Advertising and Sales initiative undertaken by them on behalf of the company.

DISTRIUTION CHANNEL:



Parle has nearly 1500 wholesalers, catering to 425000 retail outlets directly or indirectly. A two hundred strong dedicated field force service these wholesalers and retailers. Additionally, there are

31 depots and carry and Forward agents supplying goods to the wide distribution network. Parle has level 1, level 2, level 3 distribution channel levels.

Level 1: Availability of Parle G Biscuit at all department stores across the length and breadth of the country.

Level 2: Since it's an FMCG product this channel exists for customers scattered throughout the country.

Level 3: Mass consumption and suitable for National and International coverage. For e.g. Parle's international operations consist of serving market in the Middle East, Africa, South America, Sri Lanka, Australia, and North America for which the three level of channel distribution exist.

DISTRIBUTION CHANNEL MEMBERS:

The Distributors:

One of the main factors, which keep the distributors motivated, is the margin. Usually, the margins offered by Parle's are 8%. Now-a-days it has been raised to 8.5%. Volume wise this comes out to be a big figure since the Parle's product has good demand in the Market. However, compared to the other companies the margins are still lower since the new players in the market offer a much higher margin. But very fact Parle's product has good demand in the market motivates the distributors to stock it.

The Retailers:

Retailers are businesses that sell Parle products directly to consumers.

Role: They are the final link in the distribution chain, ensuring that Parle products are available to the end customers.

Types of Retailers:

1. Traditional Kirana Stores: Small, family-owned shops found in neighborhoods.
2. Modern Trade: Large supermarket chains and hypermarkets like Big Bazaar, Reliance Fresh, etc.
3. E-commerce: Online platforms like Amazon, Flipkart, and dedicated grocery apps.

Conflicts and Co-Operation among the channel member:

Conflicts Among Channel Members in Parle

Competing Objectives:

- Parle: Aims to maximize market reach and sales volume.
- Distributors and Retailers: Focus on maximizing their own profit margins and may resist price cuts or promotions that reduce their margins.

Price Wars:

- Retailers: May engage in price competition, leading to conflicts over pricing strategies set by Parle.
- Parle: Wants consistent pricing to maintain brand image, which may not align with retailer discounting practices.

Inventory Management:

- Distributors: May overstock or understock products, leading to supply chain inefficiencies.
- Retailers: May not order enough stock, leading to stockouts and lost sales for Parle.

Territorial Boundaries:

- Distributors: May encroach on each other's territories, causing conflicts over market boundaries.
- Parle: Needs to manage and resolve these conflicts to ensure smooth operations.

Promotional Disputes:

- Parle: Initiates marketing campaigns that may not be fully supported by retailers.
- Retailers: May prioritize products with better promotional support or higher margins, leading to conflicts over promotional efforts.

Cooperation Among Channel Members in Parle

Shared Goals:

- Aligned Objectives: Both Parle and its channel members aim for increased sales and market penetration.

- Collaborative Planning: Joint planning sessions to align marketing and sales strategies.

Effective Communication:

- Regular Updates: Sharing sales data, inventory levels, and market trends.
- Feedback Mechanism: Retailers and distributors provide feedback to Parle for product improvements and market strategies.

Training and Support:

- Parle: Provides training to retailers and distributors on product features, sales techniques, and customer service.
- Channel Members: Better equipped to sell and promote Parle products effectively.

Incentive Programs:

- Parle: Offers incentives, discounts, and rewards for achieving sales targets.
- Distributors and Retailers: Motivated to push Parle products and achieve better sales performance.

Joint Promotions:

- Collaborative Marketing: Joint promotional campaigns and advertising efforts to boost brand visibility and sales.
- Co-branded Events: Participation in events and fairs to increase product awareness and customer engagement.

Technology Integration:

- Supply Chain Management Systems: Use of technology to streamline order processing, inventory management, and logistics.
- Data Sharing: Real-time data exchange for better decision-making and efficiency.

CUSTOMER ANALYSIS

Parle Products Pvt. Ltd. is one of India's leading food companies, known for its range of biscuits, confectioneries, and snacks. Here's a profile of Parle's typical customer:

Demographic Profile

- Age: All age groups, with a significant focus on children and young adults.
- Gender: Both males and females.
- Income Level: Broad income range, including low to middle-income groups, given the affordable pricing of many of Parle's products.
- Location: Predominantly urban and semi-urban areas, though their extensive distribution network also reaches rural areas.

Psychographic Profile

- Lifestyle: Busy individuals who seek quick, convenient, and tasty snacks.
- Values: Emphasis on quality and value for money. Parle customers often prioritize trusted brands with a long-standing reputation.
- Behaviour: Regular snackers who enjoy a variety of flavors and types of food items. Brand loyalty is common due to the nostalgic value associated with Parle products.

Behavioural Profile

- Purchasing Habits: Frequent small purchases, often made during routine grocery shopping.
Brand Loyalty: High, particularly for iconic products like Parle-G biscuits.
- Consumption Patterns: Products are consumed as snacks between meals, during teatime, or as part of children's school tiffin.

Geographic Profile

- Urban and Semi-Urban Focus: Major markets in cities and towns.
Rural Penetration: Strong presence in rural areas due to effective distribution strategies.
- Global Reach: Exports to various countries, appealing to the Indian diaspora and global consumers interested in Indian snacks.

Market Segments

- Children: Primary consumers of products like biscuits, confectioneries, and chocolates.
- Families: Purchase a wide range of products for household consumption.
- Young Adults: Consume snacks and biscuits as quick meals or during breaks.
- Health-Conscious Individuals: Increasingly targeted with healthier product lines.

Parle's ability to cater to a diverse customer base with a wide range of products has solidified its position as a leading brand in India's food industry. Parle's consumers are diverse and span various demographics. Here are the key consumer groups for Parle:

Children:

- Products: Biscuits, chocolates, candies.
- Consumption: Snacks, school tiffin, treats.

Young Adults:

- Products: Biscuits, chips, snacks.
- Consumption: Quick meals, snacks between classes or work, social gatherings.

Families:

- Products: Biscuits, rusks, snacks.
- Consumption: Tea-time snacks, household staples.

Health-Conscious Individuals:

- Products: Healthier product lines like whole grain biscuits.
- Consumption: Healthier snack options, dietary considerations.

Elderly:

- Products: Light biscuits, rusks.
- Consumption: Tea-time snacks, easy-to-digest options.

Rural Consumers:

- Products: Affordable and widely available products.
- Consumption: Daily snacks, household staples.

Urban Consumers:

- Products: Wide range of products, including premium lines.
- Consumption: Convenience snacks, variety in flavors and types.

Global Consumers:

- Products: Exported Indian snacks and biscuits.
- Consumption: Indian diaspora, global consumers interested in Indian products.

Parle's extensive product range and distribution network allow it to reach and cater to these varied consumer groups effectively.

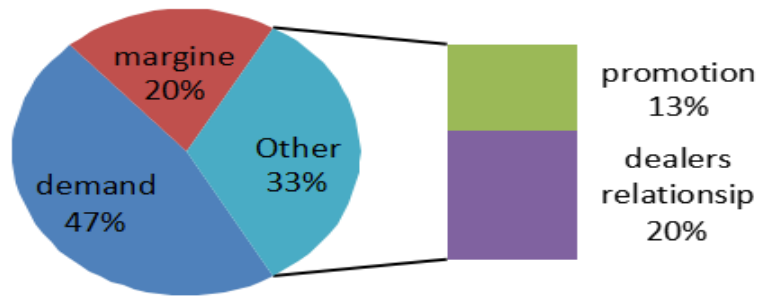
CHAPTER-4

ANALYSIS

1. Reason for selling parle product?

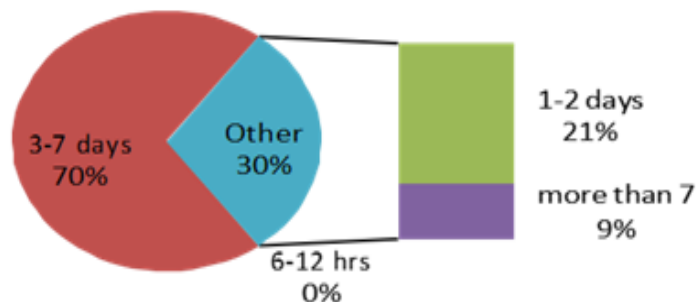
When I took a survey about why dealers are selling parle's product then the outcome is

Reason



2. How much time does it take for delivery the products after ordering?

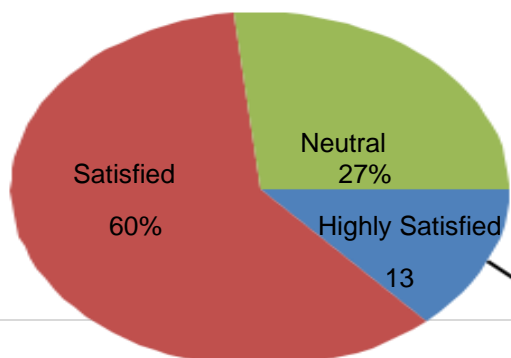
Delivery Receipt Time



Above graph shows that 70% of whole seller, distributor and retailer are of the opinion that to get the ordered product, they must wait 3 to 7 days and 21% are saying they used to wait 1-2 days which 2nd largest portion.

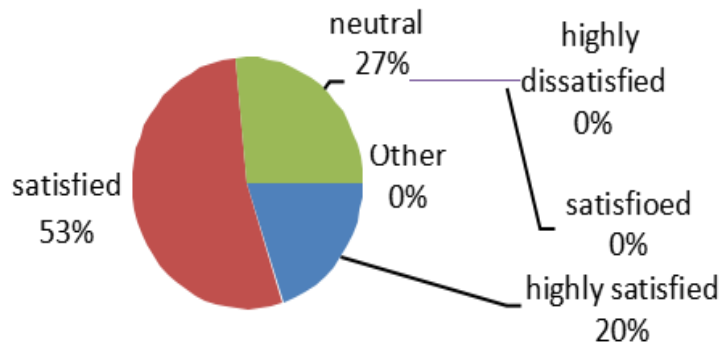
3. If you are a whole seller, how do you rate your representative behavior of retailer

Behavior



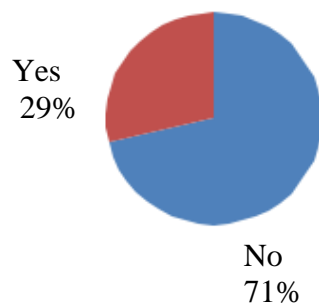
4. if you are a retailer, how do you rate your relationship with the whole seller?

Relationship



5. Do the company executives convey scheme on time?

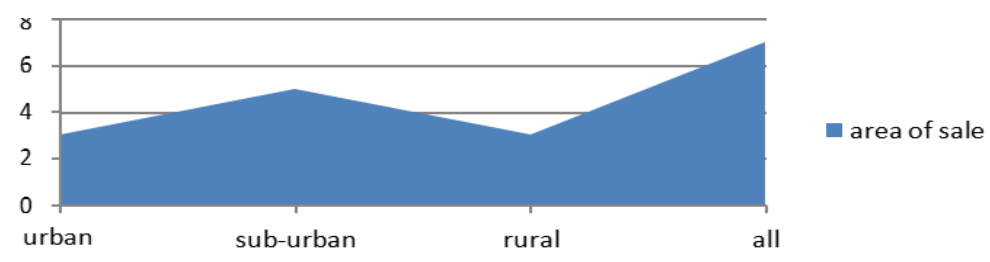
Delivery of Scheme



When I ask them about the whether they are getting supposed scheme on time or not, the result was not good because 71% said before implementation GST everything was good and after that somehow it has reduced.

6. In what type of community does your target market exist/target customer live?

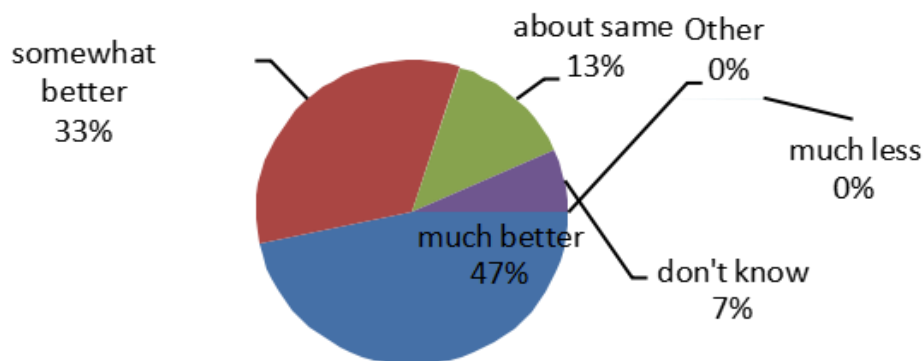
Area Of Sale



About the following question all the distributor, retailer were said that parle is the market leader so it has demanded everywhere because it has produced different types of biscuits for different area according to their purchasing capacity.

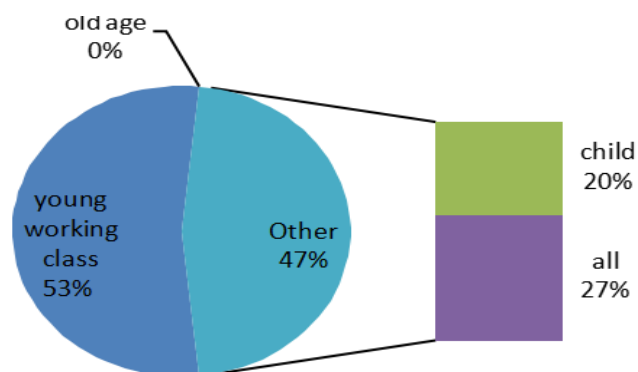
7. Thinking of similar products offered by other companies, how do you compare Parle's product offered to them?

Quality Of Product

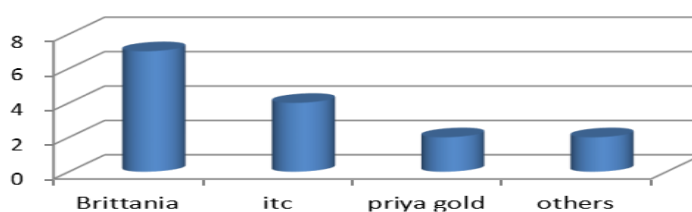


80% said that parle is widely demanded because of its quality it has not compromised on its quality till today and 13% said all the biscuits are same.

8. Which age group mostly prefer Parle Biscuits?

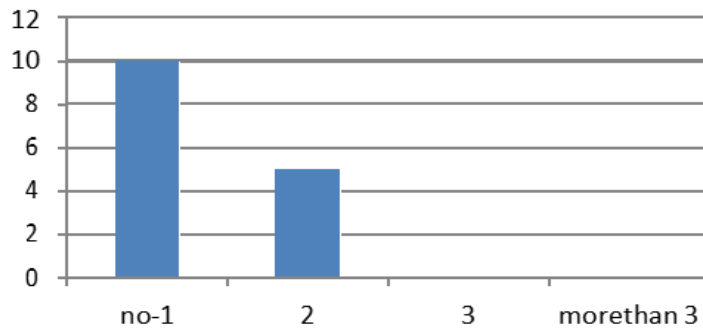


9. Whom might be considered as your competitor?



Out of 15 distributor 7 said that Parle's major competitor is Britannia and 4 said ITC is big competitor and others told Priya and etc,

10. What is the serial number of parle products in the brand recall order?



More distributor said parle comes in no 1 place and some said Britannia and some said ITC etc

Actual Work done

As an intern at Parle Biscuits, Lingaraj Biscuit, Bhubaneswar.

- I analyzed the company's logistics and distribution network
- inventory optimization strategies
- distribution channel management.
- The objective was to identify areas for improvement and provide recommendations.

Key findings:

- Efficient logistics network with opportunities for further optimization
- Effective inventory management strategies with room for improvement in demand forecasting
- Strong distribution channel partnerships with potential for expansion.

CHAPTER-5

CONCLUSION AND SUGGESTION: -

CONCLUSION- Parle's inventory management is robust and advanced, leveraging sophisticated techniques like JIT, MRP, and EOQ to maintain optimal stock levels and minimize costs . The integration of technology, such as ERP systems and real-time tracking software, enhances decision-making and operational efficiency. Accurate demand planning further ensures a balance between supply and demand, preventing both stockouts and excess inventory.

However, the reliance on accurate forecasting and the complexity of managing a vast supply chain present challenge. Ensuring precise demand forecasts and effective supply chain coordination is crucial to overcoming these weaknesses.

Overall, Parle's strategic approach to inventory management positions the company well to meet market demands efficiently while controlling costs.

SUGGESTION: - To improve inventory management at Parle, consider these suggestions:

Adopt AI for Demand Forecasting: Use AI and machine learning to better predict market trends and adjust inventory accordingly .

Implement Real-Time Tracking: Utilize IoT and RFID technology for real-time inventory visibility across all locations.

Enhance Supplier Collaboration: Improve communication with suppliers for timely deliveries and reduced supply chain disruptions.

Optimize Warehouse Layouts: Redesign warehouse layouts to boost picking, packing, and shipping efficiency.

Conduct Regular Audits: Perform regular inventory audits to maintain accurate and up-to-date inventory records.

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ANNEXURE

QUESTIONNAIRES

1. Why You purchase Parle Product?

- A) Affordable B) Good quality
C) Easy availability D) All of the above

2. Are you satisfied with the biscuit?

- A) Less satisfied B) Satisfied
C) Highly satisfied D) Unsatisfied

3. The most purchased biscuit by them?

- A) Parle-g biscuit B) Happy Happy
C) Hide & seek D) Krackjack

4. Why retailers purchase Parle Product?

- A) Customer's demand B) On time availability
C) Due to good relationship with wholesalers D) Both A&B

5. The highest selling biscuit by Parle?

- A) Parle-g biscuit B) Happy Happy
C) Hide & seek D) Milano

6. The most Targeted consumer segment of Parle?

- A) Tea taker B) Students
C) Kids D) Households

7. By market analysis the Competitor of Parle?

- A) Britannia B) Sunfeast
C) Oreo D) Anmol

8. As per distributor The Most Biscuit Selling Brand?

- A) Britannia B) Parle-g
C) Mc Vitie's D) Priya gold

9. Have you any complaint about Parle?

- A) Yes B) No

10. How do you rate your representative behaviour of your retailer?

- A) Satisfied B) Dissatisfied